

GOOD FOR YOU GOOD FOR THE PLANET

2019 REPORT

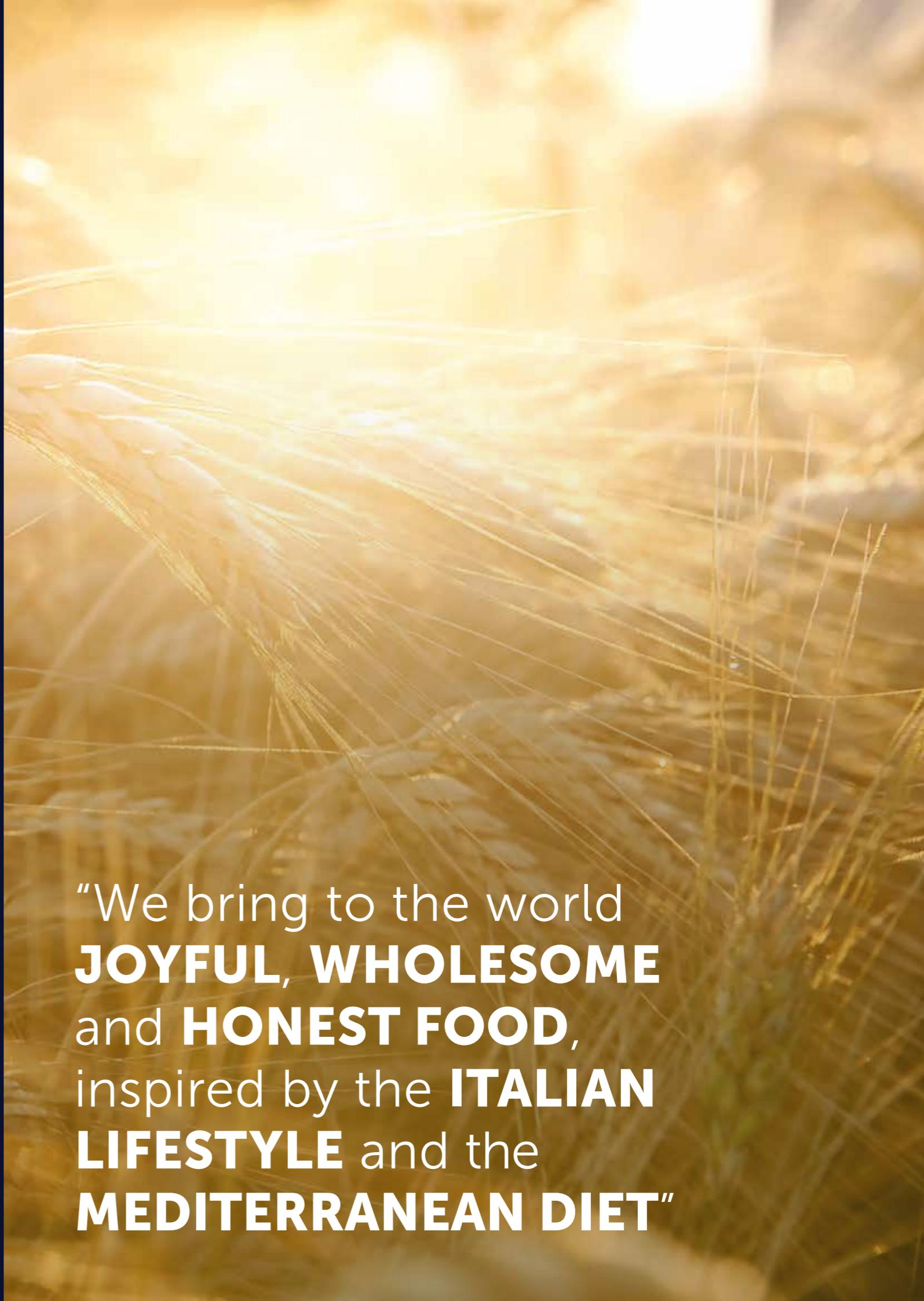


Barilla
The Italian Food Company. Since 1877.

The “**Good for You, Good for the Planet**” report is the tool used by Barilla to share the path taken by the Company with society at large, in line with the United Nations’ Sustainable Development Goals, part of the 2030 Agenda. In addition, the report outlines the key results achieved to date and the road mapped out for the years to come.

The information and data provided relate to **Barilla G. e R. Fratelli S.p.A.** for the period 1st January – 31st December 2018, unless otherwise stated.

Discover more on the Group’s website: www.barillagroup.com



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

INDEX

04

VALUE FOR PEOPLE AND FOR SOCIETY AS A WHOLE

06

WHO WE ARE AND WHO WE WANT TO BE

08

BARILLA GROUP

Group profile
Values
Awards

22

GOVERNANCE

Our model
The Code of Ethics
Fighting corruption
Risk management

36

HOW WE RESPOND TO GLOBAL CHALLENGES

International scenario
Consumer goods sector
BCFN Foundation
Contribution to the 2030 Agenda
Discover our brands

62

RESPONSIBLE STRATEGY

Materiality analysis
Global goals and Barilla
Stakeholder engagement

78

GOOD FOR YOU

Nutrition
Food quality and safety
Responsible marketing
Food education

98

GOOD FOR THE PLANET

Responsible supply chains
Protection of animal welfare
Management of packaging materials
Production

140

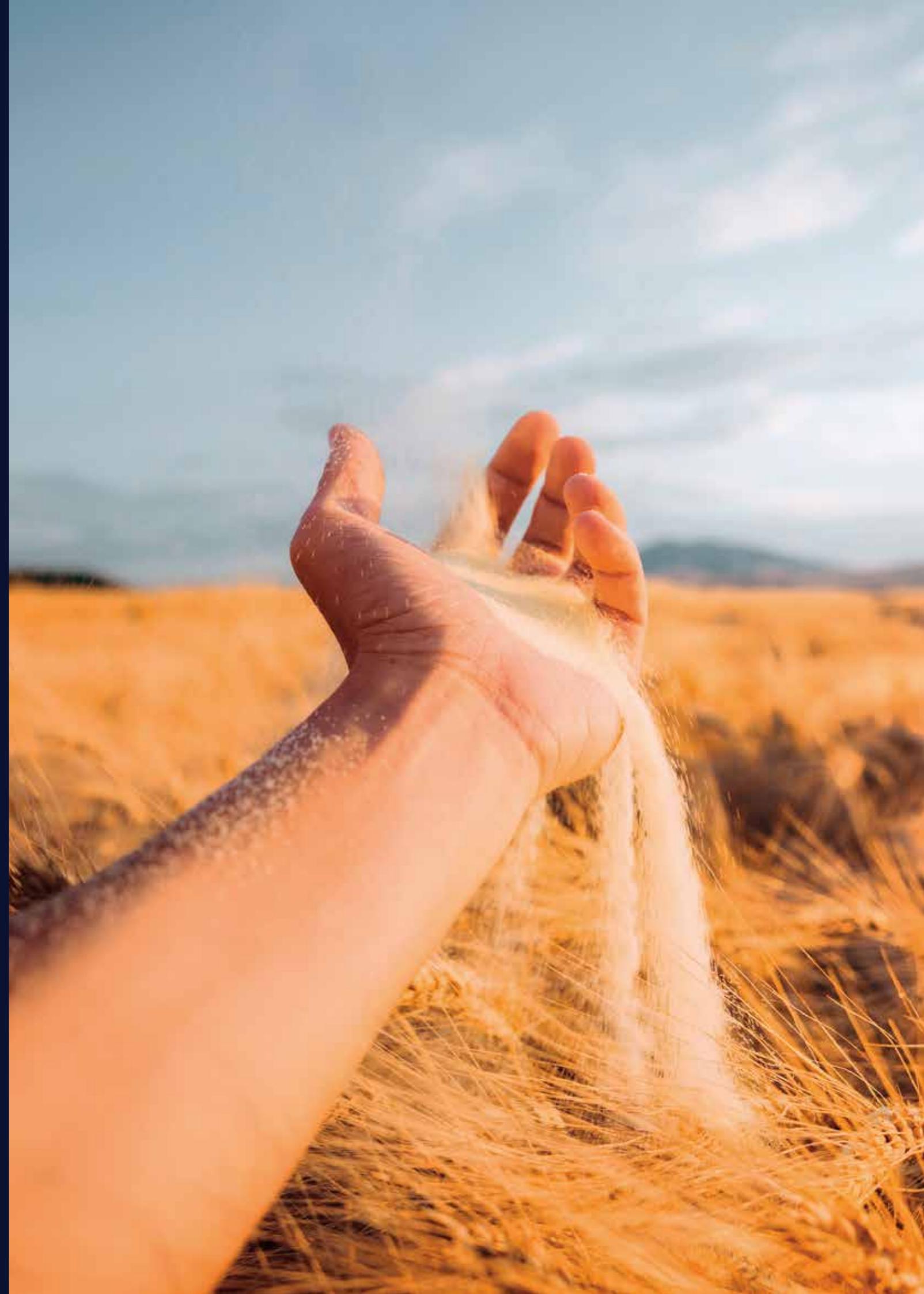
DIVERSITY AND INCLUSION

Barilla People
Wellbeing of employees
Attracting and developing talents
Training and communication
People's health and safety
Trade Union Relations
Inclusion of communities

170

ANNEX

Methodological note
GRI Index



VALUE FOR PEOPLE AND FOR SOCIETY AS A WHOLE

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

Last year, 2018, marked the 25th anniversary of the passing of our father, Pietro, which also prompted a moment of reflection on how far Barilla has come since then. One of the many valuable things our father passed on to us was the leading by example of taking care of one's neighbour and community. Following in his footsteps, we strive to carry on his work, going beyond the set boundaries to tackle issues that have become extremely important and require urgent attention.

We do this by **promoting** the importance of **territories**, by **sharing** our **experience** and **skills** with the people who live there, by launching or participating in projects that improve the **quality of life** and by offering close and fruitful **partnerships** with the **farmers** who supply the best raw materials for our products.

In recent years, inspired by the Barilla Mission "**Good for You, Good for the Planet**", we have made important progress, offering **products** with significantly **improved nutritional profiles**. We have developed **educational projects** and other initiatives on healthy lifestyles in partnership with qualified public and private operators; we have further reduced the **environmental impact** of our work; we have opened our factories to the public and, embracing full transparency, showed them how our products go from field to fork, covering the entire Barilla supply chain.

We are also aware that, despite continuous progress, we can always improve.

The **challenges** we face are **increasingly pressing** and **delicate**. Climate change, the exploitation of natural resources, food security and unhealthy eating habits are always at the forefront of our minds, as we are all too aware that "**the Planet is on fire**" and there is no more time to waste.

We believe that the most important mission for human beings and organisations is to leave a positive mark on the world, as a virtuous example of behaviour in the interest of the greater good of future generations and the Planet.

Today more than ever, every person on Earth has the chance to play their part, even by simply doing the right thing. That is what Barilla, together with all its invaluable human resources, is committed to doing.

Guido Barilla Luca Barilla Paolo Barilla



WHO WE ARE AND WHO WE WANT TO BE

CLAUDIO COLZANI, Chief Executive Officer

WHAT DID 2018 REPRESENT FOR BARILLA?

Last year, 2018, represented for the Group another year of **encouraging results**, thanks to all the people that choose our products everyday, appreciating and enhancing our way of doing business.

This allowed us to record **positive results** in all the regions in which we operate. In terms of products, we have achieved positive results in the **pasta** category at global level, confirming our leadership worldwide. The **sauce** category also registered very good results, thanks to the efforts of the

+1%
in terms
of volumes

+3%
in terms
of turnover

2018:
another year of
encouraging results

(NET OF EXCHANGE RATE EFFECTS)

IN AN EVER MORE CHALLENGING NATIONAL AND INTERNATIONAL ENVIRONMENT, HOW IS BARILLA DOING?

We are aware that **food** is not only what we eat: it **reflects on people's quality of life**, on the **wellbeing of animals** and the **Planet**.

Our Mission "**Good for You, Good for the Planet**" represents a solid point that guides us constantly and allows us to undertake new paths quickly and decisively.

In this direction, we have invested money and resources to **improve the nutritional profile of existing products**. First of all by completely eliminating palm oil from all our breads and bakery goods, extending a project started in 2015 with our Harrys brand products.

In addition, we have introduced new products rich in fiber or based on leg-

umes, with no added sugars or lower salt, fat and saturated fat content. We have worked on the supply chains of our most important raw materials to make a positive **contribution to farmers, communities and the Planet**.

Today we engage with over 5,000 companies through cultivation contracts, ensuring a fair price to farmers and guaranteeing premiums for high quality.

We ensure that all our suppliers of raw materials of animal origin comply with the highest standards, in compliance with the **Barilla Guidelines on Animal Welfare**. To this end, Barilla has publicly committed itself not to test raw materials or products on animals, either directly or indirectly.

GIVEN THE FUTURE CHALLENGES FOR MANY YEARS TO COME, WHAT ARE THE NEXT STEPS?

We have set ourselves **challenging goals** for the years to come: some will concern our daily choices, others will require our commitment and dedication over a longer period of time.

In line with our Mission, I am pleased to announce that **Wasa** has become a **CO₂ compensated brand** and very soon other Barilla brands will follow the same path. Furthermore, we have embarked on a

virtuous path in terms of **recyclability** and we are working to become the first company in the world with 100% recyclable product packages. Finally, we are working to guarantee our People a **stimulating, flexible** and **inclusive work environment**. As part of our commitment to diversity and inclusion, we are working on eliminating the gender pay gap.

BARILLA GROUP

- 3.1 Group profile
- 3.2 Values
- 3.3 Awards



3.1 GROUP PROFILE

A **passion** for **quality**, a continuous search for **excellent recipes** and the ability to combine **tradition** and **innovation** have led a small shop, set up in Parma in 1877 to produce bread and pasta, to become the world leader in the pasta market, ready-made sauces in Continental Europe, bakery products in Italy and crispbreads in the Nordic countries.

The Group has set up an organisational structure which identifies the operating sub-holding Barilla G. and R. Fratelli S.p.A. as the company dedicated to the production of pasta, sauces and bakery products, at national and international level.

