GOOD FOR YOU, GOOD FOR THE PLANET



"There's a part of me you still don't know. It's my story: where I was born and how, thanks to a unique knowhow and to People who have looked after my recipe right from the start. I'm good because I'm made from selected, quality ingredients. But also because I'm fragrant and safe for your diet. I'm part of a large group of products that accompany you and your family throughout the day to provide the right amount of energy and wellbeing. I come from wheat that's carefully selected and cultivated with passion. The hens that produce the eggs I'm made from are reared cage free. All the places I visit before arriving in your cup of milk are managed with respect for the Planet. Learn more about why I'm

Good for You and Good for the Planet".

Sustainable Business Report 2013



"There's a part of me you still don't know. It's the story of my recipe: how I'm made. Everything starts with a grain of wheat that's very proud to be Barilla, because it's selected with care, grown with passion, and mixed with other precious grains to achieve a quality semolina. A strong grain that's grown with respect for the land and all those who work to make it fruitful. I'm born from this grain, tasty, safe for you and your family day after day, and I'll contribute to your wellbeing for years to come. I'm part of a large family of products that accompany you from morning to evening and are not only Good for You, but also for the Planet."



GOOD FOR YOU, GOOD FOR THE PLANET

SUSTAINABLE BUSINESS REPORT 2013

The data given in this report refer to the year 2012 and pertain to Barilla G. e R. Fratelli with the exception of the Lieken Group.

For further details on the objectives and indicators of our sustainability model:

www.goodforyougoodfortheplanet.org





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INTRODUCTION

Barilla has a distinctive way of doing business since 1877: made from unique ingredients that characterize its story and its commitment. Over the years it has developed an image that is very different from the nineteenth-century bread and pasta shop it once was, to present itself as a multinational leader in the pasta and bakery sectors. This evolution has only been possible thanks to the relationship of trust the Company has been able to establish with People, by offering safe, tasty products and the conviviality of eating together, through its brands. All of this is not only in the wake of emotional values, but also by reasoning on the scientific significance of models that are recognized internationally as being positive, such as the Mediterranean lifestyle.

"Good for You, Good for the Planet" was created to introduce you to the hidden world of Barilla products. In fact, we are convinced that although many People are familiar with our product range, few really know what lies behind the plate of pasta they eat or the cookie they dunk every morning. For this reason in the following pages we are offering a trip from the field where we cultivate the strategic raw materials for our business, and ending with the People: not just at table, but directly in their life choices. In Barilla we have revamped the widespread motto "From Field to Fork", to present it as "From Field to People", considering People as consumers, but above all as active participants in the community they inhabit.

In particular, we want to tell you about **the goodness a product can offer**. Barilla products, as well as being tasty, can play their part in a balanced daily diet and contribute to your wellbeing for the coming years. This is why we say they are "Good for People". But that's not all. Our products are created with respect for the environment and have an impact on it that is lower than other types of food. Which is why they are "Good for the Planet". In short, you will discover that by eating Barilla not only are you guaranteed hours of joyful eating, but even more years of wellbeing, doing good to yourself, your family, the future of our Planet, and to generations to come.



THE INGREDIENTS OF OUR RECIPE

There are many ways to think about Barilla. For Italians it represents a historic brand of pasta, an important product in everyday life, and, perhaps, a souvenir of some special moment. For some it is linked to the Mulino Bianco valley, to a "nice filled with hope. For a young American, Barilla is a synonym of Italianness, warm aromas, the bearer of genuine flavors and wellbeing. In other cases, Barilla is a group that owns brands, such as the Swedish Wasa or the French Harrys. For us, Barilla means identity: our family dream came true. We don't view it only as a brand, a product, or a Company, but as a precious legacy to be handed down to future generations: something that goes beyond our family and is a symbol of the culture and tradition of our country's entrepreneurial spirit in the world. It is starting from this point of view that the term "sustainability", if seen as something new or an adjunct to business, becomes inconceivable. If we think of our family's way of doing business we cannot imagine it as being non-sustainable. We

are the fourth generation to look after Barilla's knowhow and with us, the fifth generation has already begun work. Our conviction is that we have a unique recipe, which we undertake to innovate constantly, while keeping its world" born at the end of the Seventies, in a difficult cardinal values intact. Values such as Passion period of Italy's history that was nonetheless and Trust. Passion in carrying out an ancient trade that has evolved technologically, but has maintained its unique fascination: the art of processing wheat. And Trust: a profound link that we seek to establish with those who choose us every day while out shopping and with those who work in Barilla to bring aromas and genuineness to all our tables. Beside these values, we believe that talent, courage and entrepreneurial creativity are no longer enough, but that, increasingly, it is important to focus our attention on the collective good and, for this reason, discipline, correctness and organization are needed. We are well aware that we cannot do this alone, so we ask you to support us to build tomorrow together, as champions of healthy lifestyles and responsible choices.

Liso Box Co.

Guido Barilla, Chairman

Jua Barelle Foolofamille

Luca Barilla, Deputy Chairman Paolo Barilla, Deputy Chairman

ONLY ONE WAY OF DOING BUSINESS

Great aspirations are the driving force of progress, the challenges that everyone sets to look to tomorrow with determination and the conviction of never having done enough. This conviction is in Barilla's DNA: it can be seen in the passion that drives our People to work hard every day in an obsessive pursuit of product quality. It is with this same passion that Barilla has set a major goal: to double its business in seven years. But it will not do so at any cost. There are two essential targets, which are the ingredients of a recipe for doing well. Indeed, Barilla's recipe for doing well. First and foremost, we want to achieve our goal of taking care of the present and future wellbeing of People, the Planet and the Company in everything we do: from raw material sourcing to the consumption of our products. In addition we believe that all this needs to be done in close collaboration with the communities in which we operate and with our business partners. We are convinced that only through synergy with those who surround us, choose us, and help us to improve, can we achieve plenty. Doubling our business means increasing volumes of the

"Italian-style meal" globally and in our target markets for bakery products, investing much more in our brands, and reducing costs. These objectives must be the lighthouse that guides our choices. However, we remain convinced that there is only one way to make these choices, one way of doing business: "Good for People and Good for the Planet". We want this to be a distinctive approach that is recognizable by anyone who observes us. It's time to do even more and better than in the past: to offer our passion to serve People, the Planet and the Company for today and tomorrow.

MARCA DEPOSITATA

Claudes Colson

Claudio Colzani, Chief Executive Officer

BARILLA IN THE WORLD: THE EVOLUTION

Originally established in 1877 as a bread and pasta shop in Parma, Barilla is today among the top Italian food groups, a world leader in the pasta and pasta sauce businesses in continental Europe, bakery products in Italy, and the crispbread business in Scandinavia.

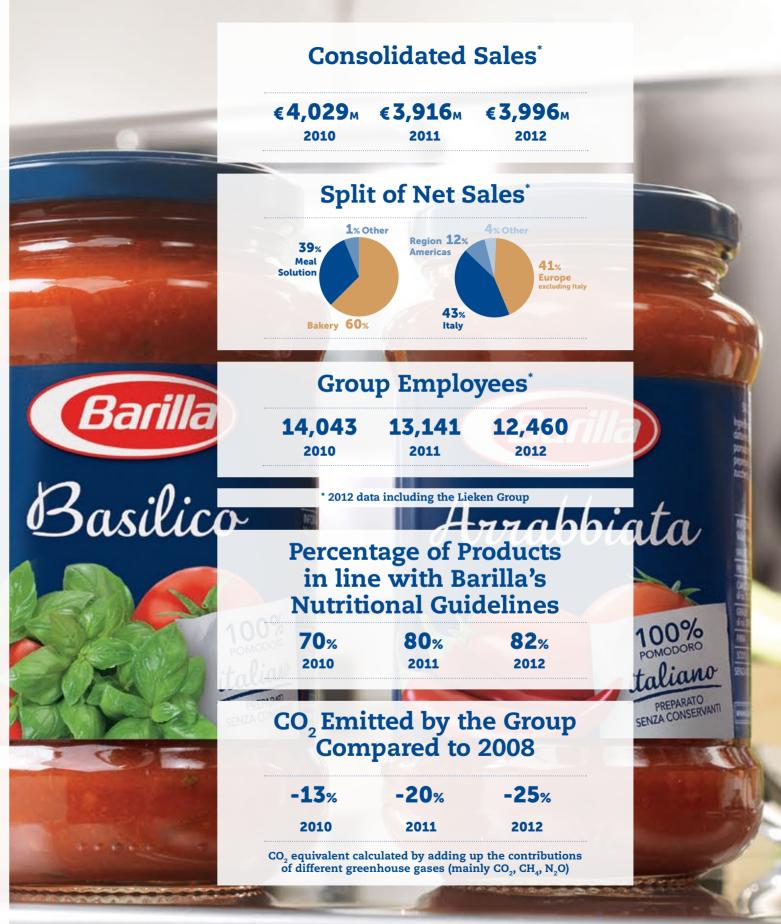


Every year, our plants turn out more than 1,500,000 tons of food that is consumed on tables around the world by more than 50 million People every day and exported to more than 100 countries.

In October 2012 a new sauce plant was opened in Rubbiano (Parma), with an investment of over 40 million Euro. The plant produces about 150 tons daily of

tomato-based sauces and 50 tons of pesto. In line with Barilla's commitment to environmental sustainability, the site has been designed to produce 32% less CO₂ equivalent and consume 47% less water than similar plants.

With this new plant, Barilla's total number of **production sites** grew in 2012 to **42**, of which 14 are in Italy and 28 are abroad.



BARILLA AND ITS BRANDS

Barilla is the leader in the pasta market in Italy and the rest of the world. It oversees the segment of pasta sauces, with over 40 different recipes.



Meal Solution



Barilla is the historic brand of the Barilla Company, founded in 1877 out of a small bread and pasta shop in Parma, and by now the number one pasta in Italy and the rest of the world.



Filiz is one of Turkey's leading pasta producers. Filiz has been part of Barilla since 1994



Misko is the leading brand of pasta in Greece, Misko has been part of Barilla since 1991



Vesta and Yemina are two leading brands in the Mexican market and became part of Barilla following a joint venture with the Mexican company Herdez Group in 2002.



Voiello was founded in 1879 as a small artisan shop in Torre Annunziata, and became part of Barilla in 1973.



Academia Barilla is an international project established in 2004, dedicated to the development and promotion of regional Italian food culture as a unique world heritage.



First is a brand that specializes in retail services.

It also offers almost **180 bakery products** covering different consumption moments **from breakfast to snacks**.

Bakery Products



Mulino Bianco, born in 1975, is today part of Italian food culture as a witness to daily family life.



