

GOOD FOR YOU GOOD FOR THE PLANET

2020 SUSTAINABILITY REPORT



Barilla
The Italian Food Company. Since 1877.



"We bring to the world
JOYFUL, WHOLESOME
and **HONEST FOOD**, inspired by
the **ITALIAN LIFESTYLE**
and the **MEDITERRANEAN DIET"**

The "Good for You, Good for the Planet" report is the tool used to share with all of society the path undertaken by Barilla, consistently with the United Nations' Sustainable Development Goals, part of the 2030 Agenda.

In addition, the report shows the key results that have been achieved and the roadmap for coming years. The results presented in this report were achieved thanks to all Barilla people, their passion and dedication.

The information and data contained in the report relate to **Barilla Group** for the period from 1st January to 31st December 2019, unless otherwise indicated.

The full version of the report is available on the Group's website: www.barillagroup.com



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A FUTURE THAT WE WILL BUILD TOGETHER

GUIDO, LUCA AND PAOLO BARILLA, Chairman and Vice-Chairmen

The last few months have forced us to reflect on, with even greater depth, the agri-food sector and our role in its context.

We have witnessed an unprecedented crisis that caused over 3 billion people to be isolated and that has brought the world economy to its knees. **This scenario has made us even more aware of how crucial our social role is as food producers for millions of people.**

In the modern era, people have developed systems and relationships to try to protect and improve their existence, and to overcome hunger and disease. By evolving, this system has created distortions and excesses that have seriously compromised our future, both from a health and environment point of view.

In light of this, **Barilla, which today involves thousands of people in its complex supply chain, is even more determined to be a company that guides positive change.**

We firmly believe that we have the experience, skills, culture and strength to face new challenges and redesign the future.

In this process our Mission Good for You, Good for the Planet will once again be our beacon.

L. Barilla

Luca Barilla

Pao Barilla



A MISSION DRIVES US

CLAUDIO COLZANI, CEO

WHAT DID 2019 MEAN FOR BARILLA?

In 2019 we once more invested in strengthening our way of doing business, as a Group and through each one of our brands.

2019
another year of positive results

In this direction, we continued our ongoing commitment to offer products with an increasingly better nutritional profile, reformulating over 450 of them in the past years. We continued our collaborations at all levels of the strategic production and supply chains, involving approximately 9,000 farmers, providing them with fair pay and asking the sector's experts to help us implement cultivation practices which guarantee a lower impact.

We have made further progress when it comes to emissions: today, three of our

brands fully offset their CO₂ emissions. We have continued focusing our attention on the packaging of our products, exclusively using virgin fibres from forests in which reforestation is guaranteed.

+1% in terms of volume

+3% in terms of turnover

*(NET OF THE FOREIGN EXCHANGE EFFECT)

Lastly, we have reached 99.7% recyclability of product packaging and we will reach 100% in the next months.

HOW DID 2020 START?

We immediately reacted to the Covid-19 emergency by setting clear priorities and acting quickly. Our first priority was to guarantee the maximum safety of our people.



We then aimed to **guarantee the continuity of operations** in all production sites, meeting rising demand, in order to provide all of our markets with essential products.

We were conscious of the fact that this period would have a profound effect on the economy, so we immediately started working to **redesign the our future**.

Lastly, we strengthened our **solidarity** and **support to local communities** in the countries in which we live and operate,

by making donations to hospitals, food banks, local associations, and schools.

We also supported scientific research and first-line medical personnel during the emergency.

3 priorities:
people safety and support
to communities, business
continuity, redesign the future



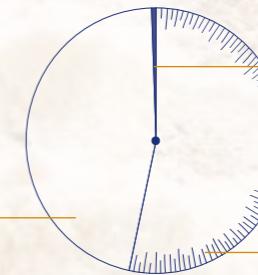
EMPLOYEES



PRODUCT CATEGORIES

(TURNOVER)

BAKERY PRODUCTS
46.2%

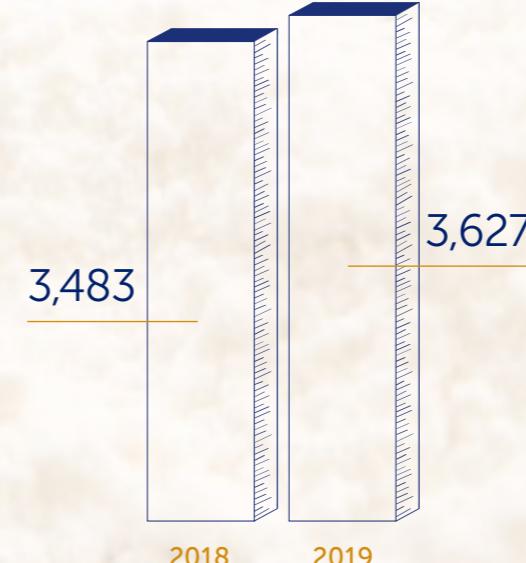


OTHER BRANDS
0.4%

**PASTA, SAUCES,
READY MEALS**
53.4%

TURNOVER

(MILLION EUROS)



GEOGRAPHICAL AREAS

(TURNOVER)

44.6%
ITALY



32.1%
**REST OF EUROPE
AND RUSSIA**

19%
AMERICA

4.3%
ASIA, AFRICA, AUSTRALIA

ON WHAT FOUNDATIONS IS BARILLA BUILDING THE FUTURE?

We are aware that recovery will be difficult but we firmly believe in the opportunity to build a better future, with more solid and flexible systems.

In this context, our Mission will serve as an even brighter guiding light.

Good for You,
Good for the Planet:
our guide

We will continue to offer quality products that have a positive influence on eating habits.

We will continue to work on the production and supply chains, side-by-side with our suppliers, and we will **strengthen our commitment to reduce emissions**, rendering processes more efficient and effective and offsetting the remaining emissions.

Lastly, we want to **provide our people with an increasingly inclusive and fair environment**. That is why we are committed to becoming, by the end of 2020, the first company in the convenience goods sector to achieve/implement gender pay equality globally.

OUR BRANDS



BARILLA
WORLDWIDE

100
COUNTRIES

16
BRANDS

4
CONTINENTS

28
PRODUCTION
DISTRICT

*including one or more sites

14 IN ITALY
14 ABROAD

UNITED STATES CANADA MEXICO BRAZIL



EUROPE ITALY TURKEY ARAB EMIRATES RUSSIA SINGAPORE JAPAN



MILLS
 PLANTS
 OFFICES
 RESTAURANTS
 CUSTOMER COLLABORATION CENTERS

GLOBAL CHALLENGES

The **scenario** which we deal with on a daily basis is very complex and **characterised by production, distribution and consumption systems that are not always sustainable**.

In order to reverse this course, in 2015 the **United Nations** introduced the **Sustainable Development Goals**, as part of the **2030 Agenda**, designed to contribute to global development by promoting and preserving

the wellbeing of people, animals and of the Planet. In the same year, the **first universal Climate Agreement**, defined at the **Paris Conference (COP21)**, which established a global action plan to limit global warming to well below 2°C.