THE GROUP'S BRANDS



EMPLOYEES

8,358 (2017)

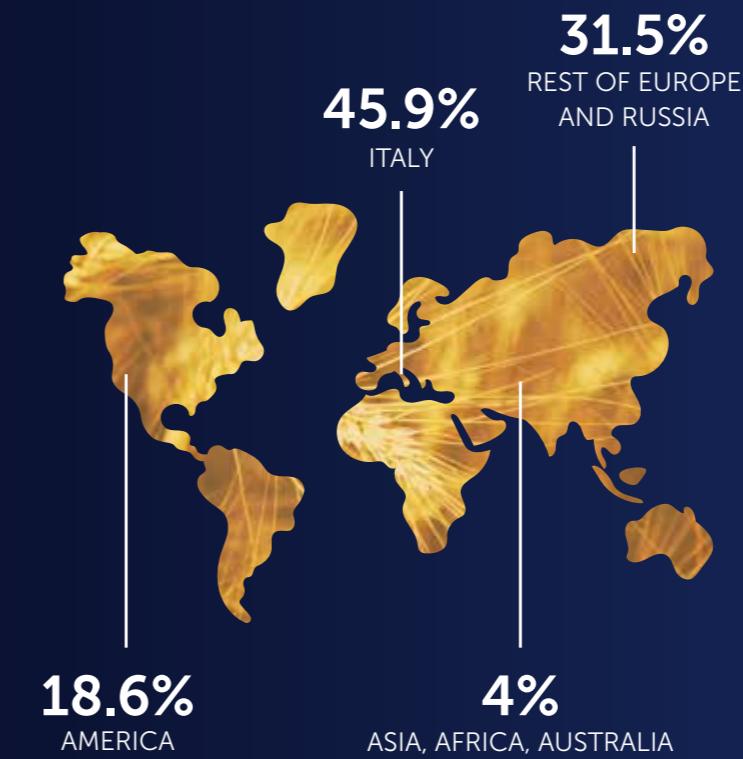
8,427 (2018)

TURNOVER* (MILLION EUROS)



*(NET OF EXCHANGE RATE EFFECTS)

GEOGRAPHICAL AREAS (TURNOVER)



PRODUCT CATEGORIES (TURNOVER)



PASTA: WORLD LEADER*
READY SAUCES: LEADER IN CONTINENTAL EUROPE**

BAKERY PRODUCTS: LEADER IN ITALY*

SOFT BREADS: LEADER IN FRANCE*

CRISPBREADS: LEADER IN SCANDINAVIA AND CENTRAL EUROPE*

*SHARE BY VOLUME (units sold by the company/total units sold on the market) **SHARE BY VALUE (company turnover/total market turnover)

BARILLA WORLDWIDE

We have **28 PRODUCTION SITES**,
14 in **ITALY** and **14 ABROAD**,
which produce over **1,900,000**
TONNES of food products every
year, which we export to over
100 COUNTRIES.

100
COUNTRIES

16
BRANDS

4
CONTINENTS

28
PRODUCTION
SITES

14 IN **ITALY**
14 ABROAD



UNITED STATES	CANADA	MEXICO	BRAZIL	EUROPE	ITALY	TURKEY	ARAB EMIRATES	RUSSIA	SINGAPORE	JAPAN
1	1	1	1	2	5	1	1	1	1	1
1		1		15	2	1		1	1	1
2				8	10	1		1		
2				1						
1										



LEGEND

- MILLS
- PLANTS
- OFFICES
- RESTAURANTS
- CUSTOMER COLLABORATION CENTER

ITALY

PRODUCTION PLANTS	SURFACE AREA	HOURS WORKED
Pedrignano Foggia Caserta Rubbiano Ascoli Castiglione Cremona Melfi Novara	2,893,000 sq. m	4,737,000
BRANDS PRODUCED	EMPLOYEES	PRODUCTION
GREENHOUSE GAS EMISSIONS		
Barilla Voiello Mulino Bianco Pavesi Gran Cereale Pan di Stelle Wasa	Scope 1 Scope 2 CO ₂ emissions per tonne of finished product	113,198 t.CO ₂ eq 115,248 t.CO ₂ eq 0.22 t.
WATER USE		
	Water drawn	1,791,431 m ³
	Water drawn per tonne of finished product	1.72 m ³ /t.

REST OF EUROPE AND RUSSIA

PRODUCTION PLANTS	SURFACE AREA	HOURS WORKED
France Malterie StVulbas Talmont Valenciennes Gauchy Sweden Filipstad Russia Solne Germany Celle Greece Thiva	960,000 sq. m	2,995,000
BRANDS PRODUCED	EMPLOYEES	PRODUCTION
Barilla Mulino Bianco Harrys Misko Wasa	2,054	265,000 t.
GREENHOUSE GAS EMISSIONS		
	Scope 1 Scope 2 CO ₂ emissions per tonne of finished product	24,346 t.CO ₂ eq 21,264 t.CO ₂ eq 0.15 t.
WATER USE		
	Water drawn	338,428 m ³
	Water drawn per tonne of finished product	1.09 m ³ /t.

AMERICA

PRODUCTION PLANTS			SURFACE AREA	HOURS WORKED
United States				
Ames				
Avon				
Mexico	St. Luis	757,000 sq. m	1,285	
BRANDS PRODUCED		EMPLOYEES	PRODUCTION	
Barilla Vesta Yemina		588	303,000 t.	
	GREENHOUSE GAS EMISSIONS			
		Scope 1	31,271 t.CO ₂ eq	
		Scope 2	48,970 t.CO ₂ eq	
		CO ₂ emissions per tonne of finished product	0.26 t.	
	WATER USE			
		Water drawn	254,262 m ³	
		Water drawn per tonne of finished product	0.84 m ³ /t.	

PRODUCTION PLANTS			SURFACE AREA	HOURS WORKED
Turkey		Bolu	140,000 sq. m	427
BRANDS PRODUCED		EMPLOYEES	PRODUCTION	
		143	88,000 t.	
GREENHOUSE GAS EMISSIONS				
		Scope 1	6,945 t.CO ₂ eq	
		Scope 2	11,612 t.CO ₂ eq	
		CO ₂ emissions per tonne of finished product	0.21 t.	
WATER USE				
		Water drawn	65,352 m ³	
		Water drawn per tonne of finished product	0.74 m ³ /t.	

3.2 VALUES

OUR VALUES ARE THE INGREDIENTS THAT CHARACTERISE AND ENRICH THE GROUP'S CHOICES AND ACTIONS EVERY DAY AND INSPIRE THE ACTIVITY OF ALL OUR PEOPLE.



Barilla People work with **PASSION** to offer everyone tasty, nutritionally-balanced and high quality products.



The Barilla Group looks to the future with **COURAGE** by promoting the constant development and innovation of its People, relationships and company.



Barilla People are an inexhaustible source of passion and **INTELLECTUAL CURIOSITY**, who work with professionalism every day to do ever more, ever better.



For the Barilla Group, it is vitally important to establish a relationship of **TRUST** and respect with consumers, stakeholders and all its People, anywhere in the world.



Our employees work according to the **BARILLA "STYLE"**, with diligence, dignity and respect for their profession, drawing inspiration from the principles and values shared within the Code of Ethics, including **INTEGRITY**.



3.4 AWARDS



Barilla was awarded first prize at the ***Disability Matters Europe Conference & Awards***, in the Steps to Success category, for its Hackability@Barilla project, in which the company demonstrates its economic and planning commitment to issues of diversity and inclusion.



The ***Human Rights Campaign (HRC)*** organisation in the United States drew up the *Corporate Equality Index* report for 2018. This index is a national assessment tool for company policies regarding lesbian, gay, bisexual and transgender (LGBT) employees. Based on the results achieved, the HRC awarded Barilla America a 100% index score.



The ***Cradle Foundation*** awarded Barilla America the *Silver Cradle Award* for the support given to adoptions by the company's employees.



The constant commitment and sensitivity shown by the Barilla People and the Company in favour of adoptions earned Barilla America the ***Best Adoption-Friendly workplace*** award from the *Dave Thomas Foundation for Adoption*.



Barilla confirms its leadership position in the report of the global business ***benchmark on farm animal welfare BBFAW***, the only Italian company to occupy level 3 on the pyramid.



Barilla has been awarded among the 20 most inclusive companies by the ***Diversity Brand Index***, that is a research conducted by *Diversity and Focus Management*, aimed at measuring the ability of brands to effectively develop a Diversity & Inclusion oriented culture.



The ***UN Refugee Agency (UNHCR)*** has awarded several Italian companies, including Barilla, for having promoted and supported the social and professional integration of refugees during 2018.



GOVERNANCE

- 4.1 Our model
- 4.2 The Code of Ethics
- 4.3 Fighting corruption
- 4.4 Risk management



4.1 OUR MODEL

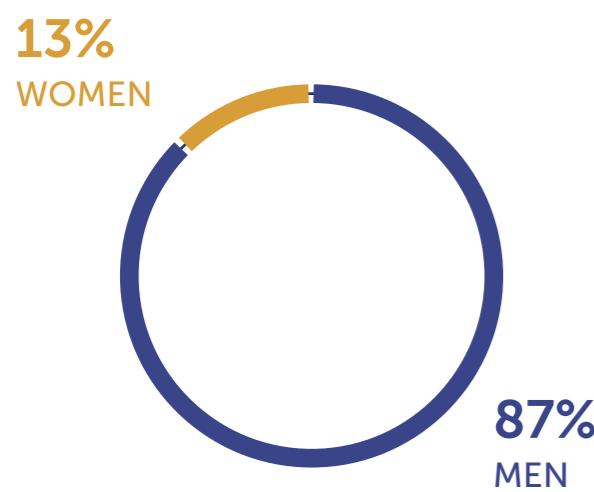
The Barilla Group has a conventional administration and control system which includes:

- **A BOARD OF DIRECTORS**, consisting of eight directors, including two executive and independent, two executive and four non-executive ones. The Board provides for the ordinary and extraordinary management of the company and defines the strategic guidelines, assessing the appropriateness of the organisational, administrative and accounting structure and the general performance of management.
- **THE BOARD OF STATUTORY AUDITORS**, consisting of five statutory audi-

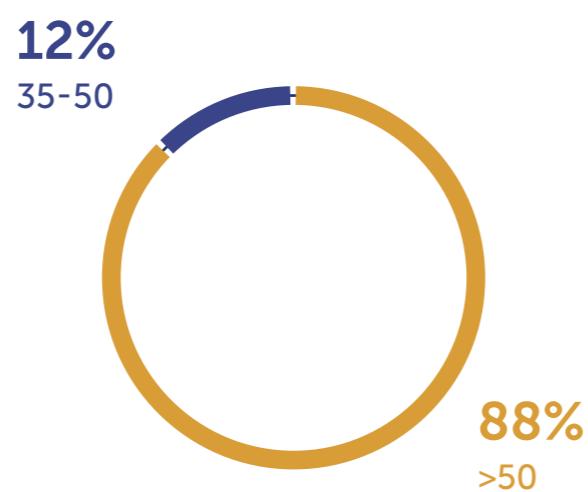
tors appointed for three financial years, which oversees compliance with the law, the articles of association and the principles of correct administration.

- **THE SHAREHOLDERS' ASSEMBLY**, which is responsible for appointing the members of the Board of Directors and the Board of Statutory Auditors, and for approving the Financial Statements. At the top of the company, the Chairman and Vice-Chairmen guarantee that the Group's sustainability Mission is understood, developed and in keeping with the values that guide the company's operations.

COMPOSITION OF THE BOARD OF DIRECTORS, IN TERMS OF GENDER



COMPOSITION OF THE BOARD OF DIRECTORS, IN TERMS OF AGE



SUSTAINABILITY GOVERNANCE

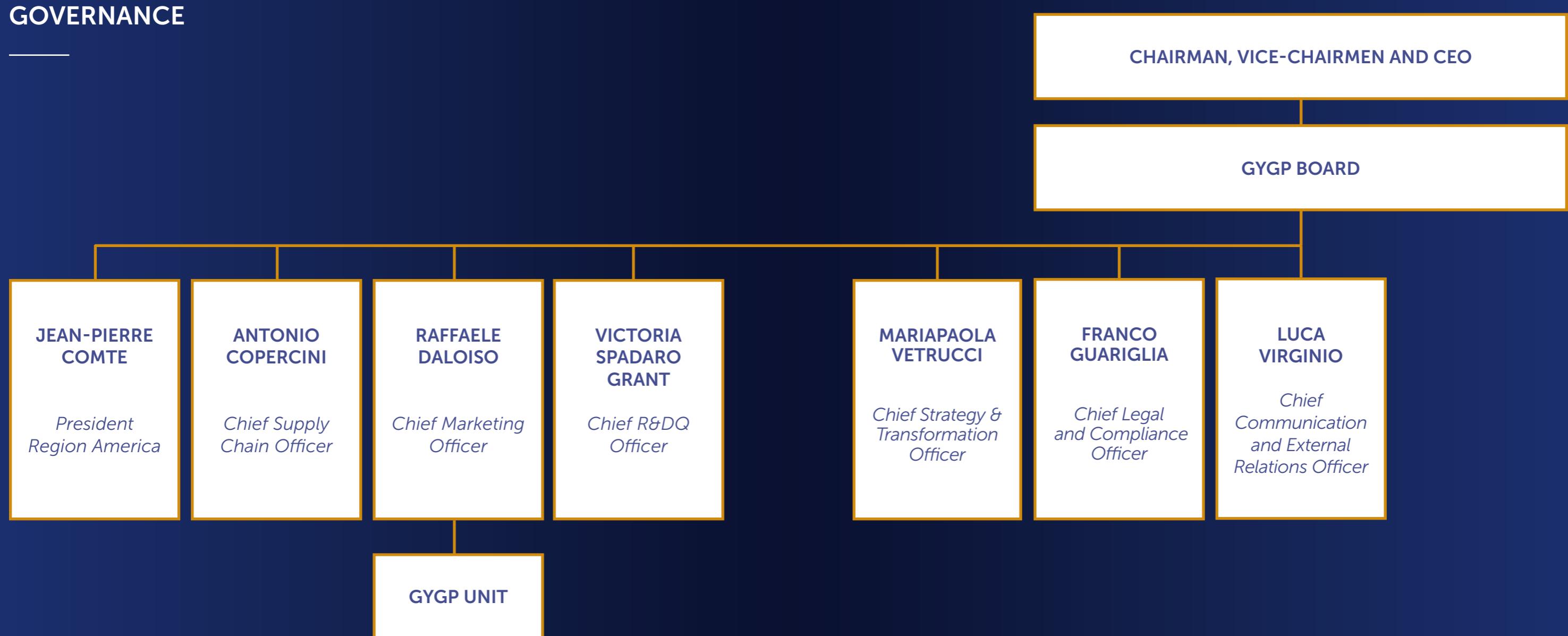
At the top of the Company, the **Chairman and Vice-Chairmen** guarantee that the Group's Mission is understood, developed and in line with the values of the company. The **Management Committee**, consisting of the **CEO** and the managers who report to him, defines the development strategies and assesses consistency with the established objectives, verifying the progress made.

The task of identifying strategies and guidelines, as well as identifying sustainable development projects and monitoring the specific sustainability risks, is car-

ried out at Group level by a special **GYGP Board** (*Good for You, Good for the Planet Board*), coordinated by the **GYGP Unit**, which operates within Global Marketing.

The Board consists of the CEO's front line executives. Furthermore, a specific **GYGP**

GOVERNANCE



4.2 THE CODE OF ETHICS

Barilla's **Code of Ethics** is the foundation of the Group's Governance structure, it guides the actions and decisions of the company and of all those acting on its behalf.

This Code is aimed at all Group stakeholders and describes the rules of conduct intended to support sustainable growth and protect the company's reputation, in compliance with the principles and values that have always characterised Barilla and which are shared at Group level throughout the world.

Respect for and compliance with the principles of the Code of Ethics are promoted through specific training programs for Barilla People, awareness-raising activities on ethical values and rules and appropriate communication activities.

The Barilla Code of Ethics is also an integral part of the Organisation, Management and Control Model adopted by the Barilla Group in compliance with the Legislative Decree 231/2001. This is because Barilla is aware that integrity and ethical values are essential aspects of business operations.