Grancereale was founded in 1989 as a Mulino Bianco whole grain biscuit and has grown to become a Barilla brand of whole grain and natural products. Nowadays, the brand offers consumers a wide range of products ranging from Biscuits to Cereals, from Crackers to "Snackbiscotto".



Harrys, launched in 1970 on the French bakery product market, is now the foremost brand in the bread field and plays a leading role in the morning goods sector.



Pan di Stelle was created in 1983 as one of Mulino Bianco's breakfast biscuits. In 2007, with the launch of the snacks and the cake, it began its career as a stand-alone brand to become a trademark in its own right much loved by People everywhere.



Pavesi offers a wide range of sweet and savory baked goods, unique for their taste and their production technology. Pavesi has been part of Barilla since 1992.



Wasa, founded in Sweden in 1919, is one of the best-selling food brands in the countries of northern Europe. For sale in more than 50 countries, the company is the largest producer of crispbread in the world. Wasa became part of Barilla in 1999.



Since it was created in 1963, **Golden Toast** has dominated the German toasting bread market. It is now expanding into the frozen bread segment.



Lieken was founded in 1925 by Fritz Lieken. Today it is the hallmark German bread par excellence, joining Barilla in 2002

It should be noted that during 2012, in order to focus on its strategic business, Barilla sold the logistics company **Number 1** to the FISI group, nonetheless ensuring employment levels and enhancing the professionalism of Number 1. In addition, the FISI Group will continue to be the logistics operator of reference for Barilla, thus maintaining continuity in the level of service for customers as well as cost competitiveness.

BARILLA 2020: THE LIGHTHOUSE FOR THE FUTURE

"We help People live better, by bringing wellbeing and the joy of eating into their everyday lives".

For Barilla, today, managing their way of doing business in a sustainable way has a very specific meaning: double the business by 2020, while continuously reducing our footprint on the Planet and promoting wholesome and joyful food habits.

Today, both consumers and shoppers, in addition to requiring that a **product** be **healthy**, **good** and **accessible**, prove **attentive to the rights** of those involved

- Be the #1 choice of brand and product for People
- Win in the marketplace
- Drive continuous improvement

in the various stages of production as well as the **natural resources** that are used in industrial processes. **For these reasons, Barilla offers clear implementation procedures**:

- Only one way of doing business: "Good for You, Good for the Planet"
- Proudly be the Barilla People

-1-

BE THE #1 CHOICE OF BRAND AND PRODUCT FOR PEOPLE

Nurture People's taste, mind and heart, through iconic brands that create meaning and sense of belonging. Accompanied by a continued commitment to product quality, sustainability and safety from field to consumption. We would also like to innovate towards further accessibility, convenience, affordability, local adaptation and a better nutrition.

- 2 -

WIN IN THE MARKETPLACE

It is important to choose a model to win in the marketplace. We have chosen to persistently foster expansion in the emerging markets through a winning and adaptive model. We seek to achieve a ruthless in-market execution, putting customers, shoppers and consumers first. We intend to build win-win partnerships with our current and future customers to better serve our shoppers.

- 3 DRIVE CONTINUOUS IMPROVEMENT

To be recognized as preferred supplier by our customers, we must relentlessly enhance our competitiveness, with increasing levels of efficiency, simplification and agility.

- 4 -

ONLY ONE WAY OF DOING BUSINESS: "GOOD FOR YOU, GOOD FOR THE PLANET"

From the choice of the raw materials to providing information on correct lifestyle through our products we have only one way of doing business: care for the present and future wellbeing of People, the Planet, and the Company, in everything we do, from field to consumption. And encourage open, transparent and caring partnerships with the Communities we operate in.

-5-

PROUDLY BE THE BARILLA PEOPLE

We want the People who work in Barilla to be ambassadors of the Company's identity, values and food culture. We want to be a great company to work for, promoting diversity and a balanced sustainable lifestyle. In addition we wish to foster, empowerment, commitment, results-oriented leadership and accountability.

GOOD GOOD FOR YOU FOR THE PLANET

...means that we are committed to producing a product range that is tasty, safe and nutritionally correct. This means offering products that help those who choose them to keep well and to guarantee long-term wellbeing and the joy of eating. Which is why we have always followed the principles of the Mediterranean Diet and make products that are increasingly in line with this Model.

...means that we must reduce the environmental impact of our products from Field to People. Not only by improving the processes of cultivation, production and distribution, but also by informing and educating People to consume responsibly. Here too the principles of the Mediterranean Diet are useful: the products at the base of the food pyramid are those which have the lowest environmental impact.

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DOING BUSINESS FOR BARILLA

Means considering these two aspects together, in the conviction that one is related to the other and that they must be taken into account in every action. Which is why we cannot imagine a way of working that is different from this one to be coherent with our objective of

"Bringing Wellbeing to People". Briefly, our model can be summarized in the Double Pyramid icon developed in 2009 by the Barilla Center for Food and Nutrition, Barilla's think tank. The Double Pyramid shows how food for which consumption is recommended

more frequently is also the one that best preserves the health of our Planet. This model acts as a reference point, for the daily design and manufacture of our products and for the dissemination of healthy lifestyles.

NUTRITION AND HEALTH

The health and wellbeing of People are the key issues for the development of humanity.

Today, however, we face a paradoxical

On the one hand, while about **1 billion** People are suffering from hunger, another 1.5 billion are overweight and obese.

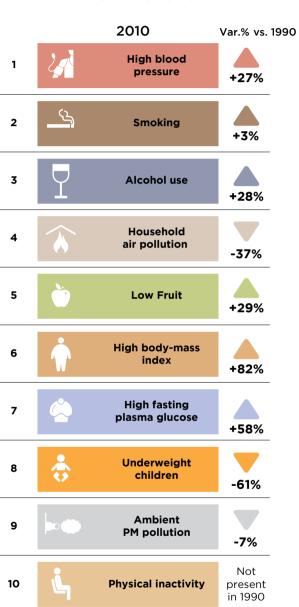
For the first time in history, mortality related to poor eating habits has overtaken mortality due to poor nutrition.

The global **population** is continuing to grow and at the same time, thanks to scientific advances, is living longer.

Meaningful changes in diet and a lifestyle tending towards a reduction in physical activity plus an increase in the average caloric intake consumed, not only in the Western world but also in developing countries.

For this reason, today more than ever, it is especially important that food companies are increasingly aware of and respond to these emergencies: both by producing foods that are more and more consistent with nutritional guidelines. and by becoming promoters of healthy lifestyles and eating patterns that can contribute to the wellbeing of present and future generations.

TOP 10 MORTALITY RISK FACTORS*



Source: elaboration by BCFN of data from the Global Burden of Disease, 2013

*The Global Burden of Disease prepared for the World Health Organization and published in 2010 aimed to understand how diseases have changed in recent decades. For the first time in the history the mortality due to diseases related to poor diet has exceeded that caused by diseases caused by insufficient

Implementing plans for continuous improvement to ensure current and future supply fall into line with Barilla's Nutritional Guidelines.

- Continuously improving our products, searching for the best innovations and technologies to reduce the salt level.
- Continuously improving our products, by reducing the amount of total fat and saturated fat
- Increasing the number of whole grain products in our portfolio
- Disseminating more and more the benefits of a healthy diet based on "whole grains" through clear and complete information for People.

Developing initiatives aimed at continuous improvement of Product Quality, designed to increase People's satisfaction and broaden Barilla's listening platform.

Increasingly involving consumers and shoppers in the topics of nutrition, the Mediterranean Model, and its environmental impact:

- Through the Group's information and educational activities and its brands in collaboration with institutional and scientific
- Through in-store experiential paths in collaboration with retailers.
- Internationalizing our messages and developing projects in and outside Europe

Measuring better and better the overall environmental impact of Barilla products in terms of Ecological Footprint, Carbon Footprint and Water Footprint

> Further reducing the **Ecological Footprint** throughout the Barilla's supply chain.

Developing and strengthening partnerships with key suppliers of strategic raw materials and packaging to ensure food quality and safety and respect for human, environmental, and animal rights throughout the supply chain.

Supporting employment potential in the agricultural sector from the perspective of land management, local development, cultural protection and promotion.

Increasing activities of dissemination and training concerning Barilla's sustainable management model throughout the supply chain.

> Enhancing partnerships between Barilla and the retailers to develop common activities to promote joint sustainability projects.

SUSTAINABILITY OF THE PLANET

There is no doubt that climate change is under wav and the management of the resources of the Planet depend to a large extent on human activities.

The agricultural sector has a role of primary importance:

The increase in the concentration of greenhouse gases in the atmosphere is going to have an impact on the quality and stability of agricultural and livestock **production**, but also on the natural environment in which agriculture itself is practiced.

Our Planet possesses about **1.4 billion cubic** kilometers of water: 5.7 billion People have access to to clean water, but 800 million **do not.** The allocation of water resources is biased towards the agricultural sector, with 70% of the consumption of freshwater, while 22% goes to industry and the remaining 8% is used for **domestic purposes**.

The production and food systems significantly affect both the total CO, emissions and Man's demands on nature in terms of the relationship between consumption of resources and the Planet's capacity to regenerate them.

For this reason, today more than ever, it is important that companies involved in the food chain promote sustainable farming practices, produce in a responsible manner by reducing waste

and negative impact, and inform the People on lifestyles that are positive for the Planet they live on.

TODAY















THE BALANCE OF THE PLANET IS IN THE RED.

Today what is being consumed is greater than can be regenerated. To continue to lead our current lifestyle we are going to need 1.5 planets. In forty years we are going to need 3.

To find out more about all of our objectives and the level we have reached, in addition to what you will find in the following pages, please visit:

www.goodforyougoodfortheplanet.org

Source: Sustainable Agriculture and Climate Change, Barilla Center for Food and Nutrition, 2012. Eating Planet, Barilla Center for Food and Nutrition, 2012.

THE DOUBLE PYRAMID OUR REFERENCE MODEL

The Double Pyramid Model is one of the most original results of the Barilla Center for Food and Nutrition, a think tank born in 2009.

The model consists of two pyramids: one for the food of the Mediterranean Diet and one for the Environment. In the Food Pyramid, foods are distributed in relation to what People should be eating. At the base of the pyramid are foods to be consumed daily, at the apex those to be consumed in moderation. Starting from the Food Pyramid, an Environmental Pyramid was built on which foods were positioned according to their impact on the Planet.

The estimate of the environmental impact associated with each food was made using public data calculated according to the Life Cycle Assessment or LCA method which takes into account the main stages of product life (from the cultivation of raw materials to the time of consumption), considering three environmental indicators:

- The **Carbon Footprint** which measures the emissions of greenhouse gases that each product generates from cultivation to the distribution or cooking phase.
- The **Water Footprint**, which measures the consumption of water resources.
- The **Ecological Footprint**, which calculates the area of territory occupied to regenerate the resources used.