The **2030 Agenda** and the **Paris Conference Agreements** are the **benchmark for achieving the desired paradigm shift**.

Among the **challenges** that the international community has set itself, there are many **linked to the current food models**. These challenges placed the topic of food at the center of discussions on global sustainable growth, highlighting the need to radically rethink these models. In particular, in the food sector, there are **many urgent challenges** to face.

First and foremost, limited **access to food** or incorrect **nutritional habits** have created a great imbalance worldwide: on one hand, **821 million people are undernourished**, while on the other hand, **2.1 billion people are obese or overweight**.

Secondly, each year approximately one third of global food production is wasted globally.

This equates to around **1.3 billion tonnes of edible food wasted throughout the various stages of the production and supply chain** or at the time of consumption, in private homes and within the catering industry.

These facts become more alarming if we consider that they equate to more than four times the amount of food required to feed the undernourished people in the world.

Lastly, increasingly radical climate change, greenhouse gas emissions and the indiscriminate exploitation of natural resources are having a significant negative impact. This means that **each year we consume the resources of 1.7 planets** and unless we immediately change our lifestyle, by 2050 we will require the resources of 3 planets.



BCFN FOUNDATION

In this global context the **Barilla Center for Food and Nutrition (BCFN)** was founded in **2009**, as a think tank within the Barilla Group with the objective to study and understand the complexity of agri-food systems and promote an open dialogue between scientists, institutions, the private sector, the civil society and communities, at national and international level. In 2014, the BCFN became a Foundation.

Thanks to its research and knowledge-sharing activities, the **BCFN Foundation creates values for all society, inspiring conscious daily nutritional choices and promoting solutions and good practices for more sustainable global agri-food systems.**

Among the scientific material that has been produced, the **Double Pyramid model** (refer to next page) highlights the close link between two key aspects of every type of food: **the nutritional value and the environmental impact.**

In fact, foods with the lowest environmental impact are also those recommended by nutritionists for our health, while those with a high environmental footprint should be consumed in moderation due to their greater negative effects on our health. Scientific studies, as well as the findings of the BCFN,

are a daily source of proven information and inspiration for the activities of Barilla managers, guiding them in their business choices.

The **Foundation's International Forum on Food and Nutrition** is a global annual platform for sharing experiences, **best practices and collective commitments in order to achieve the UN's Sustainable Development Goals.**

In **2019**
the Forum celebrated
10 years

The event was organised in collaboration with *World Food Programme Italy*, *National Geographic Italy*, *United Nations Sustainable Development Solutions Network (UN SDSN)*, *Center on European Policy Studies (CEPS)*, *Columbia Center on Sustainable Investment (CCSI)*, *Santa Chiara Lab – University of Siena (SCL)* and *Global Alliance for the Future of Food (GAFF)*.

It was a moment to highlight the need for urging institutions, organisations, researchers and citizens to act and pursue sustainable development together, starting with food.



It also launched **#ActionForChange**, a global appeal to place sustainability at the heart of the 2030 Agenda.

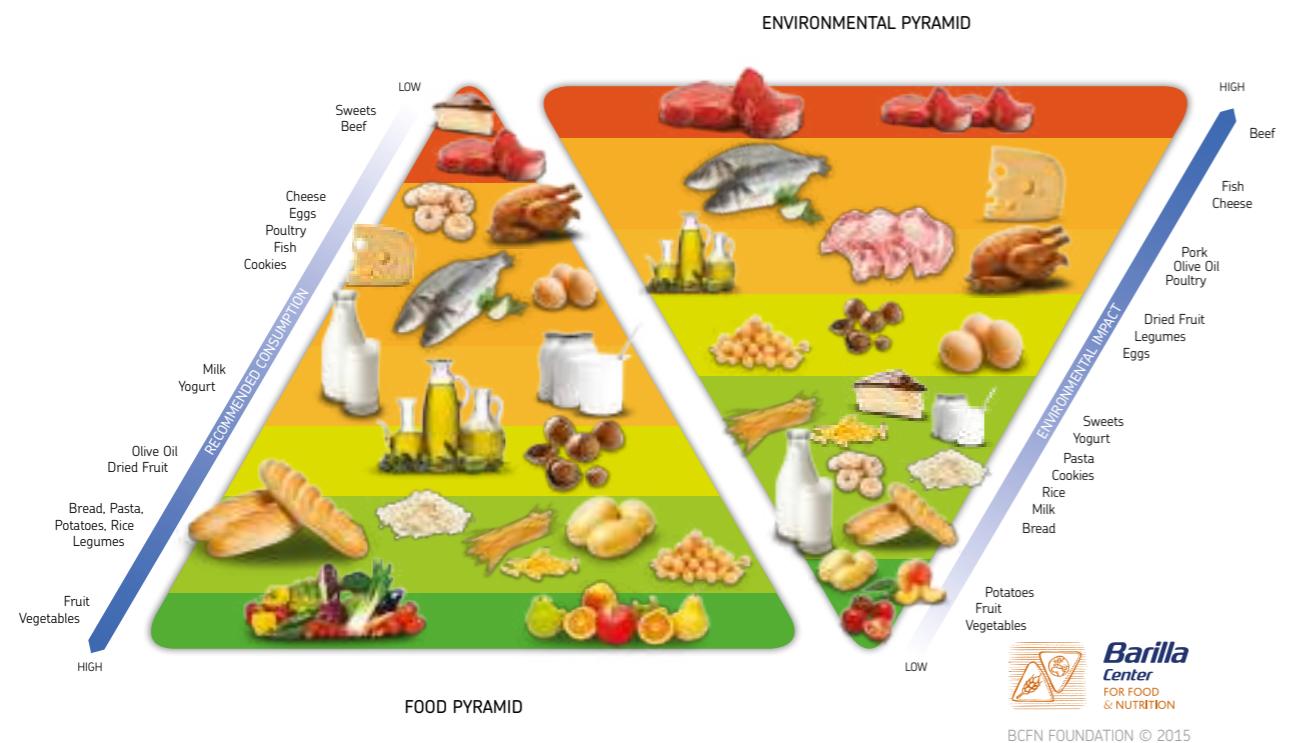
In 2019, the Forum once again provided an opportunity to highlight and reward the most significant research projects, as follows:

FIXING THE BUSINESS OF FOOD: the Barilla Foundation together with the UN SDSN, the Columbia Center on Sustainable Investment (CCSI) and the Santa Chiara Lab – University of Siena (SCL), promoted a series of recommendations and concrete actions aiming to accelerate progress towards the sustainable development of the agri-food sector.

