

2010
Sustainability Report



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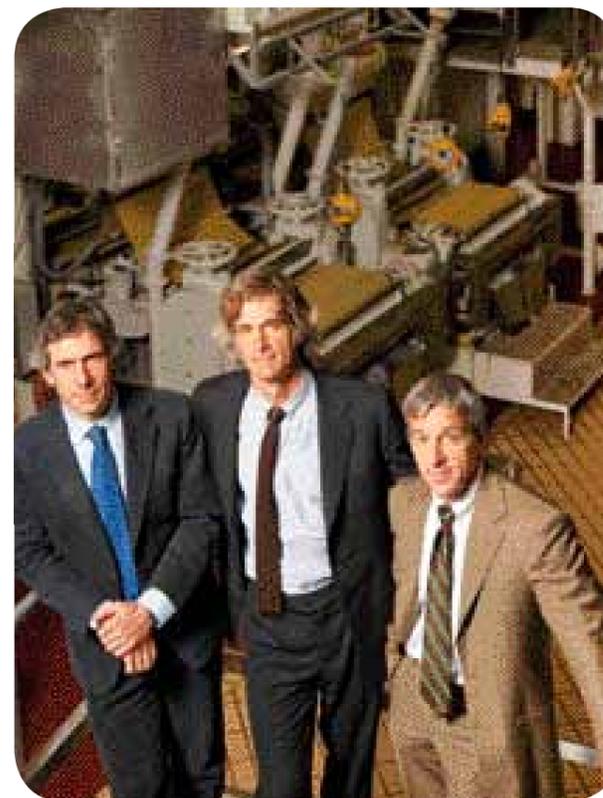


Further sustainability topics
are available at
www.barillagroup.com

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Chairman's and Deputy Chairmen's Letter



It would be too simple to delegate all of these problems to a company such as ours, now more than ever a "citizen of the world", which manufactures foods in 43 production facilities in 9 countries and distributes these to more than 100 countries across five continents.

The real issue is whether we can contribute to solving the serious crisis - not just economic and financial, but also social and cultural with drastic consequences for the environment and future generations - of the modern world in which we live.

We must provide a positive solution to this issue. Business activities must be increasingly in tune with people's wellbeing.

To pursue an effective sustainability policy nowadays, reference models and measurement techniques exist that are presented in the Sustainability Report, which documents the progress of improvements in our work, all aspects that contribute to making our products and the day by day enhancement of our corporate culture.

This Sustainability Report comes at a time when food and nutrition are at the forefront of the stress and conflicts currently faced by humanity.

One just has to look at the civil movements that questioned or in fact overturned the totalitarian regimes in North Africa and the Middle East that were aptly named the Bread Revolution. It is also evident in the fact that malnutrition and obesity are signs of inequality throughout the world. We believe in the idea that the future of our planet must be safeguarded, looking beyond GDPs and focusing on our wellbeing including factors such as psycho-physical condition, behavior, physical conditions, the environment, education and social and civil life.

The food industry has never played such a central role in shaping our common destiny, for different and opposing reasons in the North and South of the world, facing civilization.

Our identity as a family business enables to take a step back and invest, risk and create, without having to come under the scrutiny of financial markets.

Now it is our responsibility to equip future generations of management with the tools to challenge these delicate issues and ensure this business culture becomes more widespread and effective.

Guido Barilla, *Chairman*
Luca Barilla, *Deputy Chairman*
Paolo Barilla, *Deputy Chairman*



Chief Executive Officer's Letter



In a global framework where the topics of food, the environment and the sustainable development of our planet are increasingly at the forefront of political agendas, we are clearly aware that our mission to help people live better by bringing wellbeing and the joy of eating well into their daily lives means we will have an even greater responsibility to identify solutions that guarantee the economic and sustainable viability of our business.

We are conscious that this will involve a radical change in our corporate culture, linking it with our founding values while at the same time evolving it to encompass emerging trends.

This change must occur together with the day-to-day operations of the supply chain, relationships with our partners and the community, communication methods and the quality of information provided to consumers.

We know we are embarking on a continuous process that will generate positive, not always fully foreseeable, results thanks to the daily commitment of our entire organization, our determination, the continuity of our actions, and the virtuous nature of this process.

Our current commitment to sustainability is summarized and measured in the 2010 Sustainability Report.

I would like to take this opportunity to highlight a number of choices of particular relevance that encompass the distinctive qualities of our process. The first is the identification of priorities and commitments based on the current strategic challenges arising from the business in which we operate. This is followed by the definition of long-term objectives on which to report our progress, with the Sustainability Report serving as a monitoring tool and not just a reporting document.

Our entire organization is involved in the planning, implementation and assessment of the elements that form our path toward sustainability, which avoids the risk of creating a process that is not an intrinsic part of the business. Last, but by no means least, there is the involvement of our stakeholders from the very start of this process, beginning with a detailed mapping exercise, their consultation on the sustainability model and the format of reporting, the creation of a permanent panel that meets twice yearly to discuss achievements and actively participate in elaborating plans regarding future commitments. Our second Report was prepared in accordance with the guidelines issued by the Global Reporting Initiative, adapting them to our particular circumstances and with the aim of contributing to the improvement of this fundamental tool.

We realize there is still progress to be made and what we have achieved to date represents just the beginning of our journey. We are however convinced that we have initiated a principles process that will make us better citizens who take more responsibility for the world in which we live.

Massimo Potenza, Chief Executive Officer

Our Brands



Supply Chain Innovation



Company Profile

Products sold



in more than **100** countries across the world

14,171 employees



World leader in the pasta market,



European leader in ready-made sauces, the leader in Italian bakery products, leader in the Scandinavian crispbreads market and the European packaged dry breads sector. The product portfolio satisfies all eating occasions throughout the day, from breakfast to dinner, from snacks to after dinner treats, from functional to fruit based products.

Founded in Parma in 1877



Consolidated revenue



in 2010 was Euro **4** billion: **60%** from bakery products and **40%** from meal solutions (pasta and ready-made sauces)

43% of revenue was earned in Italy,



43% in Europe, 10% in the United States and 4% in the Rest of the World

Barilla

The Italian Food Company. Since 1877.

Every day



50 million people purchase our products

Investment in research



and development and industrial activities: approximately Euro **200** million representing **5%** of total revenue

43 production facilities



in **9** different countries, which manufacture **2.5** million tons of products each year

Approximately



800 raw materials and **50** kinds of packaging materials purchased throughout the world from around **1,000** suppliers and **41** copackers

Group Organization Structure

The Barilla Group organization structure that reports to the CEO consists of:

Process Units - responsible for Group processes through the definition of objectives, direction, operating priorities and implementation of actions. The prime responsibility is to guarantee process and cost efficiency.

The Process Unit comprises:

- Supply Chain Process Unit
- Science, Technology and Quality Process Unit
- Finance & Administration Process Unit
- Human Capital Process Unit
- Information Technology Process Unit
- Group Communication & External Relations Process Unit
- Legal & Corporate Affairs Process Unit
- Treasury & Fiscal Process Unit
- Strategy & New Business Process Unit
- Internal Audit Process Unit

Market Units - responsible for customers and distribution channels within their respective geographic areas, through the definition of objectives, operating priorities and implementation of actions. The prime responsibility is market growth and profitability.

The Market Unit comprises:

- Europe Market Unit
- Americas Market Unit
- Asia, Africa, Australia Market Unit

Business Units - responsible at Group level for developing categories and brand portfolios, through the definition of objectives, direction, operating priorities and implementation of actions. The prime responsibility is business growth and profitability improvement.

The Business Unit comprises:

- Bakery Business Unit
- Meal Solutions Business Unit

The Group's geographic structure is organized into various levels of sub-groups:

- **Global** - includes the entire Group
- **Region** - represents a wider geographic area made up of more than one cluster
- **Cluster** - a group of neighboring countries
- **Country** - an individual country

Issued and fully paid share capital at 31 December 2010 amounted to Euro 131,000,000, comprising 13,100,000 nominative shares with a nominal value of Euro 10.00 each, consisting of 11,790,000 ordinary shares and 1,310,000 preference shares.

Net indebtedness was Euro 683,000,000, while total equity amounted to Euro 809,000,000.



KEY:

- PU: Process Unit
- BU: Business Unit
- MU: Market Unit



Corporate Governance

The Barilla Group consists of approximately 50 companies under the direct or indirect control of the parent company Barilla Holding S.p.A. (the Holding), which has its registered offices in Parma.

The Holding has adopted a traditional corporate governance structure consisting of the Annual General Meeting of Shareholders (AGM), the Board of Directors (BoD) and the Board of Statutory Auditors (BoSA).

PriceWaterhouse-Coopers S.p.A. is the firm of independent auditors currently engaged to audit the financial statements.

The governance structure is supported by the Corporate Organization, Management and Control Model (the Model) prepared in accordance with Legislative Decree 231/2001.

The BoD is vested with the widest powers in relation to: managing operations, assessing the adequacy of the organization, administration and accounting structure.

The Chairman, Guido Barilla, has supervisory powers over the implementation of board resolutions and corporate strategy and is the company's legal representative together with the two Deputy Chairmen, Luca and Paolo Barilla, and the CEO, Massimo Potenza. The CEO is vested with the widest ordinary and extraordinary management powers, and is responsible for directing and managing Group operations in line with the directives defined by the BoD.

The Board of Statutory Auditors has three permanent members and two substitute members.

The company exercises direction and control activities on the operating entities of the Barilla Iniziative S.r.l. Group, which is 85% owned by Barilla Holding S.p.A. and 15% by Gafina B.V. The governance structure mirrors that of the Holding company. This Group's organization structure is analyzed into two operating sub-holdings, 100% owned by Barilla

Iniziative S.r.l.: Barilla G. e R. Fratelli S.p.A. and Finba Bakery Holding GmbH. The governance structure of Barilla G. e R. Fratelli S.p.A. is also similar to that of Barilla Holding S.p.A.. The Chairman of the BoD is Guido Barilla and comprises 9 directors, including one Executive Director: Massimo Potenza, CEO.

The governance structure is completed by the internal control system and the organization model, which encompasses the Code of Ethics that in turn contains the "Universal Declaration of Human Rights", the Conventions and International Labor Standards issued by the ILO (International Labor Organization), the "Earth Charter" and principles pronounced by Global Compact. In the course of 2010 an extensive project was launched to review and update the Model.

Changes in the Corporate and Ownership Structure

With regard to the corporate and ownership structure, no significant changes took place in 2010 with the exception of the sale of Kamps GmbH (the German subsidiary operating in the production and sale of bakery products).

Other changes compared to 2009 are illustrated in the Annual Report 2010 available at www.barillagroup.com.

With regard to the manufacturing structure, the plant in Hamar (Norway) dedicated to the production of Wasa crispbreads was closed. The production activities were transferred to the Filipstad factory in Sweden, while the commercial and logistics activities were maintained locally.



Group Structure



Economic Value Created Directly

		Euro millions
REVENUE	Net revenue comprises gross sales of products and services less returns, discounts and provision.	4,029
	Finance income includes interest income on loans, dividends from equity investments, royalties and direct income from assets (rental income).	6
	Revenue from the sale of assets includes tangible (property, plant and equipment) and intangible (intellectual property rights, commercial projects and brands).	2
ECONOMIC VALUE DISTRIBUTED		
OPERATING COSTS	Payments made to third parties for the purchase of materials, product components, plant and services. This also includes rent, license fees, discounts (for purely commercial reasons), royalties, payments to subcontractors, employee training courses (when outside trainers used), employee clothing and safety equipment, etc.	2,764
RETRIBUTION and BENEFITS	The total payroll includes employee wages and salaries including payments to public authorities made on behalf of employees (employee taxes, social security and pension contributions).	755
	Total benefits include standard contributions (e.g. pensions, insurance, company cars and health insurance), and supplementary benefits such as housing, interest free loans, public transport subsidies, bursaries and temporary redundancy funds. Benefits do not include training, protective clothing or other costs directly related to employment.	
PAYMENTS TO CONTRIBUTORS OF CAPITAL	Dividends to all shareholders.	106
	Interest payments to financial lenders. This includes interest on all forms of loans and borrowings (not only long-term loans) and dividends in arrears to preference shareholders.	31
PAYMENTS TO LOCAL AUTHORITIES	All taxes and duties (on earnings, income, property, etc.) and any international, national or local fines paid by the organization.	147
INVESTMENT IN THE COMMUNITY	This item includes the donation made to construct the gym in San Demetrio (Abruzzo) and direct donations to training and research enterprises, voluntary associations and non profit organizations.	4
ECONOMIC VALUE RETAINED (the difference between economic value generated and distributed)		231

Approach to Sustainability and Overview of the Report Structure

Barilla's approach to sustainability is centered on the desire to place this issue at the forefront of our corporate culture, operations and business. The key elements of this approach are summarized below.

Challenges and Commitments.

The starting point for the path toward sustainability was the identification of the real challenges that originate from the company's operating environment and that outline the scope of its responsibility. Seven of these were considered to be the most relevant; Key Performance Indicators (KPI) were then selected for each of these and are disclosed in the Report.

Medium-term Objectives.

Medium-term (5 year) objectives were established for each of the challenges that are used to monitor progress in future Sustainability Reports. The Report therefore serves not only to present end results but also acts as a monitoring tool.

Involvement of the Entire Organization.

The definition of the challenges, commitments and indicators and the implementation of the sustainability project continues to demand the full participation of all areas of the company. A Steering Committee consisting of top management oversees the project, with the CEO acting as chairman, and assumes responsibility for each of the challenges. A representative of each department in the organization is a member of a working group coordinated by the project staff that report to Communication & External Relations management.

Relations with Stakeholders.

A map of the company's stakeholders was created with the aim to identify like groups (there were more than 100) that were then classified according to the relevance of their relationship to the company.

The key stakeholder groups were involved at the beginning of the reporting process in the identification of the challenges, commitments and indicators.

A permanent panel was then set-up that includes approximately 60 stakeholder representatives from the key categories, which meets twice yearly to assess and comment on the Sustainability Report and discuss issues and projects relevant to the corporate sustainability policy.

GRI as a Reporting Framework.

The reporting process adopts GRI standards as a reference point, to facilitate comparison, on an international level, of the actions and results of Barilla's sustainability policy. In order to highlight the distinctive qualities of our organization, GRI standards were complemented with other indicators.

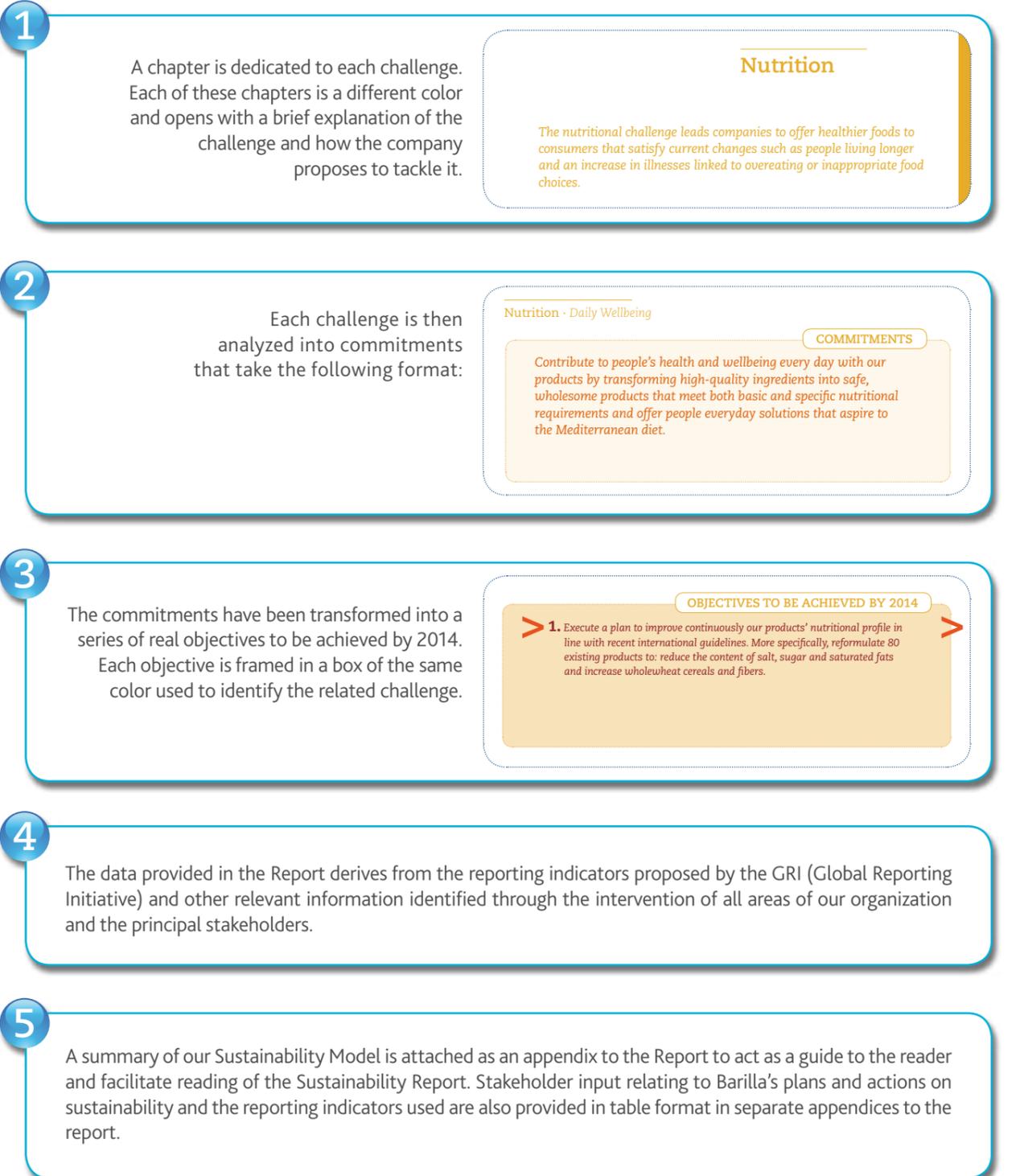
Research and Innovation.

The sustainability project is also viewed as a process of research and development of innovative solutions to the sustainability challenge.

In order to achieve this, Barilla engaged the scientific support of FONDACA, a European think tank that specializes in corporate responsibility, from the outset of this journey in 2007.



In order to ensure that we provide consistent and clear information, the Sustainability Report follows the same format as our Sustainability Model. The Report is broken down into: Challenges, Commitments, Objectives and Achievements.



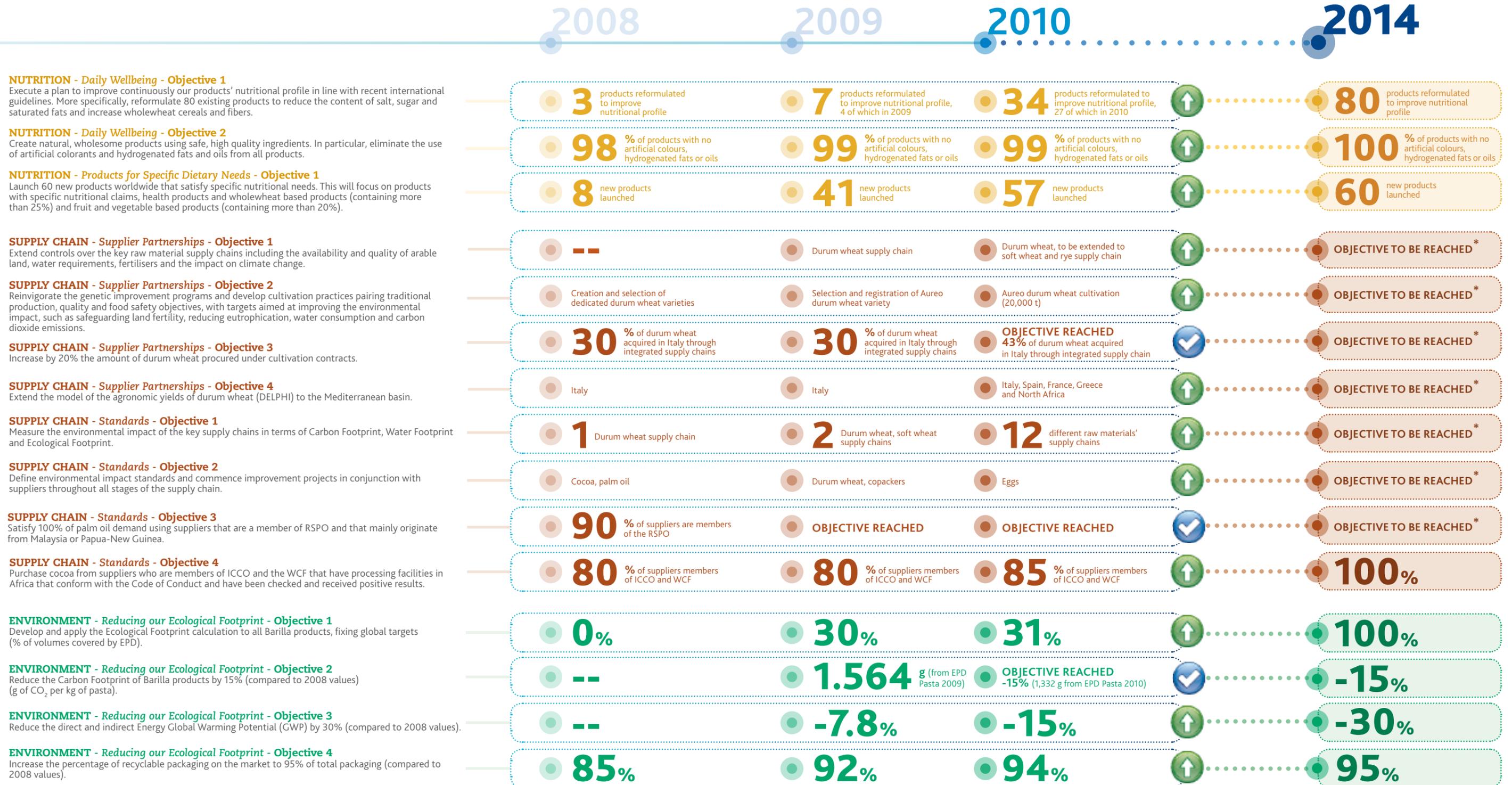
The Path Towards Sustainability

Our 2008 Sustainability Report laid out the objectives that Barilla aims to achieve by 2014. Over the last two years (2009-2010) our work has led us towards fulfilling these objectives. Although we are satisfied with the results achieved and steps taken to date, we are fully aware of areas for improvement on which we need to concentrate our efforts. In order to provide our stakeholders with a clear and transparent picture of the results achieved over these last two years, these results have been presented in graph format in the following pages. Each objective is marked with a symbol indicating the level of achievement.

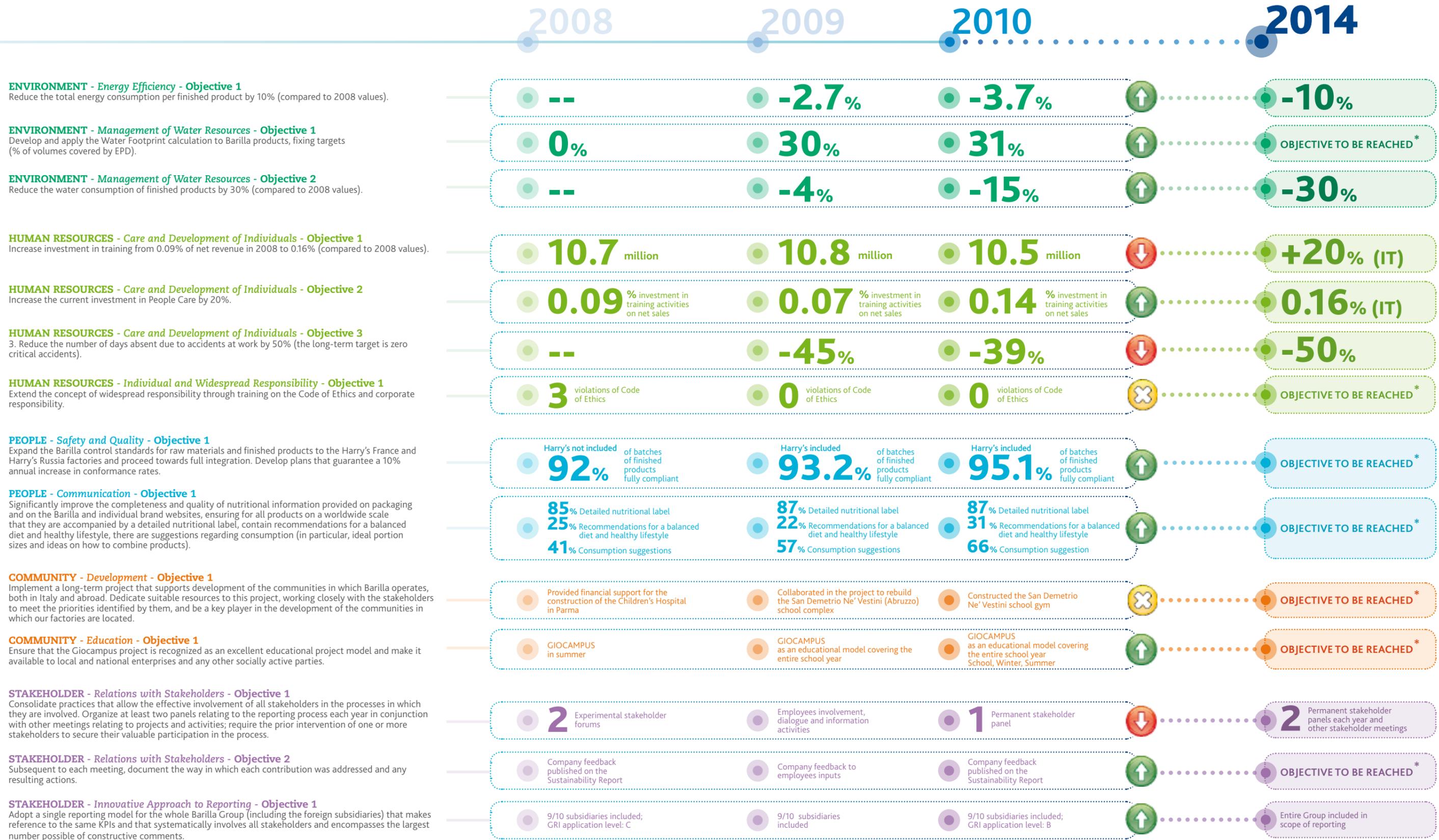
More specifically:

- indicates that the objective has been achieved and that we are working to define new, more challenging objectives and improve further;
- indicates that we are on target to meeting the objective that is expected to be met on time;
- indicates that we are behind schedule in meeting the objective compared to the previous year and are working to recover lost time and meet our commitments;
- indicates that new actions or indicators require development to meet or measure this objective.

* Objectives defined in first column



The Path Towards Sustainability





Nutrition

The challenge of good nutrition leads companies to offer healthier foods to consumers in order to meet societal changes, such as people living longer and an increase in diseases linked to overeating or inappropriate food choices.

This challenge is at the core of our mission and our company's history, not only in terms of food safety but in providing wholesome products that form part of the Mediterranean Diet Pyramid. However, this is only the starting point.