Using this method it was demonstrated that the foods at the base of the Mediterranean Diet are also those with the lowest environmental impact. Thus foods that are recommended for increased consumption in line with the recommendations of the Mediterranean Model, are also those that have a lower environmental impact.

What is good for our health is also good for the Planet we live on and therefore efforts to ensure our health and those to preserve our ecosystem become synergistic, or Good for Us and Good for the Planet.

BARILLA CENTER FOR FOOD & NUTRITION

The Barilla Center for Food & Nutrition (BCFN) is a think tank created by Barilla in 2009 to analyse the major issues relating to food and nutrition through a multidisciplinary approach and to disseminate the results of world-class research into areas of work such as health, sustainable growth, food culture and accessibility to food. In 2012,

in addition to organizing webinars, workshops and the Fourth International Forum held in Milan, institutional accreditation of the Centre at a national and international level continued.

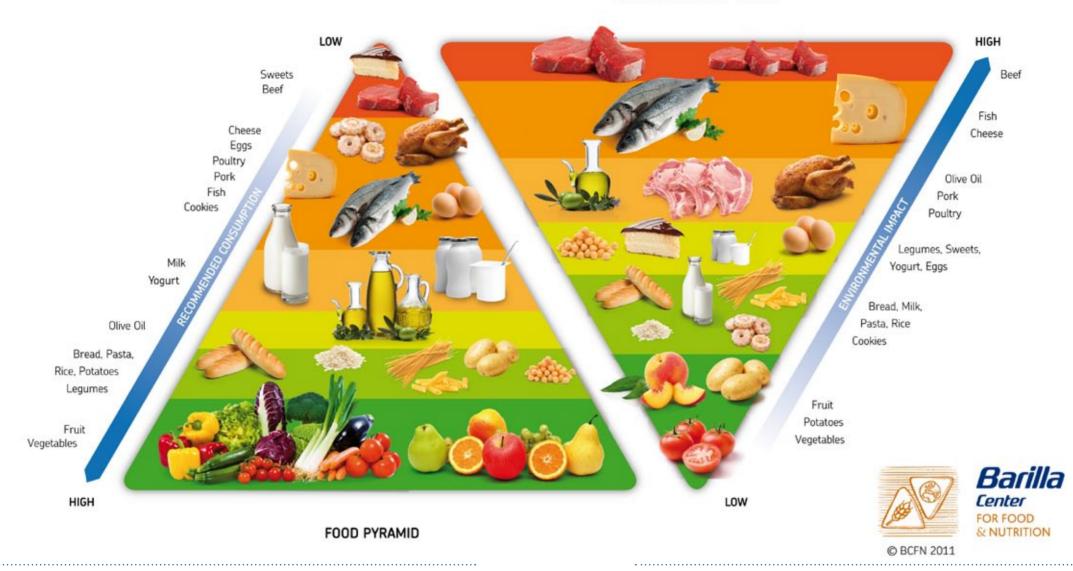
To find out more: www.barillacfn.com

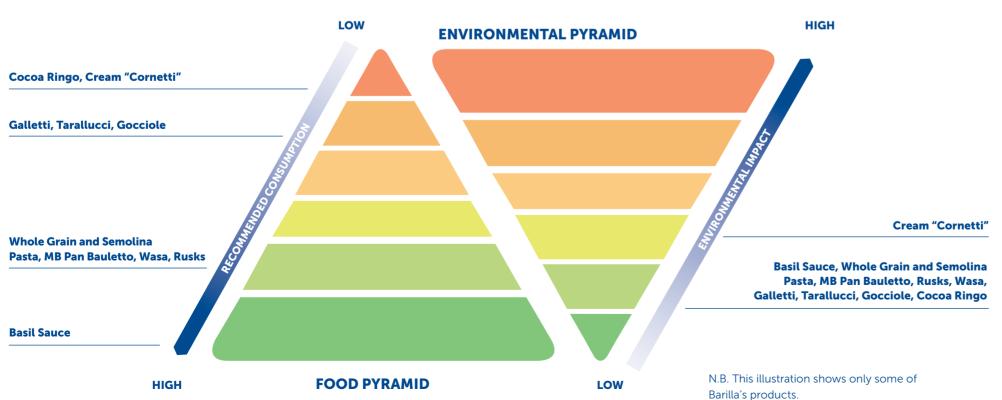
DID YOU KNOW THAT...

...the BCFN has also produced a Double Pyramid for those who are growing up which is slightly different than that for adults, since for children and teenagers (up to 20 years) some foods have a different importance for proper growth.



ENVIRONMENTAL PYRAMID





HAVE YOU NOTICED THAT BARILLA PRODUCTS ARE NOT ALL AT THE BASE OF THE FOOD PYRAMID?

The Mediterranean Diet is varied and balanced. For this reason, it does not only include the consumption of certain foods, but also a correct combination of many products, which all contribute to the Diet in different ways, ensuring a complete and balanced intake of nutrients. In this perspective, in addition to fresh foods, a balanced diet also includes ready meals based on grains. In accordance with this approach, the Barilla products have been placed in the Food Pyramid based on their recommended frequency of consumption, which varies from daily consumption, at the base of the Pyramid, to occasional consumption for the products placed at the top. On the other hand, we have placed products in the Environmental Pyramid based on their Ecological Footprint. We believe it is our responsibility to provide correct nutritional and consumption information on food products, so that People can include our product range in a complete and wholesome diet. On the other hand, from an environmental point of view, our commitment is to ensure that our products have a lower impact on the Planet.



GOOD FORYOU

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BARILLA PRODUCTS: THE INVOLVEMENT OF THE SENSES

Taste and smell are the most important senses in assessing food products, however, sensorial responses to food are highly complex and also involve sight, touch, and sometimes even hearing. There is a scientific discipline called "sensorial science" that deals with measuring, analysing and interpreting People's responses to products through their senses. In Barilla the "Sensory and Consumer **Science**" Unit was created with the intention of studying the interaction between People and products. Because the first quality a product must have is goodness. Taste and Pleasure cannot be disregarded when we speak of food: each product must be delicious on the palate to be able to convince People to choose it once and more times.

However, it is anything but simple to design a product that is appreciated by consumers and satisfies their expectations. This is precisely why Barilla maintains a constant relationship with People to understand what they love and what product can best satisfy them. To this end various methods are used involving consumers right from the creation of a product. In effect, People are the real reference points when designing products, since they can perceive various flavors that instrumental analyses are unable to measure and in addition know instinctively what they consider good and would want to eat or not. Nonetheless, it is fundamental to ask the right questions to receive the right answer, using various "Taste Tests".

A CURIOUS CASE: THE AMERICANS AND THE SAUCE

Over the course of 2012, to increase appreciation of its sauces (Tomato and Basil. Mushroom, Tomato and Cheese) in the American market with related market share, Barilla carried out an in-depth analysis of US consumer preferences. To do so, it made various comparative sensory analyses of its own sauces and those of its competitors. The aim of the research was to improve the sensorial characteristics of existing products and evaluate the development of new products to satisfy segments of consumers not yet covered.

The comparison between various sauces made it possible to understand which characteristics are most loved by Americans and hence to strengthen those considered paramount in choosing. All the tests with American consumers confirm that Barilla's new sauce recipes are top of the pile for quality and sensorial characteristics.

From this study, Barilla became aware of the reasons behind consumers' preferences, which allowed it to redesign the whole range consisting of 8 recipes, and to develop a new traditional recipe to broaden the product portfolio.

DID YOU KNOW THAT...

...Barilla devotes itself to "Sensory and Consumer Science" to listen to the voice of the consumers and develop superior quality products that touch People's senses and emotions. In particular, Sensory and Consumer Science enables identification of the most important elements to build a Product Profile (starting from the sensorial experience) and to identify potentially more promising products by analyzing their positioning as part of People's eating habits.



comparative tables to verify whether a sensorial difference can be perceived between two or more products.

Profile of a Product can be defined, which is useful in steering the design of a future range or to improve an existing one.

PREFERENCE OR ACCEPTABILITY TEST

Do I like what I'm trying? And why?

These tests involve from 80 to 300 consumers at a time, selected on the basis of their purchasing choices (if and how often they buy a product) and on their preferences. In particular, these kinds of test are very important because of the number of People they involve as well as the information that can be gleaned. In fact, they provide important information to assess the sensorial potential of the product on the market in relation to competitors' products. They start when a product is being created and continue to its post-launch assessment, covering its complete life cycle, from analyses of single ingredients to domestic use.



Barilla Quality Figures in 2012 **Finished Product Raw Materials** 55,000 120,000 Lots Lots controlled controlled 95.7% 96.5% **Conformity** Conformity of lots of lots DID YOU KNOW THAT... ...Barilla has more than **160 professionals** who look after Quality and Food Safety, and that every year it carries out more than 2 million analyses on raw materials, packaging materials, semi-processed and finished products? In 2012 alone, Barilla invested 29.4 million Euro in prevention and product quality control. 24

PRODUCT QUALITY AND SAFETY

Over time Barilla has adopted a complex **Quality Management System** which allows it to control and check all standards in all phases: from procurement to production, from transportation to the shelves of large and small scale retailers around the world.

In particular, to guarantee safety and quality from Field to People, Barilla includes thorough controls when choosing raw materials and packaging materials, and in plant production and warehousing, transportation and distribution

Raw Materials: careful selection of suppliers of raw materials and packaging materials is essential to obtain safe, quality products. Barilla thoroughly checks the health and safety characteristics, and their chemical-physical and organoleptic properties of raw materials and adopts Quality Specifications as an integral part of its Purchase Agreement with its suppliers. For the most important raw materials, such as wheat, the Group even intervenes in the cultivation phase, sharing precise Growing Specifications with its farms. Moreover, after making its selection, Barilla carries out various checks on its suppliers by means of periodic inspections to certify respect for the standards established.

Production: Barilla produces more than 1,000 products in many plants around the world. To guarantee quality and safety at all its production sites, Barilla has equipped itself with a Good Manufacturing Practices manual, updated in 2012, thanks to the contribution of more than fifty Barilla experts from different company units around the world, that contains 700 rules on the health and safety requisites for production premises and plants. For example, the manual provides clear instructions on the clothing and training of Barilla People, the first custodians of Knowhow. Prevention activity is also carried out through risk analysis and control of the points

where these risks are localized: to this end, Barilla has adopted a self-monitoring system called HACCP (Hazard Analysis and Critical Control Points), whose model was recently revised in line with the most rigorous and advanced international standards.