The study *Fixing the Business of Food: The Food Industry and the SDG Challenge*,

presented in New York during the *74th General Assembly of the United Nations*, highlights the pivotal role played by the agri-food sector in achieving the SDGs and the need to focus the practices of agri-food business around four fundamental dimensions: sustainable production and nutrition models, sustainable processes and supply chains, and corporate citizenship.

SU-EATABLE LIFE: this three-year project, funded by the European Commission, created by the Barilla Foundation together with the *Sustainable Restaurant Association*, *GreenApes* and the *University of Wageningen*, relates to a series of activities in university and company canteens in Italy and in the United Kingdom, with the aim to promote



the adoption of a correct and sustainable diet in Europe. The goal is to prove that the adoption of this type of diet is beneficial to both people and the Planet (with estimated savings of approximately 5,300 tonnes of CO₂ eq and of approximately 2 million cubic metres of water).

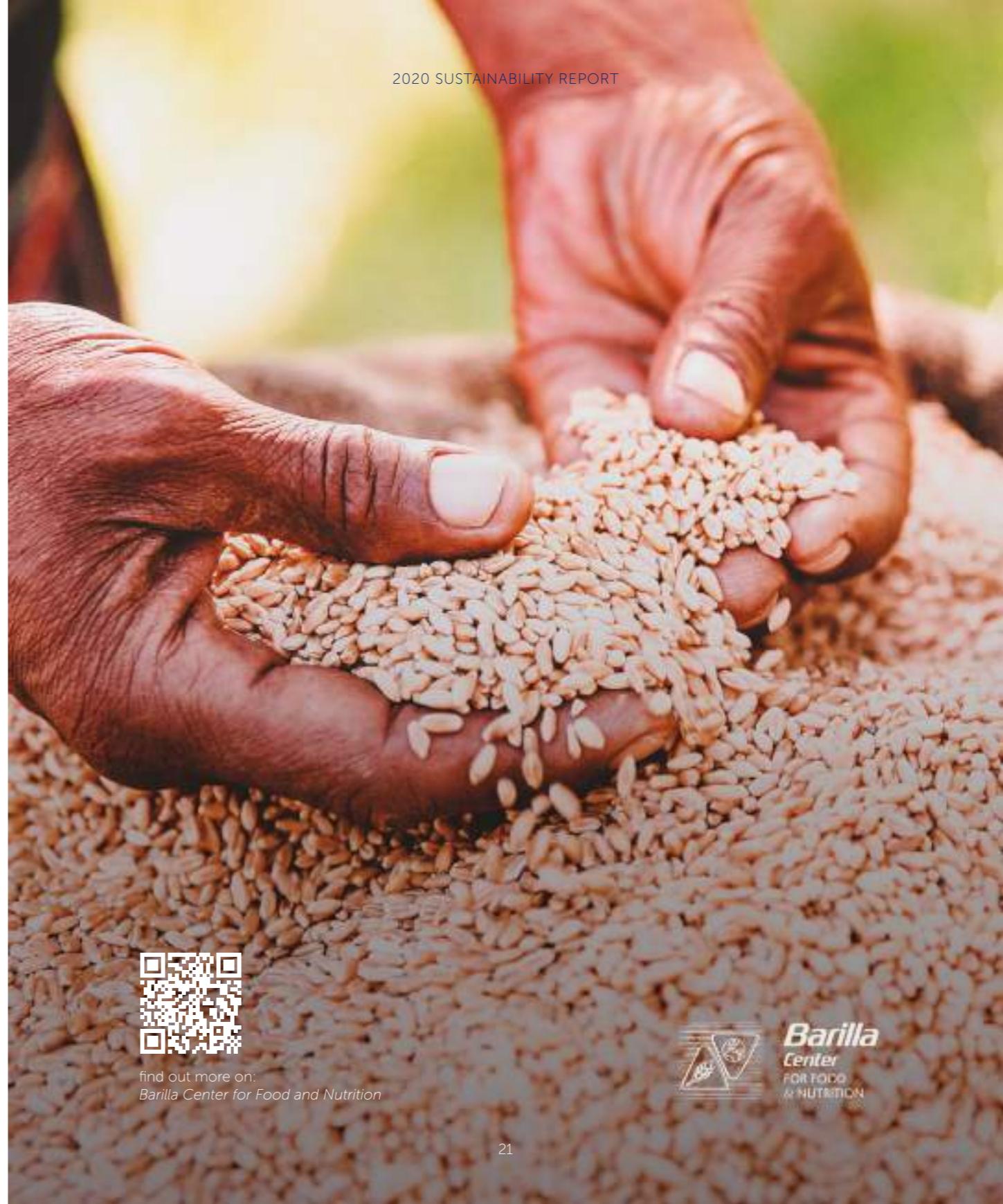
WE, FOOD, OUR PLANET: the free digital education programme set up by the Barilla Foundation, in a Memorandum of Understanding with the *Ministry of Education*, to offer teachers, at all levels, training, updates and teaching tools that allow them to transfer scientific knowledge on current topics related to food and environmental sustainability

and educate tomorrow's adults in active citizenship and responsibility.

DIGITISING AGRIFOOD - PATHWAYS

AND CHALLENGES: the study, carried out by the Barilla Foundation in collaboration with the *Centre for European Policy Studies* (CEPS), sheds light on the positive role played by the application of digital technologies in the transformation of agri-food production and supply chains, which results into increased crop yields and reduced food waste.

In addition, it formulated 10 concrete recommendations for agri-food policies.



find out more on:
Barilla Center for Food and Nutrition

GOOD FOR YOU, GOOD FOR THE PLANET

Through our Mission,
we aim to make a concrete contribution
to the global challenges

Throughout the years, we have defined a journey, summed up in our "**Good for You, Good for the Planet**" Mission, which drives us each day to offer **good** and **nutritionally balanced food** to the world, which is **sourced from responsible supply chains**, inspired by the Italian lifestyle and the Mediterranean diet.

- **GOOD FOOD** means quality, flavour, a culinary experience, accessibility, pleasure and conviviality;

- **HEALTHY FOOD** means selected raw materials and balanced nutritionally balanced profiles to support healthy lifestyle choices;

- **FOOD SOURCED FROM RESPONSIBLE SUPPLY CHAIN** means seeking the best ingredients to guarantee quality, while respecting people, animals and the environment.

It is a Mission we continue to pursue by implementing projects that touch on all stages of the production and supply chain, from field to fork. These projects are thanks to the determination of all Barilla people, to the collaborations established along the production and supply chain and to the support we receive from external experts.

To this end, we continue to work on offering people products with a better nutritional profile, based on the Mediterranean Diet model. Since 2010, we have reformulated **455 products, reducing the salt, sugar, fat or saturated fat content**.

We have gradually **expanded our range**, increasing the number of **products that are rich in fibre** or made from legumes, or increasing the number of products **with no added sugar**.

It is a Mission that Barilla pursues from **FIELD TO FORK** and that has an immediate impact on **TASTE** in the first few minutes, on **ENERGY** in the first few hours and on **THE WELLBEING OF PEOPLE** over the course of many years. It is also founded on respect for the **COMMUNITIES** in which we live and operate and for the **ENVIRONMENT** at large.