Lifestyles and the quantity of unhealthy foods on offer in developed countries has meant that the Mediterranean Diet, of which Barilla is by default a worldwide ambassador, has taken on less importance, with even Italy itself no longer following this model. This is witnessed in the dramatic increase in childhood obesity worldwide.

It would be easy to presume that we are all able to decide how much or how little of which foods to eat, however none of us is really able to weigh up accurately the calorie content of the food we consume in our daily lives. The onus must be on food manufacturers, in response to increased awareness of both consumers and institutions.

We are working constantly to achieve more: on one hand by improving existing products by reducing the fat and salt content, and on the other by creating new, high nutritional value products that provide specific health benefits. Our aim is that in 10-15 years people will look at the Mediterranean Diet Pyramid and associate this with Barilla's product range.

COMMITMENTS

Contribute to people's health and wellbeing every day with our products by transforming high-quality ingredients into safe, wholesome products that meet both basic and specific nutritional requirements and offer people everyday solutions that aspire to the Mediterranean Diet.

OBJECTIVES TO BE ACHIEVED BY 2014

1. Execute a plan to improve continuously our products' nutritional profile in line with recent international guidelines. More specifically, reformulate 80 existing products to reduce the content of salt, sugar and saturated fats and increase wholewheat cereals and fibers.

A balanced diet plays a vital role in maintaining good health: this message is repeatedly conveyed by nutritionists, doctors, and research institutions, is echoed by the media and is on the mind of anyone who questions every day how to improve their current and future quality of life.

This increased knowledge is one of the objectives of public health institutions aimed at reducing the number of diseases and illnesses caused by a poor diet.

It is a long-standing belief of Barilla that one of the main duties of Responsible Food Companies is **to develop, produce and sell products that readily contribute to a balanced diet** and promote healthy eating habits.

Nutrition Advisory Board

The information provided to our people by the Nutrition Advisory Board contributed to the definition of **Nutritional Guidelines on new product development and guiding improvements made to existing products.**

The Mediterranean Diet Pyramid was used as a starting point for identifying priority areas in expanding the range of whole-wheat, fruit, vegetable and pulse based products.

The Nutritional Guidelines indicate optimum ranges for certain nutrients, limiting those that often exceed the recommended daily allowance set by doctors and nutritionists, such as sodium deriving from salt, total fats and saturated fats.

We have decided not only to apply these Guidelines in new product development but to launch an ambitious nutritional profile improvement program for products already on the market.

Our Product Portfolio

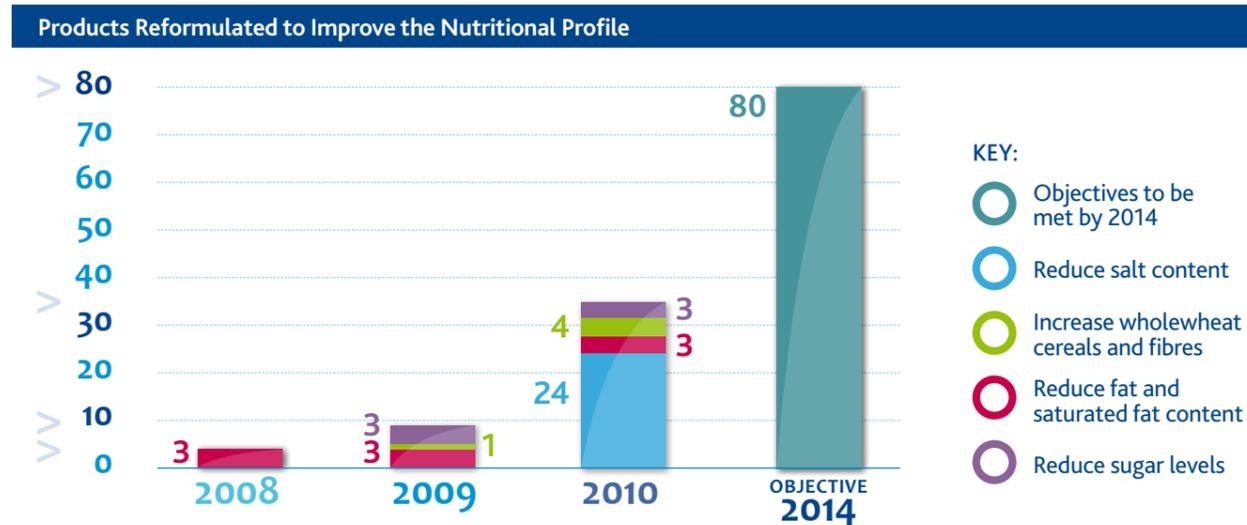
An analysis of our product portfolio revealed that there is room to reduce the salt content of a number of product categories including bread and bread substitutes, filled pasta and sauces.

Mediterranean Diet Pyramid



© Oldways Preservation and Exchange Trust

Be physically active; enjoy meals with others





OBJECTIVES TO BE ACHIEVED BY 2014

- 2. Create natural, wholesome products using safe, high quality ingredients. In particular, eliminate the use of artificial colorants and hydrogenated fats and oils from all products.

Our research and development team approached this commitment with great determination and, in 2010, 24 products were improved through a significant decrease in the salt content.

Moreover, the fiber and whole wheat flour content of a further 3 bakery products, Cracker Integrale Mulino Bianco, Cracker Grancereale, and Biscotto Grancereale Fibra & Fibra bars, was increased.

34 products have been improved in the last 3 years, with 45,000 tons of these being sold in 2010 corresponding to approximately 3% of worldwide sales.

The majority of our product portfolio forms the basis of the Mediterranean Diet eating model. Daily consumption of these products is considered to represent a balanced diet.

More than 75% of our products are pasta, soft and dry breads, cereals and crackers, and vegetable based sauces.

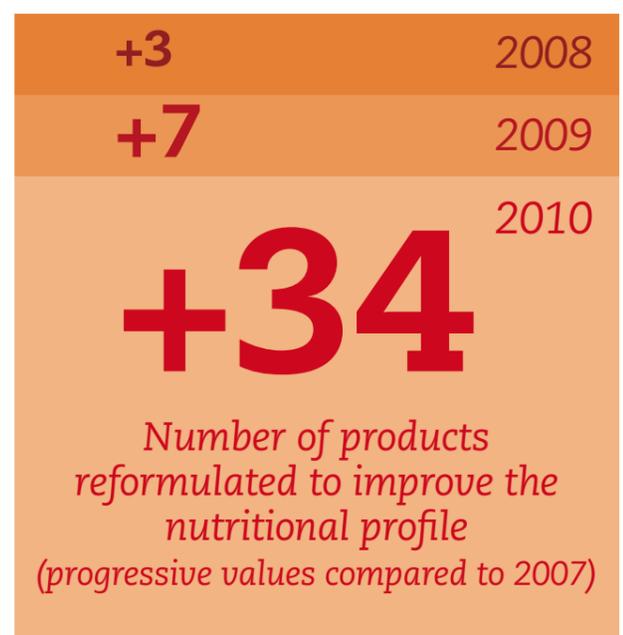
Furthermore, in excess of 450 products (34% of the total) have nutritional or health claims for the product.

Our products are developed without using GMOs, hydrogenated fats and artificial colorants, which involves extremely restrictive standards governing the use of chemical additives.

In order to apply these rules across all of the Group's

brands, the products of recently acquired brands that do not yet meet our specifications are reformulated. In 2010, 12 products in the Harry's Croissant and Bread brands in France were reformulated to eliminate the use of additives.

These constant efforts to improve our portfolio have in fact guaranteed that no hydrogenated fats or oils are used and that more than 99% of products are manufactured without the use of artificial colorants.



COMMITMENTS

Contribute to people's wellbeing by offering products that meet specific dietary needs.

OBJECTIVES TO BE ACHIEVED BY 2014

> **1. Launch 60 new products worldwide that satisfy specific nutritional needs.**
This will focus on products with specific nutritional claims, health products and wholewheat based products (containing more than 25%) and fruit and vegetable based products (containing more than 20%).

The pace of current daily life and people travelling for study and work reasons sometimes results in poor eating habits, either by skipping some meals or replacing them with unhealthy alternatives.

This may lead to an incorrect balance of the food groups and nutrients required to meet our daily needs or the specific nutritional needs of certain individuals.

We focused therefore on providing an effective response to this issue, offering versatile solutions that can be used at home, at mealtimes, or while on the go, at work, at school, or anytime during the day.

We developed products with a specific nutritional benefit, without compromising on taste and the pleasure of being able to eat well anywhere.

These principal products are comprised of:

- the "Piccolini alle Verdure" vegetable based pastas and the high fiber content **White Fiber pasta** range
- the **Mulino Bianco Integrali and Grancereale** ranges, which are rich in fiber and whole wheat grains
- the "**Storie di Frutta**" smoothie range containing 100% fruit
- the Wasa crispbread and cereals range, again rich in fiber and whole wheat cereals
- the Mulino Bianco "**Liberi per Natura**" product range that has varying nutritional benefits and is low in fat, sugar and salt
- the **Alixir** range designed to satisfy specific nutritional needs.

We launched 16 new products across different markets in 2010; these included the launch of the "Storie di Frutta" smoothie range with 3 different flavors (apple, banana and pear; peach, grape and apricot; raspberry, grape and blackcurrant), and the "Piccolini alle Verdure" pasta range that includes Mini pipe with tomato and ricotta, Mini penne with spinach and zucchini and Mini farfalle with carrots and pumpkin.

These new product launches offer new ways of eating fruit and vegetables, particularly for those age groups that often refuse to eat them. **57 new nutritional products** have been launched **since 2008**, with sales exceeding 20,000 tons in 2010 (**approximately 1,2 % of total worldwide sales volumes**).

Publications and Conventions

A number of scientific studies carried out in recent years were published in internationally recognized journals throughout 2010. One study in particular was performed on the control of blood pressure (1), the synergistic effect of soluble fiber consumption and probiotic bacteria on overall health (2), the relationship between a healthy breakfast and reducing cardiovascular risk (3). We also took part in a number of conferences and conventions such as the Nutrimi Convention, the SIGE National Convention, the National Convention of Italian Pediatricians, the presentation of the Double Pyramid of Nutrition and Sustainability (see page 97) to the Dossetti Association in the Italian Chamber of Deputies and during an FAO International Conference.

Research Projects

Our research team continued its work on nutritional studies this year, with **28 research studies carried out in collaboration with top Italian and international universities and research institutions.**

The main topics covered comprised the benefits of prebiotic vegetable fiber and antioxidants on the body, and experimenting with "gentle" cooking and stabilizing techniques to conserve the most delicate nutrients such as vitamins. Another extremely important project commenced in 2010: a National Study sponsored entirely by Barilla on the eating habits of the Italians and how these are linked to health, the aim being to compile reliable up-to-date data.

These latest studies bring the total investment in nutrition in the last 3 years to more than Euro 5.1 million, a significant increase from the previous year.

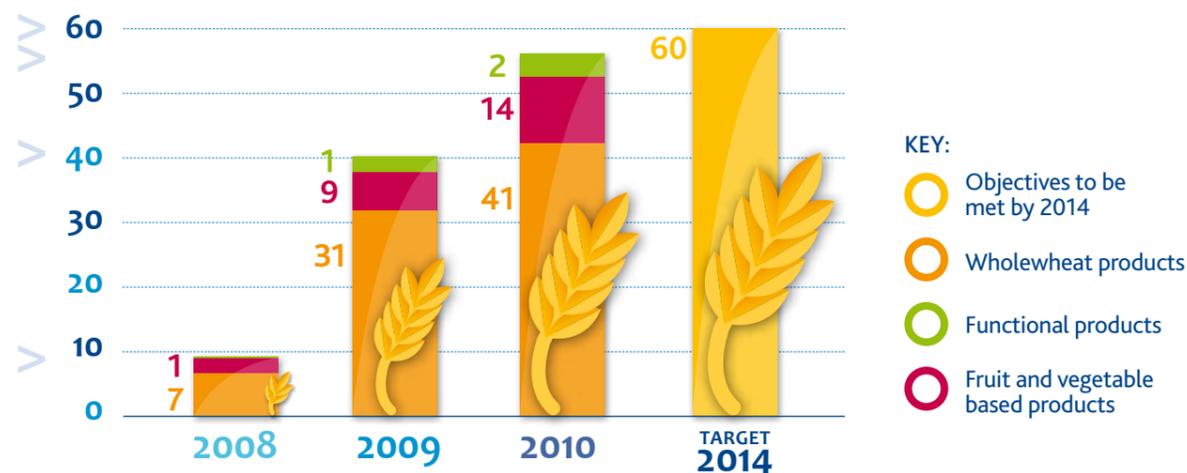
Publications

(1) *Hemodynamic Effects of Lactotripeptides from Casein Hydrolysate in Mediterranean Normotensive Subjects and Patients with High Normal Blood Pressure: A Randomized, Double-Blind, Crossover Clinical Trial*
A. F. G. Cicero, M. Rosticci, M. Veronesi, S. Bacchelli, E. Strocchi, C. Melegari, E. Grandi, and C. Borghi
J Med Food 13 (6) 2010, 1-6

(2) *Impact of a synbiotic food on the gut microbial ecology and metabolic profiles*
B. Vitali, M. Ndagijimana, F. Cruciani, P. Carnevali, M. Candela, M. E. Guertzoni, P. Brigidi
BMC Microbiology 2010, 10:4 (7 January 2010)

(3) *Typical breakfast food consumption and risk factors for cardiovascular disease in a large sample of Italian adults*
R. di Giuseppe, A. Di Castelnuovo, C. Melegari, F. De Lucia, I. Santimone, A. Sciarretta, P. Barisciano, M. Persichillo, A. De Curtis, F. Zito, V. Krogh, M. B. Donati, G. de Gaetano, L. Iacoviello, on behalf of the Molisani Project Investigators 2 Nutrition, Metabolism & Cardiovascular Diseases (2010)
DOI: 10.1016/j.numecd.2010.07.006 1e8

New Products Launched to Meet Specific Dietary Needs



Healthy Eating Programs

Our longstanding commitment to the "Guadagnare in salute" (Gaining Health) health program sponsored by the Italian Ministry of Health continued in 2010.

The aim of this initiative is to promote improvements in the nutritional profile of consumer packaged food products, offering simpler and more readily available choices that encourage healthy eating habits.

The outstanding efforts that focused on reducing the salt content of numerous products within the Group, to continue into 2011, will contribute significantly to achieving the planned objectives.

Healthy Eating Education

One of the main objectives we have taken on board is to provide detailed and transparent information to our

consumers, assisting them in the correct use of our products by offering consumption advice including recommended portion sizes, nutritional information, ingredients and suggestions for achieving a balanced diet.

This commitment is ongoing in the educational projects sponsored together with public institutions and designed to contribute to healthy eating habits and promote physical education amongst children.

The tried and tested **Giocampus project is just one example of our commitment to educating young people on healthy eating habits.**

Other important educational projects were promoted in order to inform a wider audience on the **Double Pyramid for Nutrition and Sustainability** (www.barillacfn.com), which highlights how a diet that aspires to the Mediterranean Diet not only benefits our health but also the environment.



Gaining Health

Since 2007 we have played an active role in the "Gaining Health" program promoted by the Italian Ministry of Health that aims to encourage a healthy lifestyle. This led to our commitment to improve the nutritional profile of bread products by reducing the salt content.

This commitment enabled us from November last year to launch in stores the first products (Tascotto and Pan Bauletto Bianco con fibra) displaying the Ministry's logo on the packaging as they meet the required criteria.

The plan to reduce the salt content of products continues into 2011, both confirming our ongoing commitment and acting as an important example of collaboration between the public and private sectors.





Supply Chain

Our challenge is to guarantee the quality and safety of our products and the economic, social and environmental sustainability of the supply chains in which our business operates. This is not only due to increased public attention, stakeholder awareness and the importance of supervisory bodies, but also the internationalization of markets that brings with it the requirement to extend our controls over the supply chain, a longstanding commitment of our business.

Barilla assumes responsibility for the sustainability of the entire supply chain, from the field to the consumer.

This declaration involves developing long-term supplier partnerships founded on mutual interests and objectives for the supply of all of the major strategic raw materials, the first being durum wheat.

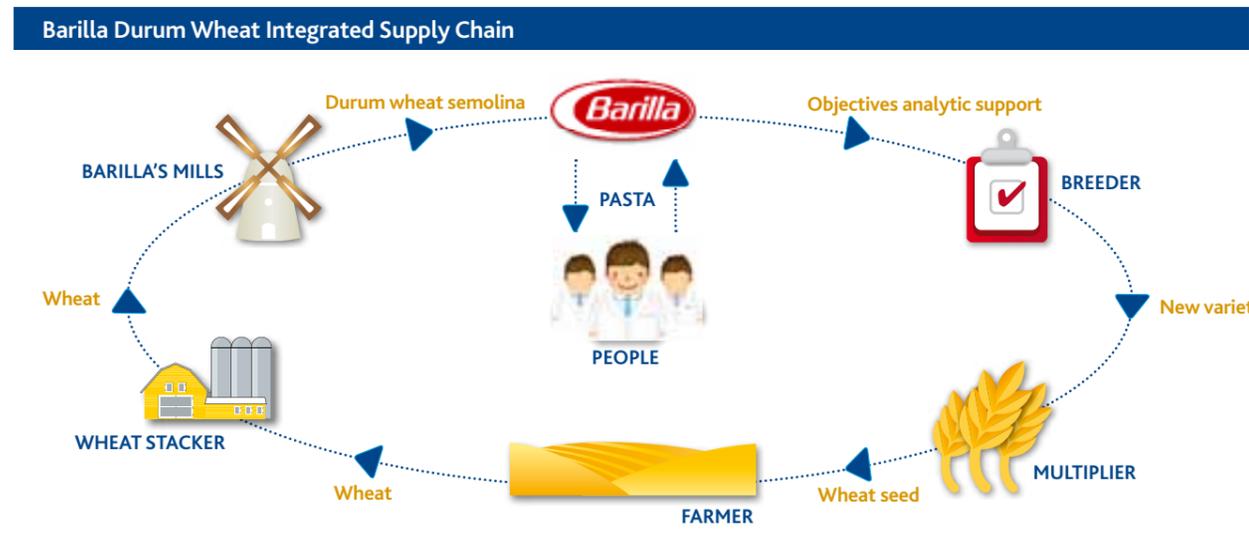
The continuous improvement of the sustainability of our strategic supply chains is guaranteed through the implementation of numerous projects and initiatives. These are developed in conjunction with our partners along the supply chain, leveraging the skills and experience along each stage of the chain itself.

COMMITMENTS

Encourage partnerships, or at least close cooperations, with suppliers in strategic networks.

OBJECTIVES TO BE ACHIEVED BY 2014

1. Extend controls over the key raw material supply chains including the availability and quality of arable land, water requirements, fertilisers and the impact on climate change.
2. Reinvigorate the genetic improvement programs and develop cultivation practices pairing traditional production, quality and food safety objectives, with targets aimed at improving the environmental impact, such as safeguarding land fertility, reducing eutrophication, water consumption and carbon dioxide emissions.



Barilla Durum Wheat Integrated Supply Chain

Barilla adopts a circular model aimed at involving all of the players in a partnership project rather than the classic linear structure that envisages a top down format of supply chain operators (see page 32). The best example currently in practice is the High Quality Durum Wheat Project in Emilia Romagna.

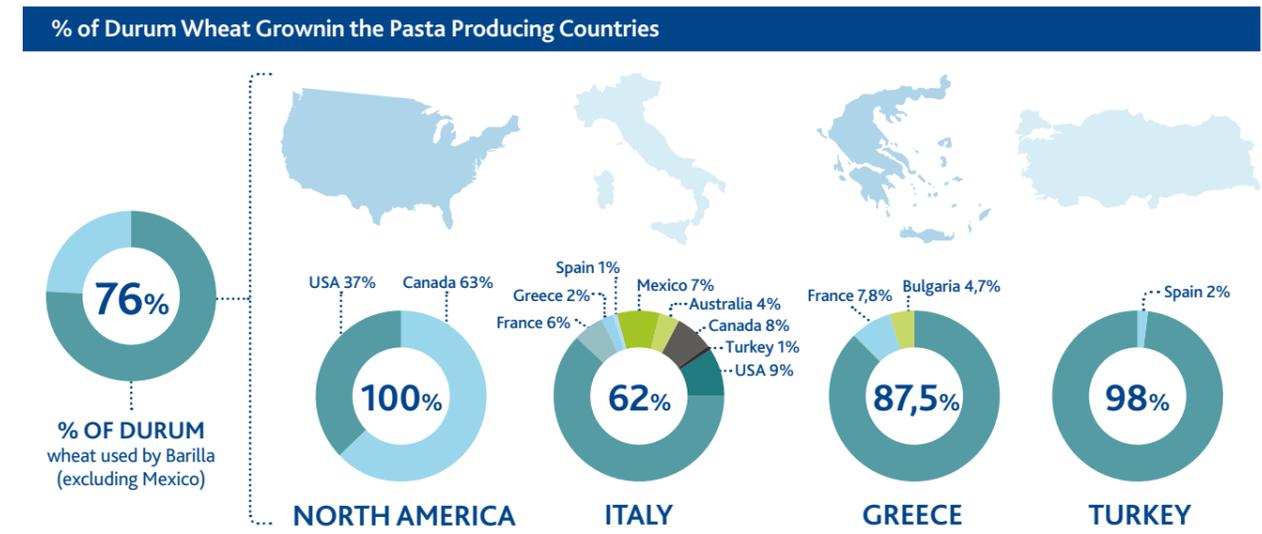
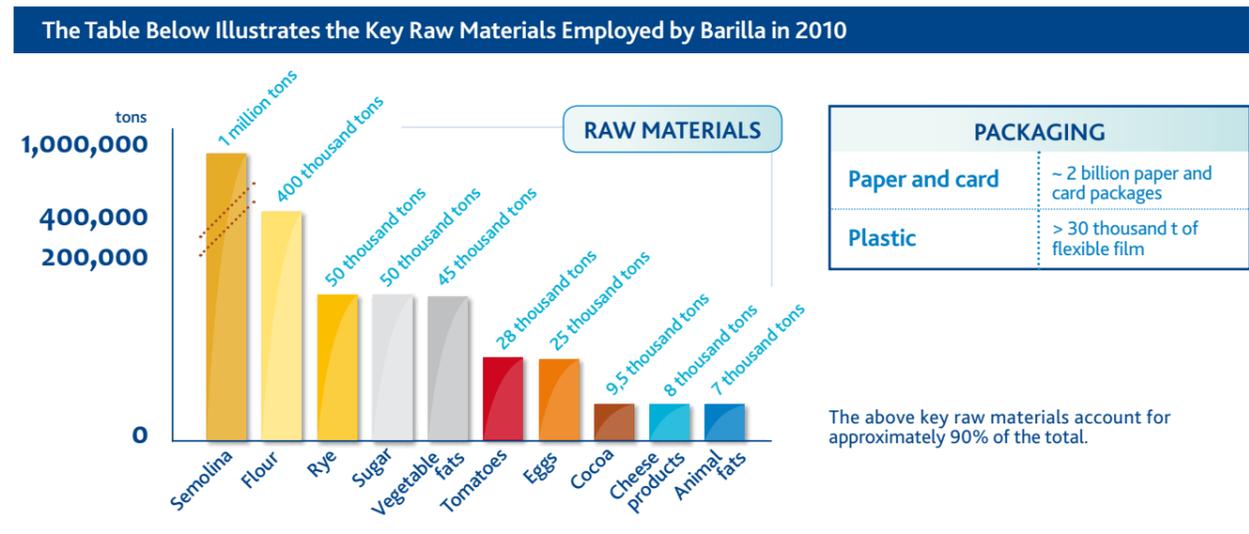
High Quality Durum Wheat Project in Italy

2006 was the first year the company entered into an agreement with the Emilia Romagna Region, manufacturing organizations, farming consortiums and cooperatives for the production of high quality durum wheat in Emilia Romagna.

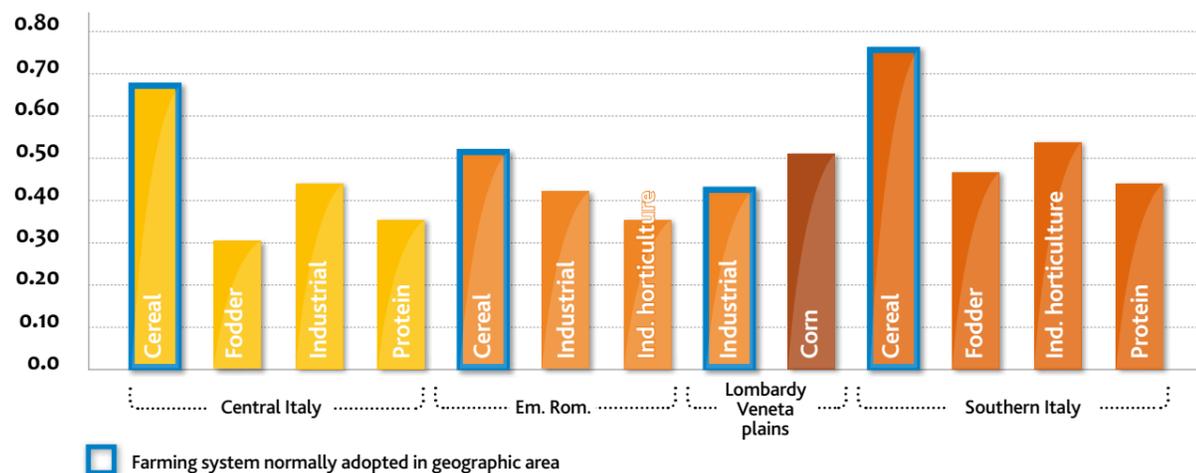
Drawing from this positive experience, Barilla has decided to extend this type of contract to other regions. Consequently, more than 70% of demand for durum wheat in Italy (approximately 300.000 tons) will be procured through Farming Contracts for high quality varieties, with a resulting decrease in the level of imports.

Origin of Durum Wheat

On average, 76% of the durum wheat used by the Group's brands, Yemina and Vesta excluded, is grown locally, in the country in which the pasta is produced. The percentages of durum wheat grown in each pasta producing country are as follows:



Effects of Farming Systems on the Carbon Footprint and Gross Profit of Farmers (tCO₂/t grain)*



Durum Wheat Sustainable Farming Project

The Life Cycle Assessment (LCA) studies carried out by Barilla have demonstrated that the farming phase of the raw materials used bears the greatest environmental impact.

More specifically the major impacts linked with farming activities are derived from mechanical operations (working the soil) and the use of nitrogenous fertilizers.

The nitrous oxide (N₂O), produced during the bacterial reactions that take place in the soil, have a potential greenhouse gas effect approximately 300 times greater than that of CO₂.

