

GOOD FOR YOU SUSTAINABLE FOR THE PLANET

...in other words, our way of doing business



Barilla

The Italian Food Company. Since 1877.

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LETTER FROM THE CHAIRMEN



What you are going to read in the next few pages is a simple story. This is the story of the commitment of many People who, over the years, have transformed cereals, tomatoes and cocoa into pasta, bread, sauces, and biscuits. This is the story of Barilla, the Italian family company that has been accompanying the grain of wheat on its journey since 1877 and is above all the story of the People who choose to enrich so many moments of their lives with its products.

The one ingredient we would never like to see missing from what we produce is Quality. It's something we've always pursued in doing business, and it's the "Know-How" of the People who work with us that creates it day after day. This translates into taste, safety and wellbeing. Today we can also add a greater awareness on the part of those who want food by those who want a food that is "good for them" but is also "good for the Planet", i.e. contributes to a better future for the individual and society at large. Also with respect to this meaning of Quality, Barilla stands side by side with People.

Anyone who chooses a product made by our company must be able to do so with the same conviction that we and the People who work for us have. This is why we felt the need to recount what happens in the plants and all along the supply chain. Every gesture contributes towards realizing Barilla's dream: "Give people what we would give our own children." A dream that is not only easy to utter, but which has been cherished for

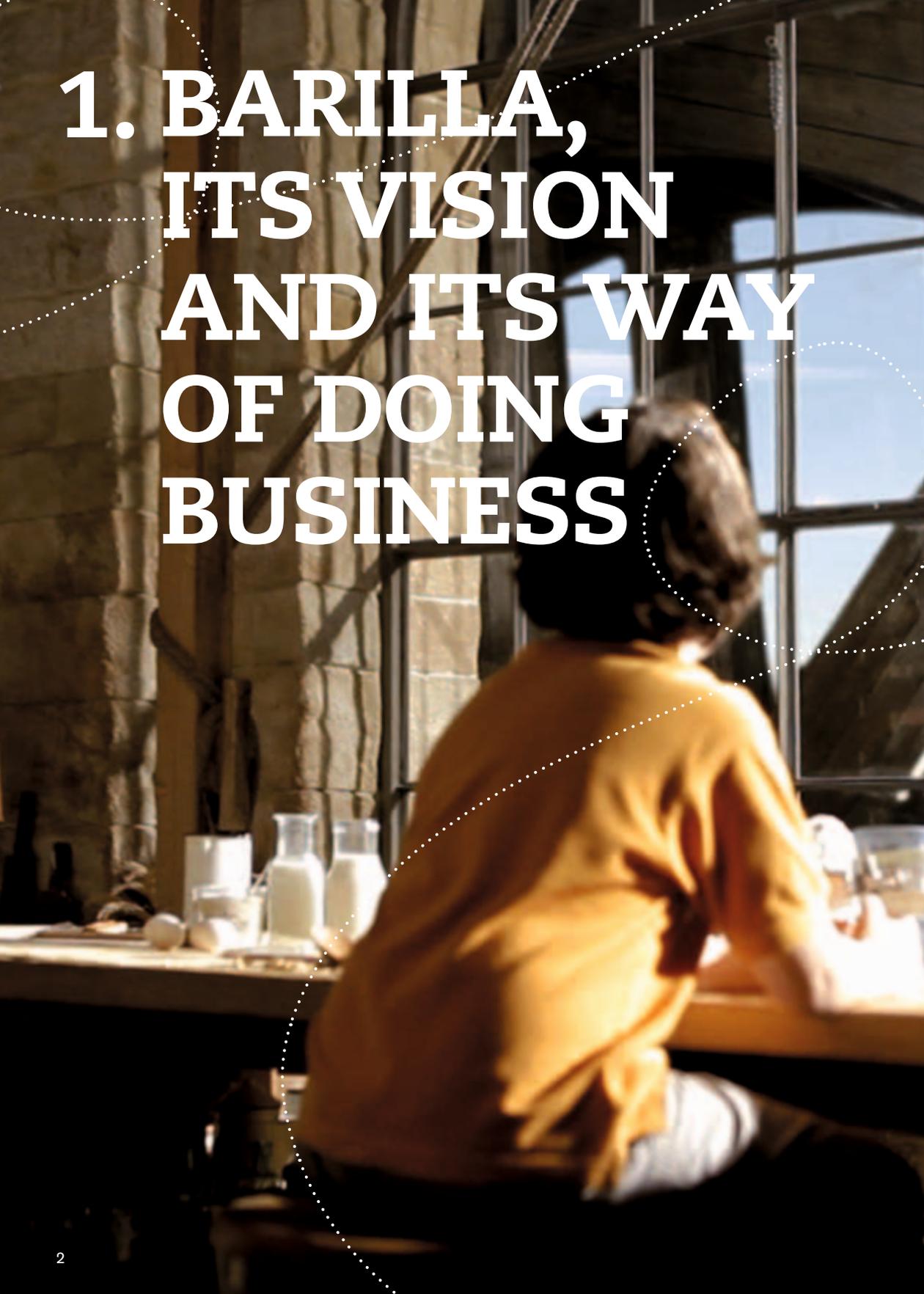


generations by a family, and that contains a weight of trust not to be taken for granted in the current historical moment.

We however seek to keep it alive day after day and not only out of the respect we have for those who preceded us, but because we have faith in tomorrow's world and in those who will inherit and make it better still. The courage with which we work today is what we are sowing for tomorrow's Quality of life. The Earth, from which the history of raw materials begins, teaches us the rest: the small grain of wheat, contending with the severity of winter, begins to sprout.

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

1. BARILLA, ITS VISION AND ITS WAY OF DOING BUSINESS

A person with dark hair, wearing a bright yellow long-sleeved shirt, is seen from the back, sitting at a wooden table in a cafe or bakery. They are looking out a large window that offers a view of a bright, sunny day. The interior features a rustic stone wall on the left. On the table in front of the person, there are several items including a white pitcher, a glass of milk, and some pastries. The overall atmosphere is warm and inviting, with soft lighting filtering through the window.



“ We help People live better, by bringing wellbeing and eating enjoyment into their everyday lives. ”

BARILLA IS...

Since **1877**, Barilla has been the family company that believes food should be a joyful, convivial experience and abounding in taste. Being one of the top Italian food groups, world leader in the **pasta** market, European leader in the ready-made **sauces**, Italian leader in **bakery products**, Scandinavian leader

in **crisp breads**, Barilla offers quality products focusing on the Mediterranean diet that combines excellent ingredients and simple recipes. Barilla has always linked its growth to **People's** wellbeing and to the **communities** in which it operates. These pages recount its way of doing business.

Our Brands



50 millions of People every day choose Barilla products

100 over 100 countries where Barilla takes its products

130 over 130 years of history

Barilla Products

The Quality of every Barilla product is the result of using **superior raw materials, avant-garde production processes, long-term relations with retailers and relationships of trust with People.**

In the belief that the **wellbeing** of the company, **People**, and the **Planet** are different sides of the same coin.