Compliance with the Code of Ethics and the Organisational Model is guaranteed by the Barilla Group Supervisory Body, which carries out specific supervisory and monitoring activities. Barilla's Supervisory Body is a collective body made up of two members

from within the Group and an external one, appointed to guarantee the autonomy, independence, professionalism and continuity of action of the Body.

During 2018, the Group also set up the *Ethics and Compliance Committee*, with the aim of strengthening the culture of ethics and corporate compliance and ensuring the uniformity of compliance management throughout the Group, through constant improvement of the efficiency and effectiveness of the compliance systems present in the various Barilla organisations around the world.

In order to allow all employees to report abnormal behaviour and presumed or actual violations of the *Code of Ethics* or current regulations, Barilla has set up a Group-wide *whistleblowing system*. Thanks to this tool, through a dedicated e-mail account, the Company is able to accurately manage and quickly verify any reported violations, take appropriate measures and guarantee the anonymity of the person making the report. Over the course of the year, the Group also implemented a new digital *whistleblowing* platform, in order to supply all stakeholders with an additional innovative tool to report any violations or unethical behaviour to *Barilla's Ethics and Compliance Committee*.

4.3 FIGHTING CORRUPTION

Barilla does not tolerate any form of corruption, whether active or passive, and **undertakes to comply with the anti-corruption laws in all the countries in which it operates**.

To this end, the Group is committed to implementing all the **measures needed to prevent and avoid corruption and bribery**, thus maintaining the highest standards of integrity.

In particular, in addition to the governance tools adopted for the purpose of identifying, preventing and controlling corruption risks, such as the *Organisational Model 231* and the *Code of Ethics*, Barilla has issued the **Anti-Bribery Corporate Policy**. This policy defines precise guidelines for behaviour aimed at all Barilla People employed in activities at risk of committing this offence. In support of this policy, Barilla has also implemented a new IT tool in its purchasing processes that allows the Group to identify suppliers previously involved in cases of corruption.

In addition to the anti-corruption policy, Barilla has issued:

- **THE ANTI-FRAUD POLICY**, aimed at improving knowledge and aware-

ness among all the people who work for Barilla of the risk of fraud and at strengthening the internal management and prevention system. The roles and responsibilities of each corporate function in identifying and managing fraudulent incidents are also defined within the document.

- **THE POLICY ON THE MANAGEMENT OF GIFTS** (*Receiving Gifts and Entertainment Corporate Policy/Offering Gifts and Entertainment Corporate Policy*), consisting of two documents that establish specific guidelines for the management of gifts offered and received by people working on behalf of Barilla, establishing in particular a maximum value threshold above which gifts are not allowed to be given or received.
- **THE POLICY ON DONATIONS**, within which the Group outlines the requirements that non-profit and charitable organisations must meet in order to receive products and donations from Barilla and its employees.

Any risks or cases of corruption must be reported using the dedicated email address ethics_compliance@barilla.com or

the new online whistleblowing portal. During 2018, the Group received no reports of corruption. A further preventive measure taken to reduce the risk of the crime of corruption being committed is the

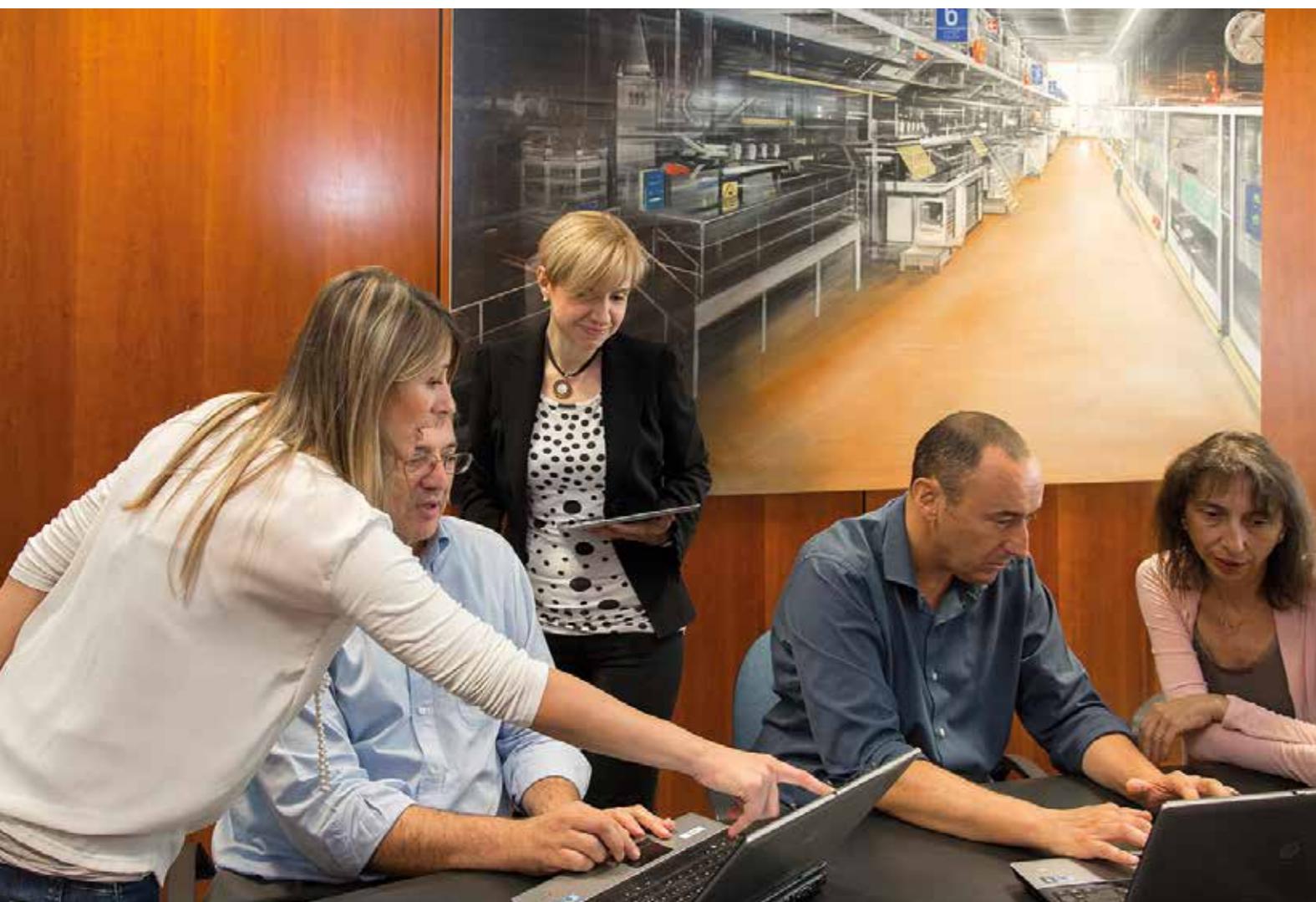
staff awareness and training activities on the subject. Over the course of the year, the Group involved 2,410 employees in training and information activities on the subject of fighting corruption.

ASSESSMENT OF PROCESSES AT RISK OF CORRUPTION

In Italy, in the context of activities carried out to map the risks connected with Legislative Decree 231, **Barilla assessed 21 company processes**, around 78% of the total processes mapped, as being **most exposed to the risk of corruption** and therefore monitors them scrupulously. In

particular, the analysis carried out concerned:

- relations with Public Administration;
- raw material purchasing processes;
- product sales processes;
- staff selection and hiring activities.



4.4 RISK MANAGEMENT

Barilla adopts an **integrated risk management model** (*Enterprise Risk Management, ERM*) which requires the cooperation of all company organisational units. **The aim of this model is to ensure comprehensive mapping of the risks to which the company is exposed, measuring and classifying them with common metrics aimed at prioritising them** and ensuring that they are managed and monitored, sharing this with senior management.

The Barilla *Board of Directors* plays an active role in ensuring the correct implementation of this model, as it is directly involved in defining the risk governance system as well as in identifying and validating the main risks to which Barilla is exposed. The integrated risk management system adopted by the Group consists of two fundamental elements:

- **THE RISK GOVERNANCE MODEL**, which defines the roles and responsibilities within the entire company organisation that are needed to ensure that the Group correctly identifies and manages the main risks that can hinder the achievement of business objectives.
- **THE RISK MANAGEMENT PROCESS**, which involves performing an annual risk assessment, during which the risks

are identified, evaluated and classified in order of priority. Following this evaluation, the Group also defines the action plan for managing the identified risks and the related monitoring activities. This control activity allows the company to assess the effectiveness of the action plans themselves and the adequacy of the monitoring of the mapped risks. Furthermore, in order to monitor the most critical exposures and the implementation of planned containment measures, an update of the risk profile is periodically presented to the senior management.

The Barilla model also provides that, for each business area for which a risk has been identified, a manager (risk owner) is assigned who is entrusted with the task of supervising and managing the risk. The identified risks are included in a specific database, the **Risk Register**, which is constantly updated.

The results of ERM's activities are also periodically brought to the attention of the Board of Directors which, at least annually, assesses the company's level of exposure to the risks, approves action plans for risk management and, if necessary, requires activities to be carried out to improve the ERM process.

THE ENTERPRISE RISK MANAGEMENT PROJECT

During 2017, the Barilla Group launched a **three-year project aimed at perfecting the Company's risk management system**, starting from a review of the risk governance model and the risk assessment methodology.

As part of the project, a risk analysis activity was carried out, involving the top management of the company, aimed at identifying the main financial and non-financial risks with potential impacts on Barilla's business. The activities related to this project continued during 2018 and mainly concerned:

- further development of the risk assessment methodology, with a main focus on their quantification;
- strengthening of the correlation between business strategy and risks;
- completion of the mapping of ESG (*Environmental, Social and Governance*) risks;
- identification of the main emerging risks for Barilla deriving from the Italian macroeconomic scenario, climate change and the main global consumption trends.

In particular, the analysis conducted led to the potential risks attributable to the Group's *Good for You, Good for the Planet* Mission being identified in the following areas:

RISKS RELATED TO CORRUPTION AND FRAUD

This includes **risks related to Barilla's administrative responsibility in the event of violations of anti-corruption rules**. The Group constantly monitors the risks associated with corruption and fraud crimes, maintaining a "zero tolerance" approach to unethical attitudes and violation of the regulations in force in these areas.

In order to mitigate any risks of corruption, Barilla has issued its own anti-corruption policy and actively promotes the adoption by everyone who works for the Group of attitudes that comply with the standards of behaviour defined in the Code of Ethics, based on the principles of transparency and honesty.

Furthermore, the Group has established an anti-fraud control policy aimed at strengthening internal awareness and knowledge regarding the risk of fraud, as well as improving the internal control system for preventing and identifying it.

As a further safeguard against the risks associated with corruption, Barilla carries out periodic audits performed by the Internal Audit function on various company processes, as well as carrying out legal checks during the process of hiring new people to the Company. Finally, the Group has established a specific *whistleblowing* system available to all stakeholders for reporting any cases of corruption or fraud.

ENVIRONMENTAL RISKS

Barilla periodically monitors the **risks associated with its production activities that may generate a negative impact on the environment**, focusing in particular on the following factors: direct and indirect emissions of greenhouse gases derived from burning fuels and the use of electricity; the use of water resources within production processes; the use of non-renewable raw materials, particularly plastic, in the packaging of products; and the production of waste resulting in particular from production waste and product packaging. Barilla monitors the environmental footprint of its products throughout their life cycle and actively supports farmers in the supply chain in adopting sustainable agricultural practices.

Over the last few years, the significance of risks associated with climate change and the consequent negative effects on the supply of raw materials has increased. In this context, the Group has identified potential critical issues related to a reduction in agricultural production volumes and an increase in the volatility of raw material prices. The increase in CO₂ emissions into the atmosphere and rising global temperatures could have negative effects on agricultural yields and grain quality, a strategic and fundamental raw material for Barilla products.

In order to mitigate the risks associated with climate change, the Group has played an active role for many years in sustainable farming initiatives and actively collaborates with universities and research centres to develop new agricultural techniques capable of safeguarding the natural environment.

RISKS RELATED TO PERSONNEL MANAGEMENT

The **main risks** identified by Barilla **in the management of human resources relate to the difficulty of attracting new talents**, particularly in the fields of technology and engineering; the **loss of people in important positions in the organisation**; **protecting the health and safety of people in the workplace**; and the **low perception by employees of the Group's commitment to diversity and inclusion**.

With regard to the search and recruitment of new talents during the year, the Group implemented new career development plans, launched employee satisfaction surveys and promoted the implementation of employer branding initiatives.

With regard to health and safety in the workplace, Barilla is committed to constantly reducing accidents both in the production processes and during corporate travel by employees.

Over the years, this commitment led to an international support system for mobility being developed, to the certification of production plants according to the OHSAS 18001 standard and to the start of specific training for all the people involved in dealing with emergencies and fires. Barilla also launched its Zero-accident plan during the year.

Diversity and Inclusion are an integral part of the Group's culture, values and Code of Ethics. Barilla respects and promotes

every kind of diversity in terms of age, culture, ethnicity, religion, political opinion, marital status, gender, physical ability or sexual orientation. For the management of these issues, and the risks associated with them, Barilla has established a global *Diversity and Inclusion committee* and has appointed a professional within the organisation with responsibility for Diversity and Inclusion issues.

The main measures adopted by the Group to improve the perceived level of protection and promotion of D&I throughout the Group include: training sessions for internal resources; adoption of the *UN Code of Business Conduct against LGB-TI discrimination in the workplace*; drafting of the *New Code of Ethics*; launch of the marketing and communication campaign on diversity issues; and removal of the "unjustifiable" gender pay gap by 2020.

RISKS RELATED TO PRODUCTS

With regard to products, the **main risks** identified by Barilla **concern their quality and safety**. In this context, potential critical issues emerge both from the constant change in the relevant regulatory context and from the consequent cases of non-compliance, either internally, within the company, or by suppliers and copackers.

Due to the very nature of the food sector, the potential impact on consumers' health and safety resulting from any

non-compliance with product standards and quality standards, the Group has established the *Global Quality, Food Safety and Technical Regulatory function*. This function is responsible, in collaboration with the *Advanced Research Laboratory* of Barilla, for identifying and assessing product quality and safety risks, considering both the risks already covered and the emerging ones. Another activity aimed at preventing any risks in this area is the company's collaboration with universities and active participation in working groups on this topic.

With regard to products, Barilla has identified additional risks related to the nutrition and nutritional profile of its recipes. In fact, over the last few years there has been a significant change in the choices made by consumers as they are increasingly attentive to product quality and in particular to the characteristics and ingredients of food. In order to manage and mitigate these risks, the Group provides consumers with complete and transparent nutritional information about its products.

Furthermore, Barilla has defined specific objectives for improving the nutritional profile of its foods, monitoring progress made through defined KPIs.

In 2018, the *Responsible Marketing Principles* were formalised, containing a section dedicated to marketing communications aimed at children drawn up in collaboration with UNICEF.