We have worked to disseminate the **importance of the Mediterranean Diet**, through global food education projects for children and young people, and by launching a brand project in Germany aimed at university students.

Lastly, we upheld our commitment to provide people with the tools to make conscious and responsible food choice, while inspiring them to adopt a healthy lifestyle.

From an environmental point of view, we have stepped up our efforts to **reduce the impact of our products along the supply chain**. Since 2010, we have been working to reduce **water consumption** in our production processes, **achieving a 21% reduction, and to cut CO₂ emissions, which we have reduced by 30%**, complying with scientific targets to align our efforts with the requirements stipulated in the Paris Agreements.

Three of our brands have achieved the goal of **total compensation of CO₂ emissions**.

Lastly, we have continued to collaborate with the players of our strategic supply chains to develop and promote the use of more sustainable farming practices.

All Barilla Group brands contribute to the "Good for You, Good for the Planet" journey, through projects aimed at improving the nutritional profile of products in order to reinforce the sustainability of the production and supply chains and provide transparent communication to consumers.

To this end:

BARILLA has strengthened its commitment to spread nutritionally balanced food models and has continued its commitment to enhance the Italian agricultural supply chain.

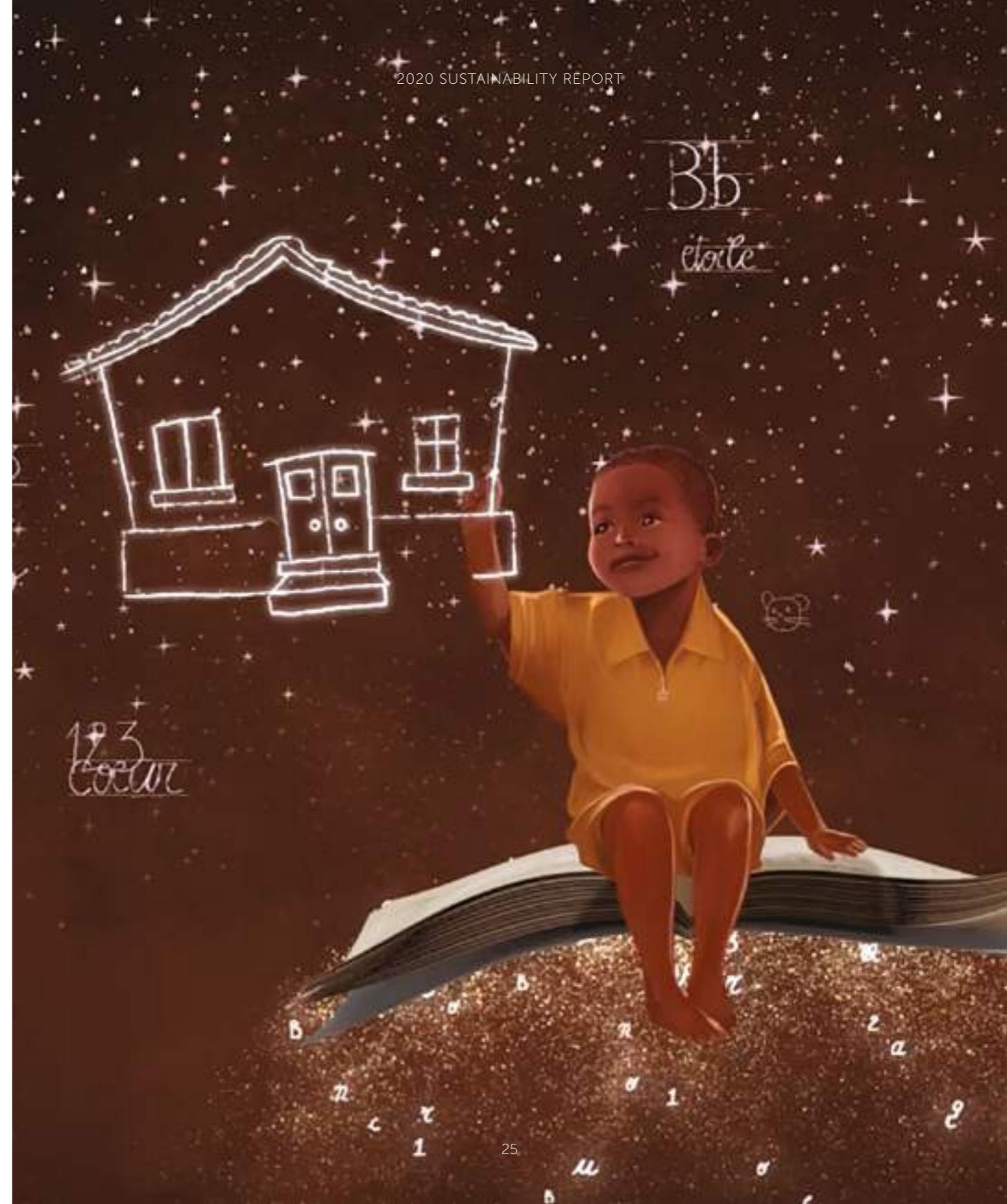
WASA our crispbread brand, continued the effort undertaken in 2018 to maintain total CO₂ emission offset.

MULINO BIANCO launched *La Carta del Mulino* a charter for more responsible farming and the first products made with 100% sustainable common wheat flour.

HARRYS our brand of bread and bakery products in France, has strengthened its commitment to making the common wheat supply chain more sustainable and, in early 2020, fully offset CO₂ emissions.

PAN DI STELLE continued its engagement with the *Cocoa Horizons Foundation* to improve the quality of life of those farmers in the cocoa plantations, in Ivory Coast.

GRAN CEREALE made a commitment in favour of the environment, fully offsetting CO₂ emissions and funding a special project for the protection of wooded areas in Italy.



BARILLA'S CONTRIBUTION TO THE 2030 AGENDA



- Since 2010, we have reformulated the recipes of **455 products**, **35 reformulated in 2019**, by reducing the fat, saturated fat, salt and sugar content or increasing fibre.
- In 2019, we launched **22 new products** with no added sugar, rich in fibre, made with wholegrain or with cereals.
- We have been a **zero-palm oil company** since 2016.



- We involved **approximately 20,000 children** in activities dedicated to food education, physical exercise and healthy lifestyles.
- We have involved **over 60,000 university students** in Germany, through the *CHOOSE, COOK and SHARE* project.
- Over 7,500 Barilla** people were involved in the si.mediterraneo project.
- We funded the construction of a school for **over 300 children**, in the Ivory Coast.



- 36% of executives and managers** are women.
- We started the journey that will lead to **gender pay equality worldwide** in Barilla.



- We offset part of our emissions thanks to projects meant to promote the **development of renewable energy sources** in India.