Selected raw materials and long-term relationships with Suppliers

Advanced production processes and Quality management systems

Dialogue with Retailers and service to People

Products "Good for the People, Sustainable for the Planet"

common wheat

durum wheat

palm oil

tomatoes

olive oil

eggs

semolina

cocoa

plants

mills

integrated mills

transport

packaging



A WAY OF DOING BUSINESS TO SERVE THE PEOPLE AND THE PLANET

For the sector in which it works, for the commitments it feels towards the People who work in the company and the communities in which it operates, for the culture of service that it has towards those who buy the products, Barilla has decided to commit to contributing to the construction of a **wellbeing** that does not end today, but continues in the future affecting **the company**, the **People** and the **Planet**.

To do this, Barilla has set 3 objectives:



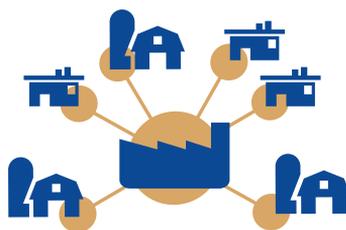
1. Building Knowledge

Contributing to solve the problems linked to food and nutrition, creating knowledge to guide the daily work of those who work in Barilla.

To Achieve Its Objectives Barilla always...



Operates respecting the rights of **present** and **future generations, communities, People** and **suppliers**.



Creates opportunities for the areas where it operates and their **People**, promotes **local development** and **culture** in Italy and worldwide.



2. Building a Sustainable Company

Managing the company by continuously nudging processes and products towards “Total Quality” including aspects of wellbeing of the People and the Planet.

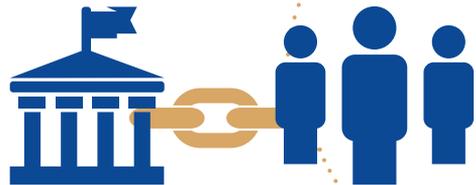


Reduces the **environmental impact** from cultivation to **production**, from **packaging** to **transport**.



3. Building Local Relations

Contributing to local development with all the skills and resources accumulated over time.



Talks and establishes alliances with the worlds of **retailers, education, institutions,** and **civil society to build and maintain relationships of trust** with People.

OBJECTIVES IN ACTION

Building Knowledge

It is worth remembering that:

- out of a population of over seven billion individuals worldwide, a good **one billion People** are underfed or malnourished;
- at times, those dying from hunger live in the same country as those who become ill from overeating;
- wasted food every year results in throwing away a quantity of food resources sufficient to **feed a billion malnourished people**;
- **a billion** People do not have a fundamental resource, i.e. drinking water.



**THEIR WASTED FOOD WOULD
BE SUFFICIENT TO FEED**



6 billion
People well
nourished

1 billion
People
malnourished

Wasted food every year results in throwing away a quantity of food resources sufficient to feed the billion malnourished People.

Barilla Center for Food and Nutrition



Barilla analyses the major themes of food and nutrition through

the Barilla Center for Food and Nutrition (www.barillacfn.com), think tank and knowledge sharing centre. Opportunities for public debate, scientific publications and dialogue with the institutions have for years been the highlights of this knowledge and information effort promoted by the company.

2011 results

9 scientific
publications

2 national
events

4 international
events

5 webinars

30,000 total participants
live and streaming



Building a Sustainable Company

The daily work of Barilla People is aimed to constantly improve products under the profile of "Total" Quality, i.e. taste and safety, as well as the contribution to the wellbeing of the People and of the Planet. This is the reason why knowledge is important.



Double Pyramid

One of the most important results obtained by the BCFN is the Double Pyramid, which links diet and environmental impact, it is also an indication of how the company should act, stimulating it to produce in a better way, to reformulate existing products, and invent new ones.



Building Local Relations

Barilla has an historical relationship with a territory, that of Parma and with a Country, Italy. However, today it is an international company. This is the reason for the proposal to channel its educational and social commitment into a single "company cause", involving the Group's various brands. **For Barilla, contributing to local development means committing against overeating, offering healthy and nutritionally balanced products and providing education and training, especially for children and families. At the same time, it means contributing to solve the problems of food security, fighting against food waste and rebalancing the great paradox of hunger and obesity.**

For this reason, it has strengthened the alliance with the Food Bank Foundation and other organisations by promoting company voluntary service projects, optimizing the work of recovering food surpluses and increasing partnerships with the retail world, and raising public awareness.

Product Donations



2,590 tons were donated to Feeding America and **1,070 tons** to the Food Bank Foundation. The rest was allocated to other associations, such as the San Vincenzo Association or other national charities.

Money Donations



2. COMPANY MANAGEMENT





“ There are three ingredients for companies that want to create value over time: management of business culture, management systems that protect strategic efficacy and management efficiency, and finally leadership. ”

Manfredo Manfredi
Barilla Group's CEO from 1971 to 1991 and Board Member

GROUP GOVERNANCE

The Group Governance is designed to ensure business success in a consistent and integrated way, sharing with People and contributing to their wellbeing.

The Barilla Group consists of about **50** companies, which are controlled directly or indirectly by the parent company **Barilla Holding S.p.A.** with headquarters in **Parma**. Barilla has a "traditional" management and control system with a Board of Directors and a Board of Auditors, both appointed by the Shareholders' Meeting. The equity investment in operating companies is held indirectly through **Barilla Initiative S.r.l.**, of which 85% is owned by Barilla Holding S.p.A. and 15% by Gafina B.V. The Group's organisation structure is based on two operating companies, **Barilla G. e R. Fratelli Società per Azioni** and **Lieken AG**, fully controlled.



For additional information on the Barilla Group governance, you can request the Annual Report to relazioniesterne@barilla.com or download it from the website: www.barillagroup.com

Shareholding and Control Structure







Sustainable Business Management

Contributing to **sustainable development** is recognised by Barilla as a **key** to the company's **success**. The two elements that ensure a concrete implementation of the company values are **integration and**

collaboration between the various company functions on the one hand, and continuous **exchange** between the company and its stakeholders. The management system is based on these two principles.



- BARILLA CENTER FOR FOOD AND NUTRITION
- HUMAN CAPITAL
- BARILLA LABORATORY FOR KNOWLEDGE & INNOVATION
- INTERNAL COMMUNICATION
- ADMINISTRATION AND FINANCE
- INTERNAL AUDIT
- MARKET UNIT EUROPE
- BRAND DEVELOPMENT, INNOVATION AND MARKETING
- OPERATION
- QUALITY
- RELATIONS WITH THE SCIENTIFIC COMMUNITY
- RESEARCH AND DEVELOPMENT
- RISK MANAGEMENT
- HEALTH, SAFETY, ENVIRONMENT & ENERGY
- SUPPLY CHAIN

* The Operating Group is coordinated by the SUSTAINABILITY UNIT, which operates within the COMMUNICATION and EXTERNAL RELATIONS DIVISION, enhanced in 2011. The Sustainability Unit is also responsible for the internal and external communication on sustainability issues and for the relationship with civil society organizations (NGOs).