RISKS RELATED TO SUPPLIER MANAGEMENT

The main **risks** associated with managing suppliers relate to the **unavailability of high quality raw materials, the development of supply chains that do not comply with Barilla's sustainability requirements and episodes of food fraud**. In this context, the Group carries out accurate risk assessment campaigns to identify and monitor the most critical product risk categories associated

with the main raw materials used by the Group, in particular eggs, olive oil and organic products.

The Group has also formulated a *Sustainable Agriculture Code* which establishes a series of principles aimed at ensuring responsible purchasing management practices and ethical relations with all the actors involved in the supply chain. Within the *Good for You, Good for the Planet* values, Barilla has defined specific KPIs in terms of a sustainable supply chain.



HOW WE RESPOND TO GLOBAL CHALLENGES

- 5.1 International scenario
- 5.2 Consumer goods sector
- 5.3 BCFN Foundation
- 5.4 Contribution to the 2030 Agenda
- 5.5 Discover our brands



5.1 INTERNATIONAL SCENARIO

Increasingly radical **climate change**, greenhouse gas emissions **and the indiscriminate use of natural resources are having a significant negative impact**. In this scenario, the current agriculture system is no longer sustainable, neither for human health, nor for the environment. As

a world-leading company in food production, Barilla therefore has a duty, through its activities, to make a concrete contribution to the many social and environmental challenges of today's global context, particularly as regards issues of nutrition and people's health, climate change and food waste.

HUMAN HEALTH AND NUTRITION

Ending hunger globally, ensuring food security and improving people's nutritional habits are three important **pillars for sustainable development of the food sector**.

Today malnutrition, lack of nutrients and obesity are the three main forms of malnutrition that affect the lives of millions of people around the world. Global trends linked to malnutrition are negative, with the number of people suffering from hunger in the world growing again after a decade of steady decline.

This changing trend is a direct consequence of environmental and social factors such as climate variability, which influences rainfall trends and agricultural seasons, the occurrence of extreme cli-

matic events such as droughts and floods, as well as the persistence of conflicts and economic crises in many regions of the world.

In 2018, the number of people suffering from malnutrition reached 821 million (one in nine people).

On the other hand, 2.1 billion people are overweight or obese (three in ten people) as a result of consuming high-calorie foods containing high doses of fat, salt and added sugar.

As a consequence, in the United States and Europe, Barilla's main areas of operation, around 60% of people are overweight and 30% are obese. The situation is better in Italy, where, thanks to the greater

dissemination of eating habits consistent with the Mediterranean diet, less than 15% of the adult population is obese, although

there is a growing level of excess weight and obesity in children.

CLIMATE CHANGE

Over the last few years, **we have been witnessing the first real effects of climate change**: temperatures are generally rising, rainfall is changing, ice and snow are melting and the average sea level is rising globally.

A critical scenario is thus emerging, made even more negative by the recent studies on the subject that foresee an exacerbation of the effects of climate change in the near future, at a speed higher than estimated to date. In order to limit global warming and avoid the negative effects, "rapid, far-reaching and unprecedented changes at all levels of society will need to be made"^{1,2}

Changes that require greater attention, considering that global climate changes

have significant consequences on the future of natural resources and place severe constraints on agricultural production, thereby affecting global food availability and the stability of food supplies.

The agricultural and food sector, however, is not only influenced by climate change, it also contributes substantially to it.

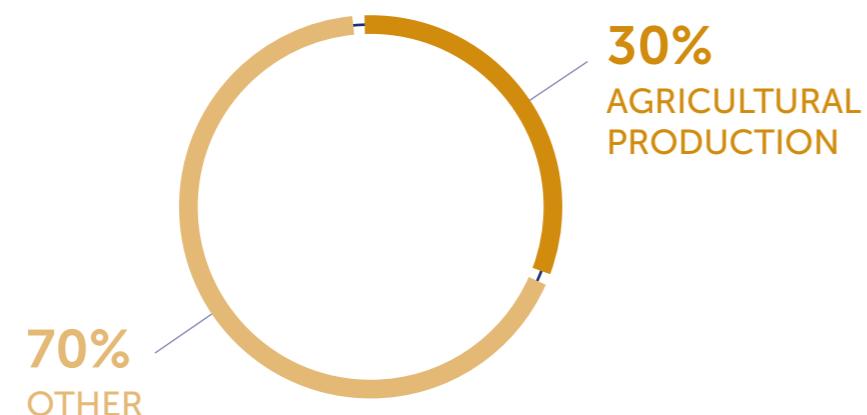
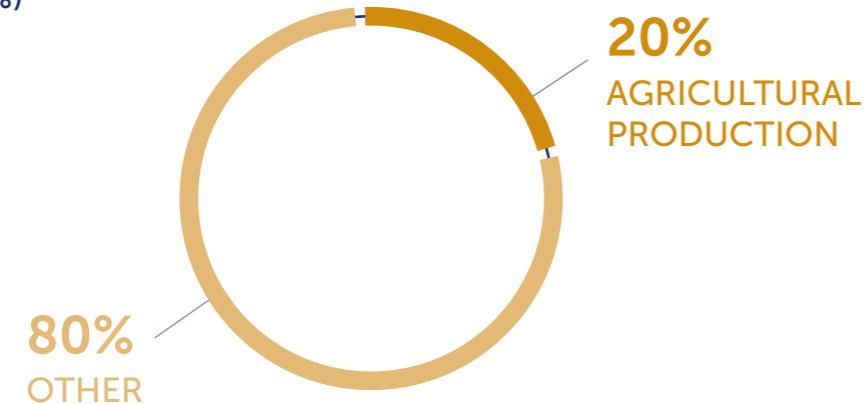
Agricultural production and food processing processes are two primary sources of greenhouse gas emissions.

Recent studies have indeed estimated that 30% of the energy consumed globally can be attributed to the agricultural and food sector, which produces around 20% of the world's greenhouse gas emissions.³

1. IPCC 2018, comunicato stampa, http://www.ipcc.ch/pdf/session48/pr_181008_P48_spm_en.pdf

2. The future of food and agriculture: Trends and challenges, FAO (<http://www.fao.org/publications/fofa/en/>)

3. The future of food and agriculture: Trends and challenges, FAO (<http://www.fao.org/publications/fofa/en/>)

ENERGY CONSUMED (%)**GHG EMISSIONS (%)**

Particularly in Europe, more than a quarter of energy consumption is attributable to the cultivation and processing of food products, while in the United States, agricultural activities are estimated to contribute around 9% of total greenhouse gas emissions, standing at over 600 million tons of CO₂ equivalent.⁴

However, there are significant differences between the different types of food processing: for example a pasta dish - from cultivating the wheat to cooking in the kitchen - involves the emission of 1,013

grams of CO₂ per kilo of product, a meat-based dish has 20 times more impact on the climate. Most of these emissions are concentrated in the agricultural phase.

Food choices made by consumers can therefore influence the entire food supply chain, directing the food processing industry and consequently the world of agriculture towards the processing of raw materials with a lower impact on the environment.⁵

The "ecological" footprint associated with

food production is affected not only by greenhouse gas emissions but also by the intensive use of land for agricultural purposes and the consumption of water resources. Suffice to say that agriculture, with irrigation and the production of feed for livestock and aquaculture, is the world's biggest user of water resources, drawing around 70% of water used worldwide and creating situations of water stress in many geographical areas⁶.

tant impacts on the conservation of natural habitats and the protection of the Planet's forest heritage.

The search for new agricultural areas and the preparation of land for cultivation, which currently occupies around 38% of the earth's surface, have important repercussions on the deforestation of numerous areas of the Planet and on the conservation of natural resources and animal species.⁷

Agricultural production also has impor-**FOOD WASTE**

Every year in the world around one third of world food production, equal to about 1.3 billion tons, is wasted.

Most food waste occurs at the time of consumption: at home and in the catering sector.

However, a considerable amount of waste also occurs during the cultivation, harvesting, storage and processing of raw materials, mainly due to inefficiencies,

inadequate agricultural practices and antiquated preservation and processing processes.⁸

Whenever food is wasted, the natural resources and labour used to produce it are also wasted.

Suffice to say that recent studies estimate that 10% of the electricity consumed globally is attributable to the production of food that is subsequently wasted.⁹

4. European Commission – "Energy use in the EU food sector: State of play and opportunities for improvement", 2015. EPA- "Sources of Greenhouse Gas Emissions".

5. BCFN Doppia Piramide 2016 <https://www.barillacfni.com/m/publications/doppiapiramide2016-futuro-piu-sostenibile-dipende-da-noi.pdf>

6. <https://www.barillacfni.com/m/publications/fixingfood2018-italian-mar2019.pdf>

7. The future of food and agriculture: Trends and challenges, FAO (<http://www.fao.org/publications/fofa/en/>)

8. The future of food and agriculture: Trends and challenges, FAO (<http://www.fao.org/publications/fofa/en/>)

9. World resource institute: SDG TARGET 12.3 ON FOOD LOSS AND WASTE: 2017 PROGRESS REPORT (<https://champions123.org/2017-progress-report/>)

5.2 CONSUMER GOODS SECTOR

The **Barilla Group operates in a sector characterised by the presence and active involvement of an increasing number of consumer and trade associations** committed to the development of sustainable procurement practices, from an environmental and social standpoint, and to the promotion of healthy lifestyles. The Consumer Goods

Sector is therefore in a constant state of evolution, based on the knowledge acquired over time by companies and consumers through analyses, research and theoretical elaborations which have led to the fundamental awareness that manufacturers and retailers have a key role to play in improving the wellbeing of people around the world.

THE CONSUMER GOODS FORUM

Among the various associations operating in the consumer goods sector, a key role in the sustainable development of the market is played by ***The Consumer Goods Forum (CGF)***, an international network of players operating in the consumer goods sector.

The network pursues the objective of encouraging the global adoption of commercial practices aimed at improving efficiency, as well as ensuring a positive change for the benefit not only of the consumer but of the international community as a whole. In particular, the network deals with:

- encouraging debate among members in order to identify the areas of intervention;

- promoting the adoption of global practices that do not harm free competition;
- sharing industry best practices;
- involving stakeholders and regional associations in order to also represent their interests.

Its membership includes around 400 retailers, producers, service providers and other stakeholders from over 70 countries, representing approximately 3,500 billion euros in sales and involving around 10 million workers, plus another 90 million if you include the entire supply chain.

The network is led by a Management Board that includes the CEOs of 52 producers and retailers, including the Chairman Guido Barilla.

The network focuses on four main areas of interest:

- guaranteeing the quality of food;
- guaranteeing the safety of food;
- supporting the end consumer in adopting a health lifestyle;
- improving the quality of the whole supply chain from the field to the table.



OTHER COLLABORATIONS

In addition to the ongoing collaboration with the Consumer Goods Forum (CGF), the **Barilla** Group **maintains important relationships and a constant dialogue with various industry associations**, including:

- AIDEPI – Associazione delle Industrie del Dolce e della Pasta Italiane (Italian

- Cake and Pasta Industries Association)
- AIIPA – Associazione italiana Industrie Prodotti Alimentari (Italian Food Product Industries Association)
- AIM – European Brands Association
- CAOBISCO – Chocolate, Biscuits and Confectionery of Europe
- Confindustria
- ECR – Efficient Consumer Response
- IBC – Industrie beni consumo (Consumer Goods Industries)

- IPO – International Pasta Organization
- ITALMOPA – Associazione Mugnai d’Italia (Italian Millers Association)
- SEMOULIERS
- UNAFPA
- UNIONE ITALIANA FOOD – an association resulting from the merger between Aidepi and Aiipa
- SITOX – Italian Toxicology Association
- SAI Platform

Barilla also believes it is important to participate actively in numerous national and international initiatives of fundamental importance, many of which have been established for many years.

In addition to the initiatives promoted by the International Food Information Administration Council (IFIC), the Nutrition Foundation of Italy, and the American non-profit organization Oldways, the Group is also actively involved in:

SINCE	PARTNER	BARILLA'S INTEREST	ACTIVITY
1999	International Life Sciences Institute - ILSI	Sharing the international perspective and monitoring global trends on nutrition, health, food safety and the environment.	Annual establishment of a Barilla working group dedicated to the various Task Forces and participation in meetings and collaborative research studies. Barilla in particular acts as Vice President of the <i>process-related compounds and natural toxins task force</i> .
2004	Società Chimica Italiana SCI (Italian Chemical Society) Gruppo Inter-Divisionale Chimica Alimentare (Inter-divisional Food Chemistry Group); Divisioni spettrometria di Massa e Chimica Analitica (Mass Spectrometry and Analytical Chemistry Divisions)	Keeping up-to-date with the topics of safety, health and food quality, having the opportunity to discuss these with university research centres and other highly advanced food and instrumentation companies.	Regular attendance of meetings and workshops and preparation of official documents. Involvement as a member of the Mass Spectrometry Division Council.
2006	Ente Nazionale Italiano di Unificazione (UNI) [Italian National Standardisation Body]	Collaborating in the development of harmonised and standardised methods and related official national standards.	Member of the Agribusiness Committee and of Working Groups in the field of <i>Additives and contaminants in plastic and paper materials</i> .
	European Committee for Standardization (CEN)	Collaborating in the development of harmonised and standardised methods and related official standards at European level.	Member of the Working Groups on chemical testing methods related to paper materials, biotoxins and process contaminants.
2007	Italian section of the Food for Life European Technology Platform	Sharing the European perspective, to improve the transfer of knowledge and the wellbeing of consumers, improving their health and longevity.	Regular participation in and organisation of meetings and workshops and preparation of official documents.
2008	Healthgrain Forum	European scientific network working on whole grain research. Operates as a platform to discuss and propose definitions of "whole", both for raw materials and for finished products.	Participation in periodic meetings and involvement in the definition and implementation of activities for the <i>Technology and Nutrition</i> groups.
	Italian section of the Plan for the Future European Technology Platform	Sharing the European perspective on priorities in plant research and funding opportunities at national/European level.	Participation in regular meetings. Contribution to the production of official documents. Involvement as a member of the <i>Platform</i> council.