- Throughout the years, we have developed **projects to make our work environment more inclusive**, with the aim to protect health and promote a good work/life balance: *smartworking and winparenting*.
- We have promoted the establishment and development of **15 ERGs** (Employee Resource Groups): global groups of employees, centred around specific topics of diversity and inclusion.
- To date we have implemented **projects and initiatives to welcome, include and integrate** more than **60 refugees** worldwide.



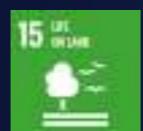
- We have **supported communities** during the Covid-19 emergency, by **donating cash, products, medical supplies** and **supporting research**.



- We have **involved almost 9,000 enterprises** in **sustainable farming projects** concerning our main raw materials.
- In Italy, we signed a **Memorandum of Understanding with the Ministry of Agricultural, Food and Forestry Policies (MIPAAF)** to promote the quality and sustainability of Italian durum wheat production and supply chain.
- We **developed two charters** for the **sustainable cultivation of common wheat**: *La Carta di Harrys (The Harrys Charter)* and *La Carta del Mulino (The Mulino Charter)*, developed together with WWF Italy.



- Since 2010, we have **reduced greenhouse gas emissions** by **30%** and **water consumption** in our plants by **21%**, per tonne of finished product.
- We have adopted Science Based Targets to limit our CO₂ footprint.
- 99.7% of our packaging** is **recyclable**.
- Three of our brands fully **offset their CO₂ emissions**: Wasa, Gran Cereale and Harrys.



- We publicly committed to **not testing raw materials and products on animals**, either directly or indirectly.
- In 2016, we introduced the **Guidelines for Animal Welfare**, in collaboration with *Compassion in World Farming*; these guidelines are applied to all supplies.
- We offset part of our emissions by supporting **projects that protect the rainforests and biodiversity** in Brazil.
- In Italy, we funded a **project aiming to protect forests**, together with Legambiente and AzzeroCO2.



- Over the years, we have set up projects and established relationships with our stakeholders and key organisations involved in the production and supply chain, such as: **UNICEF, UNHCR, WWF Italy, Compassion in World Farming, Legambiente**, and many more.



PRODUCTS

"Offering people
HIGH-QUALITY,
SAFE PRODUCTS that **TASTE GOOD** and have a **BALANCED NUTRITIONAL PROFILE,**
for daily consumption"

REFORMULATION AND INNOVATION

We constantly **improve** the **nutritional profile of our products** and **develop new ones** in order to combine excellent flavour with safety and contribute to a balanced diet, in line with the Double Pyramid Model.

Over the years, we have defined the ***Barilla Nutrition Guidelines***: a set of standards and rules that inspire us in the creation of new products and the improvement of existing ones, with reference to the caloric intake and the main nutrients that our products must contain.

In addition, the Group relies on the support of the ***Health and Wellbeing Advisory Board***, composed of international experts on nutrition and in various fields of medicine.

REFORMULATION

In the context of the *Better Nutrition* project, created in 2009, to date we have **reviewed the recipes of 455 products**, thanks to different investments.

In 2019 we reviewed **35 products** with the aim of reducing the **salt, fat, saturated fat or sugar content**.

In addition, we increased the **fibre content** and extended the **wholegrain range** and the range of **products made with legumes**. Specifically, with regard to **sugars**, we continued the reformulation work, obtaining

consistent reduction in all tomato-based sauces sold and distributed in Europe; the development of new sauces without added sugars for the American and European market; and the development of soft breads without added sugars for the Italian and French market.

Lastly, made a choice not to use palm oil, just as we do not use hydrogenated fats and artificial colours.

NEW LAUNCHES

Barilla is attentive to the wellbeing of consumers and promotes healthy and balanced diets by **developing new products**, defined in line with the Nutritional Guidelines and with reference to the Mediterranean Diet model, that address people's diverse nutritional and dietary needs.

In 2019, we launched **22 products** with a better nutritional profile.

QUALITY AND SAFETY

We have created a system for the identification, analysis and mitigation of possible risks and adopted measures to manage them.

Over 4 million tests were performed in 2019 to monitor food quality and safety, at all stages of the production and supply chain: from the selection of raw materials and creation of products to point of sale.

STORIES AND DATA

- The **range of legume pasta has been expanded** with a **new format**, made with 100% legume flour, rich in protein and fibre, and gluten-free.
- We launched **2 new formats of wholegrain pasta**; **2 formats made with cereals**; and **1 new mix** of wholegrain cereals and black rice.
- We reformulated **8 pasta products** to **increase fibre content**.
- We reformulated **10 types of pesto and sauces**, in order to **reduce the salt, sugar and fat content** and we launched **8 new sauces without added sugar**.



- We introduced **5 new crispbreads**: **1 product rich in fibre** and **4 wholegrain products** (one of which is certified vegan).



- We reformulated **8 products to reduce sugars**.
- We reformulated **1 wholegrain bread to eliminate added sugar**.
- We reformulated **2 products to increase fibre content**.
- We extended the range of **wholegrain products** with **1 new soft bread**.



- We reformulated **2 products to reduce the salt content**.
- We reformulated **1 product to reduce the fat content**.
- We eliminated **added sugars** from **4 products**.
- We **increased the fibre content** in **5 products**.



- We introduced the first biscuit made with legumes: **Gran Cereale Legumi Croccanti e Cioccolato**, which contains chickpea flakes, lentils and 100% wholemeal flour.



*2019 data, unless otherwise specified

A vibrant photograph capturing a group of women at an outdoor meal. In the foreground, a woman with long dark hair and a blue jacket is laughing heartily, her head tilted back. Behind her, another woman wearing a straw hat is also laughing. To the right, several other women are visible, some looking towards the camera and others engaged in conversation. They are seated around a table covered with a white cloth, which holds various dishes, glasses, and a vase of yellow flowers. The setting is a lush garden with large trees and sunlight filtering through the leaves, creating a warm and convivial atmosphere.

COMMUNICATION
AND EDUCATION

**"PROMOTING a SUSTAINABLE
and NUTRITIONALLY
BALANCED DIET**

inspired by the Italian lifestyle
and the Mediterranean Diet"

RESPONSIBILITY AND TRANSPARENCY

We promote a **transparent and responsible communication** to provide people with the right information to make informed choices about daily consumption.

Furthermore, through local activities and brand projects, we disseminate important messages on the **culture of a healthy and balanced diet** and the **importance of an active lifestyle**.

Thanks to these initiatives, in 2019 we **engaged over 80,000 people**, from young children to university students.

Moreover, we created a specific project intended for **Barilla people**: si.mediterraneo, which involved **over 7,500 people**.

COMMUNICATION

We provide people with **clear and transparent nutritional information** on products and **suggestions for balanced consumption**, through brand activities, product packaging and the Group's websites.

In collaboration with UNICEF, we defined the **Responsible marketing principles**, a set of principles which apply to all marketing, sales, corporate communication, and external relations activities.