Who contributes to Barilla's sustainable business:

Player	Role	Objective
Nutrition Advisory Board	It defines nutritional guidelines for Barilla products.	Allowing reformulation of existing products and formulation of new products .
Barilla Laboratory for Knowledge and Innovation	It develops training, also on Sustainability issues.	Spreading and disseminating a "sustainability culture" at all levels of the organization.
Permanent Panel of Stakeholders	Convened twice a year, it issues its opinion on the Company sustainability path.	Providing the company with constant exchange on sustainability issues with a structured representation of stakeholders .
Barilla Center for Food and Nutrition	It outlines and explores the global scenario of food and nutrition.	Contributing to inspiration and training of the Company People. Building knowledge and awareness on food and nutrition issues.

Dialogue and Sharing

Barilla is part of several organisations dedicated to sustainability issues. Since 2008 the company has been a member of the **Consumer Goods Forum**, a network of more than four hundred manufacturing, retail and service companies.

With the United Nations to Promote Sustainability

The "UN Global Compact" initiative was launched by the previous UN Secretary General Kofi Annan in 1999 and is now led by His Excellency Ban Ki-Moon. Being a member of the **UN Global Compact**, Barilla has undertaken to support also **Global Compact Network Italy**. Barilla believes that this will be an important opportunity to share sustainable development issues with other companies, institutions and civil society organisations.



www.theconsumergoodsforum.com
www.unglobalcompact.org
www.globalcompactnetwork.org
www.2degreecomunique.com

The Key 2011 Results of Barilla's Sustainable Business

This page shows the most significant aspects of the company's way of doing sustainable business through the key figures of Barilla G. e R. Fratelli Società per Azioni relating to 2011.

For a complete overview of the indicators monitored by the company, please refer to the complete work "Good for you sustainable for the Planet" or visit www.barillagroup.com.

2011 Consolidated Sales

3,916 million euro

Compared to 2010 (4,029 million). With the same perimeter (excluding the sales of subsidiaries sold in 2010), sales were stable.

COMMUNITY Jobs and Plants

Number of jobs

Number of plants

8,766

41

8,766 People work directly for Barilla in **41** production sites in 9 countries (Italy, Greece, Turkey, France, Germany, Sweden, USA and Mexico).

SUPPLY CHAIN

Percentage of Durum Wheat grown locally

81 ^{Total}
%

81% of the durum wheat used in various brands of the Group is grown locally, i.e. in the pasta producing country.

PEOPLE

Product Quality and Safety

29
million euro

Financial resources invested in activities relating to product quality and safety were in line with the amount invested in 2010.

NUTRITION

Reformulated Products

Total 2008/2011

2011

2010

2009

111

70

29

4

111 products reformulated since 2008.

Reduction in salt content: 57
Reduction in fat and saturated fat content: 10
Increase in Nutrients: 3

Reduced salt content: 25
Reduced fat and saturated fat content: 3
Increase in whole grains and fibres: 1

Reduced fat and saturated fat content: 3
Increase in whole grains and fibres: 1

ENVIRONMENT

Energy Consumption

3.22 GJ/t

In 2011, Barilla's **energy consumption** per unit of finished product came to 3.22 GJ/t, in line with 2010. Specifically, consumption of electricity totaled 1.3 GJ/t and that of thermal energy 1.9 GJ/t.

ENVIRONMENT

Total Water Consumption

2.5 million m³

In 2011, Barilla plants consumed about 2.5 million m³, saving about 566 thousand m³ of water compared with 2008, with consumption down by 19%.

HUMAN CAPITAL

People Care

4.3%

4,3% of employee cost in Italy (vs 3,7% in 2010). The datum includes scholarships, pension plans, special benefits, etc.

SAFETY

Frequency of Accidents

17

Frequency Index calculated on the number of **accidents** per 1,000 working hours: -32% since 2010. Zero accident target achieved in 5 plants.

ENVIRONMENT

Recyclable Packaging

96%

The percentage of recyclable packaging increased from 85% in 2008 to 96% in 2011. Of this, 41% is made from recycled material.

3. TOWARDS A SUSTAINABLE AND INTEGRATED SUPPLY CHAIN. FROM FIELD TO FORK





“ The life cycle of a product - from field to fork, from raw materials to consumption - is a complex story with many players and protagonists. This chain of relations and stories is the supply chain, the one that enables Barilla to bring “wellbeing and eating enjoyment” into People’s everyday lives.

”

THE PROTAGONISTS OF THE SUPPLY CHAIN

Seed **producers, farmers, and breeders** are the primary players. The **processing industry** follows: **mills** and **plants** that process raw materials into food products, ensuring their quality, safety and nutritional value. **Transporters**, and **large-scale** and **small retailers** offer products to **People** and **families**, ultimately the real protagonists of the whole process.



Behind each one of the 1,000 Barilla Products there are...

Suppliers

1,200



Raw Materials

800



Durum Wheat

1,400,000t



Cage-Free Hens*

2,000,000



*In 2012

Common Wheat and Rye*

1,300,000t



Eggs

700,000,000







BARILLA'S COMMITMENT TO SUSTAINABLE AGRICULTURE

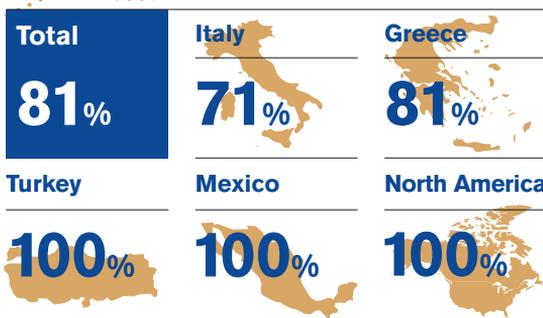
Barilla is committed to making its supply chains more sustainable. Research finds a tangible application in all the links of the supply chain: from raw materials to production, from packaging to retail. The care for the product

“from field to fork” involves also People, who are put in a position - through information - to support Barilla in the reduction of the impact, in particular environmental, not only of its manufacturing activity, but also of its products.