SINCE	PARTNER	BARILLA'S INTEREST	ACTIVITY
2009	International Society for Mycotoxicology - ISM	Collaborating in and promoting research on toxigenic fungi and mycotoxin contamination in cereals, to improve food safety.	Regular participation in meetings and workshops.
2011	KIC Food4Future FoodBest consortium	Participating in the European debate to ensure that <i>food, nutrition and sustainability</i> are topics discussed in the KIC.	Regular participation in meetings. Involvement in the Regional Council. Contribution to the production of official documents. Definition and promotion of the national/European framework of funding initiatives.
2012	CL.A.N. Cluster Agrifood Nazionale (National Agrifood Cluster)	Contributing to define research strategies for the Italian agri-food sector, interacting with the Ministry of Education, University and Research (MIUR) participating in projects on nutrition and health, food safety and sustainability.	Involvement as a member of the Coordination Council. Contribution to establishing the strategic agenda and implementation plans. Direct involvement in the <i>Safe&Smart</i> food safety project.
	UN Global Compact Sustainable Agriculture Business Principles (Core Advisory Group)	Participating in drafting the document on the principles of sustainable agriculture.	Regular participation in meetings.
2013	ASTER - "Simbiosi industriale" (Industrial Symbiosis) project	Finding new opportunities for using waste and production waste as secondary raw materials for packaging or other uses.	Regular participation in meetings. Supplying waste for testing. Testing of materials produced.
2014	Collaboration with suppliers and production consortia, including Morning Star, Ingomar, Consorzio Casalasco del Pomodoro, Emiliana Conserve, Cereal Docks, Americo Coppini, Unigrà, Co.Pro.B, Italia Zuccheri, Barry Callebaut.	Developing standards shared by all the players in the supply chain and monitoring their implementation with the aim of improving the sustainability of the supply chains from which the ingredients of the Barilla recipes come.	Participation in working groups for sharing good practices. Promotion of supply chain agreements. Funding of projects to accelerate the dissemination of good practices.
2015	Food Integrity Network	Sharing methodologies and systems common to the whole sector for the fight against food fraud and adulteration within the framework of the European Union-funded Food Integrity project.	Involvement as member of the Management Board and manager of the <i>Industrial Integration</i> working group.
2016	MyToolBox European Project	Sharing methodologies and systems at international level and common to the whole sector for the joint development of innovative solutions to effectively and efficiently address the risk of mycotoxins within the framework of the European Union-funded Food Integrity project.	Involvement as member of the Management Board and manager of the <i>Post-Harvest Strategies</i> working group.
2017	FoodSmartPhone European Project	Developing smartphone-based detection and diagnostics systems for simplified on-site pre-screening of quality and food safety parameters.	Involvement as a member of the Advisory Committee and as an applied research partner.
	True Health Initiative	Promoting knowledge of the principles underlying a healthy and sustainable lifestyle and lifestyle.	Barilla plays the role of organisational member of the movement.

In order to promote the joint development of scientific research projects to improve knowledge of nutrition and product quality and safety, as well as to foster the transfer of skills and know-how between the academic world and the supply chain actors for the adoption of best agronomic practices, **Barilla has been collaborating for years with various universities and research centres around the world**, including:

- HORTA
- Catholic University of Piacenza
- University of Thessaly
- Bahri Dağdaş International Agricultural Research Institute di Konya
- University of Nord Dakota
- University UC Davis
- University of Parma
- University of Naples, Federico II
- Brown University
- University of Toronto
- University of São Paulo
- University of Uppsala
- Istituto Nazionale di Tumori di Milano (National Cancer Institute, Milan)
- Parma Hospital
- VTT Technical Research Centre of Finland
- Chalmers University of Technology, Gothenburg
- Purdue University
- Harvard University
- State University of Milan
- The German Federal Institute for Risk Assessment (BfR)
- ENEA
- CNR (Italian Research Council)

- International Association for Cereal Science and Technology (ICC)
- Consejo Superior de Investigaciones Científicas - CSIC - Spain
- Tulln University-Vienna
- University of Wageningen
- Cranfield University
- Harper Adams University
- University of Prague
- Queen's University Belfast
- Singapore Institute for Clinical Sciences
- Università di Bologna
- Università della Tuscia
- Namik Kemal University (Turkey)
- CREA (Council for agricultural research and analysis of the agricultural economy)

Various studies and research projects have sprung from these collaborations, the main ones being:

- *in vitro* and *in vivo* evaluation of the glycaemic response to pasta and other carbohydrate-rich products;
- analysis of the sì.mediterraneo programme for the promotion of wellbeing in the Company;
- comparison between different carbohydrate-rich foods and the estimated effects of their replacement on the risk of type 2 diabetes and cardiovascular and arteriosclerotic diseases in post-menopausal women;
- measurement of glycaemic response to low glycaemic index products in Asia;
- study of the metabolic effects in healthy subjects associated with the consumption of bread produced with high amylose wheat;
- evaluation of the effectiveness of pas-

ta and other carbohydrate-containing foods with a low glycaemic response on reducing the post-prandial insulin and glycaemic response, on improving the risk profile associated with cardiovascular diseases and on promoting people's wellbeing in the long term;

- continuous monitoring of glucose associated with pasta consumption in relation to type 1 diabetes;
- weight of rye: effects of a diet rich in rye on body weight control;
- study and optimization of the mitigation of food contaminants in production processes;
- development of rapid analytical methods to check food contaminants and verify food authenticity;
- development of support systems for the decisions of durum wheat farmers in Italy, Greece and Turkey - MEDGOLG funded project in order to contribute to the resilience, sustainability and efficiency of the European agri-food system through the development of cli-

mate services able to minimize risks and seize the opportunities associated with climate variability and climate change;

- H2020 DIVERFARMING funded project in order to develop and test diversified crop systems with low inputs (rotations, multi-cropping and inter-cropping), to increase productivity and crop quality in conventional and organic agricultural systems;
- project funded H2020 LCAFRUD for the evaluation of the results achieved by the cereal farmers who have adopted the granoduro.net® decision support system with respect to the ordinary management of the crop Development of the *Carta del Mulino* and evaluation of the environmental and economic benefits for the farmers of common wheat;
- evaluation of the environmental impacts of tomato industry in California.



5.3 THE BCFN FOUNDATION

The **Barilla Center for Food and Nutrition Foundation (BCFN)** is an independent and multidisciplinary think tank that analyses the environmental, economic and social dimensions of food, inspiring the Group's activities every day.

By working with international experts and scientists, the BCFN Foundation produces scientific material aimed at analysing the complexity of current agro-food systems and promoting solutions and good practices for achieving the *Sustainable Development Goals (SDGs)* endorsed by the United Nations in the 2030 Agenda.

This material includes the **Double Pyramid model**, which highlights the very close link between two aspects of every type of food: the nutritional value and the environmental impact generated at the different stages of the food supply chain.

The 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 effects on health.

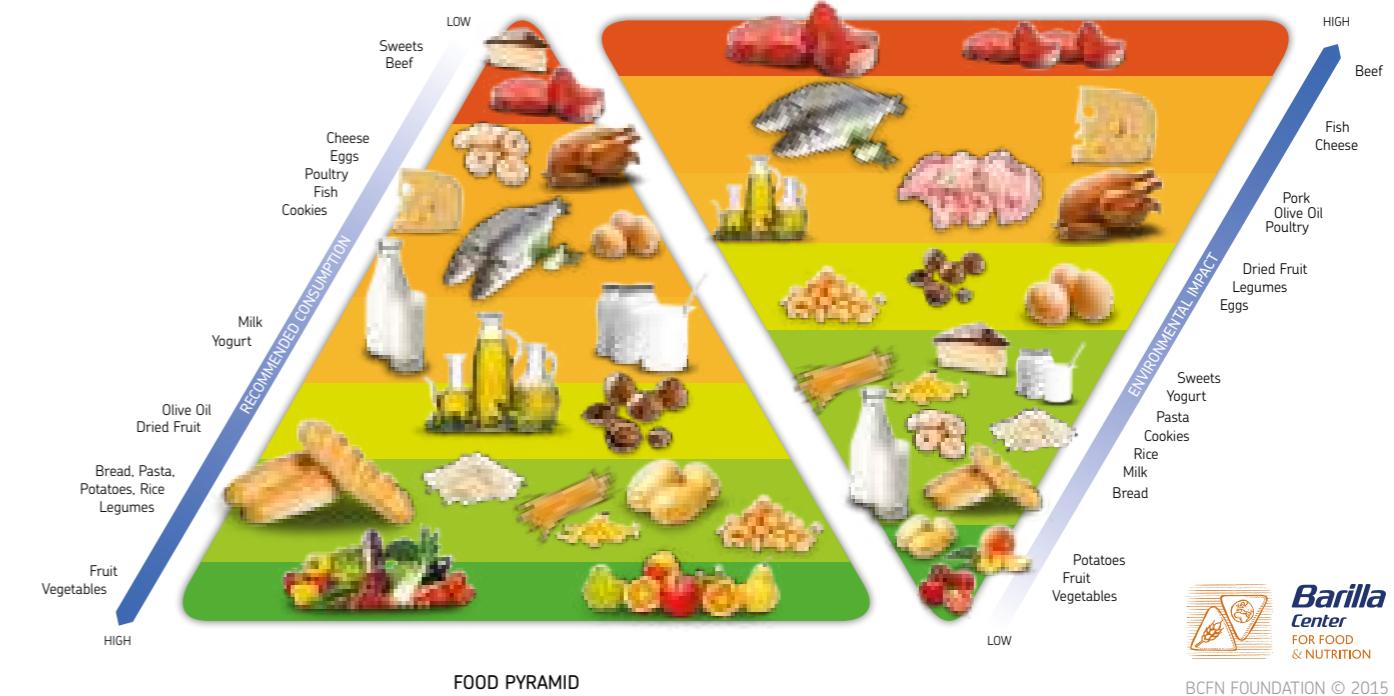
As well as being disseminated to international stakeholders, this model, like

other BCFN studies, **inspires the everyday decisions of Barilla managers**, steering them towards making more sustainable business choices.

Each year, the *BCFN Foundation* organises the *International Forum on Food and Nutrition*: an event that provides an opportunity for interdisciplinary discussions on matters related to nutrition and sustainability.

Milan, Brussels, New York: in 2018, the BCFN Forum travelled to other important cities. The three events gathered together experts, international opinion makers and young researchers to share their findings, scientific data and best practices, with the aim of building a more sustainable food model.

The three BCFN fora aimed to identify concrete, effective solutions to urgent issues like the relationship between hunger and obesity, the correct use of natural resources, the reduction of food waste, the promotion of sustainable diets, the environmental impact of farming and the effect of climate change.



BCFN FORUM

In 2018, the BCFN *fora* provided the opportunity to reward and promote the most significant research projects:

- **BCFN YES**, a competition for young researchers from all over the world who have developed projects for a better balance between social and environmental sustainability.
- **FOOD SUSTAINABILITY MEDIA AWARD**, an international competition launched in partnership with the *Thomson Reuters Foundation*, designed to reward excellence in journalism as a means of talking about food sustainability.
- **FOOD SUSTAINABILITY INDEX**, an index set up in collaboration with the *Economist Intelligence Unit* to promote awareness and knowledge of food sustainability, with a specific focus on issues linked to agriculture, nutrition and food waste. This year also saw the FSI extended to 67 countries.
- **FOOD AND CITIES**, a publication that aims to spread solutions adopting a holistic and inclusive approach. This publication aims to spread solutions and stimulate interest and commitment to action, analysing concrete case studies studio of seven good practices in cities around the world.
- **SU-EATABLE**, a three-year project financed by the European Commission to show that changing eating habits at work and/or school is good for our health and good for the Planet.
- **MOOC (MASSIVE OPEN ONLINE COURSE) "SUSTAINABLE FOOD SYSTEMS: A MEDITERRANEAN PERSPECTIVE"**, a free online course organised in collaboration with the *SDG Academy* and *SDSN Mediterranean*, with the aim of providing an overview of the challenges and opportunities of the agricultural sector globally, focusing in particular on the Mediterranean.

5.4 CONTRIBUTION TO THE 2030 AGENDA

On 25 September 2015, the 193 member countries of the United Nations signed the 2030 Agenda for Sustainable Development, a plan of 17 global goals, supported by 169 targets, set to end all the key challenges of the global scenario, like for example hunger, poverty, access to education, climate change, responsible use of natural resources.

Many of the challenges that the international community is facing are closely linked to current food models, characterised by production, distribution and consumption systems that are putting a strain on the Planet's limits and the equitable sharing of resources among people, as well as their protection for future generations.

These considerations have brought the theme of food to the centre of discussions on global sustainable growth, with

particular focus on the link between climate change, food production and development. For this reason, a radical rethink of these systems is necessary, in order to develop ways to achieve the Agenda 2030 Goals.

GUARANTEEING ACCESS TO FOOD FOR A GROWING POPULATION

According to the United Nations forecast, there are now 7.6 billion people in the world, 1 in 9 of whom suffer from hunger, while about 3 in 10 are obese or overweight. In absolute terms, the malnourished are 821 million, while 2.1 billion people eat more than they actually need. In the coming years, food will need to be guaranteed for a growing world population, currently expected to reach 9.7 billion by 2050: with a large part of this population increase taking place in Africa, Asia, America and Oceania.¹⁰



DRASTICALLY REDUCING THE USE OF LAND AND NATURAL RESOURCES

UNEP - the United Nations Environment Programme - estimates that **we are already consuming the natural resources of 1.7 planets to support our society and, unless radical changes are made, we will need 3 of them by 2050.**

The recent update on the analysis of the Planet's ecological limits, conducted by scientists at the Stockholm Resilience Centre, shows, among other things, how the incessant increase in land consumption for agricultural purposes is compromising biodiversity and water quality.

Today, 38% of the earth's surface is used for agriculture: forests, grasslands, swamps and other types of ecosystems have been converted into productive land, to the detriment of the variety of their characteristics life forms. It is expected that with the current rates of natural ecosystem erosion, by 2050, over a quarter of the species living on Earth could become extinct.

LIMITING GLOBAL WARMING

Due to human activity and the release into the atmosphere of excessive quantities of polluting gases, a major part of which is due to agricultural activities, **the temperature of the globe is increasing**: according to the International Panel on Climate Change, at the current rate, the temperature will rise by between 3.7 and 4.8 °C by 2100, compared to pre-industrial

levels. This is causing serious desertification issues, with the consequent loss of 12 million hectares of land each year.

Faced by this scenario, at the Paris Climate Conference (COP21) held in December 2015, 195 Countries adopted the first universal agreement aimed at maintaining the average increase in world temperature well below 2 °C compared to pre-industrial levels and committing Countries to limiting the increase to 1.5 °C, in order to significantly reduce the risks and impacts of climate change.

The Paris Accord also extended actions to control the production of greenhouse gases in agriculture to the food sector. It is therefore fundamental for the containment of global warming that sustainable agricultural practices are disseminated to contain greenhouse gas emissions related to agricultural food production, which today contributes 14.6% of total EU emissions and 11.4% of Italian ones.¹¹

REDUCING WASTE ALONG SUPPLY CHAINS

Today **about 1.3 billion tons of edible food, equivalent to 1/3 of global production, are wasted due to inadequate production, storage and distribution processes or due to unsustainable consumption habits**. That is four times the amount needed to feed the number of people suffering from malnutrition around the world.

10. <http://www.fao.org/3/l9553EN/l9553en.pdf> - <http://www.who.int/mediacentre/factsheets/fs311/en/>

11. <https://www.istat.it/it/files/2018/07/SDGs.pdf>

OUR MISSION

As a world leader in food production, **it is our duty to make a tangible contribution to tackling the numerous social and environmental challenges that characterise the global scenario today.** Over the years, we have outlined a journey, summed up in the ***Good for You, Good for the Planet*** Mission, which drives us, step by step, to bring the world food that is good, healthy and sourced from responsible supply chains, inspired by the Italian lifestyle and the Mediterranean diet.

This commitment translates into three benefits for the wider society:

- **GOOD FOOD** means gastronomy, flavour, culinary experience, accessibility, pleasure and conviviality.
- **HEALTHY FOOD** means selected raw materials, clean, safe recipes and balanced nutritional profiles to support healthy lifestyles.
- **FOOD SOURCED FROM RESPONSIBLE SUPPLY CHAINS** means seeking the best ingredients anywhere in the world to guarantee excellent quality, in a way that is sustainable and respectful of people, animals and the environment.