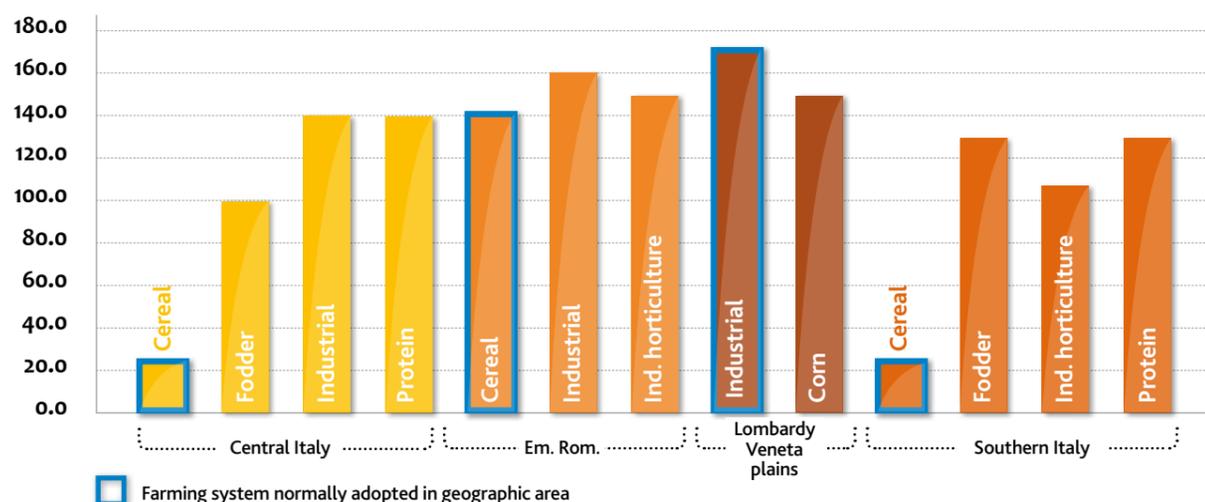
From 2009, Barilla, with the support of the Università

Cattolica di Piacenza, has promoted a multidisciplinary study, which started with our principal raw material, durum wheat, and focuses equal attention on economic, production, agronomic, environmental and food safety aspects. This study is aimed at **identifying sustainable farming methods** to roll-out to Italian production areas and which will also improve the quality and yield of raw materials.

A number of farming methods were analyzed based on alternating, in a four year cycle, durum wheat crops with other herbaceous crops that are commonly used in other regions throughout Italy.

The farming methods and related costs were reviewed for each system, with particular focus on crop rotation, tillage, fertilizers, pesticides and the related yields.

Farmers Gross Profit (€/t)*



* Source: Barilla - Horta - LCE story published on Filiera Grano Duro News

OBJECTIVES TO BE ACHIEVED BY 2014

- 3. Increase by 20% the amount of durum wheat procured under cultivation contracts.
- 4. Extend the model of the agronomic yields of durum wheat (DELPHI) to the Mediterranean basin.



Pilot crops to validate sustainable farming techniques for durum wheat in Italy

The following parameters of assessment were used:

- 1) Environmental indicators - Carbon Footprint (CF), Water Footprint (WF), Ecological Footprint (EF)
- 2) Agronomic and Food Safety indicators - efficiency of use of nitrogen, level of DON risk (deoxynivalenol)
- 3) Financial indicators - gross profit.

This assessment was developed across three macro areas: Northern Italy (the Lombardy-Veneto flat plains and the Emilia Romagna region); Central Italy (Tuscany, the Marche and Umbria regions) and Southern and Insular Italy (Puglia, Basilicata and Sicily).

In Northern Italy no significant differences emerged between the various farming systems that could justify radical changes in current manufacturing methods, although important areas for improvement were identified. The differences that came to light in Central Italy were significantly greater: moving from one-crop cereals, which is widespread in this geographic area, to crop rotation methods amongst those observed, can achieve astonishing results with up to a 55% fall in greenhouse gas emissions (equal to approximately 390 kg CO₂ equivalent per ton of durum wheat grown) and a significant increase in gross profit. Similarly, important environmental and financial benefits could be obtained in Southern Italy.

In summary, the study highlights that the sustainability concept is applicable to the farming sector: the adoption of better crop systems (rotation) brings benefits to both farmers and the community, not just in agronomic and environmental terms but also financially.

The next phase of this project will be to **validate the results by carrying out field tests on the most promising farming techniques** compared to traditional methods.

Pilot sustainable farming techniques will be adopted by a network of farming industries across Italy commencing with the next sowing season, thanks to the collaboration of independent farmers and experts in this sector.

The most sustainable farming techniques identified will form part of Barilla's Specifications for durum wheat. This study is to be extended to France and Canada.

Extension of the Sustainable Farming Project to Soft Wheat, Rye and Tomatoes

Having already analyzed the environmental impact of soft wheat, rye and tomato farming, a multidisciplinary study similar to that carried out on durum wheat will be applied to the farming techniques of these raw materials in 2011, the aim being to identify more sustainable farming methods. This study will involve universities and farming industries of a number of European countries: France and Germany for soft wheat, Sweden for rye and Italy for tomatoes.

COMMITMENTS

Continuously improve the safety and quality of our supply chain and finalise sustainability standards to form the basis of all supplier relationships.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Measure the environmental impact of the key supply chains in terms of Carbon Footprint, Water Footprint and Ecological Footprint.
- > 2. Define environmental impact standards and commence improvement projects in conjunction with suppliers throughout all stages of the supply chain.

Measuring the Environmental Impact of Critical Supply Chains

The environmental impact, in terms of Carbon Footprint, Water Footprint and Ecological Footprint, was measured for 12 supply chains in 2010.

This led to the creation of a database collating almost 120 environmental impacts that may be used to analyse the various raw materials depending on their geographic origin.

Raw Materials Risk Assessment Project

A Risk Assessment model was adopted to assess and extend the area of control to the major agricultural raw materials supply chains. The model enabled identification of critical supply chains in terms of food safety, workers safety, environmental impacts and animal welfare. The palm oil and cocoa supply chains were identified as critical and specific projects have been launched in these areas.

Critical Supply Chains for which Environmental Impact was Calculated	
RAW MATERIAL	GEOGRAPHIC AREA
Durum wheat	Italy, Canada, Usa, Mexico, Turkey, Greece, France, Australia, Spain
Soft wheat	Italy, France, Usa, Eastern Europe, UK, Sweden
Rye	Sweden, Germany
Palm oil	Malaysia, Indonesia
Sunflower oil	UK
Tomatoes	Italy
Eggs	Italy
Cocoa	Ghana
Basil	Italy
Apricot jam	Italy
Carrots	Denmark
Almonds	California

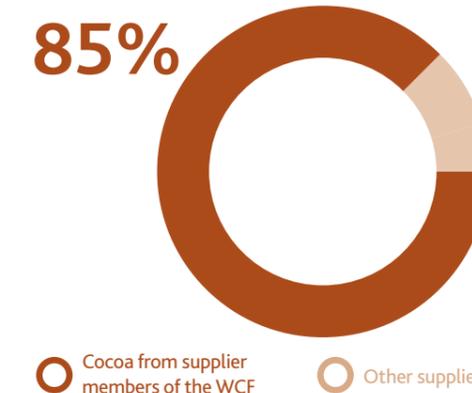
12 supply chains, database of 120 environmental impacts

The Cocoa Supply Chain

The percentage of cocoa purchased from suppliers associated with the WCF (World Cocoa Foundation), which promotes economic-social development projects in manufacturing areas, reached 85% in 2010.

We finalized checks on the entire cocoa processing facilities of our main supplier of cocoa in Africa and are performing the same checks on new suppliers.

Percentage of Cocoa Purchased from Suppliers Associated with the WCF





Palm Oil Supplies 100% RSPO

100% of Barilla's palm oil suppliers in 2010 were members of the Roundtable for Sustainable Palm Oil (RSPO), of which Barilla is also a member.

70% of Barilla's palm oil originated from **Malaysia** and **Papua New Guinea**, countries that offer higher guarantees in terms of environmental protection.

45% of Egg-laying Hens Will be Free-range by 2012

Product quality and safety, nutrition and sustainability are all fundamental to Barilla. Studies are carried out not only on people's health and wellbeing but also on animal welfare.

Our suppliers breed egg-laying hens in a controlled environment following a strict protocol that ensures the use of additive free vegetable-based feed.

This protocol complies with the UNESCO's Universal Declaration on Animal Welfare.

Barilla has decided to use eggs laid by free range hens for a number of its major brands. A project has been launched with our main suppliers to ensure that 45% (just over 1 million) of egg-laying hens are free range by 2012.



OBJECTIVES TO BE ACHIEVED BY 2014

- **3.** Satisfy 100% of palm oil demand using suppliers that are a member of RSPO and that mainly originate from Malaysia or Papua-New Guinea.
- 4.** Purchase cocoa from suppliers who are members of ICCO and the WCF that have processing facilities in Africa that conform with the Code of Conduct and have been checked and received positive results.

Analysis of the Environmental Impact of Farming to Produce Vegetable Oils

Further analysis work was carried out in 2010 on the environmental impact of the supply chains involved in the production of vegetable oils: palm, soy, rapeseed, sunflower and olive. The research centered on bibliographical studies and published data on the environmental factors associated with the entire production supply chain (from farming of the raw materials to the production of the refined oil). It emerged that all of the oils have the same Carbon Footprint, while palm oil, when grown adopting sustainable methods, has a lower ecological and water footprint (-50% vs. rapeseed oil).



The Sesame Procurement Project in Paraguay

Sesame seeds, one of the main ingredients of the Wasa brand products, are mainly grown in tropical regions.

In order to shorten the supply chain and improve quality controls on these seeds, Barilla has chosen to work with one company only which collects the seeds from local cooperatives and prepares them on site. This cuts out the intermediaries who normally operate in this supply chain.



Environment

In the face of numerous environmental challenges - emissions and climate change, scarcity of water and other non-renewable sources and the growing impact of the agricultural sector - sustainability has become one of the key factors on which Barilla bases its competitive edge. This is only natural for a company that is intrinsically linked to the land, both in terms of the agricultural produce it uses and all of the other natural resources employed in the manufacturing processes.

For this purpose, guidelines and instruments have been drawn up that have led to the development of a system of calculating and certifying the ecological footprint of our products (Environmental Product Declaration - EPD), which are also instrumental to the implementation of effective improvement projects.

This shed a new perspective on the environmental impact of our supply chains, forcing us to ask ourselves how to create “low carbon agriculture”.

We have developed projects with the agricultural world and the support of universities, in some instances rediscovering traditional techniques, such as crop rotation or the cautious use of fertilizers, which reduce the environmental impact of our agricultural supply chain.

COMMITMENTS

OBJECTIVES TO BE ACHIEVED BY 2014

The Ecological Footprint to be reduced through two priority commitments: cut greenhouse gas emissions (GHG) generated in the industry in line with the Kyoto Protocol targets and minimise the other environmental impacts along the supply chain, with particular attention to packaging materials in terms of reduction and recycling.

1. Develop and apply the Ecological Footprint calculation to all Barilla products, fixing global targets.
2. Reduce the Carbon Footprint of Barilla products by 15% (compared to 2008 values).

Production Subjected to a LCA (%)



Barilla's sustainable development policies are independent from the assessment of the Ecological Footprint of our products that are analyzed along the entire life cycle (from the field to the table). The company has adopted the Life Cycle Assessment (LCA) method to measure the environmental impact of its products that facilitates the identification of three indicators: Ecological Footprint (www.footprintnetwork.org), Carbon Footprint and Water Footprint (www.waterfootprint.org).

Analysis of Product Life Cycle

Following on from the first LCA studies that were carried out more than 10 years ago, a structured analysis process was implemented in 2008 that involves an ever increasing number of products, making the assessments more thorough and reliable.

50% of Barilla's worldwide production in 2010 was the subject of a LCA.

Products Subjected to a LCA

- Barilla**
 - Pasta di semola
 - Sughì Pomodoro and Basilico, Pesto alla Genovese and Arrabbiata
- Wasa**
 - Wasa Original, Wasa SolrutaSesam and Wasa Havreknacke
- PELINO BRAND**
 - Saccottino, Cracker, Tarallucci, Pan Bauletto
 - Fette Biscottate, Storie di Frutta, Galletti
- Pan di Stelle**
 - Pan di Stelle
- PAVESI**
 - Pavesini
 - Togo Classic and Noir

Barilla is the First Food Company to Employ a Certified EPD System

During 2010 Barilla became the **first private company** to develop a **system that calculates its products applying LCA methods** in accordance with the EPD™ model (available on www.environdec.com). This is the only model that envisages a process of public consultation on the rules by product category (Product Category Rules, PCR).

The system developed by Barilla has the aim of making public the certified, reliable results emerging from the studies in the form of Environmental Product Declarations (EPD). This system was certified in October 2010 by the independent certification body Bureau Veritas.

The first products to be certified under the new EPD system will comprise: Tarallucci, Pan Bauletto, Cracker, Armonie dorate, Sugo al Basilico, and Sugo Arrabbiata. The related EPDs will be available from 2011.

Details of Barilla's four previously published EPDs are available on the website www.environdec.com and comprise:



EPD®	Barilla Products with Published EPDs
2009	● Durum wheat pasta produced in Italy
2010	● Wasa Original, Wasa SolrutaSesam and Wasa Havreknacke

www.environdec.com

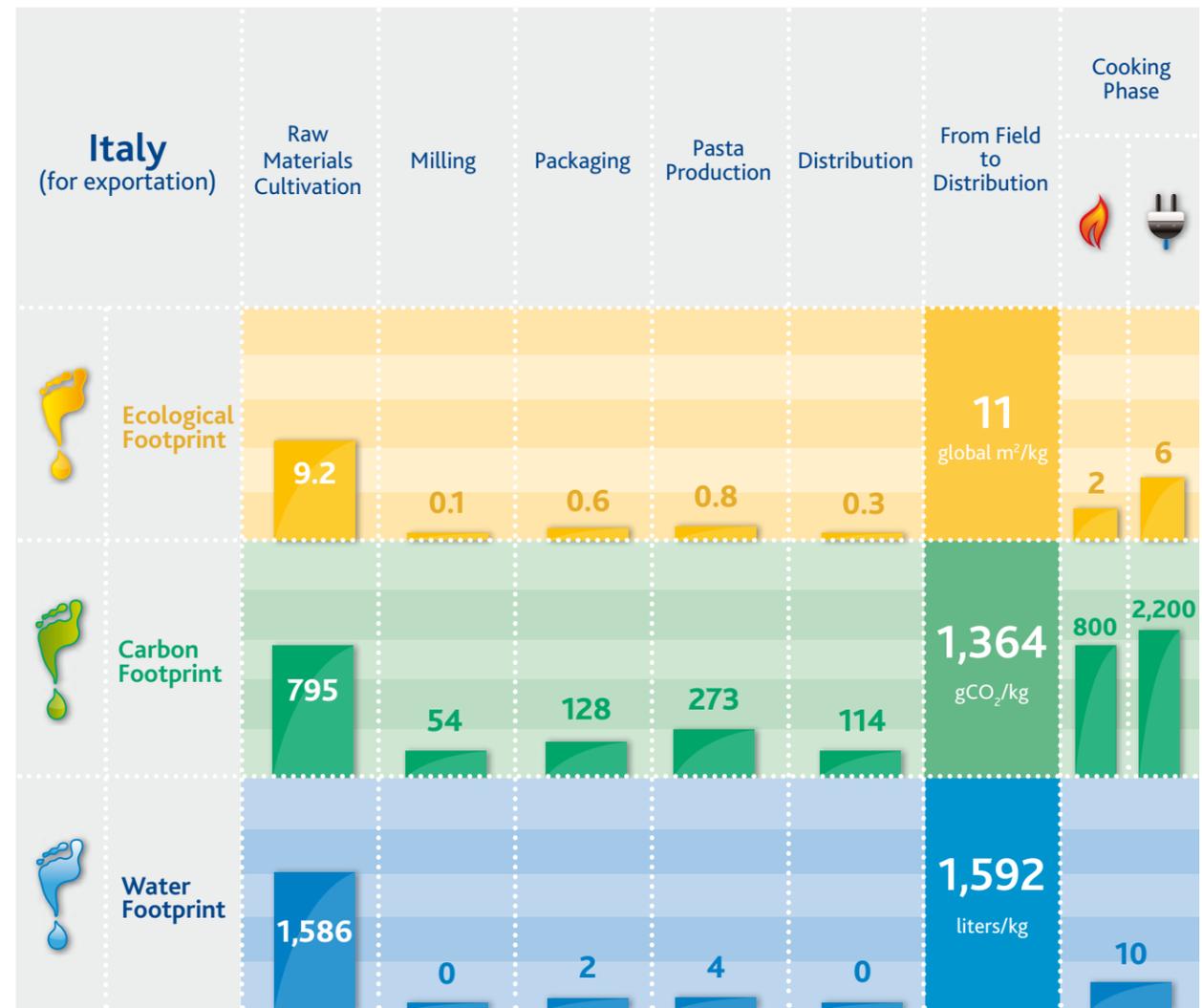
The LCA of Durum Wheat, Mulino Bianco Biscuits and Wasa Brand Products: Projects to Improve their Sustainability

One of the first LCA analyses performed was on durum wheat. The objectives of the analysis performed on each individual phase (cultivation of durum wheat, milling,

pasta production, packaging production, product transport and cooking the product at home) were twofold: the identification of critical phases along the production chain and the related improvement projects, and the integration of communication policies with environmental information. Specific projects were launched for each phase of the life cycle of a number of products, the aim being to reduce the Ecological Footprint and the environmental impacts in general as demonstrated in the following tables.

LCA Analysis of Durum Wheat Pasta

The data for exported durum wheat in the table relates to products manufactured in the Italian manufacturing facilities that are for the export market.



OBJECTIVES TO BE ACHIEVED BY 2014

- 3. Reduce the direct and indirect Energy Global Warming Potential (GWP) by 30% (compared to 2008 values).
- 4. Increase the percentage of recyclable packaging on the market to 95% of total packaging (compared to 2008 values).

The improvement projects developed for each phase of the LCA analysis, measured using the Carbon Footprint, are listed below.



COMMITMENTS

Develop products and processes as energetically efficient as possible along the whole supply chain, reducing, where opportunity arises, the dependence on fossil fuels such as oil and coal.

OBJECTIVES TO BE ACHIEVED BY 2014

> 1. Reduce the total energy consumption per finished product by 10% (compared to 2008 values).

Some of the projects listed below have already produced significant results while some are still in the development stages.

- **Sustainable farming of durum wheat for pasta production.** Durum wheat farming is one of the two processes with the greatest environmental impact. Consequently, the farming methods were studied taking into account the environmental impact, earnings, the mycotoxin index and the use of nitrogen based fertilizers. The expected improvements, in the area of farming methods mainly used in Central Italy, **could generate a 55% fall in greenhouse gas emissions** (corresponding to approximately **390 kg less greenhouse gases per ton of durum wheat**).

The results of the projects are being checked in a number of experimental fields, with a subsequent revision of the durum wheat farming specifications.

- **Sustainable farming of soft wheat and rye for bakery products.** Following on from the positive results, **a similar project was launched for soft wheat and rye**, which will involve members of the Italian, French, German and Swedish farming industries. The first results are expected in 2011.

- **Sustainable packaging.** We have devised a specific tool to aid the design of more sustainable packaging, which has increased **the percentage of technically recyclable packages from 85% in 2008 to 94% in 2010.**

- **Pasta cogeneration.** It was decided that cogeneration plants should be installed in all of the Italian pasta making facilities and Energy Savings Projects (ESP) were also launched. These projects created technical and economic

efficiencies and a significant reduction in the environmental impacts (**a fall in greenhouse gas emissions of approximately 13% at the Pedrignano factory due to the cogenerator**).

- **Barilla Energy Saving Project (ESP).** The ESP project is now in its fifth year and was launched to improve the operating efficiency of the production plants, adopting a more international approach.

- **Renewable energy for Wasa.** The Swedish factory of Filipstad uses electricity generated by hydroelectric power plants.

- **RECS Mulino Bianco.** Barilla satisfied all of the electricity requirements of the Mulino Bianco bakeries in 2010 using the "Renewable Energy Certificate System" (RECS, www.recs.org). Further details are available at www.mulinobianco.it. This generated up to a **41% fall in emissions of CO₂eq (GWP) in the bakeries.**

- **Logistics.** Number1 devised a project in Italy in order to assess the environmental impacts of rationalizing the logistics network, with a knock-on effect on transport efficiency. **The Result was a fall in greenhouse gas emissions of approximately 9% between 2008 and 2010.** The transport of products between Wasa's Swedish and German factories takes place on tracks.

- **Home cooking pasta.** With regard to the home cooking process, a project to decrease water consumption was initiated. Preliminary results show that using just 0.8 liters, instead of 1 liter, per 100g of pasta generates a 5% fall in CO₂ emissions.

Sustainable Packaging Projects



The LCA approach was also applied to packaging to verify its environmental performance and assess the available alternatives.

The first LCA tool was developed in 2004, which enabled comparison of different environmental impacts of the various packaging solutions identified.

This tool represents an organic part of Barilla's EPD system. The application of this tool led to Barilla being awarded the **2010 Oscar for Packaging**, issued by the Istituto Italiano Imballaggio (Italian Packaging Institute) and Consorzio Nazionale Imballaggi (Co.Na.I. - National Packaging Consortium), for the simplification of the **Ringo product**

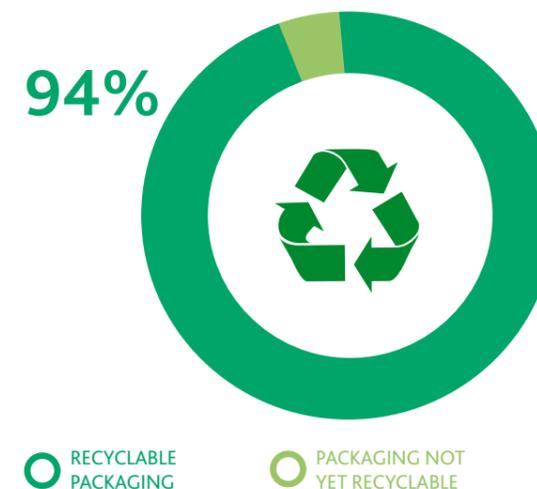
packaging that facilitates recycling and reduces CO₂ emissions along the life cycle.

This and other projects have been included in the 2010 *Prevention Dossier - Ecoefficient Prevention* sponsored by Co.Na.I., which collates companies' experience and good practice in terms of redesigning sustainable packaging.

These actions have led to the **increased use of recyclable packaging**, which increased to **94% in 2010, with 40% of this packaging made using recycled materials.**

This result is particularly impressive when it is considered that Barilla used more than 30 thousand tons of flexible film and almost 2 billion items of packaging in card or cardboard in 2010.

Technically Recyclable Packaging Materials (%)

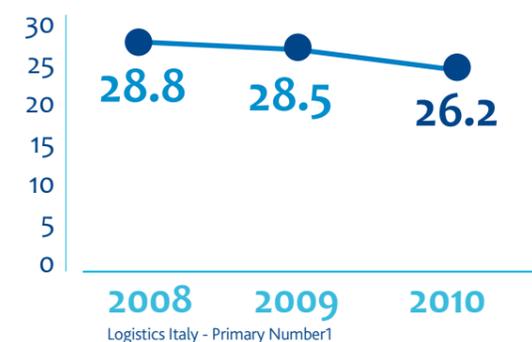


Awards



Major Packaging Improvement Projects Developed in the Course of 2010			
	Project description	Material	Annual reduction
	Reduction in the size of the tabs on Fette Biscottate and Merende	Card	~330t
	Reduction in the thickness of the film of Fette Biscottate and Pizza	Thermoretractable film	~118t
	Optimization of the packaging size (secondary and tertiary) of Cerealix	Cardboard	~25t
		Card	~20t

Emissions per ton of Product Transported

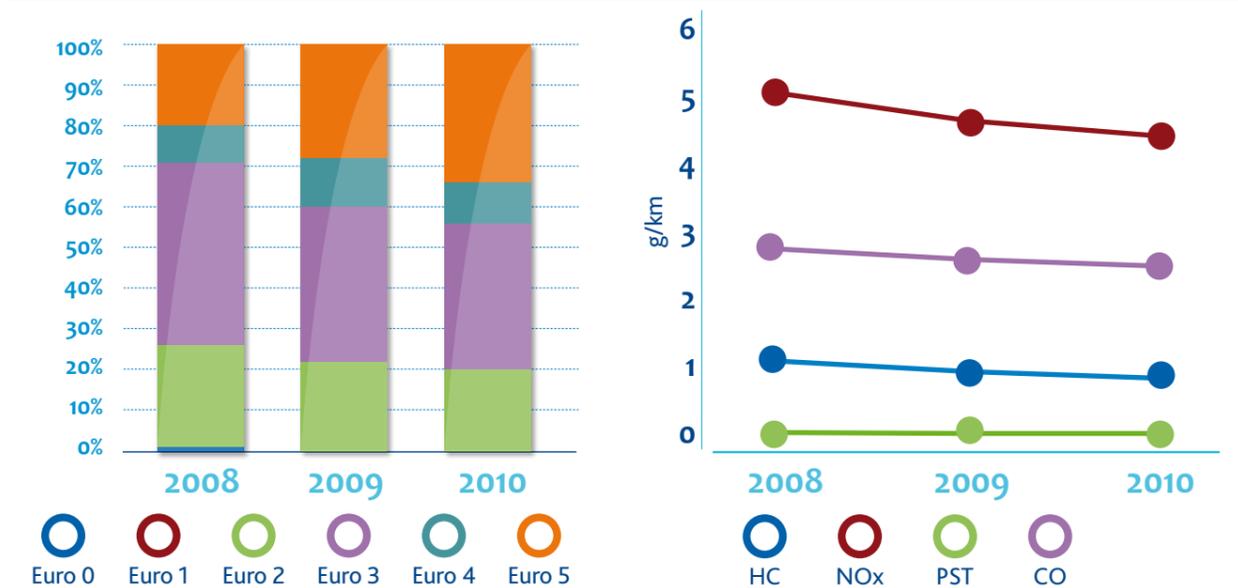


Logistics and Transport

A study was conducted to assess the environmental performance of the Italian logistics network managed by Number1. This study, which is still ongoing, reviews the environmental **KPIs linked to transport activities**, in relation to CO₂ and other emissions (NO_x, particulates, CO, HC) that are largely dependent on technology (Euro 3, Euro 4, Euro 5), and **warehouse management activities** in terms of combustibles (methane, diesel, etc) and electricity consumption.

The first results may be summarized as follows: **CO₂ emissions per ton of transported product fell by 9%** (2010 vs. 2008) following the **reorganization**

Emissions Trends Linked to Changes in the Vehicle Fleet



Investment in Environment, Safety and Fire Prevention		
Environment	Million €	approx. 5
Fire Prevention*	Million €	approx. 3.5
Safety*	Million €	approx. 11.5

* Includes mills and a number of copackers

Expenditure Incurred by the Factories on Environmental Projects*		
Waste disposal, treatment of emissions and environmental clean-up (or restoration) costs ⁽¹⁾	Million €	approx. 1.75
Prevention and environmental management costs ⁽²⁾	Million €	approx. 0.65

* Excludes the Harry's factories in France and the Avon factory

(1) This heading includes waste treatment and disposal and waste water management.

(2) This total comprises external environmental management costs and the cost of certifying the environmental management system.

of the distribution network, more efficient vehicle saturation levels, and the modernization of the vehicle fleet.

Barilla has also devised a system to monitor its global distribution network, which also measures the CO₂ emissions of transported products.