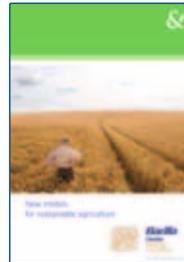
Raw Materials and Supply Chain Agreements

In 2006 Barilla signed an agreement with the Emilia Romagna Region, growers' associations, farmers' associations and agricultural cooperatives for the production of **High Quality Durum Wheat**. Following this experience, similar agreements based on the same principles were also signed in other regions of Italy. **These agreements lead to quality improvement and environmental protection, thus increasing the share of Italian wheat used.**

% Of Durum Wheat Grown Locally



The Paper “New Models for Sustainable Agriculture”



Through the **Barilla Center for Food and Nutrition**, the company has developed a study that describes various agricultural models in terms

of economic, environmental and social impact. A simulation model evaluates how much food and of what quality can be guaranteed for the future by adopting different agricultural practices. According to the results, like today, the problem will not be the availability of food worldwide, but its fair and equitable distribution in different geographical areas and population groups. The most sustainable models from an environmental point of view are more adaptable, thus more recommendable.

The Barilla Decalogue for Sustainable Cultivation of Durum Wheat

The Decalogue gathers the results of the research carried out by Barilla. Its indications are adopted by the farmers involved with the supply chain contract.

- ▶ Rotate crops.
- ▶ Work the land with respect.
- ▶ Use the most appropriate variety for the land type.
- ▶ Use exclusively certified seeds.
- ▶ Sow at the appropriate time.
- ▶ Use the appropriate amount of seeds.
- ▶ Contain diseases as soon as possible.
- ▶ Use only the amount of nitrogen required by the plant.
- ▶ Protect the plant from diseases.
- ▶ Extend sustainability to the whole farm.

Durum Wheat and other Raw Materials

Based on the experience gained from durum wheat, an international project was launched to identify **the most sustainable crop systems** for strategic raw materials, including Common Wheat, Rye and Tomato.

COMMON
WHEAT



TOMATO

RYE

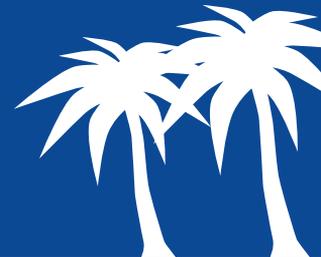
Cocoa and Palm Oil

11%

of the palm oil used comes from supply chains certified by international independent bodies.

100%

of cocoa suppliers are members of the **World Cocoa Foundation**.



Cage-Free Laying Hens



In 2011, Barilla received the **Good Egg Award** from the international NGO "Compassion in World Farming" for the commitment taken on by the Mulino Bianco and Pavesi brands that use **exclusively eggs from cage-free hens**.



85%

Over the course of 2012, 85% (more than 2,000,000) of laying hens will be reared cage-free. The Le Emiliane, Pavesi and Mulino Bianco brands will use only these eggs.

Sustainable Packaging

Barilla pays great attention to the packaging of its products, both in relation to purchases of paper, cardboard and film, and when it develops its packs. The new steamed biscuits are a good example. Besides being manufactured with an exclusive technology owned by Mulino Bianco, they are innovative in packaging too. **Packs** not only guarantee product freshness, but are **totally recyclable**.

% Recyclable Packaging



2008
85%

2011
96%

PACKAGING IMPROVED IN 2011

Size Optimisation of Packs



-54
tons of
plastic film

Pack Size Optimisation and Pallet Saturation



-36
tons of
plastic film

-14%
of means of transport used

Wrapping Optimisation



-8
tons of
plastic film

Size Optimisation of Packs



-9
tons of
plastic film

Sustainable Production

Reduction of Emissions and Energy Saving

Less environmental impact, more production. One of Barilla's objectives is the **reduction of greenhouse gas emissions** in all processes to minimise waste, reduce ecological impact and **improve productive efficiency**. The consumption of Barilla covers the **electricity** used to operate production lines, for air conditioning and to light

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



the premises and outdoor areas, plus **thermal energy**, which is used for baking products, drying pasta and heating the premises. Emissions of CO₂ in 2011 fell by 19% compared to 2008, with an increase in production of about 1%. **CO₂ emissions per finished product decreased by 20% compared with 2008.**

The Contribution of Renewable Energy

Two plants producing Wasa branded products use power from hydroelectric plants. The entire electric power demand of Mulino Bianco is offset by RECS Certificates, "Renewable Energy Certificate System".

-19%

Total CO₂ Emissions since 2008

-20%

Finished product CO₂ Emissions since 2008

Water Consumption and Saving

In 2011, Barilla plants consumed about **2.5 million m³ of water, saving approximately 566 thousand m³** of water compared with 2008 (-19%) thanks to water saving projects developed in the production plants.

-19%

Water Consumption since 2008

Recycling of Waste

In manufacturing plants the focus on waste intensified with the aim of decreasing the amount produced and increasing the share intended for recovery.

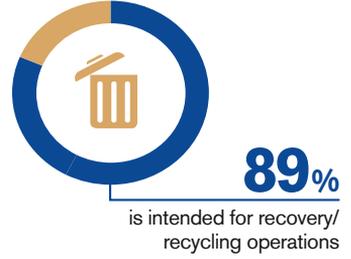
In 2011 the average recorded was 13 Kg waste per ton of finished product.

Waste per Finished Product

2011



Recovery and Recycling



Distribution and Retail



Barilla has developed a system to **monitor** the performance of **its distribution network**, where also the ratio of greenhouse gas emissions to transported products is calculated. The system was introduced in 2011 in all European countries with the aim of developing projects for a more sustainable distribution model.

In Italy and in the rest of the world, Barilla develops sales both with small independent retailers and with large-scale ones. Modern retail through hypermarkets, supermarkets and small stores is, on the whole, the main channel for the marketing of Barilla Group products. It is thanks to retail chains that products reach People's homes where pasta can finally be prepared and enjoyed.

In 2011, Barilla developed the NEXT LEVEL OF RETAILERS' COLLABORATION Project. The aim is expanding Barilla's networking methods with customers and developing joint projects. The various topics that may be the subject of long-term collaboration include Barilla's good practices on aspects of agricultural supply chain, environmental protection and education.

A young boy in a blue polo shirt is smiling broadly while working on a project. He is looking down at his hands, which are covered in a white substance. An older woman with short, light-colored hair is looking on from the right side of the frame. The background is slightly blurred, showing other people. The text "4. TOTAL QUALITY, SUSTAINABLE QUALITY" is overlaid in large, white, bold letters. There are decorative dotted lines in the image, including a large circle around the woman's head and a line that curves across the bottom.