In addition, three of our brands, **Barilla**, **Mulino Bianco** and **Harry's**, created digital platforms and virtual tours to guide consumers through the products' history. Since its launch, it has **involved over 1,500 children and their families**.

ENVIRONMENTAL PRODUCT DECLARATION (EPD)

The **environmental impact** of our **products** is published through the **Environmental Product Declarations** (EPD), an international communication tool compliant with the ISO 14025 standard. **70% of the volume** produced is **covered by the EPD**, all of which are available to the public on the website www.environdec.com.

FOOD EDUCATION

For several years we have concentrated on **activities that aim to educate and inform the younger generations**. This commitment has been transformed into projects with the communities, and through brand projects. **Giocampus** is a project promoted by an **educational alliance between the public and private sectors, with the goal of promoting healthy lifestyles** in the city of Parma **through a unique programme of healthy eating and physical education** for children between 5 and 14 years of age. Approximately **20,000 children** were involved in 2019.

Since 2017, Barilla has been involved in the **ViviSmart** project, a partnership that brings together **Barilla, Danone Italy** and **Coop Italy**, with their respective Foundations, also in collaboration with other major companies in the food industry, consumer cooperatives, non-profit foundations, and scientific research. Since its launch, it has **involved over 1,500 children and their families**.

STORIES AND DATA

- **Choose, Cook and Share:** a new programme that aims to strengthen food education in Germany and which has involved over **60,000 university students** by providing advice and education on how to adopt a balanced diet and via cooking classes to increase awareness of sustainable cooking.

- **1 platform**, introduced in 2014, that makes it possible for people to learn about - virtually - the entire production chain of pasta and sauces: **Guardatustesso** (See for Yourself).

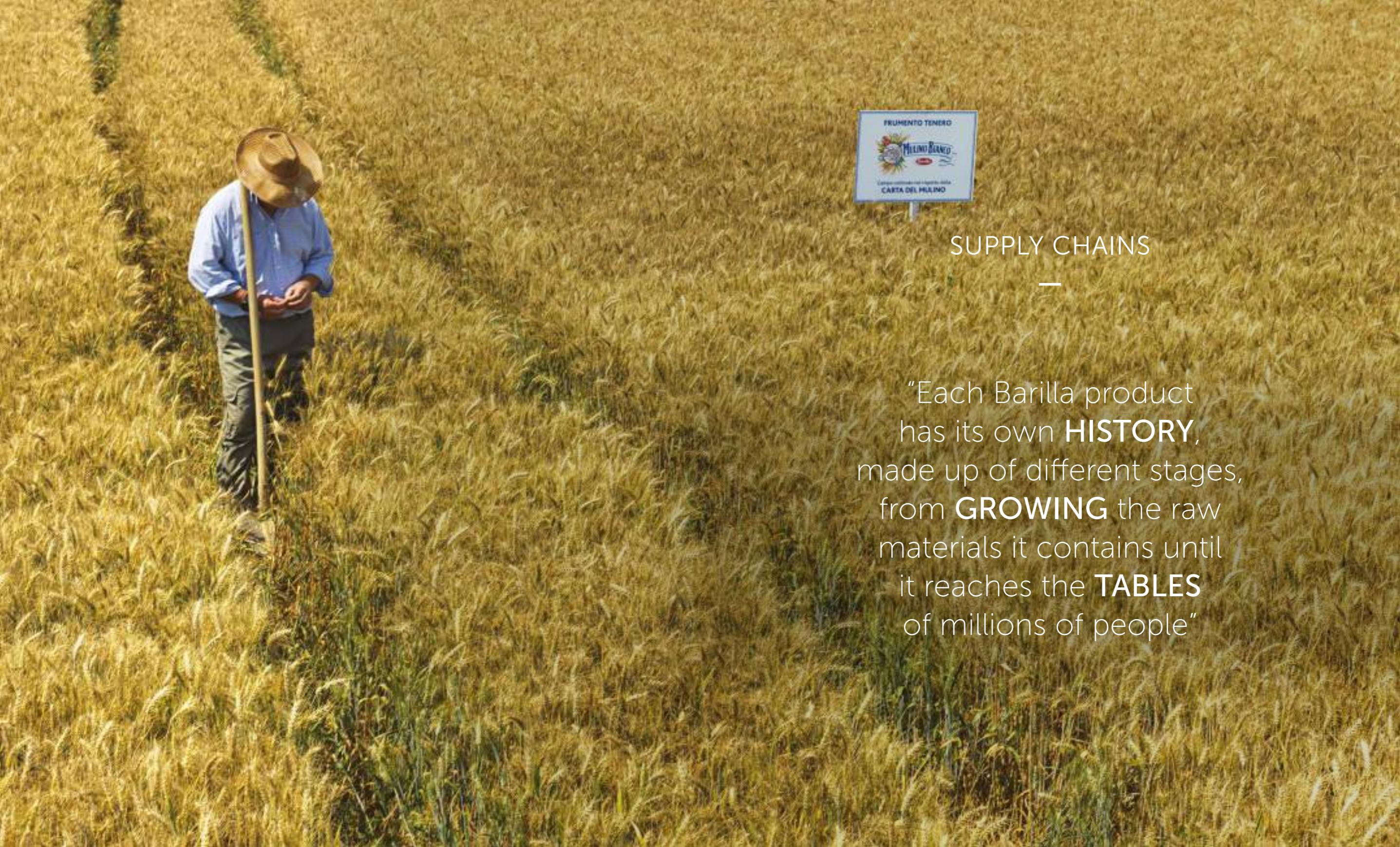


- **1 digital platform** on which consumers can discover the products: **To Give you the Best**, which includes sections on nutrition, on the ingredients used, on animal welfare, and on production and the supply chain.

- **Tour del Mulino**, a tour that enables people to discover how the products are created and the importance of following a healthy, conscious and responsible lifestyle. We have **involved over 200,000 people since 2018**.

- We have set up **digital communication** on the common wheat production and supply chain, to show people the meticulous attention paid to topics such as traceability, biodiversity and the **prime exceptional bonus system** at the base of the supply chain.

*2019 data, unless otherwise specified



SUPPLY CHAINS

"Each Barilla product has its own **HISTORY**, made up of different stages, from **GROWING** the raw materials it contains until it reaches the **TABLES** of millions of people"

QUALITY AND RESPECT

We promote and opt for agricultural and farming practices with a lower impact for each one of the Group's strategic production and supply chains, in order to positively contribute to growers communities and the Planet, also ensuring a fair remuneration.

SUSTAINABLE AGRICULTURE CODE

We have defined the **Sustainable Agriculture Code**, a set of principles to encourage less impactful and innovative agricultural practices in the strategic supply chains: durum wheat, common wheat, semolina, flours, cocoa, tomatoes, and vegetable oils. To date, **53% of raw materials are purchased in line with the principles of the Code, involving almost 9,000 growers**.