This system will be implemented in 2011 across the various European countries, which will facilitate the development of projects designed to create more sustainable distribution logistics.

was produced in 2010; approximately **90% of this was recovered/recycled⁽⁺⁾**.

The table above summarises the principal expenditure and investment incurred by the factories in 2010 in relation to Environment, Safety and Fire Prevention activities.

Barilla did not receive any significant fines or penalties in 2010 for non-compliance with environmental laws and regulations. There was only one case of an administrative penalty imposed on a production facility that arose due to a malfunction of the purification plant.

(+) Data does not include the French factories of Harry's

THE PASTA FACTORIES, THE BAKERIES AND THE ENVIRONMENT

ISO14001 Project: Roll-out Continues

Plans to roll-out the certified Environmental Management System (EMS) continued in 2010: this involved the French factory of Saint Vulbas. **ISO 14001 certified EMSs have been implemented in more than 60% of the manufacturing facilities**, representing 73% of production.

The implementation of Environmental Management Systems has led to the adoption of a series of projects that have improved business performance, including energy efficiencies, water resources management and environmental benefits.

Particular care is taken in the area of waste treatment in our factories, the aim being to reduce the overall amount generated and increase volumes of recovered/recycled waste. An average of **14 Kg of waste per ton of product**

Production of ISO 14001 Certified Factories





Energy Consumption per Unit of Finished Product (GJ/ton)



Consumption of Electrical and Thermal Energy

Barilla's **total energy consumption** in 2010 amounted to 3.10 GJ/ton, corresponding to a **3.7% decrease** compared to 2008 and 0.9% on 2009.

The two main areas of demand for energy are:

- electricity used to operate the production lines, air conditioning, and internal and external lighting;
- thermal energy used to bake the bakery products, dry the pasta and heat premises.

Of the total energy consumed, electricity totaled 1.30 GJ/ton while thermal energy equaled 1.80 GJ/ton.

Consumption levels were reduced thanks to **energy savings projects** introduced in the **factories**.

The most significant projects put into practice across a wide number of factories included:

- identification and reduction of compressed air leaks
- compressed air compressors equipped with inverters
- decrease in compressed air pressure in the production areas
- introduction of Leed lighting systems in parking lots
- remote command and selective management of internal lighting in the production and warehousing areas
- installation of high efficiency electric motors
- stand-by devices fitted to the packaging machinery and the transport systems
- new procedures for stop/start functions of production lines
- remote control of air treatment unit
- new procedures adopted for central management of refrigeration units.

Total Energy Consumption (Million GJ) Analyzed in % of Electricity and Thermal Energy

	2006	2007	2008	2009	2010
Total energy (Min GJ)	4.8	4.7	4.7	4.6	4.6
Electricity contribution	39%	42%	42%	43%	42%
Thermal energy contribution	61%	58%	58%	57%	58%

Definition of GWP

GWP is an indicator that measures carbon dioxide emissions.

This is expressed in terms of the mass of CO₂ equivalent, by converting emissions of various greenhouse gases into CO₂ emissions based on factors determined by the IPCC (Intergovernmental Panel on Climate Change).



Specific work was carried out at the following factories:

- compressors were replaced at the Caserta factory
- production line vacuum pumps were replaced at the Caserta factory
- heat recovery exchangers installed at the mill in Pedrignano
- heat recovery system in thermal plant chimneys and automation of boilers at the Cremona factory
- installation of heat recovery system from the ovens of the Celle factory in Sweden.

GWP-Global Warming Potential (CO₂ equivalent)

CO₂ equivalent emissions in 2010 fell by 15% in absolute

terms compared to 2008 despite an approximate 2% increase in production, thus creating a decoupling between production and CO₂ emissions as illustrated in the graph below.

CO₂ equivalent emissions (GWP) of finished products have fallen by 18% compared to 2008.

This decrease is a result of the following projects:

- a cogeneration plant operating for the whole of 2010 at the Pedrignano plant
- a trigeneration plant commencing operations at the Caserta plant in August 2010
- the purchase of RECS to cover electricity consumption at the Mulino Bianco factories for all of 2010.

Decoupling of GWP (million tons CO₂ eq) Compared to Finished Product Volumes (million t)



GWP per Unit of Finished Product (ton CO₂ eq/t)

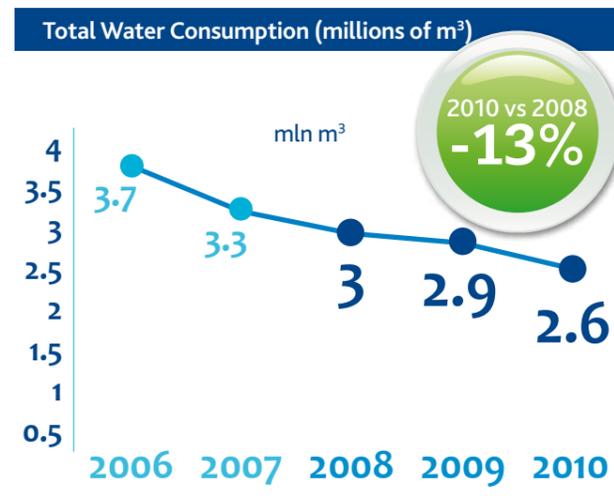


COMMITMENTS

Rationalise the use of water supplies used in the supply chain.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Develop and apply the Water Footprint calculation to Barilla products, fixing targets.
- 2. Reduce the water consumption of finished products by 30% (compared to 2008 values).

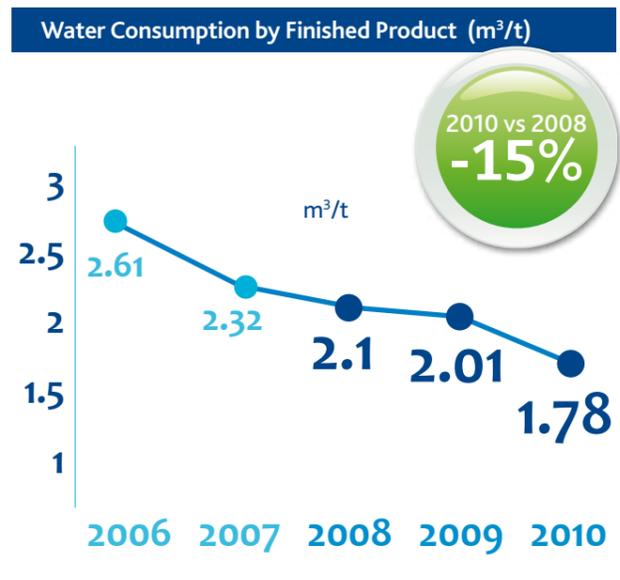
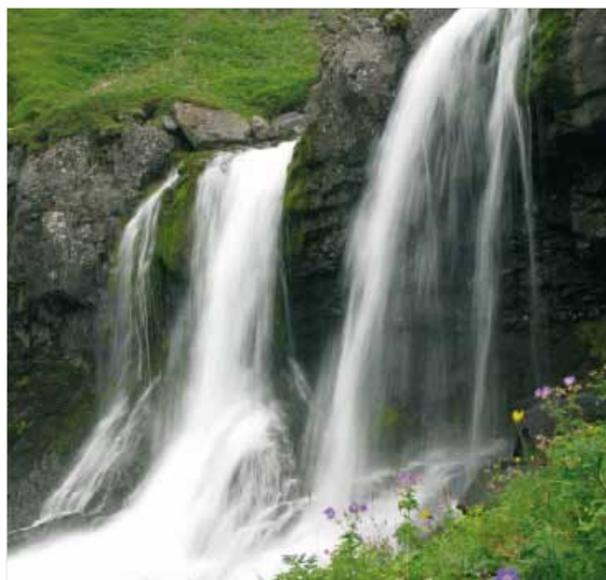


Water Consumption

The model that will be used to calculate the Water Footprint of all of Barilla's products was finalized in 2010. Barilla's factories consumed approximately 2.6 million m³ of water in 2010, 13% less than 2008 (and 10% less than 2009).

The water savings projects that have been put into practice for several years in the factories are at the heart of these reductions. The following initiatives continued in 2010:

- elimination of cooling systems that lose water
- optimization of the evaporation tower management process
- installation of flow regulators in sanitary facilities
- H₂O recovery in evaporation towers of the Cremona factory.



Approximately 50% of the water used in the manufacturing sites in 2010 came from owned wells or other underground sources while the remainder was taken from public aqueducts.

Water is used as a raw material in a number of recipes but is also drawn for other purposes such as:

- washing and/or cooling the production plants
- fire prevention services
- irrigation of green areas
- employee sanitary facilities.

More than 60% of Barilla's factories have a purification plant for waste water that reduces the environmental impact prior to being deposited.

In the course of 2010, approximately 800,000 m³ of water was deposited by the factories into public drains (just over 80%), with the remainder deposited as surface water.

Aureo Durum Wheat in Italy: an Example of How to Improve the Water Footprint

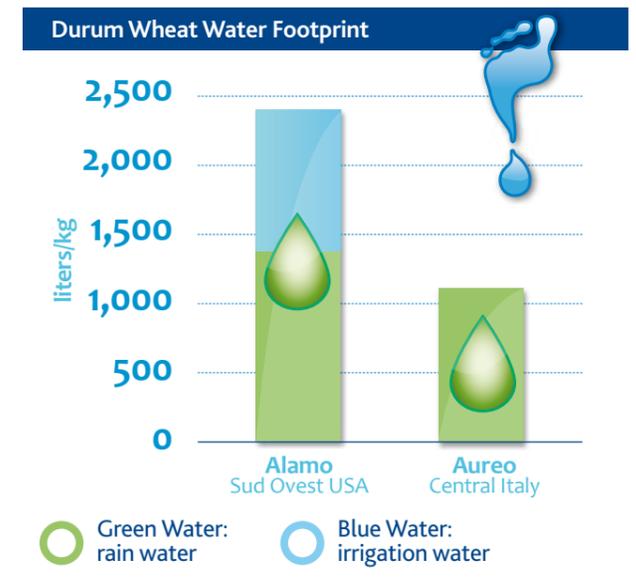
The Aureo durum wheat variety is the fruit of a 20 year partnership with the main players in the durum wheat supply chain. Aureo derives from careful selection that has created extremely high quality wheat. It has qualities only found in special wheat varieties originating in the US (Alamo), and is grown in Central Southern Italy.

The Alamo variety is grown in the desert regions of the Southwestern United States and requires the constant use of significant volumes of water for irrigation purposes

(the Blue Water element of the Water Footprint). The Aureo variety on the other hand is grown in Italy without irrigation requirements; this contributes to a significant reduction in the Water Footprint.

The yield of Aureo wheat harvested in 2010 will mainly be used in 2011 to replace the Alamo variety sourced from the US, which is used in special pastas: this will reduce the Water Footprint by approximately 1,000 m³ per ton of durum wheat.

Bearing in mind that this program has involved approximately 20,000 tons of durum wheat, the estimated overall water savings (Blue Water) amounts to around 20 million m³. The shift from farming in the US to Italy has also contributed to a fall of approximately 1,000 ton of CO₂ eq previously, previously caused by transport.





Human Resources

The changes that have taken place across the world in the last decade have had a profound impact on people based organizations. The internationalization of companies has raised the issue of diversity. The development of the global economy has imposed working methods based on flexibility and mobility.

One of the principal competitive advantages that has emerged is knowledge, associated with other people-based intangible values.

These are all pertinent factors for an enterprise built on more than 14,000 people who produce food in 43 manufacturing facilities in 9 different countries. This challenge cannot be met using the traditional methods of safeguarding, caring for and assisting our human resources. We need to create a knowledge and learning based organization, attract young talent, enhance the diversity encapsulated by “Barilla People”, and improve internal communications using the most technologically advanced methods available.

At the same time, we are updating and strengthening fundamental elements including the group of values and rules that underlie working relationships, internal welfare to ensure assistance is provided where necessary, training, and safety in the workplace.

We will ensure that the concept of our organization representing our employees is real and put into practice every day.

COMMITMENTS

Promote employees' integration and their skills and competencies by developing national and international programs that find the best ways to advance their welfare and ensure their health and safety.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Increase investment in training from 0.09% of net revenue in 2008 to 0.16%.
- > 2. Increase the current investment in People Care by 20%

Care and Development of Individuals

9,106 people play a crucial role every day in Barilla Group's worldwide success (not including the 5,065 Lieken employees, as the company is not yet included in the reporting scope).

website and monitor both the process and KPIs. We continue to look for and attract people with leadership qualities that meet our values and our corporate culture, people who can lead the change towards achieving the organization's future strategic objectives.

We focused on the "Millennial" generation (1980-2000) who represent for us the Leaders of the future.

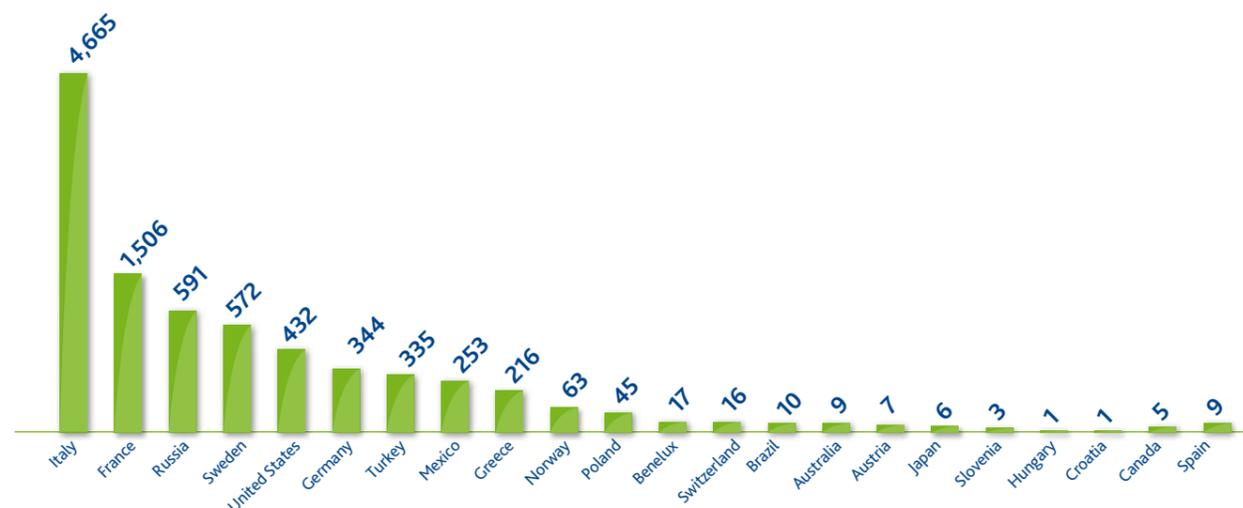
Their education is a fundamental factor in building the future success of our business.

We interact with Universities through consolidated relationships and mutual dialogue at both national and international level with the purpose of contributing to young people's education even before attaining their degree.

Talent Scouting

The global recruitment processes were redesigned in 2010 with the focus on internationalization and integration. We identified Group recruitment channels to meet our needs and implemented a worldwide recruitment platform that will enable us to publish all available positions on our

Distribution of Employees Across the Barilla G.e R. Fratelli Group



Training

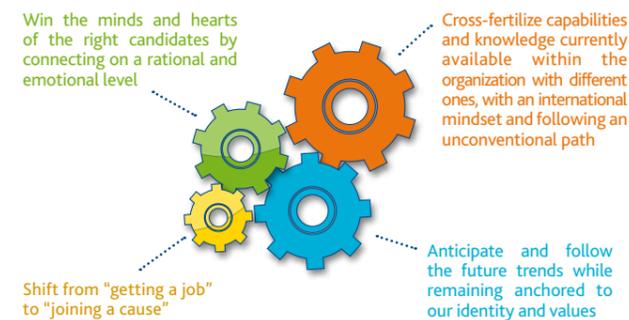


The structure of the new Barilla Laboratory for Knowledge & Innovation, which was relaunched in 2010, will contribute significantly to Barilla becoming a knowledge-based company that is geared towards constant learning (a learning-based organization).

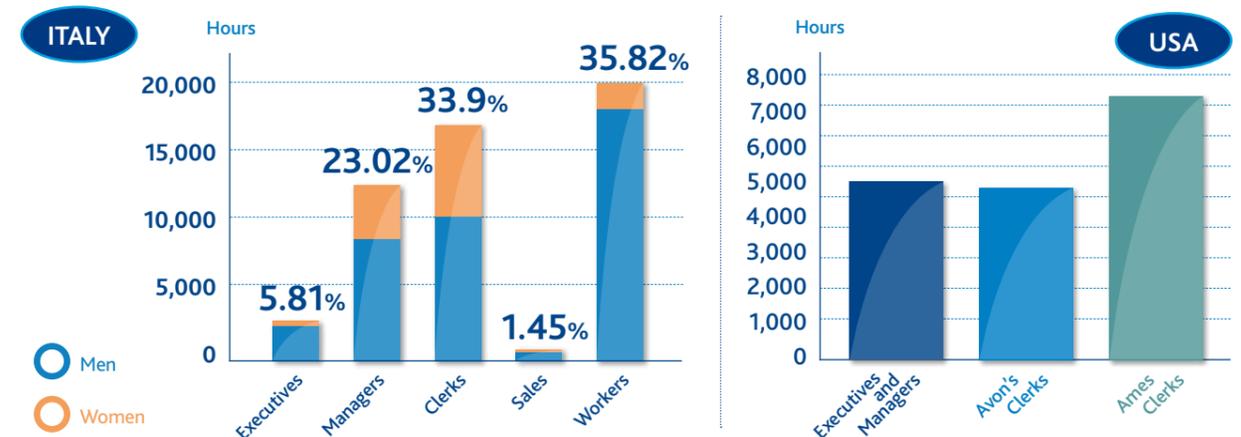
The Lab will direct numerous projects and activities that will revolve around the management of knowledge; skills development and knowledge management projects; the development of leadership skills; and the creation and dissemination of a corporate identity and the development of a platform for innovation projects. Far from the typical image of corporate universities, through this new Lab, the company is committed not only to acquiring technical knowledge but most of all to discovering the most

Barilla Talent Attraction

What is Talent Attraction for us?



Training Distribution in Italy and US



innovative trends in our sector, and to examining in detail consumer behavior, social dynamics, demographic tendencies and technological evolution. **Investment in training in Italy amounted to Euro 2.4 million (corresponding to 0.14% of net revenue)**, while in the US this totaled 0.12% of net revenue. Workshops covering the subject of sustainability are currently being developed.

Talent Management

The aim of the 2010 worldwide Talent Management Program is to create a future generation of leaders who embody Barilla's values and vision of the future.

This involved more than 1,300 people across 16 countries and 18 professional categories.

The future leaders were selected using a calibrated assessment process based on performance over time and potential and will receive specific international career development.

Development of Leadership Skills

The major projects in 2010 included 3 global programs to develop leadership skills that are inherent to each level within the organisation.

The most innovative program: nine months dedicated to young professionals to grow their skills base.

During these intense months of work, the participants were involved in classroom activities, on the job experience, strengthening workshops, interviews with direct managers and an individual coaching session. The core of this program was on-the-job training where the participants became cultural researchers required to carry out an ethnographic study in teams.

Employer of Choice

Barilla was declared Employer of Choice 2010 by a panel of 12,351 graduates and final year students belonging to 73 universities.

People Care

People Care achieved two important milestones in Italy in 2010. The Supplementary Health Fund, set up in Parma in 1947, was extended to all full time and fixed term employees in Italy.

The percentage of total employees covered by the Supplementary Health Fund increased to 87%.

A trade union agreement was signed in relation to Life and Permanent Disability insurance cover whereby, further to the harmonization of the assistance provided by the company with that of the Cassa Vita Nazionale (National Life Fund) envisaged by the national labor contract (CCNL) that came into force in July 2010, additional benefits and improvements for employees were introduced.

A dedicated People Care department has been set up.

Employees in Italy donated the equivalent of their Christmas gift from the company to Save the Children and the Touch Life Foundation.

Barilla America was declared one of the top 50 companies in 2010 in relation to employee support for fertility treatments and adoption.



Expenditure on People Care

This represented 3.7% of employee costs in Italy and 12.2% in the US for 2010, including private health care as part of the US health care system.

The percentage of employees covered by the Supplementary Pension Fund in Italy (Alifond) is stable at 64% of the total.

Internal Communications

The new weekly house newsletter "Barilla World" was launched in 2010 in digital format. From 2011 the printed version will be issued to all employees.

"Barilla World" is a global, multimedia and interactive instrument, printed in Italian and English, through which images and videos can be accessed. It will provide information and propose surveys and initiatives to stimulate our corporate culture and innovation. The desire to create an integrated communication tool stemmed from the extraordinary expansion of the Group: an "extended family" of more than 14,000 people, including Lieken, working in an international environment with different languages and cultures. 2010 also saw the launch of a communication platform with employees to guarantee the usefulness of information and develop efficient and innovative forms of collaboration.

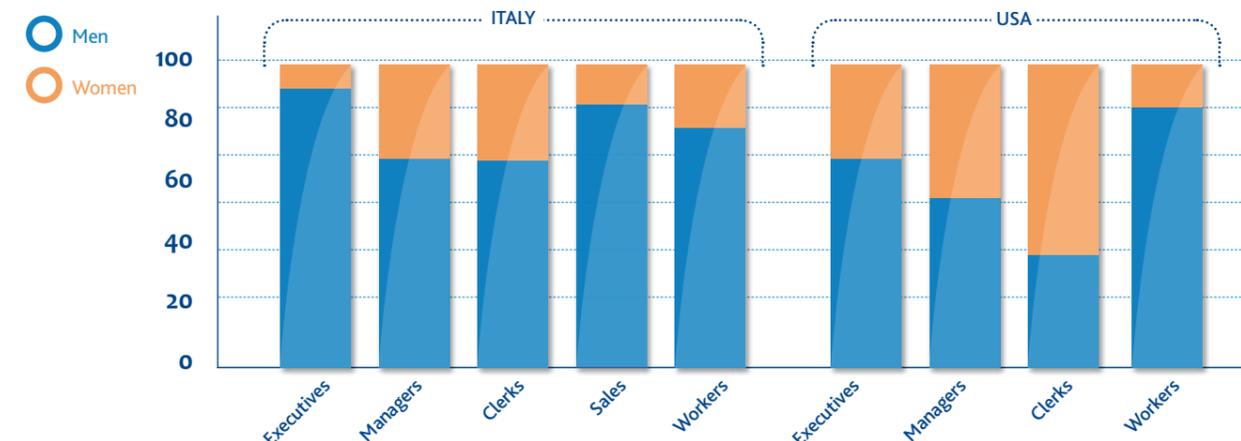
Diversity

Barilla is a multinational company whose strong values encompass the diverse cultures of the countries in which it operates. **The number of expatriate managers grew by 10% in one year** in order to develop the international culture of the company. The commitment of the company's actions to overcome discrimination based on sex, age, ethnicity, disability, religion and sexual orientation is demonstrated by adherence to regulations and everyday operating practices.

The increasing number of women in managerial positions is confirmation of this commitment.

Innovative contracts in force in 2010 - part time and teleworking - amounted to 4.4%. Teleworking is used to offer the opportunity to people with disabilities to be actively employed.

Employee breakdown by Role and Gender



OBJECTIVES TO BE ACHIEVED BY 2014

3. Reduce the number of days absent due to accidents at work by 50% (the long-term target is zero critical accidents).

Detail of Accident Criticality Index and Accident Frequency Index by Geographic Area					
	MEAL SOLUTIONS		BAKERY		
2010	EUROPE	AMERICA	SOUTHERN EUROPE	NORTHERN EUROPE	CENTRAL EUROPE
FREQUENCY INDEX	21	5	20	9	64
CRITICALITY INDEX	0.47	0.34	0.40	0.07	1.82

Safety at Work

261 accidents were recorded in 2010, representing a slight fall (-3%) on 2008. The number of days absent due to accidents fell dramatically over the last two years with a consequent reduction of 36% in the Accident Criticality Index.

The Accident Frequency Index, despite a modest fall in the number of accidents, has become slightly worse in the two year period 2008 - 2010 due to fewer hours worked; there has however been a significant decrease since 2006 (-10%).

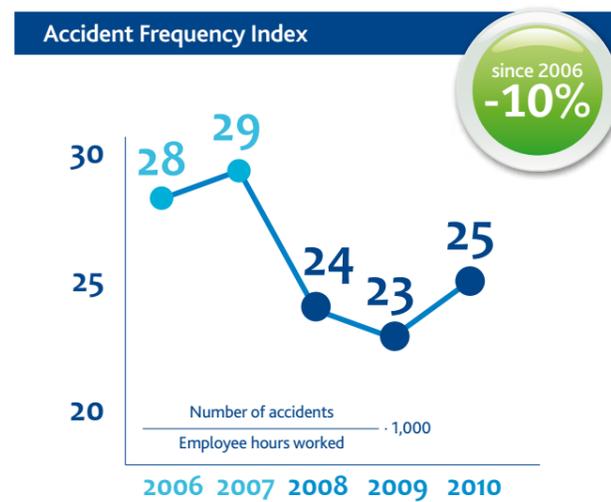
These indices have improved or are in line with the previous year in the European and US Meal Solutions, the Southern European Bakery and the Northern European Bakery Business Units. The indices of the French factories have worsened, and structured preventative projects were already launched in 2010.

OHSAS 18001: Roll-Out Plan Continues

Plans to roll-out the Barilla Health and Safety Management System, which complies with British Standard Occupational Health and Safety Management System 18001, have been accelerated in Italy in 2010.

This now includes the pasta production plant in Caserta and the bakeries in Ascoli Piceno, Cremona, Melfi and Rubbiano. The Plant Environmental Health and Safety Management System Manual is now available in 9 languages.

The factories with an OHSAS 18001 certified Environmental Health and Safety Management System covered 69% of total Group production at the end of 2010.



Barilla EHS Guidelines

Work has been completed on updating a number of Employee Health and Safety (EHS) guidelines.

More specifically, the Fire Safety Manual, the Manual for the correct application of Machinery Directives and the Atex guidelines (on the correct management of the risk surrounding potentially explosive atmospheres caused by gases or dusts) were updated.

A manual was drawn up to improve the ergonomics of the workplace and a safety guide was written on the correct management of pressure plants.

Finally, a series of "Working in Safety" manuals were published to provide employees with the basic safety and environmental knowledge in the various production facilities.

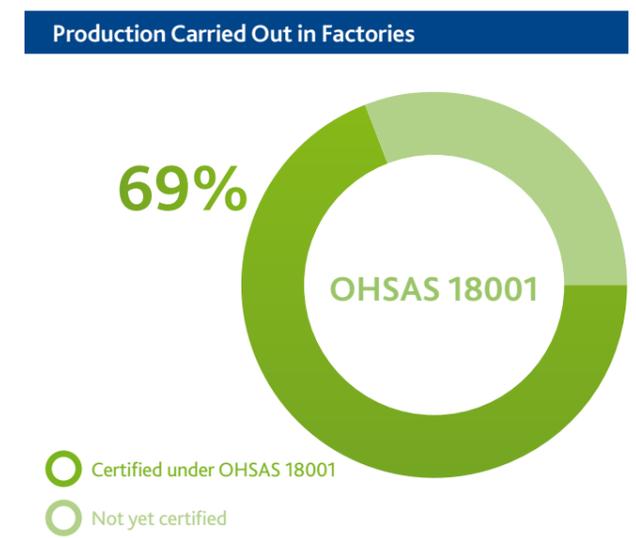
Training

An average of 7 hours per employee was dedicated in 2010 to health and safety training. The topics covered comprised: crisis management, fire prevention and first aid, the contents of the Barilla Plant Environmental Health and Safety Management System, Manual Handling of Loads, the principles of ergonomics, safe use of trolleys, noise risk, electricity risk, management of lifting equipment, and individual protection devices.