Transportation, Distribution and Points of Sale: quality tests extend also to the finished product in warehouses, storage areas, and during transportation to retail stores. In the same light, Barilla has adopted Good Distribution Practices, i.e. a manual of good practice for storage and distribution, designed to prevent possible risks to product safety, or any qualitative defects. In addition, to follow food products right up to the point when the consumer chooses them, Barilla schedules throughout the year a series of quality tests at retail stores, designed to monitor and check on product quality. Barilla's technicians purchase products from the points of sale, take them back to the plants, and assess and try them, just as end consumers do. To give just one example, they check the behavior of chocolate products during the summer months and adjust the conservation temperatures. Then they also check the "fragrance" of products on the shelf, using "freshness tests" to measure and quantify actual performance at the moment of purchase.

DID YOU KNOW THAT... ...Barilla supports an Observatory on Food Habits? Since the end of 2010, Barilla has supported the INHES (Italian Nutrition and Health Survey) Research Project of the Cattolica University of Campobasso. The project was launched with the aim of studying Italians' eating habits. A sample of Italians, representative of the population, was invited to participate in the study through telephone interviews. It has been estimated that by December 2013, with the completion of the interviews, the People involved will number over **10,000**. The first results show a loss of the eating habits of the Mediterranean Diet, even in a country like Italy. For this reason, Barilla's commitment to the promotion of Mediterranean Culture becomes even more urgent.

BARILLA PRODUCTS AND MEDITERRANEAN CULTURE

Barilla's range not only consists of many delicious and safe products, but also a healthy lifestyle starting from correct consumption habits. It is not news that eating in a balanced way contributes to wellbeing and that a healthy diet needs to be varied and accompanied by constant physical activity. When you marry this to the conviviality of eating together and the development of a food "culture", it is not just a "product" that is being offered, but a real way of life. For years Barilla has been involved in:

- Reformulation of existing products and the launch of new products more in line with nutritional guidelines.
- Intensive information and educational activities to provide People with advice on how to improve their diet and, consequently, their lives.

In fact, just a few minutes of taste and pleasure can be experienced with products that ensure healthy balanced nutrition daily, and are bearers of wellbeing over time. Eating is a social act and, for this reason, what we choose and offer to those who eat with us, is an investment in our own health and that of those around us.

MEDITERRANEAN DIET PYRAMID

THE MEDITERRANEAN LIFESTYLE

Today the link between diet, lifestyle and People's health is scientifically proven. Which is why the food industry plays a major role in offering products that are tailored to consumer demand and are in line with healthy lifestyles. It has been mentioned several times that Barilla is inspired by the Mediterranean Diet: a model which not only suggests how to organize everyday consumption, but also advocates a healthy lifestyle provided by regular physical activity and convivial consumption of food. This model is summarized in the Mediterranean Diet Food Pyramid, nominated a UNESCO Intangible Heritage of Humanity in 2010. In particular, the Mediterranean Diet suggests getting around 55% of daily calories from carbohydrates through consumption of cereals, particularly whole grains, plus fruit, vegetables and legumes. These are accompanied by protein and fats, respectively about 15 and 30% of daily calories.



BARILLA'S NUTRITION MANIFESTO

For Barilla, nutritional aspects are a fundamental pillar of the quality of their range plus a business that is "good" for People. This is so relevant to our daily work that we have a Nutrition Manifesto which guides our product research and development.

This Barilla manifesto makes explicit reference to the values of the Mediterranean Diet, but also takes account of numerous scientific findings on the optimal distribution of calories throughout the day.

Nutritionists, in fact, advocate consuming foods **5 times daily**, so as to distribute energy intake in a balanced way.

THE NUTRITION MANIFESTO

To contribute every day to People's health and wellbeing through our products by:

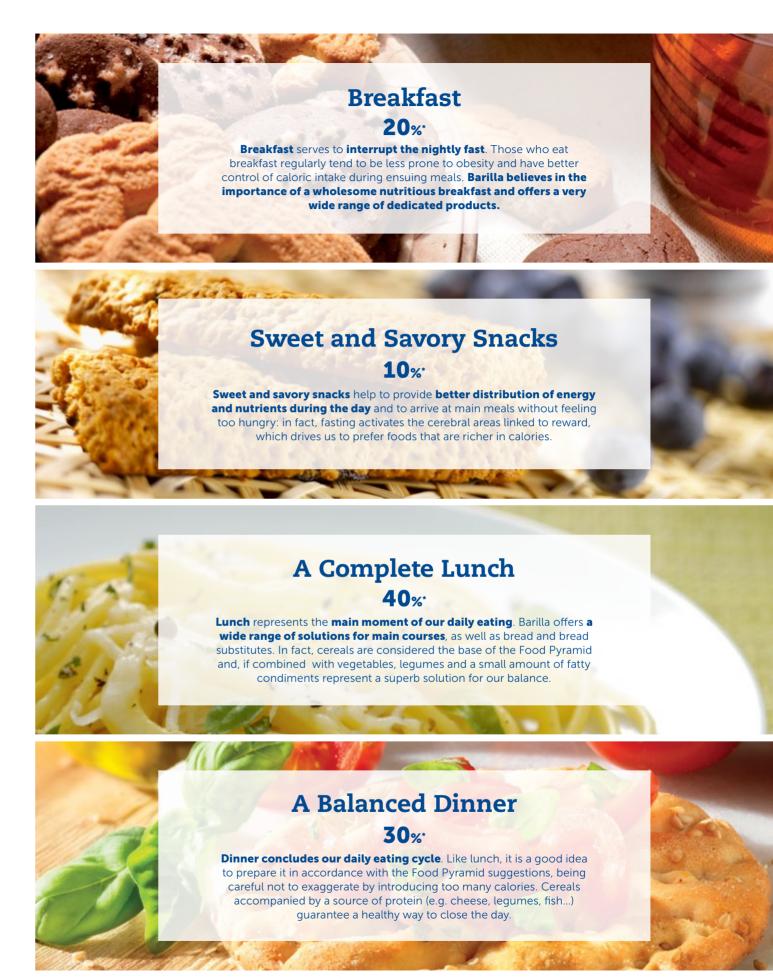
Transforming high quality ingredients into safe, healthy products that answer both basic and specific nutritional requirements.

Offering good, practical suggestions for daily use inspired by the balanced and healthy Mediterranean Diet.

FROM BREAKFAST TO AFTER DINNER

Every day everyone dedicates different moments to eating: **from breakfast to dinner**. The range Barilla offers People is wide and can satisfy all consumption moments throughout the day: from biscuits to snacks; from bakery products to first courses. But that's not all; many Barilla products are suitable to accompany other food or drink: for example our breakfast suggestions (toasted crispbreads with jam, a piece of fruit and a glass of milk), to recipes for first courses or side dishes accompanied by our bread. Correct combinations are those that guarantee **a healthy balanced diet** throughout the day and provide the right quantity of energy and nutrients necessary for our daily activities. For

this reason, Barilla tries to offer a range of tasty and healthy products that are in line with modern dietary information. In order to make our products fall into line with the Mediterranean Diet model, Barilla has set up a group of nutrition experts: the Nutrition Advisory Board, which supports the Group's researchers and other professionals. This knowledge has been translated into Nutritional Guidelines to design new products and steer the improvement of existing ones. In particular, the guidelines include a reduction in the content of certain components, such as the sodium from salt, total fats and saturated fats. And encourage greater use of certain nutrients, such as fiber.



* Daily Energy Intake

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REFORMULATION OF EXISTING PRODUCTS AND LAUNCH OF NEW PRODUCTS

A good part of Barilla's portfolio of products is to be found at the base of the Food Pyramid proposed by the Mediterranean Diet Model. Keenly aware of this and of the importance that Barilla products can play in People's lives, the Group is committed to continuous improvement of its products and to the launch of new ones that are consistent with the nutritional values promoted by the Mediterranean Culture. No Barilla product contains GMOs, hydrogenated fats or oils, or artificial colorings, and strict criteria are applied in selecting ingredients to ensure quality and safety.

PRODUCTS REFORMULATED IN 2012

PRODUCTS REFORMULATED TO IMPROVE THEIR NUTRITIONAL PROFILE	33
PRODUCTS THAT HAVE BENEFITED FROM AN INCREASE IN FIBER AND WHOLE GRAIN FLOUR CONTENT	2
PRODUCTS THAT HAVE BENEFITED FROM THE ELIMINATION OF ADDITIVES	4

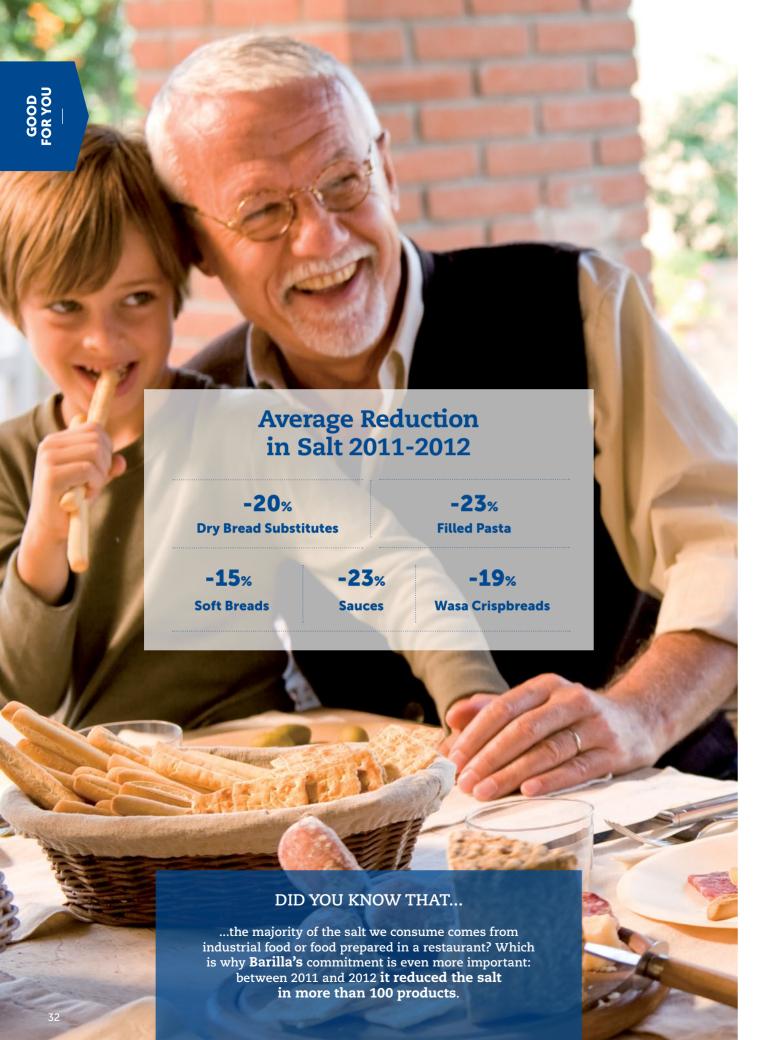
THE STORY OF HARRYS PACKS.
A NATURALLY
SOFT BREAD

Over the course of 2012 the French brand Harrys updated its bread recipe to avoid using additives. This was a significant product innovation, following some intensive research and development. As far back as 2010, with the first launch of Extra Moelleux "without additives", Barilla had begun to communicate to its consumers that the Harrys recipe is made from just a few ingredients, without artificial coloring and preservatives, hydrogenated fats and GMOs. In addition, since 2 April 2012, on American Sandwich Nature and 100% Mie Nature packs a "without additives" stamp has appeared.