4. TOTAL QUALITY, SUSTAINABLE QUALITY



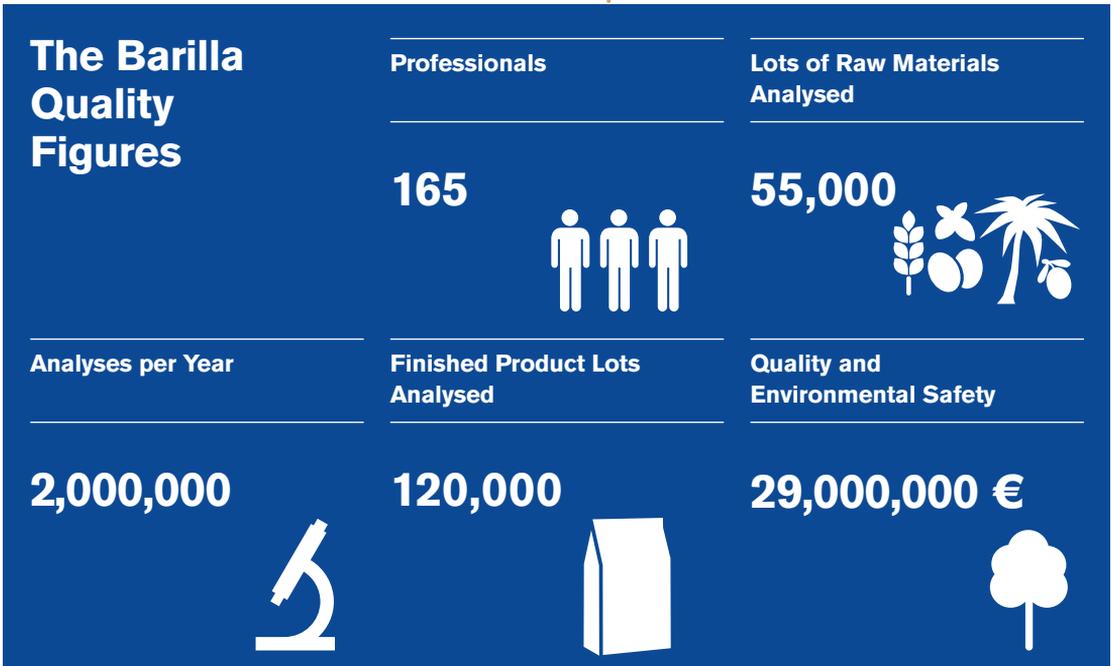
“ True to its mission, Barilla offers delightful and safe products at a great value. However, over time, the concept of Quality has evolved to include many other things in addition to product taste and safety.

”

SUSTAINABILITY QUALITY

Producing Quality means correctly interpreting People's needs and offer products that meet their expectations. Nowadays, a process is considered of Quality if the products it produces, as well as being safe, good and available, are also **nutritionally balanced**, respectful of the **environment** and **People's** rights, and are an integral part of the **development of territories**. In this sense there is no discontinuity between Barilla's history and culture, its present and its future. Barilla has always proposed "**Quality**". Today, the world calls this Quality also **Sustainability**.

THE ABILITY TO GENERATE QUALITY DEPENDS ON THE EXCELLENCE OF THE "BARILLA SYSTEM": not only good management, but also Quality of the People, company values and ways operating, respect for future generations, for the environment and the areas where the company operates.



Success Factors in Barilla Quality



There are certain **critical success factors** that make Barilla what it is. First and foremost the capacity to give value to its own **history**. Secondly, a propensity to **listen** carefully to **market demands**. Last but not least, **attention** given to those **People** who offer their skill and pass their daily life in Barilla.



Some Key Dates in Barilla Quality History

The 50s	The 60s	The 70s	The 80s	The 90s	The 2000s
<p>These are years of great ferment and innovation both from the point of view of production quality and marketing.</p> <p>1953 Barilla equips itself with its first automated plants and specialist workers.</p> <p>1957 Barilla appears on television with Carosello. The era of a new communication technique, a sort of new "school" of marketing.</p>	<p>An increase in sales volumes of 15% per annum is due in part to considerable investments in new strategies and management structure, but also in the quality of sales which changed from indirect to direct.</p> <p>1960 New management structure implemented.</p> <p>1961 Adoption of first expense-revenue budget.</p> <p>1969 Construction of Pedrignano plant (Parma).</p>	<p>These are the years in which Barilla is owned by the American multinational Grace. In '73 because of the petrol crisis and the associated exponential increase in raw material costs, the Italian government blocks the price of pasta. In order to cope with this critical moment, Barilla invests in a new quality brand.</p> <p>1975 Mulino Bianco is born.</p> <p>1978 First biscuit oven at Pedrignano.</p> <p>1979 Pietro Barilla buys back the company.</p>	<p>Barilla invests in avant-garde plants. From Ascoli Piceno, to Foggia and Melfi.</p>	<p>These are years of profound changes in management processes.</p> <p>1991 Takeover of Misko.</p> <p>1993 Takeover of Pavesi.</p> <p>1997 Investment in logistics, Number 1 is born.</p> <p>1999 First plant in America, at Ames and conquest of the American market. Takeover of Wasa.</p>	<p>Managing a multinational company also means a deeper understanding of global problems, sharing actions to solve them and proposing new ones. This is why Barilla has set up a think tank with the contribution of some of the most authoritative experts in food and nutrition.</p> <p>2002 Takeover of Kamps and Harrys.</p> <p>2004 Academia Barilla is born.</p> <p>2009 The Barilla Center for Food and Nutrition is born.</p>

Product and Service Quality

When we speak of Sustainable Quality in Barilla, we intend a wide concept that refers to the Quality of products, processes and service. **People want to see inside the product, beyond the brand, what the company is like and how it operates.**

When consumed, Barilla products must be perceived as **excellent** and must contribute to a **correct, healthy and balanced diet**. For this reason, Barilla takes maximum care in selecting and obtaining raw and packaging materials.

In 2011, around 120,000 lots of finished product underwent controls with a conformity of 95.5%. All Barilla products must be obtained from non-GMO raw materials, contain no fractions of GMO and not be derived from GMOs.

The **pack** must **guarantee maintenance of product characteristics** throughout the life of the product. Furthermore, it must communicate to People **clear and complete information on the nutritional values**, its **expected life and storage and correct use** of the product.

Lots of Raw Materials Controlled in 2011

55,000



Lots of Finished Products Controlled in 2011

120,000



Conforming Lots of Raw Materials in 2011

96.4%



Conforming Lots of Finished Products in 2011

95.5%



How to Make and Propose a Quality Product

The birth of a new product can be split into several phases. At the end of every phase the results are assessed and a decision is taken as to whether to continue down that particular development path:

46 New Products Launched in 2011



1. Each design team enjoys collaboration with a **selected group of People** who actively take part in the creation

of new products. Every year, Barilla invests its innovative efforts in around **150 projects**.

2. In the **design** phase for new equipment, the **hygiene specifications** and **running procedure** must be defined. The technology used must be such that it safeguards as much as

possible the integrity, naturalness and nutritional characteristics of the ingredients. Barilla has developed several exclusive technologies, such as the recent introduction of ovens for steam cooking biscuits.

3. To move to the **launch** phase, the product must have guaranteed **nutritional characteristics** that are beneficial for People's health. Barilla products are designed to be tasty, practical and for daily use, which

are part of a **correct diet**, and are accessible in terms of price. Developing new products with a high health value, Barilla has lowered the fat and salt content, and increased the amount of fibre.