Audit of Safety and Fire Prevention

120 audits were performed over the course of the year covering the areas of environment, safety and fire prevention, 93 of which specifically related to Safety and Fire Prevention (a 50% increase on last year).

Covers of Plant Environmental Health and Safety Management System Manuals Published in 9 Languages



COMMITMENTS

Foster and strengthen a culture of individual responsibility in which individuals take charge of their own roles.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Extend the concept of widespread responsibility through training on the Code of Ethics and corporate responsibility.

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Departures for the Code of Ethics

The People and Values

Barilla people are called upon to promote the values that have driven this business for generations.

These values are published and disseminated through the Code of Ethics, adopted by the company in 2005 and distributed throughout the organization.

The Code of Ethics makes specific mention to people's rights to receive the same work opportunities and encompasses the Universal Declaration of Human Rights and the International Work Recommendations promoted by the ILO (International Labour Organization), the Earth Charter set by the Earth Council and the United Nations' Global Compact principles.

All of our suppliers have signed the general purchasing terms and conditions, in which they agree to follow our Code of Ethics.

With regard to labor contractors in particular, the general purchasing terms and conditions require a series of certificates demonstrating the legitimacy of the supplier's labor contracts.

The Supervisory Body (SB) monitors compliance with the Code and guarantees its conformance with Legislative Decree 231/2001 governing internal controls and the prevention of administrative offences and fraud.

Audits are currently carried out on all of the Italian companies and divisions except the legal department and audit department, that are soon to be included.

No violations of the Code of Ethics, or cases of conflict of interest or fraud, arose in 2010.

Reorganization

Following the Group reorganization that took place in 2008-2009, the process of mapping the key 1,300 positions within the organization by defining objectives and key responsibilities, was finalized in 2010.

This was the starting point of defining a global classification system of positions within the organization, which established a common language for the entire company and formed the foundations of a governance system for business processes.

Performance Management

The individual Performance Management system covers all managers within the company.

The annual objectives of the entire business are transformed by Top Management into individual objectives following a top down approach. Management and staff meet to discuss these objectives, leadership qualities and functional skills. This forms the basis for personalized development plans. Top Management also follows this performance evaluation system.

The performance of each manager is assessed in relation to sustainability objectives and the results achieved are taken into consideration when determining remuneration.





People

To earn and maintain consumer trust nowadays, across the entire world, is not something to be taken for granted. Pietro Barilla used to say: “Feed others as you would feed your own children”. But to build on this principle you need to take into account the new conditions in which we are now required to operate.

In a world in which there is a growing divide between what we would like to know and what we actually know, people use their own resources to find answers rather than just wait to receive them. This is particularly relevant for product advertising, including the categories that publicize sustainability. It is fundamental that sufficient information is provided regarding the source of raw materials in our main products. Consumers want to know where goods come from and who produced them. In other words, companies must be sustainable and held accountable rather, and to a greater extent, than products or brands.

Our organization produces consumer packaged goods for general consumption. We are increasingly required to guarantee not just the safety of the foods that we manufacture but also their nutritional profile. We are committed to achieving a greater balance between taste and wholesomeness on one hand and quality, safety and the best nutritional profile on the other. We refuse to accept anything less.

COMMITMENTS

Produce healthier and greater quality foods, providing the consumer with information about the safety of raw materials used and the manufacturing systems adopted.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Expand the Barilla control standards for raw materials and finished products to the Harry's France and Harry's Russia factories and proceed towards full integration. Develop plans that guarantee a 10% annual increase in conformance rates.

Key Importance: Listening to People

In our opinion, the design, planning and development of product quality also envisages consumer involvement and listening to what they have to say. The rules that we have implemented require us to keep close contact with people in order to understand their needs and opinions regarding our products.

We firmly believe in our people's ability to gather feedback, talk to our consumers and interpret their needs in order to achieve and maintain high quality levels through a process of continuous improvement.

In order to better understand the data presented in this chapter of the Sustainability Report, it should be noted that this is **the first time** that **all of the indicators** have been **applied to the entire Barilla G. e R. Fratelli Group**. This involved continuous and systematic effort on the harmonization of rules and guidelines on data collation and management.

Raw Materials

Our aim has always been to contribute to people's daily health and wellbeing, **transforming high quality ingredients into healthy, safe products**, which are packaged and distributed in the safest conditions possible. It is not enough to concentrate on the manufacturing process in order to attain this level of product excellence. Particular care must be taken during **the raw and packaging**

materials' selection and sourcing phases, through compliance with specific Quality and Food Safety requirements. The "Supply Quality Specifications", which represent an integral part of the contracts between us and our suppliers, govern the purchasing function, and establish the organoleptic, chemical-physical and hygiene qualities and the point of origin of each of the 300 types of raw materials and 50 types of packaging materials used.

Food Safety Supply Chain

The roll-out across the entire Group of the widespread control of the quality and safety of all new materials used (**90 raw materials added compared to 2009**), covering **more than 54,000 batches analyzed**, has, as expected, resulted in a compliance rate slightly lower than that recorded in 2009. This fell from 96.8% to 95.8%. All batches

received that did not conform in full were dealt with immediately and not put to use.

Finished Product Controls

Quality controls are naturally carried out in all 43 of our production sites where 900 different products relating to our 17 brands are manufactured. This complex process requires knowledge, means, resources and a highly organized structure. A series of **organoleptic, microbiological and chemical-physical controls were performed on approximately 113,000 batches in 2010, of which 95.1% fully conformed (2009, 93.2%)**. This outstanding result is principally due to **continuous improvements to production processes**, the fine-tuning of preventative control techniques along the production stages, and the training of line workers.



Barilla Products Quality and Safety

165 professionals dedicated to Quality and Food Safety

2 million analyses carried out every year

Our Know-How

Our entire organization, not just the quality experts, is highly involved in achieving quality and safety standards. Significant resources are invested in skills development and process improvements.

For some time now we have adopted **GMP** (Good Manufacturing Practices), an **operating manual consisting** of more than 600 rules governing the hygiene requirements of production facilities and plants.

Our efforts do not end here. **Employee behavior** is fundamental in guaranteeing product hygiene during processing.

The manual provides clear instructions regarding employee clothing and training.

Once again **people and rules work together** to act as the main guarantors of product safety and quality.

If **documenting procedures is a significant effort, then respect for these procedures carries even greater**



importance. This implies full adherence to the procedures adopted in each production site, and is guaranteed through regular checks carried out in all sites by internal and external experts.

Economic Resources

Euro 28.5 million a year is invested in achieving the above result and comprises the cleaning and sanitation of all of the production lines, risk contamination monitoring and prevention, and the cost of employees involved both at headquarters and in the Group's factories and mills.

This investment is largely in line with previous year. The related cost identification procedures are currently under review.

An interdepartmental workforce is to be set-up by the end of the year to align the criteria and establish the relevant actual cost reporting process.

Traceability and Retraceability

An automated traceability and retraceability system is in operation throughout all of the companies in the Barilla G. e R. F.lli Group.

This system traces raw and packaging material batches to the source supplier, the finished products and the customers to whom each finished product batch was delivered.

The traceability and retraceability process allows immediate action to be taken in identifying the origin of a problem, finding the solution and thus guaranteeing the highest degree of protection for our consumers.

2010 vs 2009

-4%

Fall in the percentage of dissatisfied contacts in total contacts

Consumer Contact

The Consumer Service department **made contact with consumers in 2010 for the following reasons:** 6% relating to nutritional or food safety queries; 20% for product information; 23% regarding general company information; 25% to express dissatisfaction; 26% for questions relating to promotions.

The percentage of dissatisfied customers in total customer contacts fell compared to 2009 (from 29% to 25%); an increase was recorded in queries for general information on the company (from 16% to 23%).

The latter contacts referred in particular to potential collaborations or sponsorship requests and trade enquiries.

COMMITMENTS

Communicate fully and transparently, being careful to avoid encouraging excess or inappropriate use of our products compared to basic dietary needs dictated by healthy eating principles, especially where advertising is directed at children.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Significantly improve the completeness and quality of nutritional information provided on packaging and on the Barilla and individual brand websites, ensuring for all products on a worldwide scale that:
 - they are accompanied by a detailed nutritional label;
 - they contain recommendations for a balanced diet and healthy lifestyle;
 - there are suggestions regarding consumption (in particular, ideal portion sizes and ideas on how to combine products).

Principles of Good Communication

Millions of people every year take home our products. We repay this trust by communicating to our best ability the qualities of our products.

In order to achieve this goal we have defined principles of good communication that envisage among other things:

- providing even more information than that required by regulations,
- supporting the qualities attributed to products with rigorous scientific data,
- including, particularly for advertising aimed at children, suggestions for leading a healthy lifestyle.

Compliance with these principles is regularly checked during the creative development of each communication project, together with top management involvement. No cases of non compliance with these principles have arisen to date.

Traditional Advertising

We have always advertised our products using television, radio and the press. We try to adopt a creative and emotional advertising style that invites consumers - children in particular - to eat in moderation. We firmly believe that close family plays a fundamental role in forming eating habits. This is why we stage our adverts in daily life situations, possibly in the open air.



Packaging

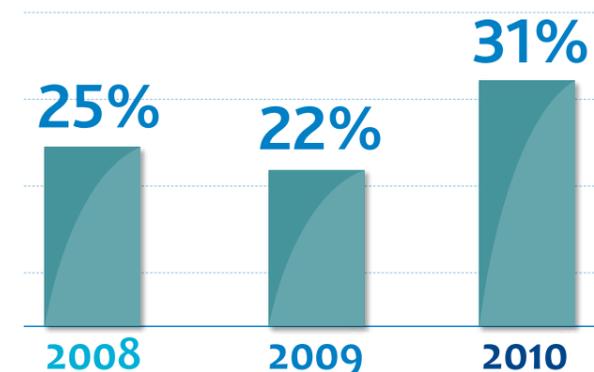
We use packaging to convey information that goes beyond regulatory requirements.

The list of ingredients also includes the potential allergen content. In order to promote good habits, clear and detailed information is provided on nutritional aspects and recommended portion sizes are stated. Recipe suggestions and advice on how to recycle waste are also given.

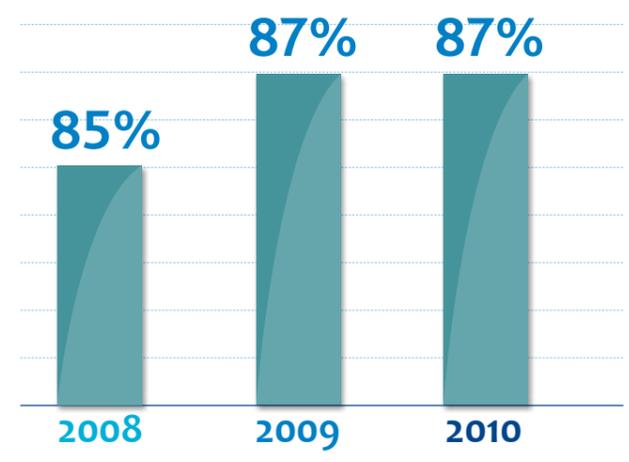
According to data collated for 2010:

- we provide a detailed nutritional table on 87% of our packaging,
- we recommend portion sizes in 66% of cases,
- we give effective advice on how to lead healthy lifestyles or follow a balanced diet in 31% of cases.

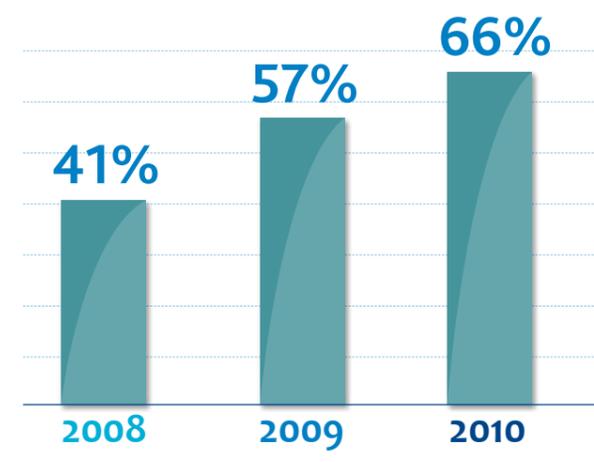
Products Providing Advice on How to Lead a Healthy Lifestyle



Products Providing Detailed Nutritional Tablets



Products Providing Eating Recommendations



When we attribute functional qualities to a product, we ensure compliance with local legislation and the recommendations of relevant authorities such as the European Food Safety Authority (EFSA).

The information provided on all of our packaging follows a control and approval process that includes checks on raw materials and the environmental impact, confirming that recommended portion sizes reflect the principles of good, healthy eating, and identifying the most appropriate means of disposal.

Only one case was contested in 2010 by a competitor in the frozen foods sector for the improper use of the “no preservatives or additives” wording. This dispute was settled out of court with the removal of the contested wording from the product label in question.

Internet

Initiatives have been developed in recent years on the effective use of opportunities presented by the digital world.

Our brand websites now represent a consolidated point of contact with consumers, albeit virtual. We use our websites to communicate new products, to engage with people and contribute to improving their eating habits. **60% of our websites supply nutritional tables, 53% give detailed advice on the best way to eat products and 47% provide suggestions on how to lead a healthy life style.**

We are increasing the use of social networks. Facebook was used in 2010 to launch a new snack, with samples being distributed in advance to fans of the brand and feedback gathered from them. We are also creating interactive events in which people may make proposals: we have received more than **8,000 ideas** through the website www.nelmulinochevorrei.it opened in 2009.

Piccolini iTV was launched in a number of countries, which is a digital forum where blogger mums can discuss subjects linked to the mother-child relationship such as healthy eating and cooking together. An internet monitoring system has been devised that notifies us of criticisms and suggestions relating to our brands and enables us to take immediate action.



New Forms of Involvement

We are increasing the occasions in which consumers get involved in on-hand educational and interactive events.

The main projects that took place in 2010 were:

- **Casa Barilla**, this event took place in a number of European countries (Italy, France, Germany, Switzerland) and was dedicated to sharing **the pleasure of eating good Italian food** through seminars, lessons with Chefs and recreational activities, involving light-hearted cooking competitions and sampling various recipes;
- the **Wholewheat Cooking Tour**, aimed at providing

simple rules on how to prepare natural, tasty meals that are also nutritionally balanced;

- the **Piccolini Grandi Chef Tour**, held in the main Italian shopping malls that focused on **children's health and nutrition**;
- the **Mulino Bianco Tour**, to emphasize the importance of the **Italian breakfast** and **healthy snack times** as part of our daily routine, by providing specific nutritional programs and through laboratory sessions aimed at children. Using a dedicated mobile structure, the tour covered **49 Italian cities**, involved more than **275,000 people** including more than **70,000 children**.





Community

In this global world, enterprises exist in close contact with various communities that differ in geographical location, economic situation and in their attitude towards these businesses.

These communities are made up of individuals and groups with varying identities comprising behavior, priorities and lifestyles. Communities have expectations of companies, demand their support and view them critically. They represent valuable reference points even when they are not located close by but are part of a supply chain.

Companies are increasingly called upon to resolve matters of general interest, to liaise with institutions, make available resources and know-how for the safeguarding of public resources. They are expected much more now than in the past to promote development and play a subsidiary role in supporting public authorities.

This essential link with communities, expressed in our mission statement, is reflected not just in the workplace but also through aid provided in times of crisis, product donations, investments in local infrastructure such as healthcare and an active interest in local policy. Our commitment to physical activity, healthy eating and environmental education for children and young people is a distinctive mark of our presence in the community.

COMMITMENTS

Participate in the development processes of all communities in which we operate, either by direct intervention or through dialogue and cooperation with institutions.

OBJECTIVES TO BE ACHIEVED BY 2014

- 1. Implement a long-term project that supports development of the communities in which Barilla operates, both in Italy and abroad. Dedicate suitable resources to this project, working closely with the stakeholders to meet the priorities identified by them, and be a key player in the development of the communities in which our factories are located.



Barilla Throughout the World

Barilla provides products for everyday use that are intrinsically linked with people's wellbeing. Despite this, the greatest impact the company makes is in those communities where production or service facilities are located.

Barilla owns 24 production plants and 9 mills that grind wheat in 9 different countries. These figures relate to Barilla G. e R. Fratelli, excluding Lieken. It also has 8 logistics platforms throughout Italy. The countries in which Barilla operates do not present particular critical factors or risks. However corporate values and regular audits ensure that the rights of the local community are respected and that the commitment to contributing to their development continues.

Jobs

In 2010 the number of direct Group employees in the production facilities, mills and distribution centers was 6,762. People involved indirectly in production amounted to 711.

In Italy alone the sales force consisted of 212 employees and 16 agencies, which in turn employ 325 sales subagents around the country. Hostess agencies and merchandisers are also engaged throughout the country for in-store product promotions in supermarkets, which accounts for 150 people. 1,282 people work indirectly with the logistics sector. Barilla is often the largest employer in a country and employee numbers are in line with 2009.

Supports

The most common and effective method of supporting local communities is through product donations.



Almost of all our manufacturing facilities donated part of their production in 2010 to support organizations or events, corresponding to a total 1,675 tons; these include donations to Feeding America (United States) and the Banco Alimentare (Food Stand in Italy). Financial donations are made to training and research enterprises, voluntary associations, and local non profit organizations.

Total donations in 2010 amounted to Euro 4 million, comprising the support given to areas hit by the earthquake in Abruzzo.

Other Activities that Support Local Development

We consider ourselves members of the communities in which we operate, therefore it is fundamental that we

contribute to their development. Each of them has specific and varied needs. Following the guidelines of the business sustainability model, our factories determine together with local institutions and other stakeholders the initiatives to support in the local areas and communities. Most of our factories supported wide ranging and diverse initiatives in 2010 (sport competitions, cultural and social activities, etc.) in collaboration with cultural and sporting associations and local authorities, the objective being to create long-term benefits for the area and wellbeing of the community. We are aware that our activities can have an impact on the local area. In areas where we intend to construct a plant, dialogue commences right from the planning stages and continues until completion with particular attention to social and environmental impacts. This is currently taking place for the new ready-made sauces plant in Rubbiano in the province of Parma.

Health of the Local Communities

Barilla provided assistance and support to the inhabitants of the Abruzzo region who were affected by the 2009 earthquake.

During 2010, **the project to rebuild the school in San Demetrio (AQ)** continued, with the **finalization of the sports complex** attached to the school that will be enjoyed principally by the **300 pupils in the town and surrounding councils**. The sports complex was badly damaged in the April 2009 earthquake, which left the entire school complex inaccessible.

Following careful assessment, an implementation plan was drawn up to construct the sports centre from scratch. The project was carried out in conjunction with the San Demetrio municipality, which identified the best location for the new buildings in compliance with urban planning standards. The sports centre is situated beside the infant school, facilitating easy access from the school complex. The company contributed a total Euro 1 million in 2010.

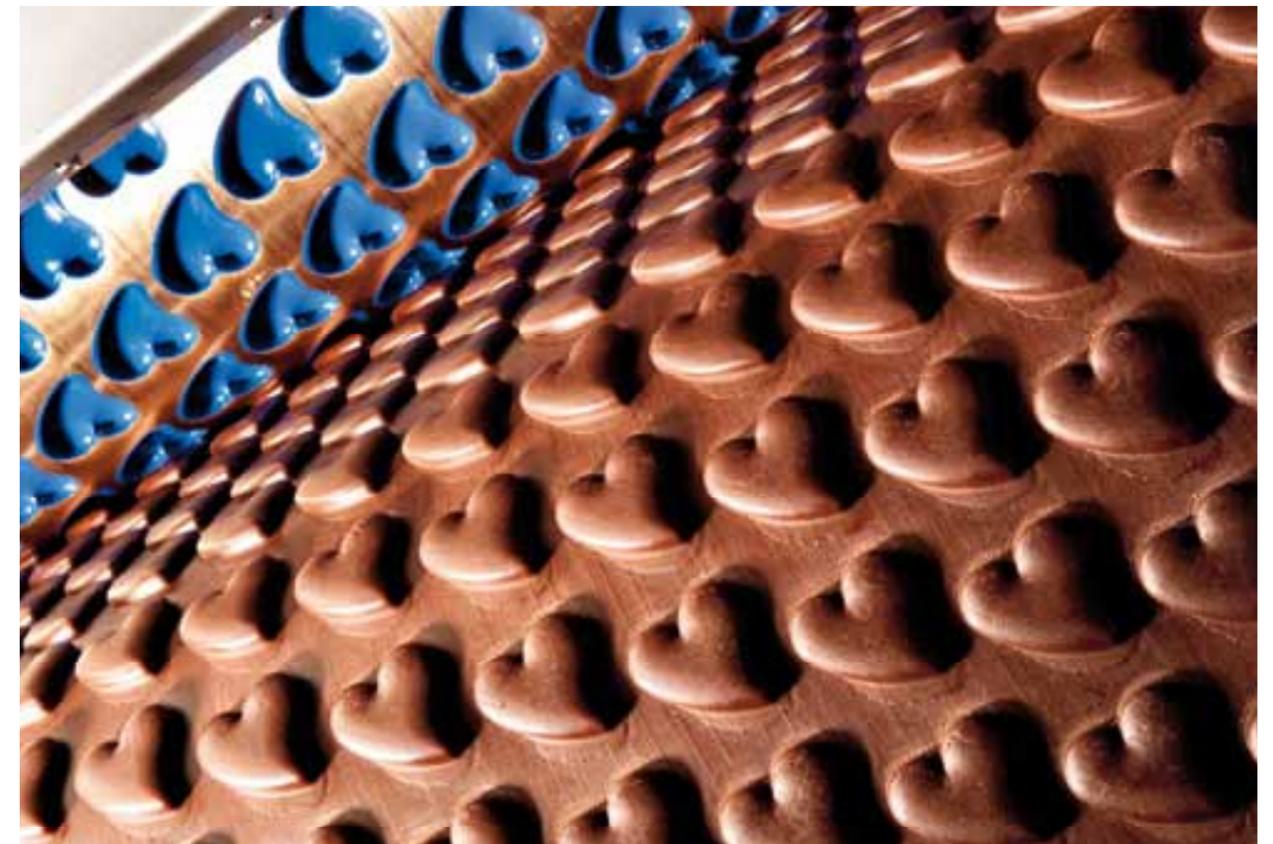
Criticisms and Contested Business Activities

The province of Cremona found irregularities in the level of atmospheric emissions of CO₂ at one of our plants.

Following an investigation into the problem, it was found that the CO₂ emissions limit set by the Lombardy Region was too low and impossible for any bakery to adhere to.

The level of CO₂ emission is an intrinsic part of the baking process as CO₂ is produced as a by product of the reaction when the sugar on the products' surface caramelizes and was not due to the ovens not being correctly calibrated.

As a result of checks carried out that proved the limits established to be inappropriate, new sampling methods more suitable to this type of plant were determined by the Province of Cremona and rendered official in the AIA (Integrated Environmental Authorization). The plant emissions now fully conform to these new methods.



COMMITMENTS

Encourage and support educational efforts to promote a responsible lifestyle among young people and adults (health, exercise, nutrition, protection of the environment) and to contribute to the health of the communities in which the company operates.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Ensure that the Giocampus project is recognized as an excellent educational project model and make it available to local and national enterprises and any other socially active parties.

2,800 children, 150 teachers 2008

7,500 children, 350 teachers, 300 instructors 2009

7,500 children, 350 teachers, 296 instructors 2010

Degree of involvement of Giocampus

GIOCAMPUS

The Giocampus educational project continued in 2010. This initiative offers a multidisciplinary experience to young children of between 5 and 14, the aim being to encourage healthy lifestyles in future generations through a combination of healthy eating and physical education.

Commencing in 2010, "Giocampus" is now a part of the entire school year and takes the form of a continuous play-educational program covering both the school environment during term time and summer activities. The project and the activities have been supported from the outset by a public-private sector partnership between Barilla, the Parma primary and middle schools, Parma Town Council, CONI (National Olympic Committee), CUS (University Sports Committee), the Università degli Studi in Parma and the Emilio Romagna Regional School Office. The guidelines accompanying the program are validated by a Scientific Committee made up of nutritionists, sports doctors, child development psychologists, educational experts, pediatricians and experts in child growth.

The program has three stages:

- "Giocampus Scuola" - physical education and healthy eating program as part of the normal school curriculum
- "Giocampus Neve" - a week of practicing winter sports and experimenting with food
- "Giocampus Estate" - a summer camp that teaches how to follow a healthy diet and the importance of physical exercise.

Theoretical sessions were developed based on the defined objectives that comprised:

- 60 hours of physical exercise per annum conducted during school time by qualified trainers supporting the class teachers

- 20 hours of eating education with the class teacher
- teaching materials provided to the teachers on the topics of eating, physical education for children and practical sessions that included eating training courses for teachers, children and their parents held in the Academia Barilla
- laboratory workshops run by food experts involving educational games on children's eating habits.

Giocampus Participants

Over the whole year 7,500 children took part, with 2,800 attending the summer camp, 600 the winter camp and 4,100 children following the program during the school year.

The Results of Giocampus

The Scientific Committee has published results aimed at validating the content of the projects and quantifying the real impact on the children's diet and physical health.

Data has been monitored since 2005. The scientific results were measured again in the summer of 2010 and, from a study of the last 5 years, it emerged that the percentage of children who do not eat breakfast has fallen from 22% to 8%. Moreover, the tendency to gain weight in already overweight cases stabilized and there was a slight fall in the level of obesity for all of the participants between 8 and 11 who followed the program rigorously.

Sharing the Scientific Evidence

"Giocampus" was presented to the Ministry of Education, Universities and Research in January 2010 as a potential reference model in which to invest further to produce more formative and instructive evidence to share on a wider scale.



The project was also presented to two major medical-scientific associations:

- FIMP (Federazioni Italiana Medici Pediatri - Italian Federation of Pediatricians) on 30 September
- SINU (Società Italiana di Nutrizione Umana - Italian Society of Human Nutrition) on 25 November.

Subsequent to these meetings aimed at sharing the results of the good practices implemented, more than 200 pediatricians joined our initiatives.

In 2010 "Giocampus" was a **discussion topic for a number of university dissertations** at the Università degli Studi in Parma and the following articles were published in the Acta Biomed journal: "Sedentary Lifestyle in Active Children Admitted to a Summer Sport School" and "Sport Injuries Prevention Strategy in Active Children. The Giocampus Barilla Experience".