A NEW AMERICAN
LAUNCH: TWO NEW
WHOLE GRAIN
READY MEALS

As testimony of the Group's commitment to launching new products that are healthy for People, but also tasty, in 2012 Barilla introduced two new whole grain products in to the American market. These two new items were recognized as tasty and wholesome products of excellence amongst the 125 "Best Packaged Foods" for women, by the magazine Women's Health.





LESS SALT IN OUR RECIPES

The main source of sodium in our diet is salt, an important element in the diet, but not to be consumed in excess. Recommended salt consumption is around 5 grams per day, i.e. no more than a teaspoon. However, too often salt consumption, both in the USA and in Europe, is too high, far in excess of the recommended average amount. Too much salt can be damaging because of its effects on arterial blood pressure.*

In line with the Mediterranean Diet Model, the Barilla Group takes great care over the nutritional profile of its products with a view to reducing the salt content.

In particular, it has adopted a very precise strategy:







GAINING HEALTH PROGRAMME

In addition, sensitivity towards this issue led the company to enter into partnership with the Italian Ministry of Health, by taking part since 2010 in the programme "Guadagnare Salute - Gaining Health". This is a project whose goal is to encourage the adoption of daily behaviors that can counter the appearance of chronic pathologies, thereby gaining

"years of healthy life" for People. Amongst these, above all, is the promotion of a correct diet. Barilla has made a concrete contribution by undertaking to reduce the salt in many of the products for sale in Italy and the rest of Europe, which were therefore allowed to bear the project's logo on the packs.

^{*} Barilla, "Less Salt, to Gain Health". www.barillagroup.it/corporate/it/home/cosafacciamo/nutrizione-e-salute/Meno-sale.html (Italian Version)

FEWER FATS AND FEWER SATURATED FATS

Barilla has set as a goal in its Nutritional Guidelines the reduction of fat and saturated fats for bakery products, snacks and filled pasta.

Fats have a higher caloric content compared to that of carbohydrates and proteins. On a quality level they can be very different depending on the chemical structure of their fatty acids, and differentiated as unsaturated fatty acids, saturated, and trans.

Unsaturated fatty acids are the main component of vegetable oils (both from seeds and olives), in walnuts, hazelnuts, olives and fish. In general, they have a positive effect on cardiovascular health. They are divided into monounsaturated and polyunsaturated fats. In particular, they should account for 10 to 20% of daily caloric intake. The Mediterranean Diet promotes daily consumption of olive oil and, at least twice a week, fish.

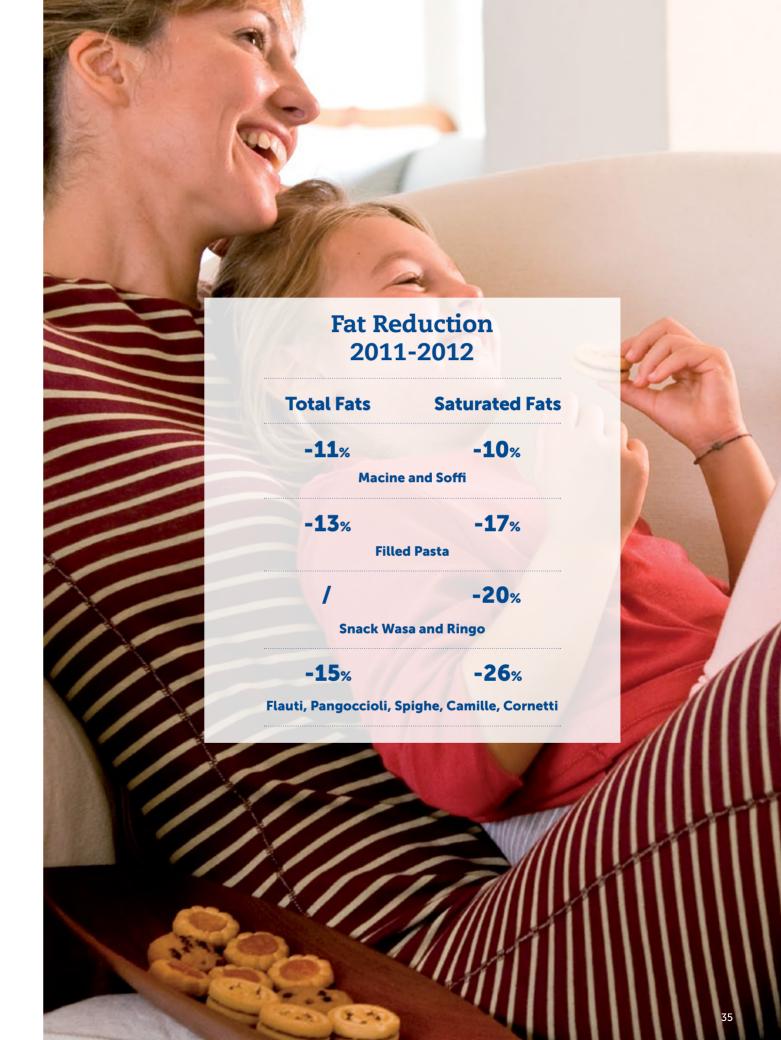
Instead, **saturated fatty acids** are abundant in animal products such as lard, cream, butter, cheese, other dairy products, fatty meats and sausages. An excess of saturated fatty acids in the blood can cause an increase in LDL cholesterol in the blood. For this reason, consumption of these types of fat should be limited and should not exceed 10% of daily calories.

Finally, as regards **trans fatty acids**, these are formed during the production process of hydrogenated fats which were widely used in the past in various food products, and even today during the frying process if not properly performed. These are the worst fats for the body, since, as well as causing an increase in LDL cholesterol, they also have the negative effect of reducing HDL cholesterol, known as "good" cholesterol. For this reason, it is important to avoid consuming them.

In 2012, Barilla reduced fats in 27 recipes.

Barilla does not use hydrogenated fats in any of its products.

The commitment of Barilla in the reformulation of existing products to reduce fat and the launching of new products with low fat content remained consistent over the course of 2012.



THE WHOLE GRAINS FLAVOR

Whole grains have often been regarded as less tasty than refined ones and, on account of food habits consolidated over the last few decades, less valuable. In reality, whole grains are an excellent source of fiber and today's technologies allow the recovery and use of the most delicate fractions of wheat, offering rich foods from a nutritional point of view which are also extremely tasty. Eating whole grains is important, since, compared to equal amounts of refined grains, they contain more fiber, vitamins, minerals and anti-oxidants which help metabolism and contribute to the health of the organism as a whole and the heart in particular. In fact, INRAN (the National Institute for Research on Nutrition) and the U.S. Departments of Agriculture and Health argue that eating whole grains significantly reduces cardiovascular risks and the danger of diabetes. In addition it decreases the likelihood of becoming overweight and of contracting certain intestinal diseases such as cancer, constipation, and certain inflammatory diseases.

Barilla's range of whole grain products is extensive and delicious: the first bakery products date back to the mid-70s while the first generation of whole grain pasta dates back to the mid-80s. Today Barilla has a large number of whole grain items in its range.

Barilla, "Alimenti Integrali. Salute, Benessere, Bontà": www.barillagroup.it/mediaObject/corporate/what-we-do/nutrition/integrale/Booklet-Alimenti-integrali_consumer/original.pdf (Italian Version)



Essential fatty acids,

vitamin E and B group

Fiber, B vitamins, minerals and other micronutrients.

WHEAT MILLING

The traditional milling process completely removes bran and germ and retains only the endosperm, which means that 20% of the kernel is lost along with a proportionately greater amount of nutrients. For example, the aleuron, the innermost layer of the kernel is proportionally four times richer in vitamins and ten times richer in minerals than the whole kernel. For these reasons, Barilla takes great care over the processing of cereals in order to preserve their nutrients and produce a tasty product. In fact, in processing whole grains, it has adopted a milling process based on polishing, previously used for cereals such as rice, barley or oats, but not for wheat. Polishing means a more selective process compared to the traditional one, in that it applies gentle abrasion to the outer surface of the kernel, which determines in-depth cleaning. Thus its nutritional richness is maintained, while all the impurities from contact with the environment are eliminated. The most nutrient-rich parts of the kernel, and in particular the aleuronic part, are preserved and incorporated in finished products.



PROMOTING WELLBEING: WHAT DOES BARILLA ACTUALLY DO?

To contribute to People's wellbeing, Barilla not only undertakes to provide tasty products that are safe and contribute to a balanced diet, but also provides information and educational activities in line with the values shared by the Group. In particular, information and training activities for adults and families are carried out through information and suggestions on packs and websites, and through initiatives that promote healthy eating models.

Among the latter, we should mention:

THE MULINO BIANCO TOUR

A project organized by the Barilla brand Mulino Bianco in 2009 to inform and raise awareness among Italians regarding a correct healthy diet. This was a series of events that took place in the main cities around Italy, which engaged families in learning and sharing activities. Particular attention was dedicated to the projects "Colazione all'Italiana" and "Buona Merenda" developed by the Mulino Bianco team together with a multidisciplinary team of experts. Many areas and workshops were designed for the young ones, so they could enjoy "edutainment" activities (education and entertainment). It is possible

to follow the various legs of the tour on the Mulino Bianco website: www.mulinobianco.it. But that's not all: you can also insert suggestions and dialogue with the organizers on the dedicated tour blog. In addition, on the occasion of the tour, Barilla handed out small handbooks dedicated to whole grains, salt, the Italian style breakfast, the good snacks and the importance of bread.

CASA BARILLA

An initiative organized by the Barilla pasta brand to disseminate the culture of eating well and the values of conviviality in the main cities around Italy. In particular, the People were offered various experiences throughout the day, including:

- **Dialogues at the Hob**: together with Academia Barilla chefs to share recipes and ask for advice on how to improve them and make them even tastier and healthier
- **Practical Lessons**: Academia Barilla chefs teaching the tricks of the trade.
- **Conviviality Lessons**: suggestions on how to create the right atmosphere when eating with taste and elegance.