It is a **Mission** that we continue to pursue **from field to fork.**

In pursuit of our Mission, we intend to invest in four dimensions:

- increasing the **value of our brands**, in other words, their distinctive nature and the emotional bond they form with people;
- providing products of **superior quality**, also from a nutritional point of view;
- enhancing the **sustainability and transparency** of our supply chains, from field to fork;
- incentivizing an **entrepreneurial spirit** among Barilla People.

To this end, we have been working to offer people products with a **better nutritional profile**, based on the Mediterranean diet model. **Since 2010, we have reformulated 420 existing recipes, reducing the salt, sugar, fats and saturated fats content.**

We have gradually expanded our offering, increasing the range of products that are rich in fibre or made from legumes, with no added sugar or with less salt, fats and saturated fats. Lastly, we have worked to increase the transparency and availability of information for people, seeking to give them the means to make more informed, responsible choices and inspire them to choose 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%.

Two of our brands have gone a step fur-

ther, reducing the remaining emissions through offsetting programmes. Finally, we have worked closely with our strategic supply chain operators to develop and disseminate the use of more sustainable agricultural practices.



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

GOOD FOR YOU, GOOD FOR THE PLANET

This is Barilla's Mission: to make sure that from **FIELD TO FORK** our products deliver goodness in the short and long run. The immediate impact comes from the flavour, which should be joyous and pleasing. The next phase is the energy that nutritional food gives you, and the long-term impact comes from the **WELLBEING FOR THE PEOPLE** and the **PLANET**.



OUR 2030 AGENDA

GOOD FOR YOU

By 2030, Barilla will be promoting the best products and nutritional models, inspired by the Mediterranean diet, to enhance people's wellbeing through leisure experiences.

AREA	GOAL	2018
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</i> (GFSI).	82%
SAFE PRODUCTS	By 2020, 100% of PRODUCT VOLUMES to be aligned with the most advanced quality and food safety standards. By 2020, 100% of BARILLA PLANTS TO BE CERTIFIED to the international food safety standard FSSC 22000.	99.4% 100%
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% 11.3%
MARKETING RESPONSABILE	We undertake to ensure that all our marketing and communication activities comply with the BARILLA RESPONSIBLE MARKETING PRINCIPLES so as to: 1) Promote food as a positive daily habit. 2) Pay particular attention to children as a sensitive target. 3) Promote and support healthy lifestyles. 4) Make responsible use of people's digital data.	Barilla Responsible Marketing Principles published on the Group website.

Barilla has defined measurable goals for the years to come, that will be updated year by year to give a contribution to the **UNITED NATIONS 2030 AGENDA** and to the **SUSTAINABLE DEVELOPMENT GOALS** (SDGs).

GOOD FOR THE PLANET

By 2030, Barilla will improve the sustainability of its products, by responsibly managing all processes, from field to fork, and ensuring traceability and transparency.

AREA	GOAL	2018
SUSTAINABLE AGRICULTURE	By 2020 responsibly purchase of 100% STRATEGIC RAW MATERIALS , in line with the BARILLA CODE OF SUSTAINABLE AGRICULTURE . Of which: Durum Wheat Semolina Tomato Cocoa Sunflower oil Flour	46% 39% 61% 94% 27% 86% 46%
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.	99.4% <10%
TRACEABILITY AND TRANSPARENCY	By 2030, at least 90% of PRODUCT VOLUMES TRACED by single sales unit.	65%
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</i> (BBFAW). By 2020, at least 10,000 FARMERS involved in the Barilla Sustainable Agriculture Program.	Eggs 94% Meat 100% level 3 3,000+

5.5 DISCOVER OUR BRANDS

Every Barilla Group brand contributes to the Good for You, Good for the Planet Mission through projects aimed at improving the nutritional profile of products, strengthening the sustainability of supply chains and communicating transparently with consumers.

Over the years, our products have found their way into millions of homes, where they are enjoyed throughout the day. This is what we want to continue doing: offering people **quality, safe, enjoyable and sustainable gastronomic experiences** through our brands. But it also means that we aim to continue doing more to share our positive social and environmental impact with consumers through actions that are universally recognised as a sustainable development model.

In Italy, **Barilla** has started a journey of discovery, exploring the *Origini della Bontà* (The Origins of Goodness), plus a digital platform, *guardatustesso* (see for yourself), which invites people to discover more about our pasta and sauce supply chains.

Mulino Bianco in 2019 has launched the new "Carta del Mulino" a charter for more responsible agriculture, plus the first product made with 100% sustainable flour: *Buongrano*.

Pan di Stelle has been working since 2015 to source better cocoa and to improve the quality of life of farmers in Ivory Coast. In 2018, it transformed its commitment into the story of little Nyma.

And from this year our crispbread brand, **Wasa**, has established a clear commitment to help the Planet, offsetting its remaining CO₂ emissions.

Harrys, our brand of bread and bakery products in France, has been committed to making the common wheat supply chain more sustainable and promoting the welfare of farmers and the environment.

We have achieved so much already, and countless milestones we want to reach, which contribute every day to our shared wellbeing and that of the environment.



3,000 farming companies involved in sustainable agriculture projects



We have launched 10 products with an improved nutritional profile



100% of cocoa purchased supports Cocoa Horizons Foundation projects



We are a 100% CO₂ compensated brand



We have launched 3 products with a better nutritional profile



We have introduced 28 products with a better nutritional profile in the pasta and sauce category



We have defined 1 charter for the sustainable cultivation of common wheat: "Carta del Mulino"



We have supported the construction of 1 well, providing clean water to 7,000 people



99% of our packaging is recyclable



We have involved 183 farmers in a more sustainable supply chain

RESPONSIBLE STRATEGY

- 6.1 Materiality analysis
- 6.2 Global Goals and Barilla
- 6.3 Stakeholder engagement



6.1 MATERIALITY ANALYSIS

In accordance with the requirements of the *GRI Standards* and industry best practice, **Barilla defined its own materiality analysis to identify strategic social and environmental priorities in line with its strategy and the United Nations Sustainable Development Goals.**

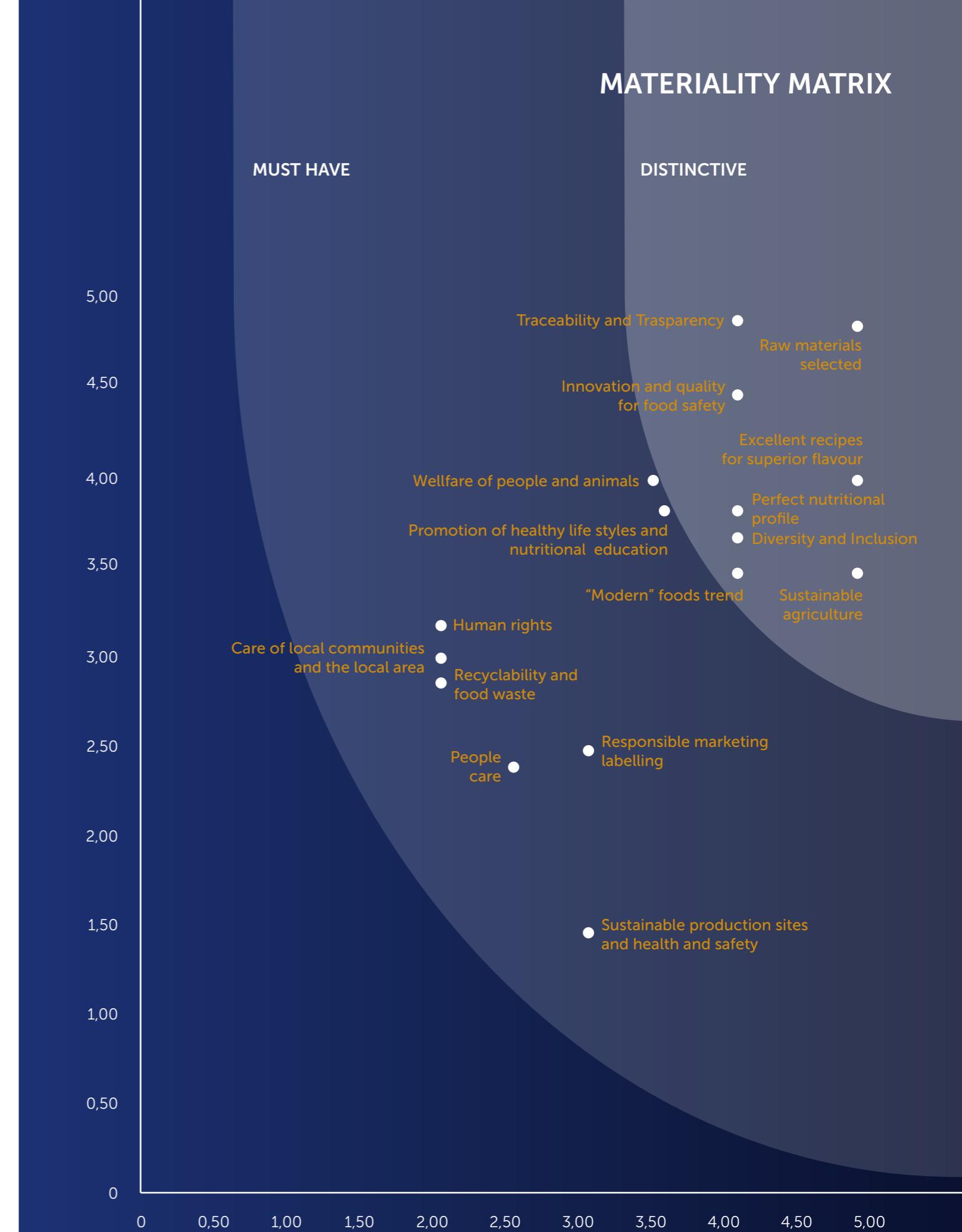
As a result of this process, the Group identified as being material aspects those that have a significant impact on Barilla's economic, social and environmental performance and that could substantially influence the assessments and decisions of stakeholders.

The analysis was carried out in 2017, with the support of a specialised company, in a multi-stage process.

To begin with, all the potential material aspects were identified for Barilla by analysing company documentation (including the Code of Ethics and the Strategic Plan), external documents related to topics considered by consumer associations and trade associations (for example *The Consumer Goods Forum*), a comparison with the food sector and companies similar to Barilla in terms of governance and size, and multi-stakeholder initiatives.

Priority was then given to aspects identified by the representatives of Barilla's internal functions, as the spokesmen and women of the Group's vision, and emerging from the *Food & Sustainability* survey by GFK, which, based on its authoritative ness and knowledge of the food sector, provides the original and innovative points of views of a diversified sample of stakeholders outside the Group.

The matrix was analysed and approved by the *Good for You, Good for the Planet Board*. The following 16 themes emerged from the analysis:



MATERIAL THEME	DEFINITION
Raw materials selected	Selecting only excellent raw materials, produced according to the highest quality standards and in compliance with the principles of sustainable agriculture promoted by Barilla.
Traceability and Transparency	Ensuring product traceability and the development of transparent communication projects to allow consumers to discover and learn about Barilla's world from the field to the table.
Innovation and quality for food safety	Guaranteeing the quality and safety of products every day, from the control of raw materials, through production and distribution, to people's tables.
Excellent recipes for superior flavour	Formulating ever new and surprising recipes, able to bring the joy of food to the table of people who choose Barilla.
Welfare of people and animals	Safeguarding the wellbeing of all the people who work in the Group's supply chains and promoting the adoption of responsible breeding practices along the supply chain.
Perfect nutritional profile	Developing healthy and balanced products in terms of nutrition, in line with the principles of the Mediterranean diet and the Italian lifestyle.
Diversity and inclusion	Developing the value of each person, respecting their physical, cultural and moral integrity as well as the right to interact and associate with others.
Promotion of healthy lifestyles and nutritional education	Promoting the spread of sustainable and balanced lifestyles and proper nutrition, especially among young people.

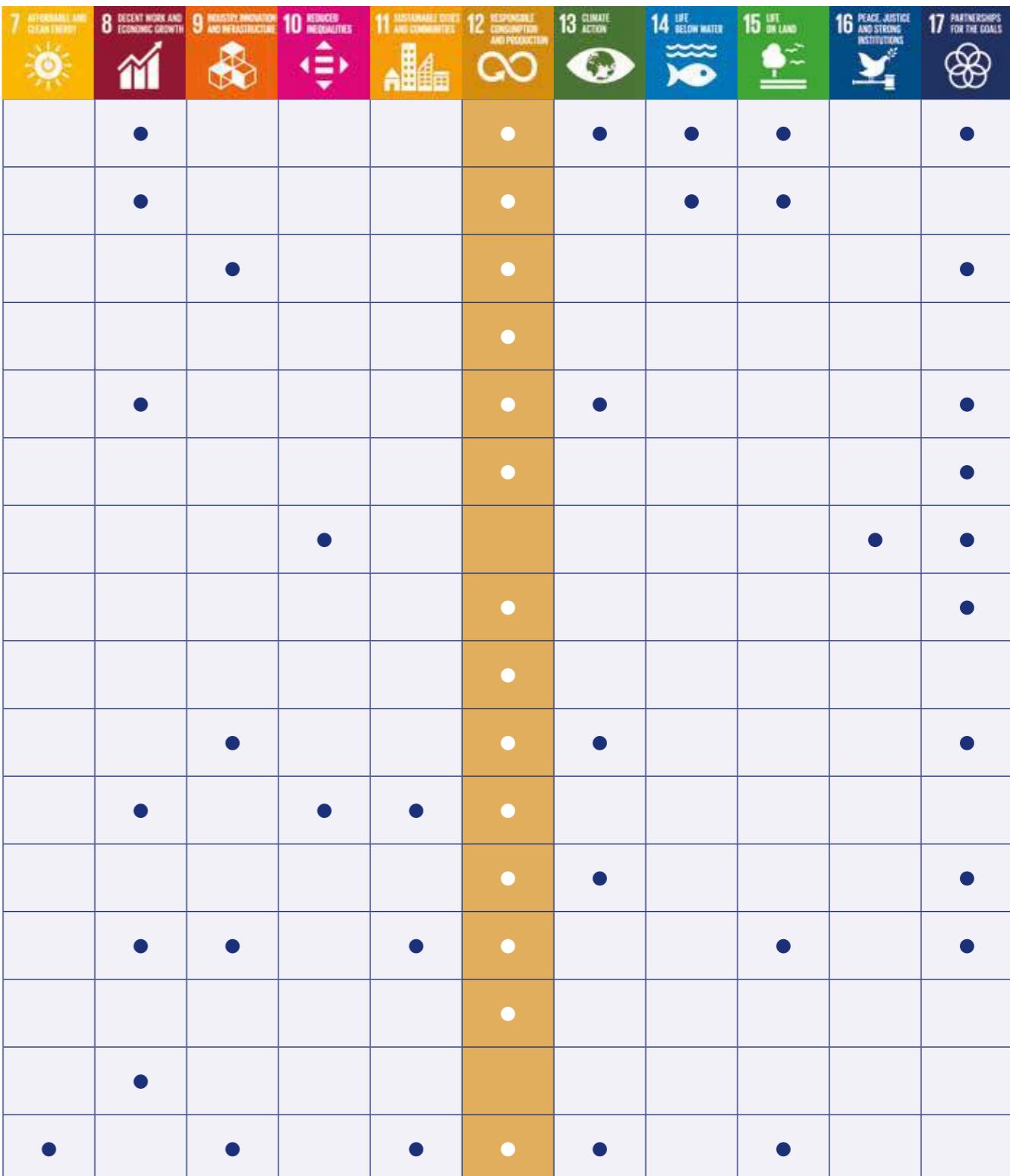
MATERIAL THEME	DEFINITION
"Modern" food trends	Meeting the new nutritional needs of people through products that respond to emerging trends in the food sector.
Sustainable agriculture	Promoting the adoption of sustainable agricultural practices along Barilla supply chains, with respect for people, the environment and local communities.
Human rights	Respecting the fundamental rights of every person to carry out their activities and along the entire supply chain.
Recyclability and food waste	Limiting the waste of resources at every level of the food chain by optimising production processes and promoting responsible consumption practices.
Care of local communities and the local area	Supporting the development and wellbeing of local communities and promoting access to food and food security, particularly by providing aid to people affected by natural disasters or economic and social crises.
Responsible marketing labelling	Ensuring the accuracy of the information provided on the label in accordance with international and national regulations and developing responsible marketing principles, applying them to all brand communications.
People Care	Promoting the development of a work environment that respects the balance between private and professional life.
Sustainable production sites and health and safety	Creating state-of-the-art production sites, with an ever lower environmental impact and careful to ensure the health and safety of the people who work there.