"Piccolini" Project to Learn to Eat Healthily

Barilla is promoting a new **education project** "Healthy Eating Habits Start Young" ("A mangiar bene si comincia da

Piccolini") focused on **primary schools in 6 Italian regions**. This project took place over the 2010/2011 school year in Emilia Romagna, Lombardy, Piedmont, Puglia, Tuscany and Veneto. This initiative envisages a recreational and educational process involving teachers, pupils and families, to help teach children the principles of correct, healthy eating.

A kit has been devised with a team of nutritionists, pediatricians, psychologists and chefs to provide the schools that sign up for the project with all of the relevant teaching materials required to execute the project.

The Mulino Bianco Tour

The Mulino Bianco Tour is an eating education program that Barilla commenced in 2009 to inform and encourage Italians of the benefits of correct, healthy eating. In two years **the Mulino Bianco Tour** has welcomed more than **500,000 visitors in 80 squares in Italy**.

The eating education programs "The Italian Breakfast" and "Have a Good Break" form the framework of this new initiative, that was developed by Mulino Bianco in conjunction with a multidisciplinary team of experts.



Il futuro della rendicontazione di sostenibilità nel settore food

Venerdì 8 ottobre 2010



Stakeholders

The stakeholder challenge essentially consists of placing value in the relationship between Barilla and our stakeholders, which is often talked about but not always put into practice. It tends to be limited to public relations and communications departments that view stakeholders - both internal and external - as a threat rather than a resource to the company.

This outlook has a negative impact on the essential aspects of business life and daily operations, including trust, reputation and “the social license to operate”. It also limits the opportunity to derive value from stakeholders’ know-how, networks and operating experience.

Barilla has taken steps to engage the up-front involvement of stakeholders in establishing the determinant factors of our sustainability policy such as this Report, to identify its stakeholders based on their importance and the category they represent, to set-up a communication network and take on board their recommendations and comments, to enhance the planning of projects and initiatives, and to create partnerships to achieve objectives that the company could not attain by itself.

In summary our strength lies in the ability to transform the dialogue with our stakeholders into their effective involvement. We are aware of the fact that without their contribution there would be no sustainability.

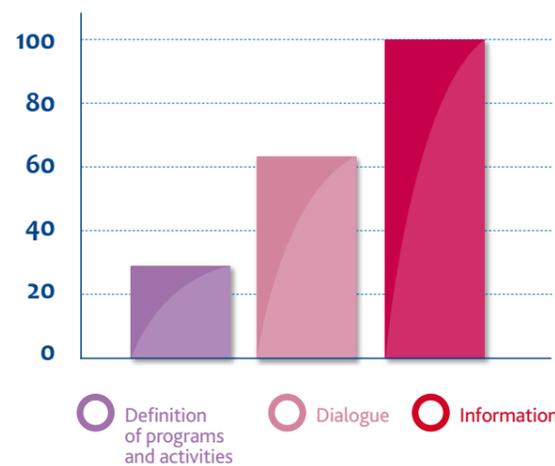
COMMITMENTS

Involve stakeholders as far as possible in company practices, by establishing a dialectical relationship that produces maximum value both for them and for Barilla.

OBJECTIVES TO BE ACHIEVED BY 2014

- > 1. Consolidate practices that allow the effective involvement of all stakeholders in the processes in which they are involved. Organize at least two panels relating to the reporting process each year in conjunction with other meetings relating to projects and activities; require the prior intervention of one or more stakeholders to secure their valuable participation in the process.
- 2. Subsequent to each meeting, document the way in which each contribution was addressed and any resulting actions.

Involvement in 2010 of Stakeholders in the Categories Listed in the Map, by Nature of Intervention (%)



Our Approach

Barilla's relationship with its stakeholders is a fundamental element of our sustainability policy.

Stakeholders represent a resource to our organization and we endeavor to put this concept into practice both through innovative initiatives such as the creation of a dedicated stakeholder map or the creation of a permanent advisory panel, and discussions on key sustainability topics and our everyday communication activities.

Stakeholder Involvement

Stakeholder relations in 2010 encompassed a number of the categories listed in the stakeholder map: 30% of stakeholders were involved in determining corporate plans and activities, 63% attended discussion forums and all of them received direct information regarding our initiatives.

Permanent Stakeholder Panel

The first meeting of the permanent stakeholder panel was held in Parma in November 2010. The panel consists of representatives of the key stakeholder categories listed in the map and its purpose is to discuss and consult on Barilla's sustainability issues. The panel meets twice yearly.

The objectives of this meeting were:

- to identify those areas of sustainability that the stakeholders judged most significant, such as those listed in the table "Sustainability Topics Considered Significant by Stakeholders" (see page 91);
- to gather feedback on the 2008 Sustainability Report in terms of relevance, completeness and clarity of the actions described and the indicators reported;
- to compare the strategies adopted in attaining the sustainability objectives.

In order for the meeting to be as effective as possible, the panel was divided into seven focus groups, one for each challenge, and led by Barilla management involved in the respective challenges.

The suggestions made were then reviewed to assess the possibility of incorporating them and how. The company provided feedback on each suggestion. Both the input and feedback were collated in a single report and sent to the participants.

Of the 43 suggestions received, the company took full action on 35 of these, 6 were dealt with partially and only 2 could not be met.

A table of stakeholder input and the relevant company feedback is summarized in an appendix to the Report.

36 members of the following stakeholder categories listed in the map attended the first meeting of the permanent panel:

- sales agents
- advertising and communication agencies
- environmental associations
- consumer associations
- volunteer associations
- business associations
- medical associations
- local health companies
- legal consultants
- copackers
- banks
- customers
- employees (executives, middle management, workers, new hires)
- packaging suppliers
- plant suppliers
- raw material suppliers
- finished product suppliers
- suppliers of services
- farmers
- the Ministry of the Environment
- Health and Safety Division of Italian Military Police Department
- Barilla's Supervisory Body
- Barilla's pensioners
- Barilla's President
- scientific enterprises involved in nutrition and food
- trade press
- universities





The Double Pyramid on the Road

The BCFN illustrated the Double Pyramid of Nutrition and the Environment, emphasizing how the Mediterranean Diet is also sustainable for the environment. Barilla, together with Legambiente, organized the **“A healthier you, a healthier planet”** event that took place in Rome between 5 and 7 November 2010. This was an innovative “edutainment” experience to increase awareness of the life cycle of foods and the environmental impact of different food products. More than 13,000 people took part in this event, including 1,200 children from primary and secondary schools in Rome and the surrounding areas. This initiative created more than 30 million contacts thanks to the wide information provided by the Italian media.

Major trade associations with which Barilla interacts on a European and international level.

- AIDEPI**
Italian Confectioners' and Pasta makers Association
www.aidepi.it
- AIM**
European Brands Association
www.aim.be
- CAOBISCO**
European Association of Chocolate, Biscuit & Confectionery Industries
www.caobisco.com
- CENTROMARCA**
Italian Brands Association
www.centromarca.it
- CIAA**
European Federation of Food & Drink Industries
www.ciaa.be
- ECR**
Efficient Consumer Response Europe
www.ecrnet.org
- IBC**
Association of Consumer Goods Industries
www.ibconline.it
- INDICOD-ECR ITALIA**
www.indicod-ecr.it
- IPO**
International Pasta Organization
www.internationalpasta.org
- ITALMOPA**
Italian Industrial Millers Association
www.italmopa.com
- SEMOLIERS**
European Association of Semolina Manufacturers
www.semouliers.org
- THE CONSUMER GOODS FORUM**
www.ciesnet.com
- UNAFPA**
European Union of Pasta Manufacturers
www.pasta-unafpa.org
- UPA**
Association of Advertising Users
www.upa.it

Barilla attends events held by the above trade associations to put forward its opinion and take part in the public consultation and formation of public policies process.

Guidelines for Managing Stakeholder Relations

Guidelines are currently being drawn up on the subject of stakeholder relations.

These contain directives on:

- identifying and assessing stakeholder importance and updating the stakeholder map
- identifying the various levels of managing stakeholder relations and involvement, from developing scenarios through to managing relations at operating level
- identifying strategies and tools for the various degrees of stakeholder involvement (information, listening, dialogue and consultation, collaboration, partnerships), and dealing with conflicts.

The guidelines dictate both strategies and actions that have already taken place (e.g. the mapping of stakeholders), and tools and initiatives either in the planning or operating stages. The aim is to foster a systematic approach to this fundamental aspect of our sustainability policy and adopt common practices throughout our organization.

These guidelines are being drawn up thanks to the contribution of stakeholder opinion and proposals following consultation on this process.

Discussions on Sustainability

Barilla, together with the scientific support of FONDACA, organized the seminar **“The Future of Sustainability Reporting in The Food Sector”** last October in Milan. This seminar examined social reporting practices in the food sector, looking at future developments, comparing views, skills and national and international experience.

Factory Visits by Stakeholders in 2010

Each year we organize factory visits to give people a further insight into the quality and safety of our manufacturing processes.

FACTORIES	VISITS	PEOPLE
Castiglione	9	326
Cremona	2	62
Melfi	13	606
Pedrignano	163	2,578
Rubbiano	8	295
Novara	6	140
France (Gauchy and Malterrie)	25	255
Greece (Volos, Tebe and Thiva)	3	85
Turkey (Bolu)	30	1,400
Russia	5	65
USA (Ames and Avon)	28	666
Sweden (Filipstad)	15	130
Germany (Celle)	15	162
Mexico	13	411

The discussions took their inspiration from the new GRI food processing sector supplement.

The event was attended by social reporting experts, members of the scientific community, the business world and civil social organizations.

Two meetings were held with durum wheat suppliers for Northern-central Italy and Southern Italy to update them on the provisional Food Safety data.

The Barilla Center for Food & Nutrition



The Barilla Center for Food & Nutrition (BCFN) is a multi-disciplinary think tank that analyses and submits proposals regarding important topics of global interest in the field of food and nutrition.

The BCFN, founded in 2009, listens to the emerging needs of global society, collates and analyzes experience and know-how at worldwide level and promotes constant and open discussions between the scientific community, businessmen and policy makers.

The work of the BCFN is guided by an Advisory Board of international experts that submit, analyze and develop topics and provide recommendations on how best to face the food challenges of the future.

Information

A series of informative meetings were held in 2010 to communicate Barilla's sustainability policies to the stakeholders. This included the Forum Politeia in Milan on the relationship between businesses and their stakeholders, the “Green Brand” meeting at Roma Tre University, where we had the opportunity to present the BCFN, and our attendance at the Centromarca seminar on “The

Challenge Facing Brands in the Area of Responsible Development”.

Barilla places particular importance on relationships with distributors. Constructive discussions on the subject of sustainability have been held and will intensify over the coming years as the company firmly believes that this area can also create even more value for the people and families that every day purchase our products from stores.

The BCFN published numerous scientific articles and organized a series of events in 2010 including:

- the “Food and Health” convention held at The Senate of the Italian Republic (4 March)
- publication of the paper “Healthy Growth and Nutrition in Children” (April)
- the convention on “Children Diet, Lifestyle and Health” (4 May)
- Nielsen Meeting of Production and Distribution Companies in Sardinia (21 May)
- the convention on “Food and Environment: What is Good for You is Good for the Planet” (29 June)
- publication of the paper “The Double Pyramid: Healthy Eating for People, Sustainable for the Planet” (29 June)
- Cernobbio, presentation of the paper on the BCFN index (3 September)
- European Parliament, “Healthy Food, Healthy Planet” convention (12 October)
- CCIA Annual Congress (European Confederation of Food & Drink Industries), meeting of European companies in the agro-food industry (Brussels, 18 - 19 November)
- Second International Forum and publication of the papers: “The Excellence of the Mediterranean Way”, “Is GMO Agriculture Sustainable?”, “Measurement of the BCFN Wellbeing Index” (30 November-1 December).

www.barillacfn.com

COMMITMENTS

Put in place a permanent, innovative reporting model that ensures full and transparent communication of information for our stakeholders.

OBJECTIVES TO BE ACHIEVED BY 2014

- 1. Adopt a single reporting model for the whole Barilla Group (including the foreign subsidiaries) that makes reference to the same KPIs and that systematically involves all stakeholders and encompasses the largest number possible of constructive comments.

Overall Assessment of Actions



This Report encompasses the singular elements of Barilla's approach to sustainability: the link between business and social and environmental responsibility, the starting point of the challenges posed by the environment in which the business operates, the definition of commitments and medium/long-term objectives to monitor progress and the concerted effort of the entire organization involving stakeholders right from the outset of the process. The indicators were selected by the various areas of the company to measure the progress of the objectives linked to the challenges and commitments, and were reviewed by the stakeholders during the assessment of the first Report. Finally, international standards, GRIs (Global Reporting Initiative), were adopted in order to ensure the comparability of all data provided.

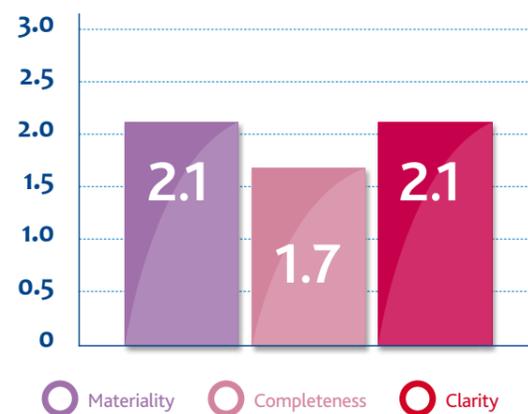
Stakeholder Involvement in the Reporting Process

The meeting with the permanent panel of stakeholders on 29 November 2010 presented an opportunity for Barilla management and its stakeholders to discuss the first Sustainability Report.

Stakeholder opinion was gathered on the materiality of the actions described, the completeness and the clarity of information and data disclosed, taking into consideration the type of business and the sector in which the Group operates. Stakeholder input covered:

- **materiality** - only material information included, whereby it is able to convey significant impacts in economic, environmental and social terms
- **completeness** - all information disclosed that enables the reader to assess company performance in the reporting period

Overall Assessment of Indicators



- **clarity** - method of presenting information and the degree of usefulness and comprehension.

The participants were asked to vote between 0 and 3 on these three factors and the results are summarized in the two charts on page 90.

The charts illustrate that the stakeholders consider the actions described in the 2008 Sustainability Report to be fairly relevant but not fully exhaustive. The performance indicators on the other hand are, on average, significant and clear, but not complete enough. The assessment of actions taken is overall higher than that for the indicators.

The results that emerged from the assessment of the 2008 Report have been included in this Report for two reasons:

- to provide more complete and exhaustive information on actions undertaken while keeping the Report as succinct and easy to read as possible. We provide with links between the website and the Report in order to offer further details on the particular topics covered.
- to improve the completeness of the indicators with a number of these being reviewed and integrated (to ensure comparability with past data in many cases it was preferable to introduce new indicators to complement existing ones).

Our Sustainability Report is designed to provide increasingly transparent information that reflects the focus and priorities of all parties that have a mutual interest in our organization.

In order to achieve this, a meeting of the permanent panel of stakeholders was dedicated to identifying those sustainability issues judged by them to be most critical.

Sustainability Issues Judged by the Stakeholders to be Critical

NUTRITION	Raw materials used
	Eating education
SUPPLY CHAIN	Supplier relationships
	Strategic supply
ENVIRONMENT	Sustainable procurement
	Energy saving
	Packaging
HUMAN RESOURCES	Approach to sustainability
	Diversity
	Safety in the workplace
PEOPLE	Leadership model
	Communicate through packaging
COMMUNITY	Traditional advertising and Internet
	Educational projects
	Support projects for local communities
STAKEHOLDERS	Initiatives that promote discussion on sustainability topics (BCFN)
	Stakeholder discussions and input
	Stakeholder involvement
	Involvement of the entire organization in the reporting process
	GRI performance indicators and compliance
Path towards and model adopted for sustainability	

The Food Processing Sector Supplement has been published in English.

This version is the main authority in this area although the Italian translation is an accurate reproduction of the original version and has been reviewed independently.

The updated version of the guidelines in English is available at www.globalreporting.org.

The Italian version of the Food Processing Sector Supplement was managed by



Independent translation review:
 • Prof. Marco Frey - Scuola Superiore di Studi Universitari e di Perfezionamento Sant'Anna, Pisa
 • Prof. Carlo Alberto Pratesi - Università Roma Tre, Roma

Extract from "Guidelines for Sustainability Reporting - Food Processing Sector Supplement"

Compliance with Global Reporting Initiative (GRI)

From its first edition in 2008 (1), Barilla's Sustainability Report was based on GRI (Global Reporting Initiative) guidelines, and a conformance level of C was attained. Subsequently efforts were made to increase the number of GRI indicators reported on: **this Report achieved a B application level.**

With regard to compliance with GRI standards, the company decided to comply further in order to achieve an Application Level of A and have the report externally assured, without altering the distinctive qualities of the Barilla experience reflected in indicators not within the scope of the GRI.

(1) Previous edition to the current 2010 Report, as Barilla's Sustainability Report is published every two years.

This decision may contribute to the continued improvement of this important international standard through company best practices. For example, in 2010 Barilla translated and published the Italian version of the GRI Food Processing Sector Supplement.

The Boundary of Reporting

In order to improve the scope of reporting **we are working to include as many subsidiaries as possible** and are rapidly extending the use of all indicators. It was not possible to include Lieken in the reporting boundary as its business differs significantly from that of Barilla and it is still undergoing a change and reorganization process. Our short-term aim is to include all of Barilla's subsidiaries in a single reporting model.

Percentage of Indicators Adopted by Each Subsidiary Compared to the Total List

The percentages have increased or are in line with 2008.

The percentage of Number1 recorded a fall; although it should be noted that the number of indicators was increased extensively for this second edition of the Report.

HARRY'S (France)	68%
HARRY'S (Russia)	34%
BARILLA (USA)	77%
YEMINA e VESTA (Mexico)	46%
WASA (Germany and Scandinavia)	69%
FILIZ (Turkey)	69%
MISKO (Greece)	69%
Number1 (Italy)	78%

The table of performance indicators provided as an appendix illustrates the boundary of reporting by individual indicator.

San Nicola di Melfi: Sheeting of the Factory

In September 2010 a website raised the alarm on the potential risk caused to workers and consumers by asbestos cement used in the roof of the factory.

Proper maintenance procedures had ensured that no risks existed although Barilla had already planned to replace the boards to avoid any problems in future. This work commenced in October 2010 and was completed on 21 January 2011, and the Environmental Protection Agency in Basilicata (ARPAB) certified that the factory was asbestos free.

With regard to the website, the Court in Parma ruled that some of the statements used constituted slander and ordered that the website be closed.

GRI Guidelines

REPORT APPLICATION LEVEL	C	C+	B	B+	A	A+
Profile Disclosures	Report on: 1.1 2.1-2.10 3.1-3.8, 3.10-3.12 4.1-4.4, 4.14-4.15	Report Externally Assured		Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5-4.13, 4.16-4.17	Report Externally Assured	Same as requirement for Level B
Management Approach Disclosures	Not Required			Management Approach Disclosures for each Indicator Category		Management Approach Disclosures for each Indicator Category
Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment.			Report on a minimum of 20 Performance Indicators, including at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Report on each core G3 and Sector Supplement indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.

Work Continues

The previous pages illustrate the major events of 2010. All of the initiatives linked to our Path towards Sustainability continued into 2011.

Here we provide a brief account of our desire to remain faithful to our sustainability model and the strategic lines drawn up.

The most important initiatives cover some of the key areas starting with **Human Resources**. The Essere Barilla ("Be Barilla") group was formed to include all employees with more than 15 years service in Barilla worldwide, both in Italy and abroad. Secondly, a shared, widespread IT platform was implemented, representing a technological update of all of the IT tools available to employees, and serves as a new method of communication to make interaction and relations easier and more effective.

In the area of **Nutrition**, the project that by the end of 2011 will have reduced the average salt content of our product portfolio by 11% (compared to 2009) is in the final stages.

A series of significant developments are underway in the **Supply Chain**, including the implementation of a cost identification and logistics performance project, and a reporting system on the key performance indicators of Barilla's logistics distribution network. The indicators to be monitored will include the environmental impact of physical distribution in terms of CO₂ emissions per ton of product delivered, an analysis of the performance of this indicator considering the different variables (e.g. type of transport used, delivery size, geographic area, etc.), which will enable us to identify critical areas and define improvement programs.

This system will become operative in the major European countries during the course of the year, with the exception of Italy, where it will be rolled out together with the United States in 2012.

"**Made in Barilla**" is the project promoted by the **Supply Chain** area that is aimed at maximizing the performance and integration of the production processes by identifying, sharing and applying the best Group operating practices.

The work groups, made up of 50 colleagues from central headquarters and the factories, worked on a number of areas including the professional development of employees in the manufacturing facilities. The aim was to increase the level of skills on areas including health and safety, and improve

the efficiency of the processes and the safety of workers and production.

The **Project for more Sustainable Farming** involves the identification of business strategies that best achieve sustainability.

Following the assessment of the environmental impacts of products, Barilla identified the phases of the supply chain with the highest environmental impact and farming being one of these.

This led to a project being launched, similar to the one conducted in 2010 on durum wheat, to analyze the production of the key raw materials used by Barilla, such as soft wheat, rye and tomatoes, and identify potential improvement areas for more sustainable farming.

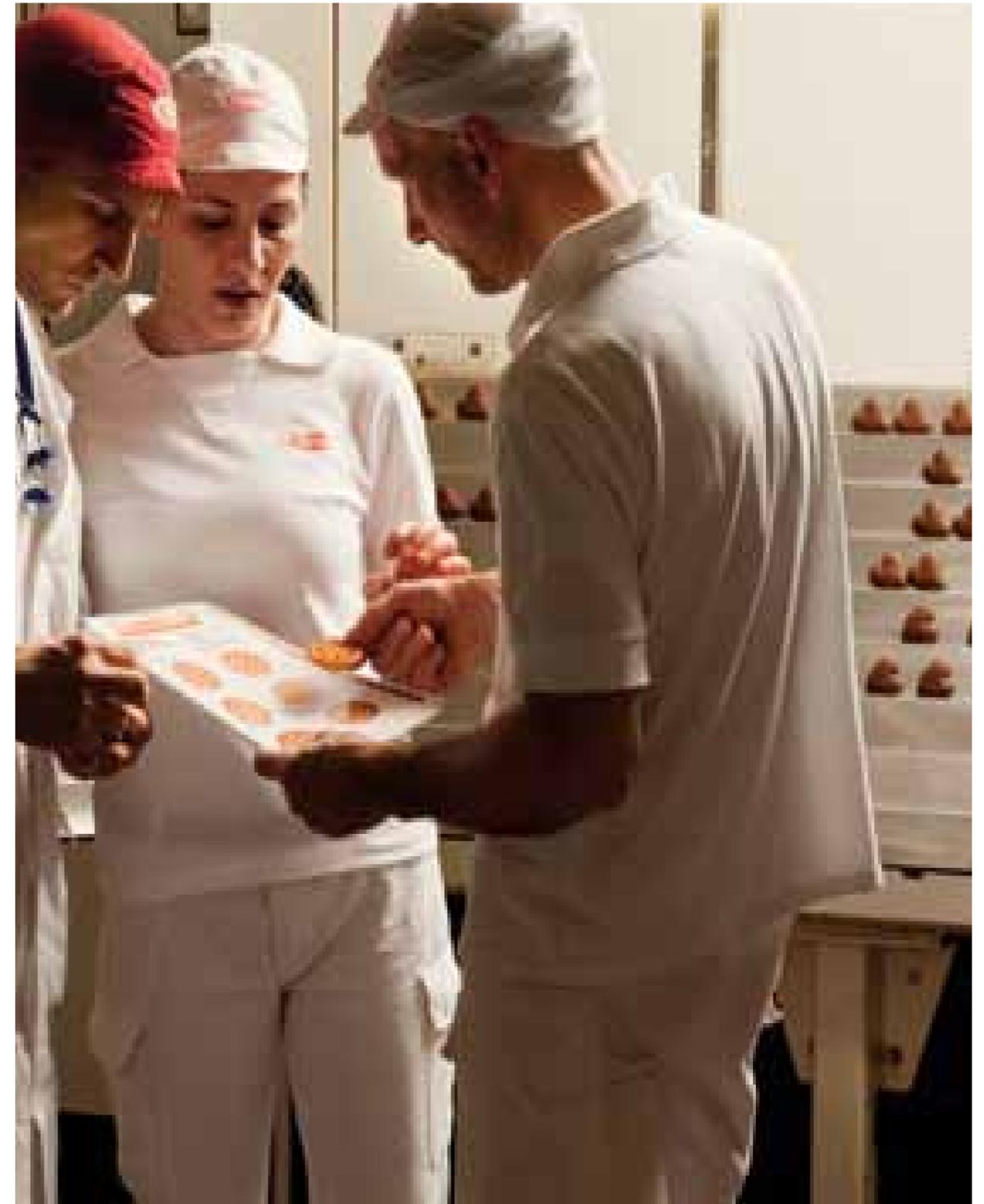
A new project has been launched regarding the People challenge, which involves listening, making contact and relations with the people who buy and use our products (known as Global Consumer Contact), the aim of which is to revisit operating methods.

This will cover all of the geographic areas in which we operate.

People will have a straightforward form of contact through which to communicate their needs, desires and opinions on products. In parallel to this, internal teams will be set up to receive, interpret and implement the suggestions, and provide timely and effective responses.

The **Barilla Center for Food and Nutrition (BCFN)** Double Pyramid was presented in 2010 and represents a fundamental communication and scientific reference point. The model aptly summarizes the complex subjects of nutrition and sustainability. It represents a particularly innovative tool that by its nature is intrinsically linked to Barilla's sustainability approach. This is discussed further later in the report. Details of all of the **BCFN's** work is available at www.barillacfn.com

If you want to know how the work is continuing, please visit www.barillagroup.com





The Double Pyramid

The Barilla Center for Food & Nutrition's Double Pyramid, which was presented at a number of major public events in 2010, now **represents a consolidated reference model both in scientific and communication terms**. It is one of the most unique and exclusive results achieved by the BCFN in recent years.

It has been highlighted to reflect the fact that **it touches upon each of the seven areas of sustainability** that represent the cornerstones of **Barilla's Sustainability Model** and as it aptly summarizes the **interdisciplinary elements of nutrition and environmental sustainability**.

The Double Pyramid is **scientifically based on work and data published** by international research centers and may be used as a guide to personal choices and social behavior.

In this Report we describe the birth of this model, its meaning, and the key to interpreting it by taking you on a brief journey.

The Food Pyramid

The Food Pyramid was created as a communication and graphic tool to illustrate concisely and effectively the principles of healthy eating.

It was designed **to inform and encourage people to adopt more balanced eating** habits based on the Mediterranean nutritional model.

The first version prepared by the US Department of Agriculture in 1992 was followed by other variations that were all based on the same theme: the higher up the pyramid the lower the consumption of a particular food category.

An important principle is that no food categories are excluded and also that a **wide variety of foods be consumed**, one of the fundamental principles of healthy eating. In general terms, at the base of the pyramid are fruit, vegetables, grains and legumes and moving up each level are those foodstuffs with a higher energy content that should be consumed in smaller quantities and less often.

From the Food Pyramid to the Environmental Pyramid

The impact of food on people's health is widely demonstrated by clinical and epidemiological studies. On the other hand it is not yet common knowledge that **food consumption** has at the same time a **direct impact on the environment**. Not everyone is aware of the fact that farming and breeding activities are amongst the highest contributors to greenhouse gas emissions, and users of water and soil resources.