- **Tastings**: to try preparations made by Barilla chefs throughout the day.
- **Shop**: to buy Barilla and Academia Barilla products and promotional items.
- **Piccolini Space**: a space for children to learn to relate to food, while having fun.
- Taste Tales: stories, photographs, the most famous scenes from the cinema, pages of literature and journalism inspired by food and the taste for sharing, straight from the lips and through the gastronomic performances of famous Italian writers, actors and directors. The proceeds from the admission charge to enter Casa Barilla are donated every year to the ABIO Italia non-profit foundation.

Find out more on www.barilla.com



ONLINE SEMINARS ON "BUONA MERENDA"

Making the most of a good habit via the Web:

to disseminate the snack habit and the rule of five daily meals, on its site Mulino Bianco presents online seminars on the topics, in which parent bloggers are invited to put questions to nutritional experts. In addition, parents have the possibility, via a dedicated part of the site, to ask the experts specific questions and receive prompt answers.

Find out more about the seminars on www.mulinobianco.it

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MOMENTI DI PANE

Fostering talent, recovering a tradition: via the blog "Momenti di Pane" the Mulino Bianco team collected the stories of Italians and their relationship with bread. A special project was developed from these stories with the aim of producing a short film. Thus it was that in collaboration with Milan's Nuova Accademia di Belle Arti, 6 young students were offered the chance to bring "Momenti di Pane" to life

through two short films. The winners chosen by consumers were announced online.

Watch the winning video on www.mulinobianco.it/momenti-di-pane

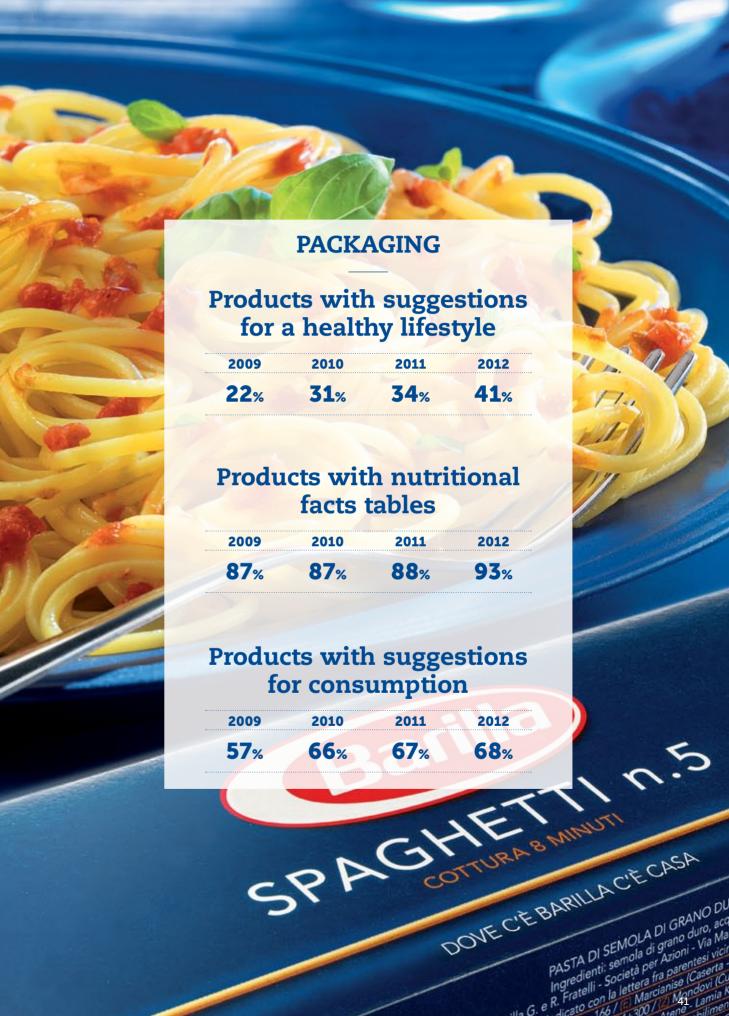


PROMOTING WELLBEING ON PACKS AND WEBSITES

As well as specific projects and events, **Barilla promotes** wellbeing by offering those who choose its products complete in-depth information on its product packs and Internet sites.

On product packs, for example, in addition to a complete list of ingredients and the potential presence of allergens, there are suggestions for a healthy lifestyle. There is also information on ideal consumption amounts and suggestions to prepare the

product. Over 1,100 products, equal to 88% of the total number of products, have health or nutrition information on the pack. Barilla's commitment to digital communication is growing. All the brands' websites are increasingly places for relationships with specific consumer targets, while social networks have become more and more important, not only for product communications, but even more to involve consumers in small experiences. The I-Pasta app with over **500,000 downloads in 2012** was confirmed to be the most downloaded Apple app for an Italian brand in the world. 72% of the websites presenting Barilla products contain nutritional facts tables. 83% of the websites presenting Barilla products provide detailed suggestions for better use of the products. 53% of the websites presenting Barilla products provide suggestions for a healthy lifestyle.



EDUCATIONAL PROJECTS

Promoting wellbeing through events and pack info is important, but even more, if we are dealing with the very young, by means of engaging educational activities. We believe that helping youngsters cultivate their wellbeing today, will ensure they enjoy a healthy future.

Barilla has believed for years in the importance of nutritional and motor education, designed for young children and adolescents, differentiated by age, and developed in collaboration with nutritionists, sports doctors, developmental psychologists,

educators, pediatricians and auxologists. In particular, near Parma, a project has been active for years called Giocampus, and in 2012, a further project was developed in partnership with the retailers Auchan and Simply.

THE GIOCAMPUS PROJECT

It's a project designed to promote a culture of wellbeing and a healthy lifestyle for children from 5 to 16 years and their families. Backed by a public-private alliance between the City of Parma, the University of Parma, the CONI-Provincial Committee, the Regional School Office, the CUS of Parma and Barilla, Giocampus accompanies youngsters throughout the year and is divided into three phases: Giocampus School, Snow and Summer. The project includes a constant theoretical and practical training in nutrition for parents, students and teachers of the third, fourth and fifth elementary classes, in conjunction with physical education.

GIOCAMPUS SCHOOL: in 2011-2012 320 classes and approximately 7,250 children from 27 schools were involved in a training process to create wellbeing involving nutritional and motor education, both through lectures and motor experiences. Physical activity was followed by Masters of Movement who are ISEF or Motor Science graduates. In 2013, moreover, thanks to collaboration between the San Raffaele Hospital of Milan, the University of Parma and Barilla, a humanoid robot called Nao was introduced, to work alongside teachers and experts in the classroom. This is an educational experiment on the functionality of the robot, used until now only for medical purposes, to improve the attention and learning of children with diabetes.

GIOCAMPUS SNOW: is an educational winter sports week. The eighth edition saw an increase

in attendance over the previous year as well as an increase in the average age of the children. Giocampus Snow was attended by 277 children. **GIOCAMPUS SUMMER**: offers children physical activities, games and hands-on labs during the summer days. Much attention is given to the nutrition of the participants, offering varied and balanced menus depending on the activity. The year 2012 saw **3,382 admissions**. **GIOCAMPUS LAB**: a theoretical-practical workshop involving children and adults. For the theoretical part, the Scientific Committee teachers deal with the subjects that are the basis of proper nutritional education while the children are helped by Masters of Taste. The practical section, instead, is carried out in the kitchens of Academia Barilla where all the participants create recipes consistent with what they have learned. In 2012, Giocampus LAB involved 136 teachers, 100 parents and 236 children.

In addition, since 2012, Giocampus has had its own **Facebook page**. Membership of the page is growing, there is a considerable interest in the published content, while the statistics show that user interaction is high.



THE "GOOD FOR ME, SUSTAINABLE FOR THE ENVIRONMENT" PROJECT IN PARTNERSHIP WITH AUCHAN AND SIMPLY



In 2012, Barilla developed the project "Good for me, Sustainable for the Environment" in partnership with the retailers **Auchan** and **Simply Italia** in order to develop **awareness of the themes of good healthy nutrition and environmental impact** linked to food consumption. Taking part in the project were 6 classes from two high schools of the city of Brescia, for a total of 150 children 14-15 years old.

This was a **pilot project** that involved a **small number of students** and was structured in two parts:

- A theoretical part on the themes of food and nutrition and their impact on the environment, dedicated firstly to the teachers and then subsequently to the children.
- A "responsible shopping" trip to Auchan and Simply stores, in which the students were able to simulate

the purchase of enough food for 5 meals a day, that was both nutritionally balanced, and respectful of the Planet.

On 17 November 2012, in addition, the students were invited to a closing day of fun and learning. In fact, the children, class by class, prepared recipes at home that were in line with the concepts learned in the course of theoretical modules and on the points of sale. These recipes were judged by a Barilla chef, who announced the winning class. As a reward, the class participated in a visit to the Barilla plant in Parma in April 2013, further deepening knowledge of the food chain world linked to pasta and its benefits.

The theoretical part and the development of practical activities are based on the Barilla Center for Food and Nutrition's **Double Pyramid Model**.

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GOOD FORTHE PLANET

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RESPECT FOR THE ENVIRONMENT THROUGHOUT THE SUPPLY CHAIN

The Barilla supply chain goes from Field to People. From raw materials sourcing to production. From distribution until arrival in family homes.

Barilla carries out several projects throughout the entire supply chain.

Our work begins in the fields, continues in the production plants then along the distribution channels to reach the People: with both a product portfolio that is tasty, safe, nutritionally balanced and respectful of the Planet, as well as with information and educational projects designed to promote healthy and environmentally sustainable lifestyles.

In the following pages, you'll find out more about some of the projects developed along all stages of the supply chain.





THE LIFE CYCLE ASSESSMENT

Every product that arrives on our plates has travelled a long way from field to table, passing via a factory and a retail store.

To measure the footprint the product generates throughout the entire process, Barilla has developed a system based on the Life Cycle Assessment (LCA) method which is currently used in over 60% of the Group's production worldwide.

Barilla is the first private company in the food sector to have developed and certified by a third party, Bureau Veritas, this system of calculation in accordance with the International EPD System (Environmental Product Declaration), which issues environmental impact data certificates.

In 2012 **28 EPDs** have been issued, related to **55% of production**, including all the Barilla pasta blue boxes produced in 7 of our pasta plants in Europe and America.

Life Cycle Assessment of our products has been, and continues to be, an important environmental management tool for Barilla. Thanks to the LCA, we have found many areas for improvement throughout the supply chain, from the cultivation of raw materials to collaboration with retailers. For example, the critical impact on the environment of different crops has shown up clearly.