6.2 GLOBAL GOALS AND BARILLA

Barilla is committed to making its own contribution to achieving the *Sustainable Development Goals (SDGs)*. As a first step, Barilla highlighted the link that exists between the priority themes identified through the materiality analysis and their

impact on the various goals of the Global Agenda. The result of this activity, shown in the table below, highlights the priorities on which Barilla will invest in the coming years and through it which it will contribute to sustainable development.

	1 NO POVERTY	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEAN WATER AND SANITATION
Raw materials selected			●			
Traceability and Transparency			●			
Innovation and quality for food safety			●			
Excellent recipes for superior flavour			●			
Welfare of people and animals	●		●			
Perfect nutritional profile			●			
Diversity and inclusion					●	
Promotion of healthy lifestyles and nutritional education			●	●		
"Modern" food trends		●	●			
Sustainable agriculture	●		●			●
Human rights	●				●	
Recyclability and food waste				●		●
Care of local communities and the local area	●		●	●		
Responsible marketing labelling			●			
People Care			●		●	
Sustainable production sites and health and safety						●



BARILLA'S CONTRIBUTION TO THE 2030 AGENDA



- Since 2010, we have reformulated the recipes of **420 PRODUCTS REDUCING THE QUANTITY of FATS, SATURATED FATS, SALT and SUGAR or INCREASING the FIBER CONTENT.**
 - In 2018 we introduced **21 NEW PRODUCTS WHICH CONTAIN NO ADDED SUGAR and ARE WHOLEGRAIN or WITH A HIGHER CONTENT OF FIBER.**
 - We have **REMOVED PALM OIL** from **100%** of our **PRODUCTS.**
-



- We have engaged **MORE THAN 18,000 CHILDREN** in **ACTIVITIES** dedicated to **FOOD** and **PHYSICAL EDUCATION**, and **HEALTHIER LIFESTYLES**.
 - We have supported the construction of a **SCHOOL** for more than 300 children in Ivory Coast.
-



- **36%** of our **EXECUTIVES** and **MANAGERS** are **WOMEN.**
-



- Over the years, we have developed **PROJECTS** to make our working environment more inclusive, to safeguard our wellbeing and the work-private life balance: e.g. smartworking and winparenting.
 - We have **PROMOTED** the **CREATION** and the **EMPOWERMENT** of **12 ERG** (Employee Resource Group): group of interests of our People focused on specific diversities.
 - We have developed **PROJECTS** and **INITIATIVES** for **TRAINING** and **EMPLOYING REFUGEES**, involving **50 PEOPLE.**
-



- We have involved more than **3,000 FARMERS** in **SUSTAINABLE AGRICULTURE PROJECTS** for our key raw materials.
 - We have publicly committed to **ELIMINATE ANY TEST** of **RAW MATERIALS** or **PRODUCTS** on **ANIMALS.**
 - We have developed a **GUIDELINE** for the **SUSTAINABLE CULTIVATION** of **COMMON WHEAT**, together with WWF Italy, and launched the first product with 100% sustainable flour: **BUONGRANO.**
 - **HARRYS** has launched the **PROJECT "MOELLEUX & RESPONSABLE"** to **MANAGE** the **COMMON WHEAT SUPPLY CHAIN** in a **MORE SUSTAINABLE WAY.**
-



- Since 2010 we have **REDUCED** the **CO₂ EMISSIONS** by **30%** and the **WATER CONSUMPTION** by **21%** in our plants, for each tonne of finished product.
 - **99.4%** of our **PACKAGING** is **RECYCLABLE.**
 - **WASA** is the **FIRST CO₂ COMPENSATED BRAND** of the Group.
-



OVER THE YEARS WE HAVE DEVELOPED PROJECTS AND CREATED COLLABORATIONS WITH OUR STAKEHOLDERS AND THE ACTORS OF THE SUPPLY CHAIN.

6.3 STAKEHOLDER ENGAGEMENT

Barilla maintains an active dialogue with its stakeholders, based on the principles of absolute correctness, collaboration and mutual respect. **A dialogue that over the years has become a fundamental part of the Group's way of doing business.**

Through continuous dialogue with those involved in the Company's activities, Barilla is committed to providing answers to the expectations of those who support its

growth path, thus measuring the actual ability to generate value for the greatest possible number of stakeholders.

The essential starting point for making an inclusive and effective comparison is to recognise the multitude of interests and groups in respect of which Barilla has a responsibility.

BARILLA PEOPLE

Personnel in all departments and roles, new employees and those close to retirement, people with disabilities, LGBTI staff, trade union representatives and organisations including, at European level, EFFAT, clubs and staff associations.

SHAREHOLDERS AND LENDERS

Shareholders who own shares in the Company and entities that finance the development of the Group through capital loans.

CUSTOMERS

Modern distribution, traditional distribution, new distribution channels, commercial and collective catering.

CONSUMERS

Children, adults, the elderly, people with specific nutritional needs due to health, religious or ethical-cultural reasons.

SUPPLIERS

Suppliers of raw materials, particularly agricultural businesses and consortia, suppliers of packaging, co-packers, suppliers of goods and services required for production (such as utilities, plants, maintenance services) and for product distribution (such as sales agents, advertising and communication agencies, media buying agencies), professional service providers.

LOCAL COMMUNITIES	Local authorities and public bodies, schools, citizens and civil society where Barilla has production facilities and offices or where the Group's suppliers are located; beneficiaries of philanthropic activities.
NON-PROFIT ORGANISATIONS	Non-governmental organisations involved in dealing with major global crises and emergencies, environmental associations, associations committed to reducing food waste and supporting the needy.
NATIONAL AND INTERNATIONAL INSTITUTIONS	Parliaments, Ministries and Authorities which - at national and international level - regulate farming and production activities, monitor food security, public health and environmental protection, promote research and education or manage major global emergencies, including the European Commission, European Parliament, EFSA, FAO, UNICEF, UNHCR and the UN.
SCIENTIFIC COMMUNITY	Scientific food and nutrition societies, medical associations, universities, scientific foundations and research centres involved in the development of more sustainable agri-food systems.
MEDIA	Social networks, blogs and websites of digital information, press and television at local, national and international level, specialised trade and food sector press.
TRADE ASSOCIATIONS	Food sector and major brand trade associations, including AIIPA, AIDEPI, ITALMOPA, CENTROMARCA, IBC in Italy, and UNAFPA and IPO, CAOBISCO, SEMOULIERS, AIM, ECR EUROPE internationally; associations of agricultural producers and inter-professional associations, employers' associations and organisations that bring together joint-stock companies - in particular ASSONIME, professional committees, associations in the logistics and commercial communication sector - in particular UPA.
COMPETITORS	Direct competitors in the same industry (pasta, baked goods, sauces), direct competitors in the food industry and indirect competitors.

BARILLA INSIEME DAY

A fundamental pillar of stakeholder engagement is the **Barilla Insieme Day**, an annual event organised by the Group aimed at building a constructive dialogue with all its stakeholders, discovering and assessing with them the most significant challenges in the agri-food sector, evaluating the Group's sustainability path and promoting new collaborations.

The tenth Barilla Insieme Day was held on **11 June 2018** in **Singapore**. The event was attended by over 80 academics, researchers, representatives of international organisations, commercial partners and supply chains.

This Barilla Insieme Day was another opportunity for the Group to discuss various topics such as: nutrition, food wellbeing, transparency and traceability of raw materials. For each of the topics addressed, challenges and critical issues emerged that the food sector is required to respond to, in particular:

NUTRITION AND FOOD WELLBEING

- dealing with the **food paradox** that sees an increasing number of undernourished people coexisting with the growth of obesity cases worldwide;
- promoting **food education**, particularly among young people;
- promoting common **labelling** legislation for food products;

- guiding **consumer choice in food** towards sustainable diets;
- guaranteeing people **access to healthy and inexpensive food**.

TRANSPARENCY AND TRACEABILITY

- reducing **food waste**;
- responding to the **inefficiencies** of the current food system;
- combating **food fraud**;
- guaranteeing **food traceability**;
- combating any form of **illegal and forced labour** in the supply chains;
- promoting the adoption of new **sustainable packaging** solutions.

The message that emerged from this day of discussion is that two main actions need to be implemented in order to respond to these critical issues: promoting the creation of solid collaborations dedicated to sustainable development of the food sector; spreading a general culture of economic, social and environmental sustainability.

Barilla Insieme Day

S I N G A P O R E

June 11th, 2018

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B I R L I K T E
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TOGETHER

Barilla
The Italian Food Company. Since 1877.

In collaboration with



ACTION TAKEN TO LISTEN TO CONSUMERS

The Group holds direct discussions with the people who choose its products every day.

In order to ensure a close relationship with these people and fully understand their needs and expectations, Barilla has increased its points of contact with consumers over the years. In particular, new listening channels continued to be developed in 2018 in the various areas of the world where Group operates, using traditional communication channels,

such as the telephone, and promoting the growth of digital tools, such as corporate websites and social media.

In order to guarantee maximum consumer satisfaction, Barilla also carries out numerous surveys into the effectiveness of promotional campaigns, new product launch activities and people's consumption habits.

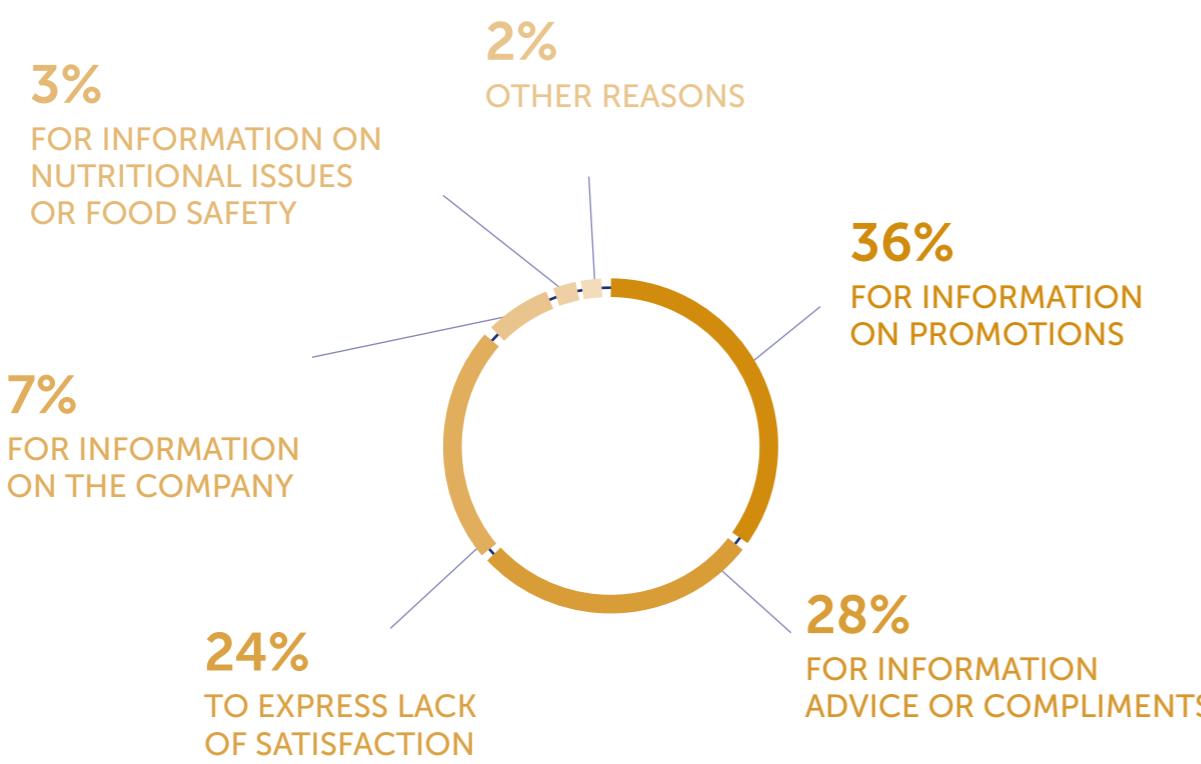
In 2018, Barilla received more than 130,000 contacts worldwide, including

reports, congratulations, suggestions and requests for information on the products and the Company.