Consequently the choice of foods should also take into account the environmental aspects. The various food categories can be assessed for their environmental impact.

If foods are reclassified according to their impact on the environment, the result is an upside down pyramid where the foods with the highest environmental impact are at the top and those with the lowest impact are on the base.

The Double Pyramid

Placing the Food Pyramid and the Environmental Pyramid side by side forms the "Double Pyramid" model.

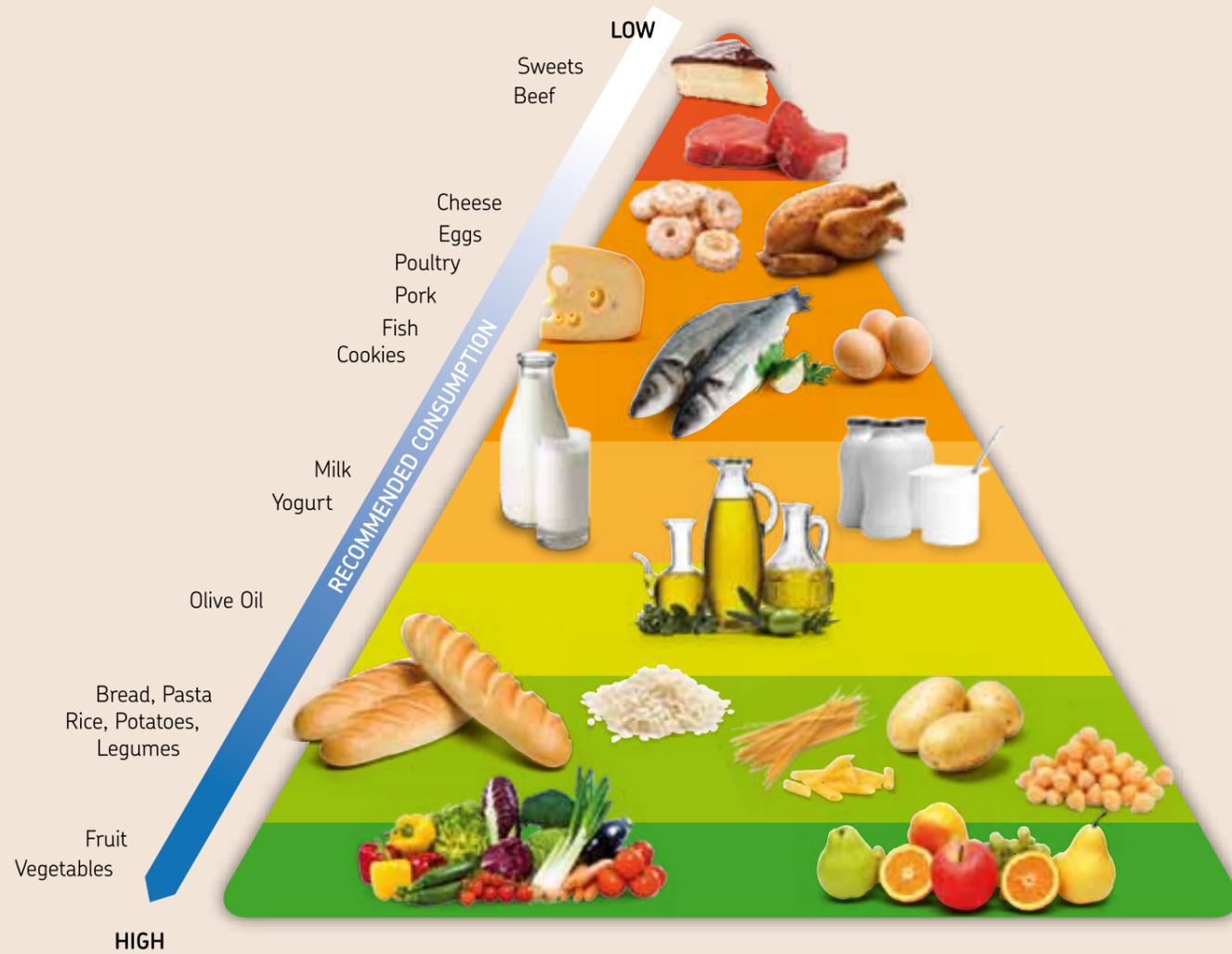
This demonstrates how the **food groups with higher recommended consumption levels** in general represent those with the **lowest environmental impact**.

Conversely, foods with lower recommended consumption have a higher environmental impact. In summary, the model illustrates the clear concept that if the **Food Pyramid is adopted** as an **eating model** not only will we **live better** (longer and more healthily), but we will **also have a markedly lower impact on the environment**.

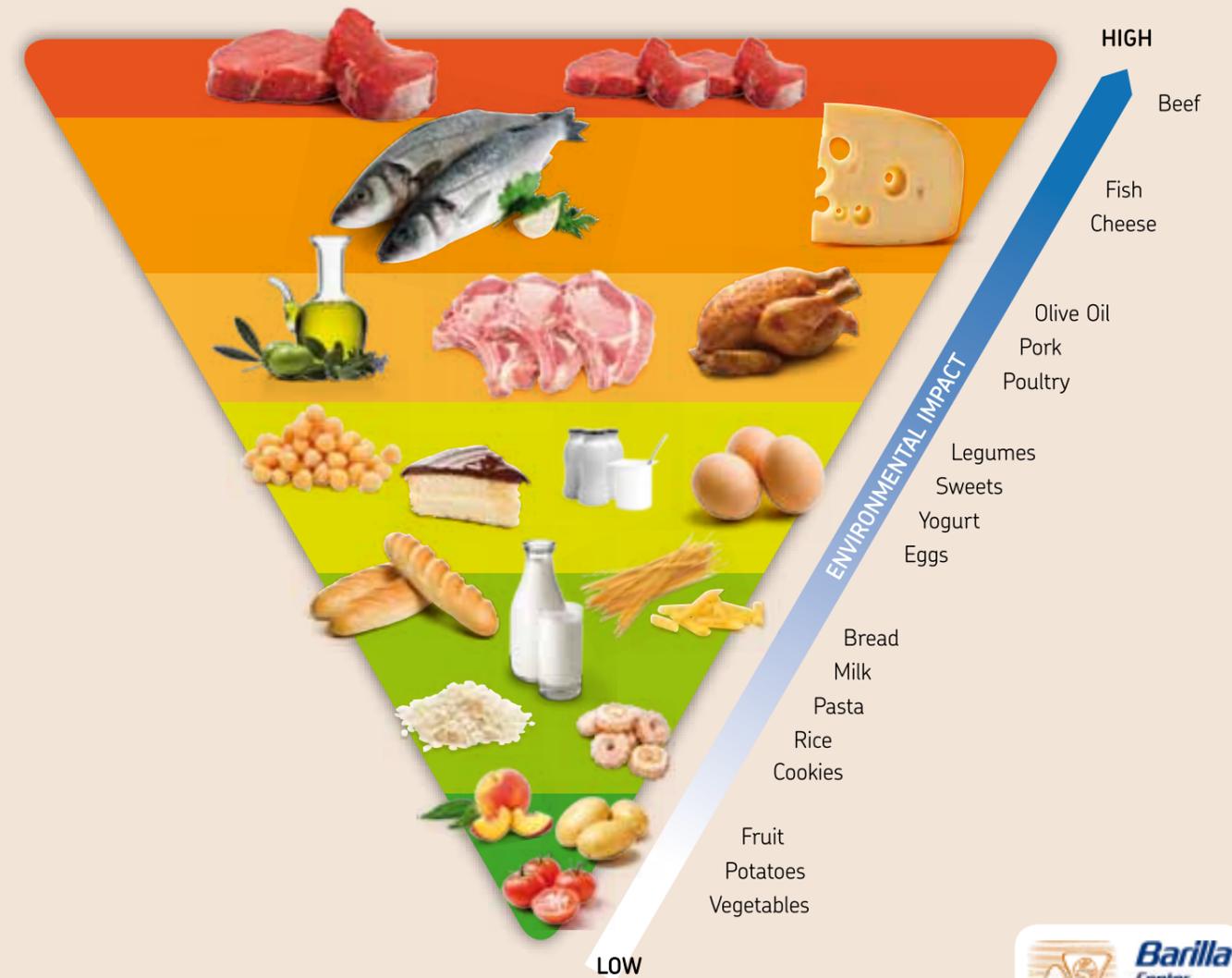
People now have this important opportunity to influence, through a few simple choices and their behavior in every day life, their own health and that of the environment. Readers interested in learning more about the Double Pyramid can find in-depth explanations and further details at www.barillacfn.com.

The Double Pyramid

FOOD PYRAMID



ENVIRONMENTAL PYRAMID



All Barilla Center for Food & Nutrition publications are available at www.barillacfn.com

Appendix: Input and Feedback

	STAKEHOLDER INPUT	BARILLA FEEDBACK
NUTRITION	Establish more tangible objectives	IMPROVE INDICATORS The KPIs will include sales of products that involved nutritional profile improvements in order to communicate clearly the impact on consumer health.
	Reduce fat content	REDUCE FAT CONTENT Barilla is committed to reducing as much as possible the overall level of fats and improve the quality by reducing the level of saturated fats.
	Simplify recipes (eliminate the use of additives and processing aids)	PRODUCT PLANNING AND REDESIGN Barilla products are formulated without artificial colorants or hydrogenated fats. The use of additives and technological processing aids is limited thanks to specific product reformulation plans that envisage reduced usage levels.
	Develop products by brand, for specific target consumers including celiacs, elderly people etc.	FUNCTIONAL PRODUCTS Barilla launched the Alixir functional product range 3 years ago to meet specific health requirements of our consumers based on their feedback. We constantly evaluate other product solutions to promote our consumers' health and wellbeing.
	Integrate nutritional sustainability with the other subject matters (environment, supply chain, etc...)	RAW MATERIALS TO ACT AS A LINK Raw materials are the bridge between the sustainability of the supply chain and the nutritional profile of our finished products. Although they represent a common link, a diversified approach must be adopted to attain improvements in these two areas that involves specific skills at varying levels in the food chain.
SUPPLY CHAIN	Improve communication with farmers so that the information flow along the supply chain does not stop with entities that store products or cooperatives	DURUM WHEAT: HOW TO EXTEND COMMUNICATIONS TO INCLUDE FARMERS ALSO The Sustainability Report, the work of the BCFN and the stakeholder panel are the instruments employed by Barilla to inform all interested parties, including farmers. More specifically, Barilla carries out training through conventions, conferences and specialist publications, including "Grano duro news". This magazine has a circulation of 43,000 copies, 40,000 of which are issued together with the "Agricoltura" magazine to subscribers in the Emilia Romagna region, while the remaining copies are sent to representatives of this sector throughout Italy or distributed at national conferences, events etc. A further initiative currently under review is to include in the contract with wheat storers the requirement on their part to pass on the specifications to all farmers involved.
	Clarify more precisely the final objectives	REFORMULATE A NUMBER OF THE SUPPLY CHAIN OBJECTIVES TO BE ACHIEVED BY 2014 The 2008 Sustainability Report was the first reference point in the identification of challenges and objectives. The final objectives will be reviewed for the preparation of future reports and the opportunity will be taken to fine tune the KPIs, target values and intermediate steps.
	Use the DELPHI system to guide agricultural techniques based on reports (in particular regarding mycotoxins)	THE DELPHI SYSTEM WAS CREATED FOR A DIFFERENT PURPOSE AND CANNOT REPLACE REGIONAL AGRONOMIC SERVICES The Delphi system currently only provides a snapshot of the situation and is not designed to present publicly available information. In general Barilla recommends that the technicians use the agronomic services of the Regions, in particular the phytosanitary services that provide information and operating reports on the need to adopt, and timing of, preventative measures against mould or the phytophagous responsible for the synthesis of mycotoxins on wheat. Moreover, for increased safety measures and to enable effective planning of the phytosanitary defense activities, Barilla's specifications envisage the obligatory treatment of Fusarium in those areas historically susceptible to this contaminant and mycotoxins.
	Extend the Life Cycle Assessment (LCA) to soft wheat and tomatoes	EXTENSION OF THE LCA TO SOFT WHEAT AND TOMATOES LCA studies have already commenced on the environmental impact of both soft wheat and tomatoes.
	Acquire palm oil from certified sustainable sources	ACQUIRE SUSTAINABLE PALM OIL An objective in this direction has already been drawn-up that envisages that at least 10% of purchases relate to mass balance certified palm oil.
ENVIRONMENT	Barilla should promote specific projects aimed at safeguarding the environment with particular emphasis on reduced water consumption along the supply chain. Increase collaboration with suppliers to identify technological processes aimed at reducing water consumption.	AUREO DURUM WHEAT: AN EXAMPLE OF THE SUSTAINABLE USE OF WATER RESOURCES Barilla has adopted an integrated supply chain model for durum wheat that has enabled it to forge partnerships with various parties including the Emilia-Romagna Region and seed producers. The project has resulted in a fall in imported durum wheat from desert regions in the United States, and concentration of purchases in Italy where water is not required for irrigation. A new variety of durum wheat, Aureo, was developed and catalogued specifically for this purpose, thus enabling the cultivation of high quality durum wheat in Italy. The Aureo variety was catalogued in 2009

	STAKEHOLDER INPUT	BARILLA FEEDBACK
ENVIRONMENT		and is the result of ten year collaboration with the Bologna Seed Producers. The LCA analysis performed on the durum wheat supply chain demonstrated that in 2010 this development resulted in an approximately 20 million m ³ in the Water Footprint, as crop growing in the desert consumed significant volumes of irrigation water while in Italy rainfall suffices. SUPPLY CHAIN LCA ANALYSES PROJECT The LCA analyses will be rolled out this year to the strategic supply chains such as the durum wheat, rye wheat and tomato industries. The indicators to be analyzed include the Water Footprint, which will identify the key critical phases along the supply chain in terms of water consumption thus allowing the identification and development of specific reduction projects with the partners in the various stages of the supply chain. INTERDISCIPLINARY PROJECT ON MORE SUSTAINABLE DURUM WHEAT CULTIVATION An investigation project was launched to analyze and compare different cultivation methods in Italy for the purpose of identifying more sustainable farming methods in the production of durum wheat. This multidisciplinary analysis focused on economic, production, agronomic and environmental factors and the outcome led to the definition of more sustainable durum wheat cultivation methods than those currently in widespread use. Experimental trials will commence this year.
	With regard to Barilla's hen laying eggs, the Report should provide information on the farming methods and not the number of animals used	FREE RANGE HEN FARMING By 2012, 45% of Barilla's hen laying eggs will be free-range. In order to meet this commitment, the company will continue to review the possibility of expanding this plan to a higher quantity of eggs that satisfies both consumer demand and the sustainable business model.
	Create a website dedicated to environmental progress that reports on the specifications particular to the supply chain	DEVELOP THE SUSTAINABILITY SECTION OF THE COMPANY WEBSITE The www.barillagroup.com website will include a section dedicated to sustainability that will expand on the subjects covered in the Sustainability Reports. The specifications governing the supply chain are highly technical documents that the company already issues along all of the phases of the supply chain and that it is committed to expand on and disseminate further in an effort to reach all interested parties; the section dedicated to sustainable farming will also provide details of these specifications.
	Barilla should create a research and development centre to finance new technologies	RESEARCH AND DEVELOPMENT PROJECTS FOR A MORE SUSTAINABLE ORGANISATION Through proposals put forward by the Barilla Center for Food & Nutrition (BCFN) think tank, Barilla reviews matters relating to culture, the environment, health and the economy to offer solutions on how to face the challenges that will arise in the near future. The BCFN has already published 10 documents. During 2011, the subject of sustainable farming will be investigated in addition to updates to existing publications. Moreover, different departments within the organization are involved in the development of new technologies. Steam baked biscuits: research and development applied a new technology of steam baking to improve the nutritional profile of products, which is also more energy efficient and reduces the environmental impact in terms of atmospheric emissions. An interdisciplinary project involving more sustainable farming of durum wheat. The recyclable packaging of Mulino Bianco biscuits: the Barilla Packaging Design & Standard department develops new sustainable, environmental solutions to product packaging using a simplified LCA tool to calculate and compare the environmental impact of various types of packaging. In particular the use of paper based, recyclable, packaging was studied to replace the current polycoupled, plastic based biscuit packaging. The first biscuits to feature this new packaging will be the Liberi per Natura range. Finally, a series of symbols were designed for packaging in order to encourage the end consumer to recycle packaging correctly.
	Invest in photovoltaic (to cover parking lots) and wind energy	RENEWABLE ENERGY The following investment has been made in this area: the construction of a solar thermal plant at the Castiglione factory to heat water for use in the canteen and changing rooms. This technology will be rolled out to services in other factories, Number1 photovoltaic plant is to cover partially one of the logistics platforms in Parma, which also houses the company headquarters. The anemometric mapping of the Barilla site in Foggia is currently underway to assess the feasibility of erecting a wind farm in the area. This process will take 1 year.
Barilla should distribute drinking water machines throughout the company	DISTRIBUTION OF DRINKING WATER MACHINES The company will review the feasibility/possibility of introducing drinking water machines in company canteens and refreshment areas after conducting an awareness campaign regarding responsible consumption.	
Provide reutilization percentages for recycled materials	USE OF RECYCLED MATERIAL This percentage will be disclosed in the 2011 Sustainability Report.	
Specify transport policies	BARILLA TRANSPORT POLICY Logistics KPIs: in 2010 Barilla carried out a study to assess the impact, in terms of emissions including CO ₂ and NO ₂ , generated by the logistics function. Specific KPIs have been identified and input alongside traditional corporate logistics performance indicators in Barilla's SAP system, to measure the environmental impact of Barilla's logistics operations. Number1 logistics business: Number1 Logistics Group, Barilla's logistics business, has updated its vehicles network in the period from 2006 to 2010, increasing the number of Euro 5 and reducing the use of Euro 0, 1 and 2 vehicles. This contributes to decreasing emissions of hydrocarbons (-20%), dust particulates (-25%), nitrogen oxide (-36%) and carbon monoxide (-22%). Moreover, a project was launched in 2010 to measure the environmental impact of Number1. Long-term fleet hire: Barilla has a long-term contract with a vehicle hire company that in 2010 substituted approximately 400 hire cars in issue to the factories, management and the sales force, with vehicles with a lower environmental impact. This project generated an approximately 7% fall in CO ₂ emissions. Short-term fleet hire: the short-term fleet hire contract will be reviewed this year to include the gradual replacement of the company cars with low environmental impact vehicles.	

Appendix: Input and Feedback

	STAKEHOLDER INPUT	BARILLA FEEDBACK
HUMAN RESOURCES	Invest more in current initiatives and activities aimed at providing employees with a more balanced home-work relationship	CREATION OF A PEOPLE CARE UNIT A People Care Unit has been set up that will also envisage investment in the improvement of the home-work balance. Current trends regarding these subjects are currently being reviewed and employees are being involved and interviewed to understand and satisfy their needs.
	Better define the work of the Barilla LAB	DESCRIPTION OF THE BARILLA LAB ACTIVITIES The next edition of the Sustainability Report will provide detailed information on the activities carried out by the Barilla LAB.
	Strengthen the organization model in relation to corporate responsibility and intensify training on the Code of Ethics and sustainability	DEVELOPMENT OF TRAINING PROGRAMME A training program that will cover our entire organization is currently being developed. The aim is to increase individual awareness on the importance of corporate responsibility and understand how each department can contribute to implementing this project. The Code of Ethics is currently being revisited; a series of training events will be organized to ensure widespread dissemination of the new content.
	Promote corporate voluntary activities throughout the whole of Europe	ASSESS INTEGRATION OF CORPORATE VOLUNTARY ACTIVITIES INTO PEOPLE CARE PROGRAMS Barilla promotes employee voluntary activities by housing blood donor associations in the company. Moreover, employees waive the equivalent of their corporate Christmas gift, which is then donated to children's rights associations. The company is assessing the possibility of integrating voluntary activities into the People Care programs.
PEOPLE	Implement detailed, continuous communications regarding steps taken and actions currently underway to achieve the set objectives	DETAILS OF RESULTS ACHIEVED Actions undertaken, achieved and expected results will be described accurately in future reports and regular updates. This information will also be made available through the usual channels including the company website.
	Provide detailed data on the quantity of allergens and colorants used in products	INFORMATION REGARDING ALLERGENS AND COLORANTS The sensitivity to allergens present in a product is extremely subjective; sometimes even small quantities of allergens can spark off a violent reaction. For this reason current legislation requires companies to make clear declarations regarding the possible presence of allergens, even the smallest traces. To provide clearer information to consumers, research in Europe is focusing its efforts on identifying the quantity below which it is not necessary to declare the presence of allergens as they do not pose a health risk. With regard to colorants, Barilla products are developed without the use of artificial colorants and a reformulation plan on the products and brands of recently acquired businesses that do not yet conform to Barilla's specifications on ingredients and additives is underway.
	Increase the use of new forms of media and social networks in communication	INCREASED USE OF NEW MEDIA Barilla is committed to improving communications on the subject of sustainability, in particular through the use of new forms of media and social networks. Barilla already has a dedicated, easily accessible Facebook profile.
	Provide explicit details of links with associations and stakeholders	INCREASED TRANSPARENCY Barilla intends to provide this information in the Sustainability Report and on the website.
	Provide the source of products and the related supply chain	TRACEABILITY AND RETRACEABILITY Barilla's automated traceability and retraceability system is in widespread use in all of the companies and allows the matching of batches of raw and packaging materials to the source suppliers and the finished products in which they were used. This system also identifies the customers to which each finished product batch was delivered. In the event a problem arises, Barilla is able to take immediate action, both to identify the origin of the problem and resolve it and to safeguard the consumer from serious defects. The company intends to provide all relevant information regarding product traceability and retraceability in its Sustainability Report and the website.
	COMMUNITY	Giocampus project: extend this project to a wider area, maximize synergies with the public and develop a model that people can continue to use independently
Barilla must support the family unit		THE IMPORTANCE OF THE FAMILY Barilla places family at the forefront of its social responsibility activities in the area of community development, sponsoring training and educational programs such as Giocampus, Mani in Pasta (Hands on Pasta) and Piccolini Chef (Little Chefs). These projects are aimed at children although the educational aspects are also conveyed directly to the parents.

	STAKEHOLDER INPUT	BARILLA FEEDBACK
	Family and diversity (disabilities, elderly): Barilla should support these issues, especially in schools	AWARENESS Barilla's projects focus on subjects associated with eating and physical exercise education, however the company is also extremely sensitive to the topic of diversity and is evaluating implementation of a project that aims to increase our awareness of disabilities.
	Invest in projects involving children and the elderly as they represent the weaker social groups that are not always able to express their views	IMPLEMENT PROJECTS INVOLVING THE COMMUNITY Barilla will continue to develop projects that support children's growth. These projects currently focus on children but these efforts could be turned to other social categories such as the elderly.
	Barilla must assume a multinational approach and address large scale problems linked to world hunger	CREATE A CORPORATE CAUSE Barilla is assessing how to contribute to this issue effectively by creating a Corporate Cause.
STAKEHOLDERS	Monitor results by establishing intermediate objectives from now to 2014	DESCRIBE THE STRATEGIES ADOPTED TO ACHIEVE OBJECTIVES Future Sustainability Reports will disclose how the company intends to achieve the objectives by 2014. Information will also be provided on the results attained to date in order to enable the reader to judge the progress made.
	Provide detailed explanations on the most direct method available to stakeholders to submit their comments to the company	E-MAIL ADDRESS TO BE ACTIVATED Barilla will provide the stakeholders with an e mail address to facilitate communication regarding Barilla's sustainability model, which will be dealt with as quickly and effectively as possible.
	Stakeholders should take part in assessing the degree to which objectives have been satisfied	ONE-OFF MEETINGS TO BE ORGANISED Stakeholders will be given the possibility to determine the level of attainment of current objectives during future meetings with the panel of stakeholders.
	Launch discussion forums and encourage dialogue with stakeholders in other countries	EXTEND THE MAP OF STAKEHOLDERS The company intends to extend the map of stakeholders and broaden activities to involve all Group subsidiaries, the main focus being on strategic countries.
	Prepare a summary report with supporting information on-line	SUSTAINABILITY REPORT AND THE WEBSITE Barilla aims to report transparent, summarized, useful information on the actions undertaken and the results achieved. We agree that a summary report facilitates ease of use, however we consider a detailed description of all actions to be of equal importance. The website will be used to provide in-depth information that will also be disclosed in appendices to the Sustainability Report in order to communicate all data relevant to the stakeholders.
	Expand on and improve communications regarding actions in the "Stakeholders" and "Community" chapters	SUSTAINABILITY REPORT AND THE WEBSITE The website will be used to expand on data disclosed in the Sustainability Report including the actions described in the "Stakeholders" and "Community" chapters.
	Set-up a fourth CSR team (in addition to the Board of Directors and CEO, the Operating Group and the Work Group) that involves Barilla employees	EMPLOYEE INVOLVEMENT Employees are already involved with both the panel of stakeholders and the continuous training initiatives carried out in all departments of the organization and across the various professional sectors. These efforts will continue to be strengthened.
	Develop training courses on sustainability	TRAINING ACTIVITIES' PLANNING Training programs already exist for each professional category within the organization that envisages training for all employees involved in sustainability. Training courses are also being developed for incorporation in the Barilla Lab programs, to increase awareness on sustainability and involve employees in achieving the objectives set for 2014.
	Increase quantitative indicators	ADOPT A HIGHER NUMBER OF GLOBAL REPORTING INITIATIVE (GRI) INDICATORS The next Sustainability Report will use a higher number of GRI indicators. Furthermore, stakeholder input will be reflected by developing indicators on the topics considered most relevant to them and on recommended actions.
	Involve stakeholders considered to have a very important relationship with the company	INVOLVE ALL STAKEHOLDERS THROUGH WORKSHOPS The company aims to involve these stakeholders in the workshops that will be held in 2011, so that they may contribute effectively and organically to improving corporate sustainability.
Use stakeholder involvement to anticipate potential crisis situations	INVOLVE STAKEHOLDERS WITH ALL DEPARTMENTS THROUGH OUT THE ORGANISATION Further to the contribution already made, and that will continue to be provided, by stakeholders in the panel meetings, they will also become increasingly involved by all of the departments on subjects pertaining to sustainability in the day to day management of business processes. For instance the company's relationship with its suppliers is an example that could be implemented in other areas.	

Appendix: Table of Challenges and Commitments

The table below illustrates the challenges and commitments for the sustainable growth of our company.