BARILLA COMMUNICATES THE ENVIRONMENTAL IMPACT OF ITS PRODUCTS THROUGH EPDs

The Environmental Product Declaration, or EPD, is a public document that summarizes the environmental impact of a product calculated over its entire life cycle, thus starting from the production of raw materials up to distribution and eventual disposal once the product has reached the end of its function. Barilla decided to adopt the EPD as a tool for the calculation and

EPD®

communication of the environmental impact of its products, since verification by an external body ensures the correctness, accuracy and reproducibility of the information contained therein. The EPD system is the only one that is fully compliant with ISO standards, which require a public assessment for the rules to calculate impact.

Learn more about the Environmental Product
Declaration and Barilla products with EPDs at:
www.environdec.com



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RAW MATERIALS

The more than 800 raw materials, the 50 types of packaging materials and the promotional items that Barilla uses for its portfolio of more than 1,000 products can be divided into:

STRATEGIC because of the importance they have in the reception of the products, and CRITICAL if they are problematic from the point of view of sustainability (environmental or social).

Among the **strategic materials** are durum and soft wheat, tomatoes, eggs, rye, vegetable oils, butter, flexible film, paper and cardboard.

Among the **critical materials** from the point of view of sustainability are eggs, sesame, palm oil, cocoa and promotional items.

→ PALM OIL for example, is characterized by an environmental impact due to deforestation in many parts of Malaysia and Indonesia, where it is produced, resulting in a loss of biodiversity. In addition to this, palm oil is also controversial because of social issues, since its production requires many workers, some still minors, whose land is sometimes confiscated. For this reason. Barilla agrees to buy palm oil only from suppliers who adhere to the Roundtable on Sustainable Palm Oil, a global association which, since 2004, requires its members to comply with certain standards of accountability. By 2015, 100% of the palm oil used by Barilla will be **RSPO** certified.

COCOA is another raw material associated with social problems and forced labor. For this reason, 100% of Barilla's suppliers are members of the World Cocoa Foundation and all the processing sites in Africa of Barilla's main supplier of cocoa are certified by social auditing.

The stories that best demonstrate the Group's commitment to the Planet and the wellbeing of those who live on it, are those of eggs and wheat.

DO YOU KNOW WHERE THE EGGS FOR BARILLA PRODUCTS COME FROM?

From 1 January 2012, European Union countries have adapted to Directive 74/1999 of the EU which requires farmers to switch from battery cages for laying hens to "enriched" ones. These new cages are larger and include a nest, a litter, a perch and a nail scratch-board which increases the hens' wellbeing. In view of this directive, Barilla set up a work-table on the theme, to choose between two alternatives: enriched cages or, going beyond the legal requirements, cage-free rearing. Helping to make the decision was an in-depth analysis and tests carried out in close collaboration with our suppliers and the Italian headquarters of Compassion in World Farming, a non-profit organization which, for over forty years, has worked

for the welfare of farm animals. Thanks to the long research carried out, Barilla opted for cage-free rearing since it is more respectful of animal welfare, even if this resulted in increased expense to ensure that the hens actually were reared on the ground rather than in a cage. Barilla began the conversion process in October 2011 and, since April 1, 2012, for all products branded Le Emiliane Barilla, Mulino Bianco and Pavesi, solely and exclusively eggs from cage-free hens have been used. The Pavesi and Mulino Bianco brands, which were the first to use eggs from cage-free hens, won the "Good Egg Award" in 2011; while Emiliane Barilla received the same prize in 2012.



WHAT IS SUSTAINABLE WHEAT?

Since 2010, a team of Barilla professionals has been carrying out a study designed to identify the main areas for growing durum wheat in Italy and the cultivation systems deemed to be the most sustainable.

The initial goal was to assess the environmental and economic impact of the most sustainable system for cultivating durum wheat. The project involved twelve farms between 2011 and 2012. The result of this work was collected in the Barilla **Decalogue for the Sustainable Cultivation** of Durum Wheat, which suggests in 10 simple rules how to make growing more efficient. In particular, traditional rotation techniques were re-evaluated, too often sacrificed recently to the application of intensive practices that mean an excessive use of resources with the risk of reducing soil fertility. Ancient wisdom was flanked by innovative IT systems which help the farmer, day after day, to optimize growing techniques, making interventions more efficient according to climatic conditions and the demands of cultivation. To do so, Barilla collaborated with HORTA Srl, a spinoff of the Università Cattolica of Piacenza which developed a tool to support decision-making called Granoduro.net.

Granoduro.net can be used via the Web and linked to a meteorological network present at all the main production sites. The advantages of sustainable cultivation (use of the Barilla Decalogue and Granoduro.net) became clear in the last 2011/2012 campaign both in terms of production yield and environmental

impact. In addition, it has been calculated that using correct crop rotation makes it possible to optimize production costs and employ more conservative techniques to work the land.

Barilla's commitment to the future is to disseminate these practices more and more, to make the durum wheat supply chain even more sustainable.

The goal is to encourage, over the next few years, the use of these durum wheat growing techniques at an ever greater number of farms, and also use them for other raw materials (e.g. soft wheat and rye) by means of specific growing contracts in Italy and abroad.

THE ADVANTAGES OF THE EXPERIMENTS CARRIED OUT IN THE 2011-2012 CAMPAIGN

REDUCTION IN CO₂ eq EMISSIONS

-30/-40% *
*= 210 Kg CO,eq/t of durum wheat

REDUCTION IN PRODUCTION COSTS

-30%

INCREASE IN PRODUCTION YIELD

+20%

WHAT IS THE STORY BEHIND BARILLA'S DURUM WHEAT?

Every year, Barilla uses 1.4 million tons of durum wheat. Barilla undertakes to keep to high percentages of durum wheat grown locally, i.e. in the country where the pasta is produced. In Italy, for example, Barilla signed an agreement in 2006 with the Emilia Romagna Region, growers' associations, farmers' associations and agricultural cooperatives for the production of high quality durum wheat. This experience was extended to other Italian regions, with the collaboration of farmers' organizations, resulting in Growing Contracts for High Quality Wheat.

These contracts include the application of specifications for the growing and storage of wheat that make it possible to optimize agronomic practices and reduce the use of anti-parasitic agents. In this way Barilla wheat ends up better, both from a technological point of view (programmed high quality), and from the food safety aspect. In 2012, the Growing Contracts with national farmers' organizations covered approximately 43% of the total purchased in Italy (approximately 370,000 tons of durum wheat) thereby reducing imports from abroad.

The Barilla Decalogue for Sustainable Cultivation of Durum Wheat

Would you like to know what advice Barilla gives its farmers to provide People with high quality wheat?

- 1

Alternate crops: i.e. include durum wheat in a favorable crop rotation.

-2-

Work the land respecting the territorial context, the climate, the type of soil and crop rotations.

-3-

Use the **best variety to sow** in relation to the distributional area.

-4-

Use only **quality certified seeds**.

- 5 -

Sow at the appropriate time.

Use an appropriate amount of seeds.

- 7 -

Cull weeds in a timely manner.

Meter fertilizers according to plant needs.

- 0 -

Protect the plant from diseases.

-10-

Extend sustainability to farms

and not just to single crops.

% of durum wheat grown locally

in the country where the pasta is manufactured in 2012

TURKEY MEXICO NORTH AMERICA

81% 96% 90% 100% 100%

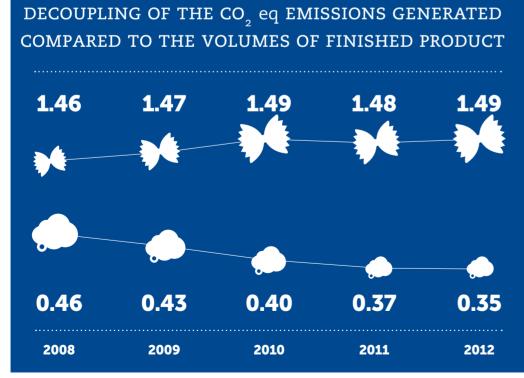
ENERGY EFFICIENCY AND RENEWABLE ENERGY

Another important phase in the life cycle of products is their production in the plants. In terms of greenhouse gas emissions, this activity is less significant compared to the production of raw materials or consumption, above all if we consider products that require home cooking. Nonetheless, Barilla continuously monitors and improves the activity at its plants including their environmental impact. In 2012 the emissions of CO₂ equivalent, i.e. the amount of greenhouse gases, were reduced in 2012 by 25% in absolute value terms compared to 2008, despite an increase of around 2% in production. This therefore generated a decoupling between production and CO₂ eg emissions. Per unit of finished product, meanwhile, the emissions were reduced by around 27% compared to 2008. As for the increase in **energy efficiency**, the

Pedrignano plant, our central headquarter in Parma, has been supplied since 2009 by a gas co-generation plant that allows the simultaneous production of electricity and thermal power. Instead, the Caserta pasta plant uses a trigeneration system which, as well as generating electricity and thermal power, also produces refrigerated water. From the point of view of renewable energy, the Wasa production plants at Filipstad (Sweden) and Celle (Germany) use hydroelectric sources. Again in 2012, through an agreement with the Compagnia Valdostana Acque, a producer of hydroelectricity, Barilla covered the total demand for electricity from the Mulino Bianco, Grancereale and Pan di Stelle bakeries with "Renewable Energy Certificate System" Certificates. These RECS certificates attest that the electricity really is produced from renewable sources.









WATER RESOURCES

To assess the environmental impact of food we cannot ignore an analysis of their Water Footprint, i.e. the amount of water used throughout a food's entire life cycle. Our consumption of water, in fact, cannot be considered only in "real" terms, calculating the quantities that are used to care for ourselves, for cooking or cleaning the house, but also in "virtual" terms, estimating all the water used during the different phases of the life cycle of every product or service we buy. More and more today we are aware that water is a precious, and increasingly scarce resource. While only 2.5% of freshwater resources in the world are available for human consumption, it is alarming to think that as much as 85% is used for agriculture. For this reason, it is important to measure the water footprint of every product, and every activity of People and companies.

In fact, Barilla began to assess the water footprint of its products as far back as 2008, based on an analysis of the life cycle and a calculation protocol developed by the Water Footprint Network. All of this without neglecting to push forward plans to reduce the amount of water used directly in our bakeries and pasta factories.

In 2012, our plants consumed about 2.4 million cubic meters of water, saving more than 700,000m³ compared to 2008, and corresponding to approximately 23%.

Again in 2012, at Rubbiano, in the province of Parma, a new sauce plant was opened: this consumes 47% less water than the older plants used to. In addition, 55% of Barilla's plants have a wastewater treatment plant, which significantly reduces their impact before they are discharged into sewers or surface waters.