- Durum wheat:** in Italy, thanks to the collaboration with HORTA, a spin-off of the *University of Piacenza (Catholic University del Sacro Cuore in Piacenza)*, we introduced: the Decalogue for Sustainable Durum Wheat Cultivation and *Granoduro.net®*, two tools devised to support growers that make it possible to reduce CO₂ emissions by an average of 12% and growers' costs by 11%. Moreover, **Agrosat**, a platform created through the collaboration with the *CNR Institute of Biometeorology of Florence and Foggia*, in Italy, supports growers in managing fertilisation through precision farming techniques.

We have entered into supply chain contracts to guarantee greater price stability for growers and the possibility of

planning with the use of resources. Furthermore, we signed a **Memorandum of Understanding with the Ministry of Agricultural, Food and Forestry Policies** (MIPAAF) to promote the quality and sustainability of Italian durum wheat production and supply chain.

- Common wheat:** we have created two documents, *La Carta del Mulino* and *La Carta di Harrys*, to promote the sustainable development of its supply chain. To date, **over 900 agricultural farms** have been involved (for a total of **over 140,000 tonnes of wheat purchased**).

ANIMAL WELFARE

In 2016, together with *Compassion in World Farming*, we drafted the **Guidelines on Animal Welfare** and we ensured that all suppliers of raw materials of animal origin comply with the highest standards. We have also publicly committed to not testing raw materials and products on animals, either directly or indirectly. **100% of the eggs and meat** that we buy comes from farmers who respect the highest standard of animal welfare.

PACKAGING

To protect products and guarantee their freshness, we use plastic film, glass, paper and virgin fibre cardboard from responsibly managed forests. **99.7% of our packaging is recyclable** and we have committed to reach 100% in the next months.

STORIES AND DATA

- We have launched the **new Barilla pasta made with 100% Italian durum wheat**: a project aimed at enhancing the Italian wheat supply chain and giving life to a quality product, thanks to the collaboration with various actors such as millers, cooperatives and consortia, farmers and institutions.



- We have developed ***La Carta del Mulino***, a decalogue for the sustainable farming of common wheat, with a lower impact on the Planet, reducing the use of chemical substances and safeguarding pollinating insects.
- 500 agricultural farms** have been involved to date and over **80,000 tonnes of common wheat** have been purchased.

- In 2017, we introduced the ***Harrys Charter Moelleux & Responsabile***, our commitment for a **more responsible common wheat supply chain**.
- In 2018 we started the ***Moelleux & Responsabile*** project for the cultivation of sustainable common wheat, which today involves **378 farmers** and the purchase of over **65,000 tons of French soft wheat**.

- Thanks to the project ***Un Sogno Chiamato Cacao***, introduced in 2015, we **purchase 100% of cocoa** by contributing to the projects of the *Cocoa Horizons Foundation*, which aim to improve the quality of life of its growers and communities.

- 100% of the common wheat wholegrain flour** we use originates from sustainable agriculture.
- 100% of the cocoa and chocolate** purchased supports the projects of the *Cocoa Horizons Foundation*.

*2019 data, unless otherwise specified

A photograph of a lush tropical forest. Sunlight filters through the dense canopy of palm trees and other tropical foliage, creating bright highlights and deep shadows. The overall atmosphere is bright and natural.

ENVIRONMENT

"We improve
the **EFFICIENCY OF OUR**
PRODUCTION PROCESSES,
to **MINIMISE OUR IMPACT**
ON THE PLANET"

REDUCE AND OFFSET

The Climate Agreements require urgent attention/reflection and concrete **actions to limit global warming**. We therefore closely monitor the environmental impact of our products, invest in technologies for production processes with a lower impact, and prioritise the use of energy from renewable sources and more sustainable forms of transport.

In 2019, we invested over 8.6 million euros to protect the environment.

ENVIRONMENTAL IMPACT OF PRODUCTS

We regularly analyse the environmental impact of the entire life cycle of our products, using the Life Cycle Assessment (LCA) methodology. To date, 77% of volumes produced are covered by the LCA analysis.

ENERGY FROM RENEWABLE SOURCES

67% of electricity purchased comes from renewable sources with a **Guarantee of Origin** (GO) certificate, an electronic certification that attests the renewable origin of the sources used.

TRANSPORT

We are committed to reducing the amount of wheat and products transported by road and switching to transport methods

which have a lower environmental impact. In Sweden and Germany, the Group increased the share of products transported by train.

In Italy, durum wheat is transported to the Parma plant by the **Treno del Grano** (Wheat Train), the railway hub inaugurated in 2015. This action is supplemented by the collaboration, in early 2020, with Lotras for the transport of durum wheat by train from the Incoronata terminal in Foggia to the Parma plant.

SCIENCE-BASED TARGETS

The Science-Based Targets, a project created through the collaboration of Carbon Disclosure Project, United Nations Global Compact, World Resource Institute and WWF, are science-based objectives for the reduction of greenhouse gas emissions, defined in line with the decarbonisation target set forth by the Climate Agreements.

In 2019 we submitted our reduction goals, committing to guarantee:

- **25% reduction of absolute Scope 1 and 2** greenhouse gas emissions by 2030 (compared to 2017);

- **26% reduction of absolute Scope 3** greenhouse gas emissions by 2030, per tonne of finished product (compared to 2017).

STORIES AND DATA



- Reduced CO₂ emissions by 30% on finished products in our bakeries (since 2010).

CO₂ EMISSIONS FULLY COMPENSATED

- Emissions were reduced by 82% in our bakeries (since 2010) thanks to projects for saving energy, logistics and the purchase of electricity from renewable sources with a *Guarantee of Origin* certificate.
- At the beginning of 2020, the remaining emissions were offset by taking part in:
 - the **Madre de Dios** project to safeguard the rainforest in Peru;
 - a project aiming to guarantee **access to solar energy** in rural areas of India.



CO₂ EMISSIONS FULLY COMPENSATED

- Emissions were reduced by 22% in our bakeries (since 2009) thanks to the optimisation of the production processes.
- The remaining emissions were fully offset by taking part in:
 - the **Floresta da Portel** project, to safeguard one of the Planet's richest ecosystems, in Brazil.
 - a project aiming to guarantee **access to solar energy** in rural areas of India.



CO₂ EMISSIONS FULLY COMPENSATED

- CO₂ emissions were fully offset through a project for the protection of the **Brazil** Amazon forest, on the **island of Marajo**, saving 2,500 hectares from deforestation.
- In Italy, together with Legambiente and AzzeroCO2, we set up the **Boschi di Gran Cereale** (The Forests of Gran Cereale): a project to safeguard, protect and restore six wooded areas, with a total surface area of **13 hectares** and approximately **3,200 plants and shrubs**.