OUR KNOW-HOW

All Barilla People are heavily involved in reaching **food safety objectives** and elevated Quality standards. For some time, Barilla has been making use of manual of **Know-How** containing over **600 rules, both written and the fruit of experience** of any Person working in the company.

People Training and Development

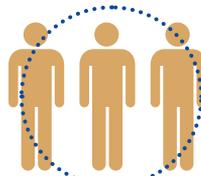
Barilla recognizes its knowledge as a founding value, and increasingly supports continuous training and development of its People.

The Barilla Laboratory for Knowledge & Innovation is a space for trying out training procedures, a hotbed of projects and transmission of the wealth of in-house knowledge. In 2011 the Barilla Lab created a total of **559 training initiatives**, reaching a population of **5,200 People** and an overall impact of around **53,500 training hours**. Adding activities organised by other company units with the support of the Lab, a grand total of over **830 sessions**, about **8,800 participants** and **73,800 hours** of training were provided. **Over 2,500 hours were dedicated to training on themes linked to sustainability**, with particular attention to the Sustainability model adopted by the company as well as the Sustainability of the agricultural supply chain. Great attention is dedicated to training on **Health**

2011 Training



830
sessions



8,800
participants



73,800
hours/training

2,500
hours dedicated
to Sustainability

and Safety, with about **6 hours** per person every year. Also thanks to this, accidents in Barilla are constantly decreasing (**-34% compared to 2008**).

Barilla and Its Young People

Barilla promotes a talent management programme to build the company's future generation of leaders. Initiatives are in place in 20 different universities worldwide for Barilla to become an attractive employer.



THE RELATIONSHIP WITH PEOPLE

The evolution of the concept of Quality is reflected in a change in the relationship between the Company and People, based on a growing request for information and transparency.

This process has seen a remarkable acceleration, above all following the spread of the internet. For this reason, today it is vital that companies offer communication channels that are immediate and accessible so that People can receive timely replies on any aspect relating to the products: raw and packaging materials, production processes and finished products including any pathologies linked to the use of food-stuffs. Listening to People is an important opportunity; indeed, the comments received are circulated round the company and used to improve products and services in order

to satisfy customer and People's expectations more and more. By means of the Web, Barilla is trying to create interactive spaces where People can express themselves, ask questions, highlight critical points or make suggestions. The **Nel mulino che Vorrei** project, created in 2009, is now not just a laboratory of ideas, with over **10,000 suggestions** sent, but also a tool for listening, learning and improving.

www.barillaus.com
www.mulinobianco.it



Barilla's Answers to Questions about Quality

What is People's "demand for Quality" from Barilla? Hereafter we provide an answer to some of the most common questions asked to the company. For additional information, please refer to the complete version of "Good for you sustainable for the Planet" and visit www.barillagroup.com

CAN I PUT GOOD FOOD ON MY TABLE EVERY DAY FOR AN ACCESSIBLE PRICE?

Barilla guarantees good safe products at an accessible price. However, this price must be equally sustainable for everyone involved in the production supply chain: from supply of the raw materials, to the processing, packaging, distribution and sale.

CAN I BE SURE THAT THE PRODUCTS I EAT EVERY DAY ARE SAFE FOR ME AND MY FAMILY?

Barilla carries out strict checks on its produce. Quality control is applied in the Group's 41 production centres that manufacture all the products. Furthermore, the whole Group is now subject to thorough control of Quality and safety characteristics of all the raw materials used.

WILL WHAT I AM EATING MAKE ME STAY WELL AND PRESERVE MY HEALTH OVER TIME?

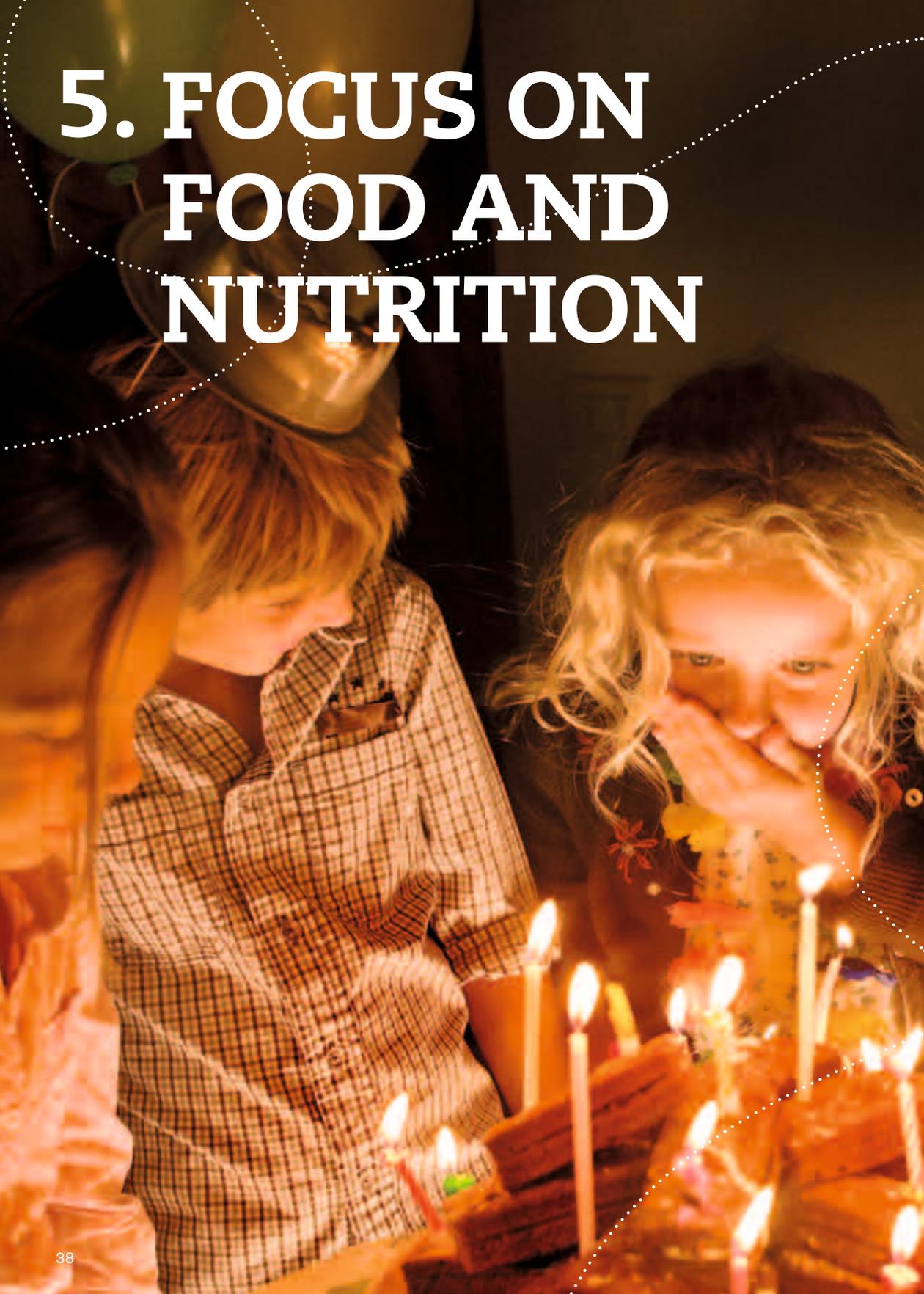
Barilla pays great attention to nutritional aspects. This is because Barilla wishes to bring wellbeing into People's lives and guarantee their good health over time. Barilla is constantly reformulating its recipes to lower the salt and fat content and to avoid the use of artificial colourings, preservatives and GMOs. It is committed to launching new products with a higher content of cereals, fibre, fruit and vegetables.