QUANTITY OF WATER REQUIRED FOR THE ENTIRE LIFE CYCLE OF FOOD



* Barilla Center for Food and Nutrition (2011), Water Economy, Free book on the Environment http://www.barillacfn.com/en/position-paper/pp-fs-water-economy/

Total Water Consumption in Plants in millions of m³ 2008 2009 2010 3.1 3.0 2.4 **Water Consumption** per Finished Product liters/kg of finished product 2009 2008 2012 2.1 2.0 1.6 DID YOU KNOW THAT... ...the Water Footprint of what we eat every day varies from approximately 1,500 to 2,600 liters for those who follow a

...the Water Footprint of what we eat every day varies from approximately 1,500 to 2,600 liters for those who follow a vegetarian diet to approximately 4,000-5,400 liters for a regime containing a lot of meat. The inclusion of livestock products, such as meat and milk in our diets, results in an increase of approximately 3 times the consumption of water resources. This is due to the water used for the production of agricultural products used to feed farm animals that will be transformed into food resources. It is clear, therefore, that eating habits have a very significant impact on the availability of water resources. The Mediterranean Diet as suggested by the Double Pyramid model, in addition to being more healthy for us than other food cultures, allows a significant reduction in the impact of the Water Footprint on the environment.



AUREO, HIGH QUALITY DURUM WHEAT

Barilla, with the collaboration of an Italian seed company, has developed, using traditional selection methods, a high quality variety of durum wheat suitable for growing in Italy. The result was Aureo, a variety of durum wheat similar to one grown in the desert areas of the Southwestern U.S., considered among the best in the world. Compared to American wheat it does enjoy one advantage: it does not require to be watered since it is grown in Central Italy, which is a region characterized by higher rainfall.

In 2012, over 45,000 tons of Aureo were grown in Italy: reducing imports from the USA, and allowing a total saving of around 40,000,000 cubic meters of water plus approximately 1,000 tons of CO₂ equivalent.

By using this variety, **Barilla**has been able to enhance
Italian farmers' skills.

THE VIRTUAL WATER TRADE

Trade between countries causes a transfer of virtual water flows from country to country. The Water Footprint of a product is the total volume of freshwater consumed to produce it and coincides with the Virtual Water concept. Virtual Water is a kind of alternative water resource, which allows preservation of local water resources.

In 2012 Barilla conducted a study on the water footprint of its pasta production and the trading of wheat and pasta between the countries it operates in.

The results of this analysis were published in a report submitted in August 2012 at the **World Water Week in Stockholm**. The water footprint of pasta derives almost entirely from the water used to grow durum wheat

in different countries. The durum wheat grown in different geographical areas has a water footprint that varies depending on the availability of water, the climatic conditions, and yields.

The water footprint of
Barilla pasta varies from just
1,350 liters per kilogram, if
produced in Italy, to more
than 2,850 liters if produced
in Turkey or the United States.

Thus, it is positioned at the lower end of the Water Pyramid, just above cereals and breads, but far below rice and legumes.

WASTE TO VALUE

Another important aspect of the relationship between food and the environment concerns the disposal of product packaging. In particular, everything that promotes separate waste collection answers society's needs, resulting in better management and use of waste and savings in energy and raw materials. Moreover, recycling means creating wealth and resources starting from the materials used, and this requires a joint effort not only by People, but also by companies, who need to design packaging that is as sustainable as possible. In recent years, People expect to be helped to adopt responsible lifestyles.

Barilla pays a great deal of attention to the development of packaging and the choice of the raw materials they are made from (paper, cardboard and flexible film), in order to facilitate separate collection and consequent recovery, without of course affecting the ability of the packs to protect and preserve the goodness of the products.

Barilla verifies and improves on the environmental performance of its packaging through LCA* (Life Cycle Assessment).

The percentage of recyclable Barilla packs has increased from 85% in 2008 to 96% in 2012; of these 41% are made from recycled materials. By 2014, 98% of our packaging will be recyclable.

For this reason, since 2008 Barilla has aimed to assist consumers in choosing the correct container in which to dispose of packaging, through the use of special graphic symbols on packs:











*LCA FOR MORE SUSTAINABLE PACKAGING

Since 2004, Barilla has designed all new packaging using a tool called "LCA Packaging Design" which allows an assessment of the environmental impact (in terms of CO_2 eq, water and land use) of new packaging, as early as the planning stage.



FSC AND PEFC STANDARDS

100% of the virgin fiber cartonboard used in Barilla packaging comes from forests managed according to FSC and PEFC standards. The FSC, Forest Stewardship Council, and PEFC, Program for the Endorsement of Forest Schemes, standards guarantee sustainable forest management based on environmental protection, respect for human rights and cultural traditions, and the promotion of economically sustainable forestry activities.



RESPECT FOR THE **ENVIRONMENT STARTS** FROM THE TABLE

Our diet has a huge impact on the Planet.

But not all foods produce the same effects. Happily, the ones we should consume more, are also the healthiest for the environment. This can be understood well by observing the pattern of the Double Pyramid which shows how a healthy diet is also the most sustainable for the Planet.

A study conducted in Italy in 2011 by SCS Consulting and commissioned, among others, by the Barilla Center for Food and Nutrition, shows People's degree of awareness concerning the environmental impact of different kinds of food. The interesting fact is that over 90% of consumers know that their choices have an impact on the environment, but are not able to distinguish the differences between the different types of food which, in any case, they tend to underestimate.

In addition, from the same research, it turns out that even those who are more aware of the environmental impact of their food choices do not necessarily adopt a consistent style of eating. In other words, there do not appear to be significant differences in diet between those who know the Double Pyramid and those who don't.

It is therefore clear that there is still much to be done not only to make People aware of the environmental impact of the food they eat, but also to translate this awareness into actual sustainable consumption behavior.

For this reason Barilla has invested in the development of educational tools including:

- Interactive Games
- Sustainable Menus
- Websites
- City events to promote a diet that is a "Friend of the Planet"

Do you know that dietary choices produce an environmental impact?

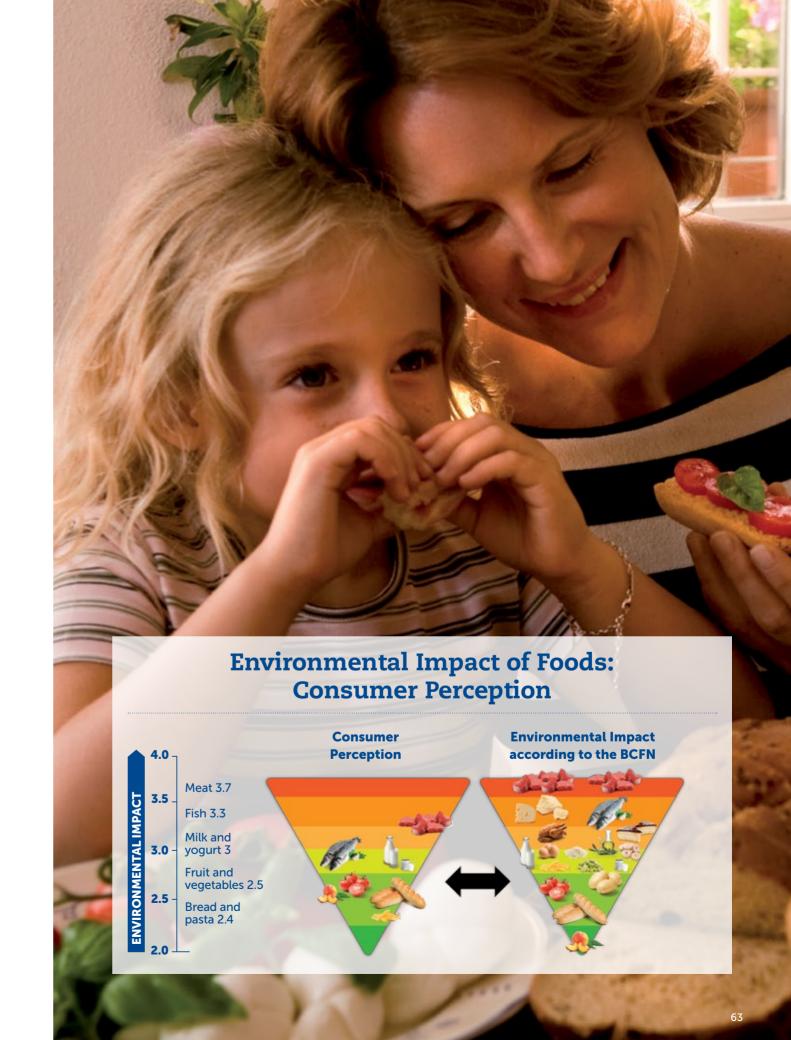




DID YOU KNOW THAT...

...you can calculate how much your dietary choices impact the environment? Check out the interactive game created by the Barilla Center for Food and Nutrition on:

www.barillacfn.com/en/bcfn4you/bcfn4u-overview/







AN INFORMED CHOICE IS AN INVESTMENT FOR THE FUTURE

We are at the end of the trip "Good for You, Good for the Planet". Through stories of products, nutritional analyses, promotion of lifestyles and the study of environmental impact, a picture has emerged of who Barilla is, and above all how much it is committed to the wellbeing of the People and the Planet. This is our way of doing business: and one with which we aim to double our economic performance by 2020. As was said at the start, we do not want to do so at any cost, but by promoting healthy and joyful eating habits for the People while continuing to reduce our impact on the Planet. Moreover, we do not propose to do all this alone, but always in collaboration with our business partners and the communities we operate in.

The reasons for our commitment are:

We want to have brands and products that are People's first choice. Consequently, in addition to ensuring the goodness, safety, and nutritional balance of our proposals, we believe it is equally important to provide clear, comprehensive information about how our range is born, how it is marketed, and how it can be consumed while respecting personal wellbeing.

Winning in the market means working together with our business partners, retailers and the communities we operate in. Efficient execution is more sustainable in the long term if it includes a win-win partnership for all concerned: using both existing channels for the promotion of our values, and new forms of project with suppliers, retailers and local communities.

Doing business as "Good for People, Good for the Planet" allows the Group to constantly improve: from the creation of new products that meet market expectations to a more precise management of resources, from the development of strong relationships with those who work with us throughout the supply chain, to the revision of certain operating costs.

In conclusion, we have not told you everything we do, but we have focused on some of our stories: in particular, on those that we would like you to bear in mind when you choose us. **We believe that a choice, to be a good investment for the future, needs to be informed**: "Good for You, Good for the Planet" strives to increase this awareness.

To discover even more about Barilla's world, to analyze the objectives and indicators of our sustainability model, and to give us your opinion, we invite you to:

www.goodforyougoodfortheplanet.org

BARILLA G.E R. FRATELLI-SOCIETA' PER AZIONI WITH SINGLE SHAREHOLDER SUBJECT TO THE MANAGEMENT AND COORDINATION OF BARILLA INZIATIVE S.R.L.

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