*2019 data, unless otherwise specified

A wide-angle, aerial photograph of Florence, Italy during sunset. The city is bathed in a warm, golden light. In the foreground, the Arno River flows from the bottom left towards the center, with the historic Ponte Vecchio bridge visible. To the right, the iconic dome of the Duomo di Firenze stands prominently. The city's dense network of buildings, streets, and hills is visible in the background under a clear sky.

PEOPLE AND
THE COMMUNITY

"OFFERING our PEOPLE
a STIMULATING
and INCLUSIVE ENVIRONMENT,
and SUPPORTING
COMMUNITIES"

INCLUSION AND SOLIDARITY

BARILLA PEOPLE

Barilla's people **are the soul of the company and we want to ensure that they work in a safe and stimulating environment**, investing in their professional growth, allowing them to balance their work and private lives, and embracing and promoting diversity.

Over the years, we have introduced **services to help balance work and private life**, accessible to all company employees, and we have invested **over 2.4 million euros** during the year on training.

We have taken action to **promote women in business**: today **36% of executives and managers in Barilla are women**. We are also working towards our commitment to gender pay equality globally.

Moreover, we have promoted and supported the establishment of **Employee Resource Groups** (ERG): **15 groups** created by employees for employees and centred around specific types of diversity and inclusion.

Lastly, thanks to the collaboration with the *Tent Foundation*, we are taking part in a **programme for the insertion and training of refugees in offices and plants** in Italy, Germany, Sweden, involving over 60 people to date.

COMMUNITY

Over the years, **we have strengthened relationships with the local areas where we live and operate, by supporting communities and implementing projects to favour social inclusion and access to food**.

Our support that is provided through sponsorships, donations of money and products, also thanks to the cooperation with local authorities, local companies, charities, and non-profit associations.

In this context, during 2019 we donated over **2,255,000 euros**, as well as **1,100 tonnes of product**. Some of the main associations with which we worked include: **Banco Alimentare**, the **Civil Protection Department** and the **Red Cross** in Italy; **Food Bank New York**, **Food Bank Texas** and **Feeding America** in the United States; **Bancos de Alimentos** in Brazil; **Food Bank Australia**; **TIDER Food Bank** in Turkey; **Banque Alimentaire** and **Restos du Coeur** in France, and **Food Bank** in Germany.

Lastly, throughout the year, **we opened our plants to over 10,000 people**.

STORIES AND DATA

Barilla has always endeavoured to **support the communities in which it operates**. During the Coronavirus emergency, this support has taken the form of a series of concrete actions in many countries where the Group has a presence, for a total of **over 3,5 million euros donated**.

In particular:



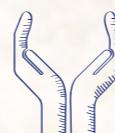
- PRODUCT DONATIONS:** over **800 tonnes**, for people in difficulty as well as for first-line healthcare staff, for the *Red Cross* and charities such as food banks, and in support of solidarity initiatives organised by associations or individual chefs.



- DONATIONS OF MEDICAL SUPPLIES:** ventilators, masks, sanitisers and other medical supplies were donated to hospitals, to the *Red Cross* and to bodies such as the Italian *Civil Protection Department*.



- CHARITABLE PAYMENTS:** over **2 million euros** to directly support and strengthen some medical facilities, such as Parma's *Ospedale Maggiore Hospital*, or for the purchase of useful materials and digital equipment for home-schooled children.



- FINANCIAL SUPPORT TO RESEARCH:** a donation of **500,000 dollars** to *The Cure Alliance*, intended to fund a cure for Covid-19 based on mesenchymal stem cells, developed by an international team of scientists led by the Italian Camillo Ricordi.

*data updated to 31 May, 2020

2030 AGENDA

GOOD FOR YOU

Barilla has set concrete goals for the coming years to concretely contribute to the **UNITED NATIONS' GLOBAL AGENDA 2030** and the **SUSTAINABLE DEVELOPMENT GOALS (SDGs)**. With a view to continuous improvement, **IN 2020 WE STARTED REDEFINING OUR GOALS**.

GOOD FOR THE PLANET

AREA	GOAL	2019	AREA	GOAL	2019
SELECTED RAW MATERIALS	By 2030, 100% of RAW MATERIALS SUPPLIERS to be certified to an international food safety standard recognized by the <i>Global Food Safety Initiative (GFSI)</i> .	82%	SUSTAINABLE AGRICULTURE	By 2020 responsibly purchase of 100% STRATEGIC RAW MATERIALS , in line with the BARILLA CODE OF SUSTAINABLE AGRICULTURE .	53%
SAFE PRODUCTS	By 2020, 100% of BARILLA PLANTS TO BE CERTIFIED to the international food safety standard FSSC 22000.	100%	Of which: Durum Wheat Semolina Tomato Cocoa Sunflower oil Flour	49% 58% 98% 94% 97% 48%	
IMPROVED NUTRITIONAL PROFILES	By 2020, 90% OF THE TOTAL VOLUME OF PRODUCTS to be in line with BARILLA NUTRITIONAL GUIDELINES . By 2030, ensure that 85% of BAKERY PRODUCTS sold in single portions contain no more than 150 Kcal. By 2030, ensure that "better for you" products, such as wholegrain, high-fiber and high-protein items, account for at least 30% of BARILLA TOTAL VOLUMES .	86% 70% 14.4%	SUSTAINABLE PRODUCTION	By 2020, reduce CO₂ EMISSIONS per tonne of product by 30% compared with 2010. By 2020, reduce WATER CONSUMPTION per tonne of product by 30% compared with 2010.	-30% -21%
			RECYCLABILITY AND WASTE	By 2020, ensure that 100% OF PACKAGING is responsibly purchased, in line with the BARILLA GLOBAL PACKAGING POLICY . By 2020, achieve the TARGET of ZERO WASTE TO LANDFILL at our plants.	99.7% <10%
			ANIMAL AND SOCIAL WELFARE	By 2020, purchase 100% of eggs and meat with high levels of animal welfare. Reach level 2 of the <i>Business Benchmark on Farm Animal Welfare (BBFAW)</i> . By 2020, at least 10,000 FARMERS involved in the Barilla Sustainable Agriculture Program.	Eggs 100% Meat 100% Level 3 Almost 9,000



In line with our commitment to being good for the Planet, this Report is printed in a limited number of copies, using FSC® certified paper.

The FSC certification mark guarantees that the production and supply chain is managed with the greatest respect for the environment is socially useful and economically sustainable.

The FSC forest management standards include the protection of water quality, prohibit cutting down old-growth forests, prevent the loss of natural forest cover, and ban the use of highly toxic chemical products. In addition, FSC expects forest managers to involve the members of the local communities in the decision-making processes and to protect the rights of indigenous populations.

FSC also requires that the results of the certification audits are published, even if they refer to private property.



"You are, we are the Forest Stewardship Council®"

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BARILLA GROUP

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VAT number 01654010345

Tel. +39 0521 2621

Fax + 39 0521 270621

e-mail goodforyougoodfortheplanet@barilla.com

www.barillagroup.com