ARE MY DIETARY CHOICES DAMAGING TO THE PLANET?

We focus a lot on environmental aspects. Beside the Food Pyramid of the Mediterranean Diet, Barilla has constructed an Environmental Pyramid, reclassifying the same foods as regards their impact on the environment. In addition, Barilla tries to maintain a high profile in education and the provision of information, both by informing the general public via the product packs, and by way of various initiatives, promoting a healthy varied diet.



5. FOCUS ON FOOD AND NUTRITION

A photograph of two children at a birthday party. On the left, a boy with brown hair, wearing a plaid shirt and a gold party hat, looks down at a large birthday cake. On the right, a girl with blonde hair, wearing a dark top with a floral pattern and a gold party hat, has her hands clasped over her mouth in a surprised or excited expression. The cake is decorated with lit candles, and the scene is warmly lit by the candlelight. A dotted white line curves across the top and right sides of the image.



“ We have brought the Mediterranean Diet Model up to date, making it more suitable for a modern lifestyle. ”

Gabriele Riccardi

Professor of Endocrinology and Metabolic Diseases
University of Naples, and Member of the BCFN Advisory Board

MORE CHOICE, MORE KNOWLEDGE

For **Barilla**, the primary task of a large company is to supply products that are healthy and designed to contribute to People's wellbeing. The second task is providing information and knowledge on healthy consumption habits and lifestyles, starting from a very early age. The **eating pattern** traditionally adopted in the Mediterranean area (in particular in Italy, Spain, Portugal, Greece and Southern France) is one of the most **balanced** and it is recognised by scientists as one of the top food models in terms of **physical wellbeing** and **prevention of diseases**, in particular cardiovascular ones. This is the source of inspiration for Barilla research and production, but also for informing People.

In developed countries, unhealthy lifestyles and food supplies are driving eating habits increasingly away from the **Mediterranean Model**. The **information** activity for adults is performed through the nutritional reformulation of products and the provision of information and suggestions on packs. The information and **educational** activity is structured according to the addressees, either children from 3 years of age up, or adults.



Reformulation of Existing Products and Launch of New Products

Barilla is committed to continuous improvement of its products and to the launch of new ones that are consistent with the nutritional models that the company promotes.

Product Improvement

0

products
containing
GMOs

57

products with salt
content reduction
in 2011

70

reformulated
products in
2011

103

products
improved in the
last 3 years

15

additive-free
products
launched in 2011



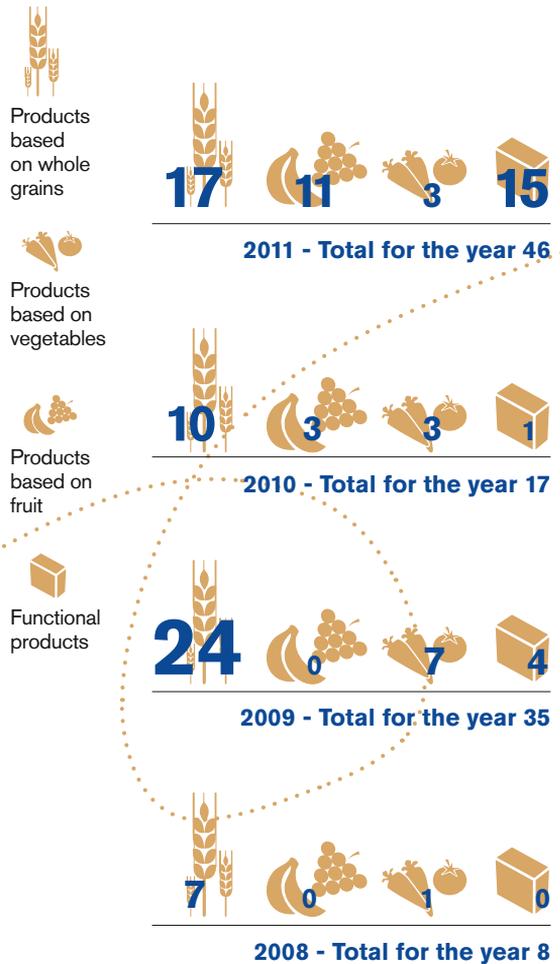
Gaining Health Project

For Barilla, improving the nutritional profiles of its products is not just a company commitment: it is also a contribution to the **“Gaining Health”** initiative promoted by the **Italian Ministry of Health**. This project features interventions on diverse factors linked to People’s health, including improvements in food, with particular attention to reducing salt content. In fact, Barilla has intervened by substantially reducing the amount of **salt** in numerous products.

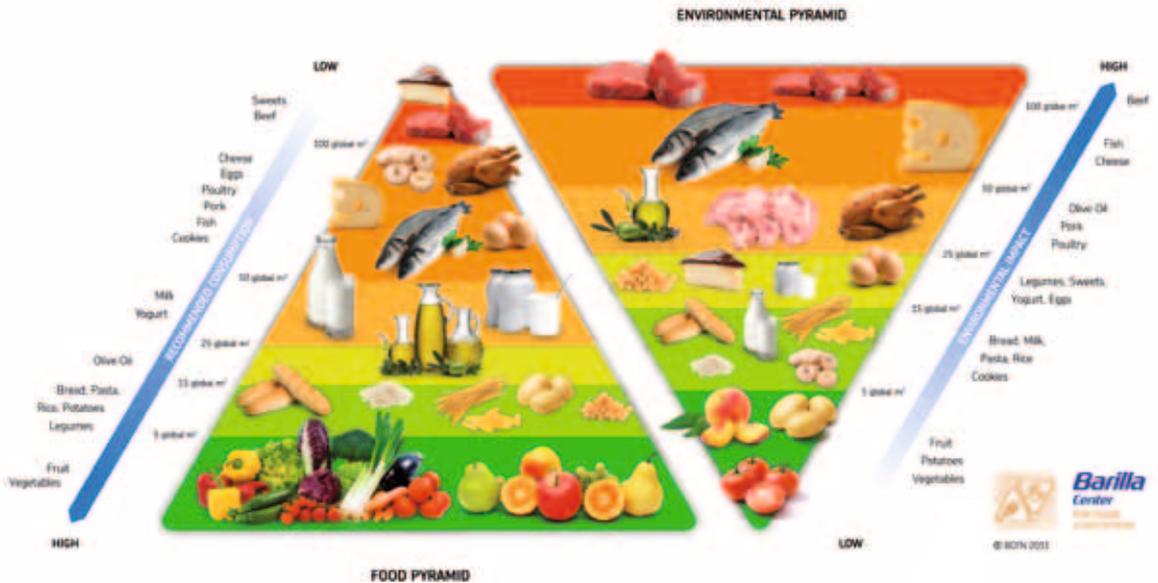
Nutrition Advisory Board and Investment in Nutrition