CHALLENGES		COMMITMENTS	
NUTRITION	The situation in developed countries is complex: <ul style="list-style-type: none"> • people are living longer and average age has increased; • there has been a significant increase in obesity and metabolic syndrome, starting from an early age; • there is growing pressure from institutions to launch initiatives to prevent illnesses caused by unhealthy eating. 	Daily Wellbeing	Contribute to people's health and wellbeing every day with our products by transforming high-quality ingredients into safe, wholesome products that meet both basic and specific nutritional requirements and offer people everyday solutions that aspire to the Mediterranean Diet.
	Food companies are called upon to produce food and nutritional models that are designed to improve people's health.	Products for Specific Dietary Needs	Contribute to people's wellbeing by offering products that meet specific dietary needs.
SUPPLY CHAIN	Consumers look for companies, especially food companies, to guarantee the quality and safety of the products sold and the economic, social and environmental sustainability of the supply chain in which they operate, which are becoming increasingly more complex due to the global nature of markets.	Supplier Partnership	Encourage partnerships, or at least close cooperations, with suppliers in strategic networks.
		Standards	Continuously improve the safety and quality of our supply chain and finalise sustainability standard to form the basis of all supplier relationships.
ENVIRONMENT	We live in difficult times: <ul style="list-style-type: none"> • atmospheric emissions produced by human activity are causing climate change; • the exhaustion of non-renewable natural resources, including fossil fuels, is expected; • agricultural crops grown to feed humans and animals and to create energy, are competing for increasingly limited resources such as arable land and water; • human demand for fresh water has more than doubled in the last century. <p>It is essential that companies adopt sustainable practices, in particular to secure the survival of their own businesses.</p>	Reducing Our Ecological Footprint	The Ecological Footprint to be reduced through two priority commitments: cut greenhouse gas emissions (GHG) generated in the industry in line with the Kyoto Protocol targets and minimise the other environmental impacts along the supply chain, with particular attention to packaging materials in terms of reduction and recycling.
		Energy Efficiency	Develop products and processes as energetically efficient as possible along the whole supply chain, reducing, where opportunity arises, the dependence on fossil fuels such as oil and coal.
		Management of Water Resources	Rationalise the use of water supplies used in the supply chain.
HUMAN RESOURCES	As a result of globalization, companies are operating in a multicultural environment and their values need to be adapted accordingly.	Care and Development of Individuals	Promote employees' integration and their skills and competencies by developing national and international programs that find the best ways to advance their welfare and ensure their health and safety.
		Individual and Widespread Responsibility	Foster and strengthen a culture of individual responsibility in which individuals take charge of their own roles.
PEOPLE	In a fast-moving, complex world: <ul style="list-style-type: none"> • people live in a climate of great insecurity; • consumers are overwhelmed by a wave of products, advertising and messages; • contradictory information makes consumers wary of companies' products and advertising. <p>Foods manufacturers must reconcile the legitimate aim to sustain growth with a dutiful and proactive respect for the rules of healthy eating, adopting a form of communication that is unequivocal and promotes a healthy lifestyle.</p>	Safety and Quality	Produce healthier and greater quality foods, providing the consumer with information about the safety of raw materials used and the manufacturing systems adopted.
		Communication	Communicate fully and transparently, being careful to avoid encouraging excess or inappropriate use of our products compared to basic dietary needs dictated by healthy eating principles, especially where advertising is directed at children.
COMMUNITY	International companies are required by the numerous communities in which they operate to assume the role of active partners, and therefore be jointly responsible for the community's general welfare.	Development	Participate in the development processes of all communities in which we operate, either by direct intervention or through dialogue and cooperation with institutions.
		Education	Encourage and support educational efforts to promote a responsible lifestyle among young people and adults (health, exercise, nutrition, protection of the environment) and to contribute to the health of the communities in which the company operates.
STAKEHOLDERS	Companies have: <ul style="list-style-type: none"> • in the past failed their stakeholders (financial scandals, bankruptcy fraud, environmental disasters, accidents at work); • as a result bred mistrust among the community. <p>Companies must now take up the challenge they have been putting off for a long time, for which they need the support of their stakeholders.</p>	Relations with Stakeholders	Involve stakeholders as far as possible in company practices, by establishing a dialectical relationship that produces maximum value both for them and for Barilla.
		Innovative Approach to Reporting	Put in place a permanent, innovative reporting model that ensures full and transparent communication of information for our stakeholders.

OBJECTIVES TO BE ACHIEVED BY 2014	
NUTRITION	<ol style="list-style-type: none"> 1. Execute a plan to improve continuously our products' nutritional profile in line with recent international guidelines. More specifically, reformulate 80 existing products to reduce the content of salt, sugar and saturated fats and increase wholewheat cereals and fibers. 2. Create natural, wholesome products using safe, high quality ingredients. In particular, eliminate the use of artificial colorants and hydrogenated fats and oils from all products.
	<ol style="list-style-type: none"> 3. Launch 60 new products worldwide that satisfy specific nutritional needs. This will focus on products with specific nutritional claims, health products and wholewheat based products (containing more than 25%) and fruit and vegetable based products (containing more than 20%).
SUPPLY CHAIN	<ol style="list-style-type: none"> 1. Extend controls over the key material supply chains including the availability and quality of arable land, water requirements, fertilisers and the impact on climate change. 2. Reinvigorate the genetic improvement programs and develop cultivation practices pairing traditional production, quality and food safety objectives, with targets aimed at improving the environmental impact, such as safeguarding land fertility, reducing eutrophication, water consumption and carbon dioxide emissions. 3. Increase by 20% the amount of durum wheat procured under cultivation contracts. 4. Extend the model of the agronomic yields of durum wheat (DELPHI) to the Mediterranean basin.
	<ol style="list-style-type: none"> 5. Measure the environmental impact of the key supply chains in terms of Carbon Footprint, Water Footprint and Ecological Footprint. 6. Define environmental impact standards and commence improvement projects in conjunction with suppliers throughout all stages of the supply chain. 7. Satisfy 100% of palm oil demand using suppliers that are a member of RSPO and that mainly originate from Malaysia or Papua-New Guinea. 8. Purchase cocoa from suppliers who are members of ICCO and the WCF that have processing facilities in Africa that conform with the Code of Conduct and have been checked and received positive results.
ENVIRONMENT	<ol style="list-style-type: none"> 1. Develop and apply the Ecological Footprint calculation to all Barilla products, fixing global targets. 2. Reduce the Carbon Footprint of Barilla products by 15% (compared to 2008 values). 3. Reduce the direct and indirect Energy Global Warming Potential (GWP) by 30% (compared to 2008 values). 4. Increase the percentage of recyclable packaging on the market to 95% of total packaging (compared to 2008 values).
	<ol style="list-style-type: none"> 5. Reduce the total energy consumption per finished product by 10% (compared to 2008 values).
HUMAN RESOURCES	<ol style="list-style-type: none"> 6. Develop and apply the Water Footprint calculation to Barilla products, fixing targets. 7. Reduce the water consumption of finished products by 30% (compared to 2008 values).
	<ol style="list-style-type: none"> 1. Increase investment in training from 0.09% of net revenue in 2008 to 0.16 %. 2. Increase the current investment in People Care by 20%. 3. Reduce the number of days absent due to accidents at work by 50% (the long-term target is zero critical accidents).
PEOPLE	<ol style="list-style-type: none"> 4. Extend the concept of widespread responsibility through training on the Code of Ethics and corporate responsibility.
	<ol style="list-style-type: none"> 1. Expand the Barilla control standards for raw materials and finished products to the Harry's France and Harry's Russia factories and proceed towards full integration. Develop plans that guarantee a 10% annual increase in conformance rates. 2. Significantly improve the completeness and quality of nutritional information provided on packaging and on the Barilla and individual brand websites, ensuring for all products on a worldwide scale that: <ul style="list-style-type: none"> • they are accompanied by a detailed nutritional label; • they contain recommendations for a balanced diet and healthy lifestyle; • there are suggestions regarding consumption (in particular, ideal portion sizes and ideas on how to combine products).
COMMUNITY	<ol style="list-style-type: none"> 1. Implement a long-term project that supports development of the communities in which Barilla operates, both in Italy and abroad. Dedicate suitable resources to this project, working closely with the stakeholders to meet the priorities identified by them, and be a key player in the development of the communities in which the factories are located. 2. Ensure that the Giocampus project is recognized as an excellent educational project model and make it available to local and national enterprises and any other socially active parties.
	<ol style="list-style-type: none"> 1. Consolidate practices that allow the effective involvement of all stakeholders in the processes in which they are involved. Organize at least two panels relating to the reporting process each year in conjunction with other meetings relating to projects and activities; require the prior intervention of one or more stakeholders to secure their valuable participation in the process. 2. Subsequent to each meeting, demonstrate the way in which each contribution was tackled and any resulting actions.
STAKEHOLDERS	<ol style="list-style-type: none"> 3. Adopt a single reporting model for the whole Barilla Group (including the foreign subsidiaries) that makes reference to the same KPIs and that systematically involves all stakeholders and encompasses the largest number possible of constructive comments.

Appendix: Table of Performance Indicators

NUTRITION	Daily Wellbeing			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Number of products reformulated to improve the nutritional profile	D	p. 23-24	T.R.
	% of product portfolio that does not contain artificial colorants, hydrogenated fats or oils	D	p. 24	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Number of projects to promote good nutrition	D	p. 28	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	FP 6 Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars	D	p. 24	P.R.
NUTRITION	Products for Specific Dietary Needs			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Number of new products launched that are designed to satisfy specific dietary needs	D	p. 27	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Economic resources dedicated to nutritional research, nutritional scientific studies and conventions to illustrate scientific results	D	p. 27	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	FP 7 Percentage of total sales volumes of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives	D	p. 27	P.R.
SUPPLY CHAIN	Supplier Partnership			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	N° of key farming raw material supply chains over which control is exercised	C	from p. 32 to p. 39	T.R.
	N° of improvement projects	C	from p. 33 to p. 39	T.R.
	% of durum wheat supplies sourced under contract farming	C	p. 33	T.R.
	N° of areas in which DELPHI model is adopted	C	p. 16-17	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Number of critical supply chains	B	p. 37	T.R.
	List of critical supply chains	B	p. 37	T.R.
	Reason why supply chain is considered to be critical	B	p. 36-37 and website	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	FP 9 Percentage and total of animals raised and/or processed, by species and breed type	B	website	T.R.
	FP 10 Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic	B	website	T.R.
	FP 11 Percentage and total of animals raised and/or processed, by species and breed type, per housing type	B	website	T.R.
	FP 12 Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	B	website	T.R.
	FP 13 Total number of non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices for live terrestrial and aquatic animals	B	website	T.R.
SUPPLY CHAIN	Standards			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	N° of key supply chains where environmental impact is measured	B	p. 44	T.R.
	N° of improvement projects	C	p. 47	T.R.
	% of palm oil demand satisfied by suppliers that are members of RSPO	B	website	T.R.
	% of audits carried out on key supply chains	B	website	T.R.
	% of suppliers that are members of ICCO and WCF	B	p. 37	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	% of raw materials guaranteed "sustainable" on the total of each critical supply chain analysed by sustainability subject matter	B	p. 37	T.R.

ENVIRONMENT	Reduction of the Ecological Footprint			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	% of volumes covered by EPD (Environmental Product Declaration)	F	p. 16-17 and p. 43	T.R.
	Carbon Footprint	L	p. 44 and website	T.R.
	GWP	F	p. 51	T.R.
	% of recyclable packaging currently on the market	B	p. 47	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Ecological Footprint	E	p. 44 and website	T.R.
	Factories certified under ISO 14001: % of certified factories on total factories	F	p. 49	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	EN 1 Materials used by weight or volume	B	p. 32	T.R.
	EN 2 Percentage of materials used that are recycled input materials	B	from p. 47 to p. 49	T.R.
	EN 16 Total direct and indirect greenhouse gas emissions by weight	F	from p. 46 to p. 51 and website	T.R.
	EN 18 Initiative to reduce greenhouse gas emissions and reductions achieved	F	p. 46-48 and 49-51	T.R.
	EN 22 Total weight of waste by category and disposal method	F	p. 49	P.R.
	EN 23 Total number and volume of significant spills	F	internet site	P.R.
	EN 26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	F	from p. 45 to p. 53	T.R.
	EN 28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	F	p. 49	T.R.
	EN 30 Total environmental protection expenditures and investments by type	M	p. 49	P.R.
ENVIRONMENT	Energy Efficiency			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Energy consumption per ton of finished product	F	p. 50	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Total energy consumption (EE+TE)	F	p. 50	T.R.
	CO ₂ emissions by GWP - Global Warming Potential	F	p. 51	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	EN 3 Direct energy consumption by primary energy source	F	p. 50 and website	T.R.
	EN 4 Indirect energy consumption by primary source	F	p. 50 and website	T.R.
	EN 5 Energy saved due to conservation and efficiency improvements	F	p. 50-51	T.R.
	EN 6 Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives	F	p. 46	T.R.
	EN 7 Initiatives to reduce indirect energy consumption and reductions achieved	F	website	T.R.
ENVIRONMENT	Management of Water Resources			
	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	% of volumes covered by EPD	F	from p. 16 to p. 19, p. 43	T.R.
	Water consumption per ton of finished product	F	p. 52	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Total water consumption	F	p. 52	T.R.
	Fall in total water consumption	F	p. 52	T.R.
	Fall in water consumption per finished product	F	p. 52	T.R.
	GRI INDICATORS	AREA	PAGE	Reporting Degree
	EN 8 Total water withdrawal by source	F	p. 53	T.R.
	EN 21 Total water discharge by quality and destination	F	p. 53	P.R.

Appendix: Table of Performance Indicators

Care and Development of Individuals			
INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
Incidence of people care activities on total employee costs	I	p. 59	T.R.
Percentage of net revenue invested in training	I	p. 58	T.R.
Accident Frequency Index	F	p. 60	T.R.
Accident Criticality Index	F	p. 60	T.R.
Training programs dedicated to safety in the workplace	F	p. 60-61	T.R.
GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Number of employees covered by supplementary health funds	C	p. 58	T.R.
% of employees covered by supplementary pension plans	C	p. 59	T.R.
Type and frequency of innovative contracts currently in place: job sharing, telework, part-time, etc.	I	p. 59	T.R.
% of women analysed by employee category	I	p. 59	T.R.
Factories which adopt certified management system OHSAS 18001	F	p. 61	T.R.
Distribution of training activities	C	p. 57	T.R.
Investment in training	C	p. 58	T.R.
% of employees covered by annual performance management system	G	p. 63	T.R.
Turnover rate	I	website	T.R.
Absence rate	F	website	T.R.
Number of fatalities	F	N.E.	T.R.
Number of voluntary initiatives in Italy and abroad	C	p. 58	T.R.
Leadership Program	B	p. 58	T.R.
Departmental programs	C	from p. 56 to p. 58	T.R.
Best employer ranking	I	p. 58	T.R.
% of paid internships	C	website	T.R.
Number of employees involved in the Talent Management process	B	p. 58	T.R.
% of distribution of the new House Newsletter	B	p. 59	P.R.
% of expatriate contracts	B	p. 59	T.R.
GRI INDICATORS	AREA	PAGE	Reporting Degree
LA 1 Total workforce by employment type, employment contract and region	A	p. 56 and website	T.R.
LA 2 Total number and rate of employer turnover by age group, gender and region	I	website	P.R.
LA 7 Rates of injury, occupational diseases, lost days and absenteeism, and number of workrelated fatalities by region	F	p. 60	T.R.
LA 12 Percentage of employees receiving regularly performance and career development reviews	I	p. 63	T.R.
LA 13 Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity	B	website	P.R.
HR 2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions	C	p. 62	T.R.
Individual and Widespread Responsibility			
INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
Number of violations of the Code of Ethics	B	p. 62	T.R.
Number of conflicts of interest	B	p. 62	T.R.
GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Number and type of training activities implemented by the Barilla LAB on the subject of sustainability	C	p. 57	T.R.
Percentage of positions with documented Job Descriptions	I	p. 63 and website	T.R.
GRI INDICATORS	AREA	PAGE	Reporting Degree
HR 4 Total number of incidents of discrimination and actions taken	A	N.E. and website	T.R.
HR 5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights	A	N.E. and website	T.R.
HR 6 Operations identified as having significant risk for child labor, and measures taken to contribute to the elimination of child labor	A	N.E. and website	T.R.
HR 7 Operations identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of forced or compulsory labor	A	N.E. and website	T.R.
LA 8 Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious diseases	F	p. 61 and website	T.R.
SO 2 Percentage and total number of business units analyzed for risks related to corruption	C	p. 62 and website	T.R.
SO 4 Actions taken in response to incidents of corruption	C	N.E.	T.R.

Safety and Quality			
INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
Numer of raw materials' batches analyzed and % that fully conform	B	p. 67	T.R.
Number of finished products' batches analyzed and % that fully conform	B	p. 67	T.R.
GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Breakdown in % of reasons for consumer contact (information requests regarding promotions, nutritional queries, product information, complaints)	B	p. 69	T.R.
Financial resources (including cleaning, sanitization, and Integrated Pest Management) invested in product safety and quality initiatives	B	p. 69	T.R.
GRI INDICATORS	AREA	PAGE	Reporting Degree
PR 1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categories subject to such procedures	B	from p. 66 to p. 69	T.R.
PR 5 Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	B	p. 69	T.R.
PR 9 Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	B	N.E.	T.R.
Communication			
INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
Number of products that provide detailed nutritional data (on the packaging and the website in line with current regulations) and % on total products on the market	D	p. 71	T.R.
Number of products that provide recommendations on how to lead a healthy life style/balanced diet, on the packaging and the website	D	p. 71	T.R.
Number of products that provide advice on their consumption (ideal or maximum portion sizes), on the packaging and the website	D	p. 71	T.R.
GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Number of legal actions and/or fines received due to cases of misleading advertising, non-compliance with advertising and product labeling regulations	D	N.E.	T.R.
GRI INDICATORS	AREA	PAGE	Reporting Degree
PR 3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	D	p. 71-72	T.R.
PR 4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	D	p. 72	T.R.
FP 8 Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements	D	p. 70-72	T.R.
PR 6 Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship	D	p. 70-72; p. 73	T.R.
PR 7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion and sponsorship by type of outcomes	D	N.E.	T.R.
PR 8 Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	D	N.E.	T.R.
Development			
INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
Job creation, number of plants and their location	B	p. 76 and website	T.R.
Analysis and description of the major indirect impacts taking into account external influences (indirect employment and local suppliers in the case of the more significant operating facilities)	B	from p. 76 to p. 78	T.R.
Impact on the community of creating occasions to discuss, collaborate and enter into partnerships (type, number, dedicated resources, effects) including charitable donations	B	from p. 76 to p. 79	T.R.
GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Impact of the business on local infrastructure and services	B	from p. 76 to p. 78	T.R.
Company decisions that have been contested	B	p. 78	T.R.
GRI INDICATORS	AREA	PAGE	Reporting Degree
EC 6 Policies, practices and proportion of spending on locally-based suppliers at significant locations of operation	B	p. 76	P.R.
EC 8 Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement	B	from p. 76 to p. 78	T.R.
EC 9 Understanding and describing significant indirect economic impacts including the extent of impacts	B	from p. 76 to p. 78	T.R.
SO 1 Nature, scope and effectiveness of any programs and practices to assess and manage the impacts of operations on communities, including entering, operating and exiting	B	p. 77-78	T.R.

Appendix: Table of Performance Indicators

		Education		
COMMUNITY	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Educational projects aimed at promoting healthy life styles (correct eating habits and importance of physical exercise) implemented in partnership with local institutions	C	p. 80-82	T.R.
	Annual qualitative studies performed to assess degree of satisfaction of participants in educational projects and other stakeholders in the local area	C	p. 81	T.R.
	Results of epidemiological studies and other investigations on the scientific protocol of completed projects	C	p. 81	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
Main evidence of behavioral improvements that projects have had on participants	C	p. 81	T.R.	
Number of people involved in educational projects	C	p. 81	T.R.	
Publications and accounts related during scientific conventions on outcome of epidemiological and/or other studies and investigations	C	p. 81-82	T.R.	
GRI INDICATORS	AREA	PAGE	Reporting Degree	
FP 4 Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need	C	from p. 80 to p. 83	T.R.	
		Relations with Stakeholders		
STAKEHOLDERS	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Criteria and procedures adopted to identify stakeholders and the related outcome	C	p. 87	T.R.
	Number, content (topics, arguments, strategic content), type (information, dialogue, involvement) of stakeholder management activities and groups of stakeholders that this has involved	C	p. 87	T.R.
	Existence of formalised and consolidated stakeholder management practices	C	p. 88	T.R.
	Groups of stakeholders involved in activities out of total identified stakeholder groups	C	p. 86-87	T.R.
	Actions undertaken following stakeholder participation	C	from p. 100 to p. 103	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	Number and type of conflicts (attacks by opinion leaders, boycott campaigns, irregularities, etc.)	C	p. 93	T.R.
	Tools used and number of actions executed to resolve conflicts and the related outcome	C	p. 93	T.R.
	Number of unresolved conflicts/total conflicts	C	p. 93	T.R.
	GRI INDICATORS	AREA	PAGE	Grado di rendicontaz.
	SO 5 Public policy positions and participation in public policy development and lobbying	B	p. 88	T.R.
	SO 6 Total value of financial and in-kind contributions to political parties, politicians and related institutions by country	B	N.E.	T.R.
	SO 7 Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes	B	N.E.	T.R.
			Innovative Approach to Reporting	
COMPANY PROFILE	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	Number of subsidiaries (scope) involved in the reporting process/total subsidiaries	B	p. 92	T.R.
	% of indicators used by every Group company/total indicators used in the reporting process	B	p. 92	T.R.
	Number and % of stakeholder recommendations that have been dealt with/total recommendations received	C	p. 86	T.R.
	Number and details of occasions during which stakeholders were involved in the reporting process	C	p. 86-87	T.R.
	GENERAL INDICATORS	AREA	PAGE	Reporting Degree
	% of positive feedback from participating stakeholders regarding the reporting process and the final report	C	p. 90-91	T.R.
	Reporting system used	B	p. 92-93	T.R.
	Number and categories of stakeholders involved in the reporting process	C	p. 87	T.R.
			Profile Indicators	
COMPANY PROFILE	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	1.01 Statement from the most senior decision-maker of the organization about the relevance of sustainability to the organization and its strategy	A	p. 5-7	T.R.
	1.02 Description of key impacts, risks and opportunities	A	p. 5-7	T.R.
	2.01 Name of the organization	A	p. 9	T.R.
	2.02 Primary brands, products and/or services	A	p. 8-9	T.R.
	2.03 Operational structure of the organization, including main divisions, operating companies, subsidiaries and joint ventures	A	p. 10-11	T.R.
	2.04 Location of organization's headquarters	A	p. 112	T.R.
	2.05 Number of countries where the organization operates	A	p. 9	T.R.
	2.06 Nature of ownership and legal form	A	p. 13	T.R.
2.07 Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	A	p. 9	T.R.	
2.08 Scale of the reporting organization	A	p. 9	T.R.	

		Profile Indicators		
COMPANY PROFILE	INDICATORS LINKED TO THE OBJECTIVE	AREA	PAGE	Reporting Degree
	2.09 Significant changes regarding size, structure or ownership	A	p. 12	T.R.
	2.10 Awards received in the reporting period	A	p. 47-58	T.R.
	3.01 Reporting period for information provided	A	p. 92	T.R.
	3.02 Date of most recent previous Sustainability Report	A	p. 92	T.R.
	3.03 Reporting cycle	A	p. 92	T.R.
	3.04 Contact point for questions regarding the Sustainability Report and its content	A	p. 112	T.R.
	3.05 Process for defining Report content including: determining materiality, prioritizing topics within the Report, identifying stakeholders the organization expects to use the Report	A	p. 90-91	T.R.
	3.06 Boundary of the Report	A	p. 92	T.R.
	3.07 Statement of any specific limitations to the scope or boundary of the Report	A	p. 92 and from p. 106 to p. 111	T.R.
	3.08 Information for reporting on joint-ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations	A	p. 12-92 and from p. 106 to p. 111	T.R.
	3.09 Data measurement techniques and the bases of calculation, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the Report	A	p. 92 and from p. 106 to p. 111	T.R.
	3.10 Explanation of the effect of any re-statements of information provided in earlier Reports	A	p. 92 and from p. 106 to p. 111	T.R.
	3.11 Significant changes from previous reporting period in the scope, boundary or measurement methods applied in the Report	A	p. 92 and from p. 106 to p. 111	T.R.
	3.12 Index of the content of the Report outlining the number of pages or the website reference for each section	A	from p. 106 to p. 111	T.R.
	3.13 Policy and current practice with regard to seeking external assurance for the Report	A	p. 92	T.R.
	4.01 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	A	p. 12	T.R.
	4.02 Indicate whether the President of the highest governance body is also an executive officer	A	p. 12	T.R.
	4.03 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members	A	p. 12	T.R.
	4.04 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	A	p. 12	T.R.
	4.05 Linkage between compensation for members of the highest governance body, senior managers and executives (including departure arrangements) and the organization's performance (including social and environmental performance)	A	p. 63	T.R.
	4.06 Processes in place for the highest governance body to ensure conflicts of interest are avoided	A	p. 62	T.R.
	4.07 Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, social and environmental topics	A	p. 14	T.R.
	4.08 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental and social performance and the status of their implementation	A	p. 62 and website	T.R.
	4.09 Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct and principles	A	p. 63 and website	T.R.
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental and social performance	A	p. 63 and website	T.R.	
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organization	A	p. 22	T.R.	
4.12 Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or endorses	A	p. 62	T.R.	
4.13 Memberships in national/international trade associations	A	p. 88	T.R.	
4.14 List of stakeholder groups engaged by the organisation	A	p. 87	T.R.	
4.15 Basis for identification and selection of stakeholders with whom to engage	A	p. 86-87	T.R.	
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	A	p. 86-87	T.R.	
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	A	p. 86-87	T.R.	
EC 1 Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	A	p. 13	T.R.	
EC 4 Significant financial assistance received from government	A	N.E.	T.R.	

KEY

- Area A** - Barilla Holding, holding company that controls Barilla G. e R. Fratelli and Lieken (Germany)
- Area B** - Barilla G. e R. Fratelli, which groups the following brands and companies: Mulino Bianco (Italy), Pavesi (Italy), Voiello (Italy), Academia Barilla (Italy), Alixir (Italy), Harry's (France), Harry's (Russia), Barilla (USA), Yemina and Vesta (Mexico), Wasa (Scandinavia, Germany), Number1 (Italy), Filiz (Turkey), Misko (Greece)
- Area C** - Italy: Barilla G. e R. Fratelli excluding Harry's, Barilla (USA), Yemina and Vesta, Wasa, Filiz, Misko
- Area D** - Barilla G. e R. Fratelli excluding Harry's Russia
- Area E** - Only semolina pasta supply chain
- Area F** - Barilla G. e R. Fratelli excluding Harry's Russia, Yemina, Vesta, mills, Number1

- Area G** - Barilla G. e R. Fratelli excluding Harry's, Yemina and Vesta
- Area H** - Barilla G. e R. Fratelli excluding Harry's Russia and Harry's France
- Area I** - Barilla G. e R. Fratelli excluding Harry's, Yemina and Vesta, Wasa, Filiz, Misko
- Area L** - Durum wheat, bakery (Tarallucci) and Wasa Crispbread supply chain
- Website** - The information relating to this indicator is available at www.barillagroup.com
- T.R.** - Fully included in scope of reporting
- P.R.** - Partially included in scope of reporting
- N.E.** - No episodes recorded

**Barilla G. e R. Fratelli Società per Azioni with a Sole Shareholder
under the direction and coordination of Barilla Iniziative S.r.l.**

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