Barilla collaborates with a group of expert nutritionists who help to convey knowledge to researchers and professionals of the company. This knowledge has been translated into nutritional guidelines for the design of new products. Taking into account research activities and participation in national and international conferences, and making full use of the analyses carried out by the Nutrition Advisory Board and product reformulations, **IN THE LAST THREE YEARS, BARILLA INVESTED 4.8 MILLION EURO IN RESEARCH ON NUTRITION.**

New Products Designed to Meet Specific Nutritional Needs



The Double Pyramid



A varied diet combined with regular physical activity and convivial meals are the basis of the **Mediterranean Diet Pyramid**, UNESCO Intangible Cultural Heritage of Humanity 2010. Since 2010, the **Barilla Center for Food and Nutrition** has associated another variable with this Pyramid, to come up with the **Double Pyramid** model: **Food and Environment**. In the

Environmental Pyramid foods have been positioned on the basis of their impact on the natural resources available from the Planet. It was thereby demonstrated that the foods at the base of the Mediterranean Diet are also those with the lowest environmental impact. **People's health and environmental protection can be pursued with the same means.**

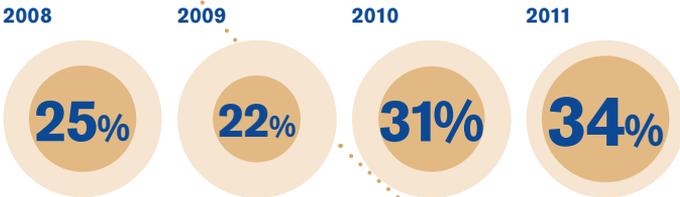
The Double Pyramid for Those Who Are Growing



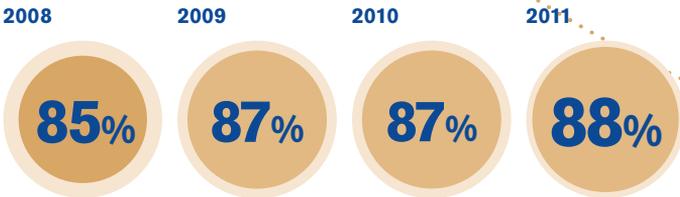
The Double Pyramid follows the same approach as the “adult” version, combining the Food Pyramid with the environmental one, but is constructed based on the nutritional requirements of children and teenagers. For them some foods are of different importance, in particular meat without affecting the validity of the Double Pyramid: foods with low environmental impact are still the ones which it is recommended to consume more of.

Informing People

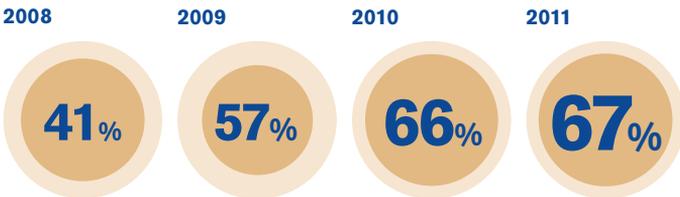
Products with Suggestions for a Healthy Lifestyle



Products with Nutrition Facts Tables



Products with Suggestions for Use



Packs are one of the most important means by which the Company communicates its commitment to the People who buy its products. Therefore on Barilla products are to be found:

- Detailed nutrition tables;
- Suggestions for a healthy lifestyle;
- Suggestions for use;
- Waste disposal procedures and other advice to safeguard the environment.

Barilla also uses other channels to communicate with People, including websites and social networks. All of these messages must respect **three simple rules:**

- Providing information that is more comprehensive than those provided for by labelling regulations.
- Backing up product quality with rigorous scientific data.
- Including, and especially in communications on products for children, information about healthy lifestyles.



Also websites and the new media are important tools which Barilla uses to provide information to People. Mulino Bianco, Barilla and Pan di Stelle have their own Facebook profile, while other platforms such as Twitter, Instagram, Flickr and YouTube have been used to develop promotions and product launches. iPasta, with over 700,000 downloads, is the most downloaded app of any Italian brand in the world.

Education and Information for Families and the Community

Barilla has provided a number of training and information activities on healthy food and lifestyle in the main cities around Italy.

- **Casa Barilla**, to spread Barilla's culture of eating well and conviviality values through hands-on classes with chefs and cooking contests, as well as tastings of various recipes. The Casa Barilla project has directly involved over **200,000 people in 19 cities**.
- **Cucina Integrale Tour**, to spread suggestions for natural, tasty, nutritionally balanced dishes.
- **Piccolini Grandi Chef Tour**, held in the main Italian shopping centres, and dedicated to healthy, correct nutrition for children.
- **The Mulino Bianco Tour**, to inform and make Italians aware of proper and healthy eating, based on the projects, Colazione all'Italiana and Buona Merenda developed by Mulino Bianco.

In 2011 the **Double Pyramid** was presented at the “**Casa Barilla**” tour stops. In 2011 the tour attracted **220,000** people including **50,000** children in **30** Italian cities.

Educational Activities for Children: the Giocampus Project

The Giocampus Project is aimed at promoting wellbeing culture and healthy lifestyles for young people and their families in the Parma area. This project is based on a structured educational course that targets children and teens from 5 to 16 years of age, parents, educators and paediatricians, so that the whole community can be involved in the promotion of a lifestyle based on correct motor activity, healthy nutrition and, in general, on a culture of wellbeing, which is vital to the growth of new generations. This educational activity involves, directly and indirectly, **30,000 people**. The Giocampus Project has also been developed as **Giocampus Snow**, an educational winter week; **Giocampus Summer**, a combination of motor activities, games and expressive workshops, plus **Giocampus Lab**.

www.giocampus.it

giocampus



100%

Of the teachers involved said they can confirm participation in the Giocampus School project next year.

98%

Of the teachers involved said that the project was well up to expectations.

81%

Of the participants' parents rated the project organisation as excellent.

**BARILLA G. e R. Fratelli -
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to the management and coordination
of BARILLA INIZIATIVE S.r.l.**

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