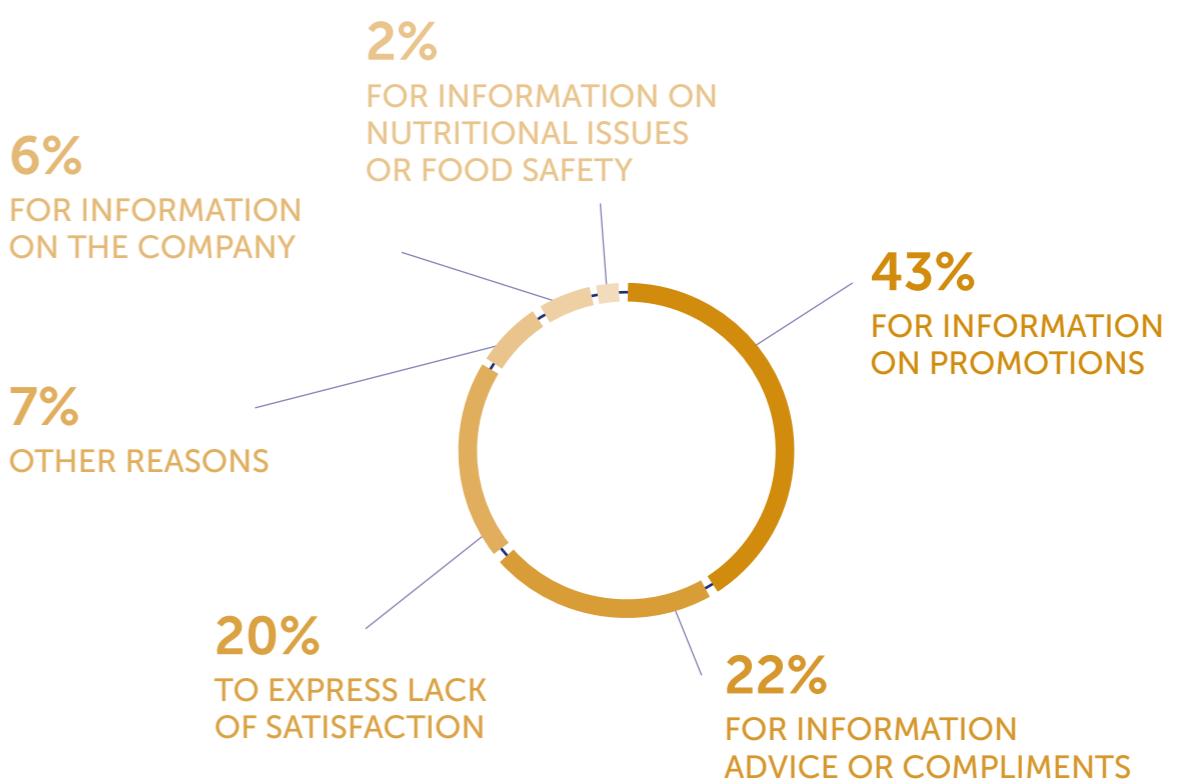
The Group carried out an in-depth analysis of 28,000 reports from consumers regarding products and packaging. By activating new listening channels and strengthening existing ones, Barilla is able to handle a greater number of enquiries from consumers compared to 2017, particularly in response to requests for information on promotional initiatives.

On the other hand, the number of reports of dissatisfaction from people is decreasing compared to the previous year, confirming Barilla's constant attention and commitment to developing and improving the quality of its products.

REASONS OF CONTACT BY CONSUMERS - 2017



REASONS OF CONTACT BY CONSUMERS - 2018



GOOD FOR YOU

- 7.1 Nutrition
- 7.2 Food quality and safety
- 7.3 Responsible marketing
- 7.4 Food education



7.1 NUTRITION

Barilla strives every day to bring people high quality products that combine excellent flavour with a balanced nutritional profile, promoting the spread of healthy and sustainable diets. In order to effectively pursue its Mission, over the years the Group has defined the **Barilla Nutritional**

Guidelines, a set of rules and principles designed to guide continuous product improvement and the launch of new recipes that promote people's wellbeing through healthy lifestyles and proper nutrition.

BARILLA NUTRITIONAL GUIDELINES

The **Barilla Nutritional Guidelines** outline the criteria and reference values with which Barilla abides in the development and improvement of its products, in particular as regards **total fat, saturated fat, salt, sugar** and **fiber content**, as well as in relation to **calorie intake of monoportion**.

The Group is also careful to align its products with the most recent studies in terms of people's nutrition and wellbeing. For this reason, during 2018, Barilla updated the **Nutritional Guidelines** based on internationally defined recommendations for a proper diet, including the *Dietary Guidance for Americans*, the *Livelli di Assunzione di Riferimento di Nutrienti ed energia per la popolazione italiana* (LARN) and the recommendations made by the *World Health Organization* (WHO).

In the process of updating the Guidelines, Barilla's Nutrition Unit was actively supported by the *Health and Wellbeing Advisory Board*, a consultative body of international experts in nutrition and in various fields of medicine that supports the Company with nutritional research.

To assess the effectiveness of programmes to improve the nutritional profile of products and ensure the correct application of Nutritional Guidelines, the Group has established the **Barilla Nutrition Index**.

Thanks to this indicator, Barilla is able to classify its product portfolio into three categories:

- **JOY FOR YOU**: tasty and satisfying products that are also very rich in energy, the use of which is recommended in moderation.

HEALTH AND WELLBEING ADVISORY BOARD

The *Health and Wellbeing Advisory Board* is the group of international experts that is guiding and will continue to guide Barilla in the coming years in understanding and promoting correct lifestyles, moving forward from the *Nutrition Advisory Board*, which has focused since 2004 on the "nutritional" evolution of the Group's product range. The *Health and Wellbeing Advisory Board* in fact supports Barilla in defining health and wellness strategies, in order to have a complete perspective of people's needs for a healthy life.



• **BETTER FOR YOU**: products reformulated based on the Nutritional Guidelines and new products with one or more nutrients improved compared to the category average.

- **GOOD FOR YOU**: products fully compliant with the requirements established by the Guidelines.

Depending on their category, products are given a score of between 0 for products classified as *Joy for You* to a maximum of 1.25 for products in the *Good for You* category, which have been reformulated to further improve their nutritional profile, even if they already fully comply with the Guidelines.

The **Barilla Nutrition Index** is obtained by multiplying the sales volumes of the prod-

ucts by the score assigned to the family to which they belong.

Performance of the Barilla Nutrition Index	2017	2018
93.5	93.5	

Products in line with Barilla Nutritional Guidelines

2016	2017	2018
86%	86%	86%

BARILLA REFORMULATION PLANS

Over the course of the year, **the Group renewed its commitment to the Better Nutrition project** launched in 2009, through which Barilla is committed both to developing and bringing to market new healthy and tasty products and to reformulating existing recipes to improve their nutritional profile in line with the **Barilla Nutritional Guidelines**.

As part of the Better Nutrition project, the Company has improved the nutritional profile of 420 products since 2010, reducing their fat, salt and sugar content and promoting an increase in their wholegrain component.

Products reformulated to improve the nutritional profile

2016	2017	2018
141	27	33

In 2018, Barilla continued to implement the Sugar 2.0 programme aimed at reformulating various categories of products to reduce the sugar content in the recipes.

This commitment was focused in particular on various initiatives aimed at developing new recipes for classic biscuits.

Thanks to the activities carried out, the Group has aligned 80% of its products in this category to the Barilla Nutritional Guidelines, which require sugar to account for 20% or less of the weight of a portion of sweet products and 10 grams or less for single-portion products.

The Group has also promoted the development of soft breads without added sugar for the Italian and French markets.

Single-portion snacks and cakes have had their portions reformulated. In this regard, for example, Mulino Bianco has launched a new range of single-portion products that include gluten-free cocoa biscuits and other types of biscuits with no added sugar. 19 products were reformulated in 2018 to reduce the added sugar content in the recipes, including sauces, breads and baked goods.

Four additional products in the *no added sugar* version were reformulated, again

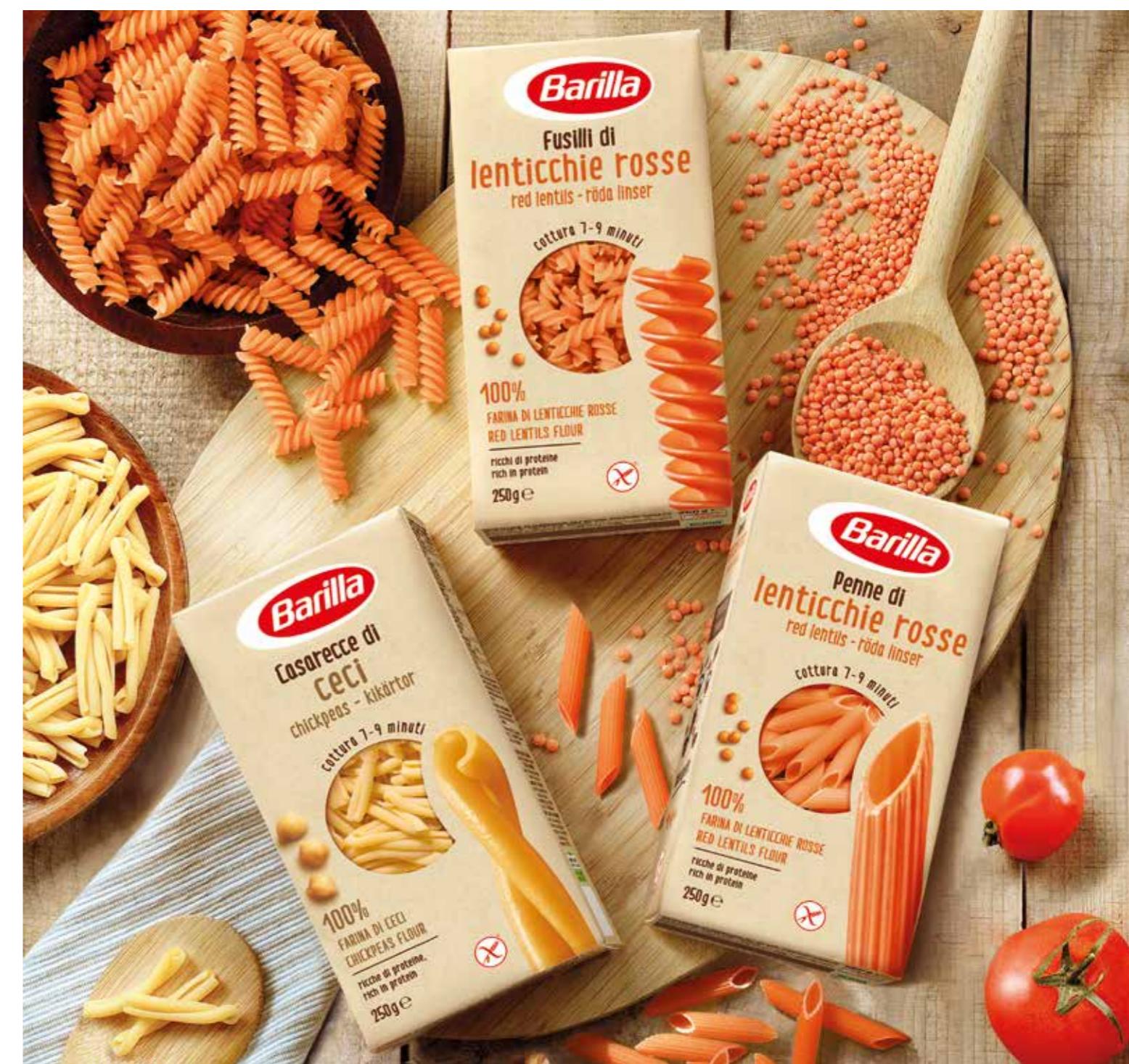
19 products
reformulated
to reduce the added
sugar content

with the intention of further improving their nutritional profile.
In addition to reducing the sugar in its

recipes, the Group has also worked to reduce the saturated fat and salt content of the products. In 2018, eight recipes were reformulated to reduce the saturated fat component and 13 to reduce salt.

8 products
reformulated to reduce
the total fat

13 products
reformulated
to reduce salt



NEW BARILLA PRODUCTS

Barilla is attentive to the wellbeing of consumers and consequently promotes healthy and sustainable diets by constantly developing new products that respond to their numerous and diverse nutritional and dietary needs.

Over the past few years, the Group has paid particular attention to expanding its range of wholegrain products by developing 17 new recipes in the pasta, crispbread and bakery products categories.

Barilla's attention to product innovation has also focused on developing new recipes designed for people who have chosen to adopt a vegan diet. In 2018, the Group launched new pasta formats made with legume flour which, thanks to their high content of vegetable protein and fiber, are particularly suitable for people who have chosen to adopt vegetarian or vegan diets.

Finally, Barilla continued its commitment to developing organic products made with the best Italian durum wheat from organic farming, certified with the European Union mark. In particular, during the year the Group presented new ranges of organic products in the biscuit, bread, crispbread and sauce segments.



BARILLA LEGUME PASTA

On the twentieth World Pasta Day, Barilla presented its new range of legume-based pasta, created entirely with red lentil flour and chickpea flour.

Four new formats have been introduced: red lentils *penne* and *fusilli*, chickpeas *caserelle* and *rotini*. The legume pasta represents a new range of products designed for all gluten-intolerant people and for anyone seeking wellbeing and naturalness in food without giving up flavour. In fact, the new legume pasta shapes are naturally rich in proteins and vegetable fibre and gluten-free.

Moreover, with these new products, Barilla is supporting the spread of sustainable agricultural practices, as legumes improve the natural fertility of the soil and have a low carbon footprint since they require little fertiliser for their cultivation.

Barilla products with red lentils and chickpeas are therefore fully in line with the Group's commitment to promoting a more ecological and sustainable food chain, from responsible agricultural practices to ensuring an informed choice for the customer at the point of sale.

3D PASTA

Over the years, Barilla has embarked on an innovative path aimed at integrating the most modern digital technologies within its production processes.

The Group was in fact the first manufacturer in the world, in the food sector, to carry out research into new applications for 3D printers to produce pasta. Based on the research work carried out and its collaboration with the Dutch Research Center TNO, Barilla developed the first 3D printer prototype in the world capable of producing fresh pasta, using a mixture of durum wheat semolina and water.

This innovation allows unique pasta to be produced in innovative shapes and with new flavour, consistency and nutritional value characteristics, thanks to the use of ingredients such as vegetables, legumes and other whole grain flours.

7.2 FOOD QUALITY AND SAFETY

Barilla works daily to bring consumers excellent products in terms of quality and food safety. The Group regards the protection of personal safety as an essential requirement for all its products. This is carefully monitored throughout all stages of the production process, from the formulation of the recipes to final distribution at the point of sale.

As a demonstration of this commitment, at Barilla 75 managers are dedicated every day to designing and improving the **food quality and safety system**, a tool which allows the Group to identify and prevent any food risks associated with the products and make them safe for consumers. Furthermore, the **food quality and safety system** guarantees Barilla the best management of problematic issues, including known ones and those emerging along the entire food chain.

In order to guarantee effective management of food risks, the **food quality and safety system** implemented by Barilla is based on the *Risk Assessment* method, which provides the Company with tools and guidelines to identify, analyse and evaluate all possible risks related to food safety and consequently to determine the necessary measures for their prevention and management.

Over **4 million** tests are carried out every year globally to monitor the quality and safety of Barilla products

Moreover, for the purpose for managing known risks regulated by the law and resulting from chemical, biological, microbiological and physical contaminants, Barilla conforms to the HACCP method (*Hazard Analysis Critical Control Points*), which provides for the definition and management of critical control points in the production process (CCP) that are fundamental to guaranteeing the safety of food products.

Barilla has created an internal Thermal Process Authority unit responsible for defining key parameters such as stabilisation time and temperature, which make products that require the use of a thermal process safe for processing.

Furthermore, during the course of 2018, Barilla paid particular attention to the evolution of the regulatory scenario associated with acrylamide, a chemical contaminant that can potentially develop during

the cooking phase. In April 2018, in fact, new guidelines were issued in Europe defining the recommended concentration limits for this substance in food. Thanks to its program for the prevention of emerg-

Around 2,500 monitoring tests are carried out by Barilla every year on the main emerging risks in the food sector

QUALITY AND SAFETY OF RAW MATERIALS

Guaranteeing the food safety of its products means first of all using safe and high quality raw materials. The Group regularly carries out checks along its entire supply chains, both during the selection and approval of suppliers and when raw material lots reach the production sites.

As a demonstration of this commitment, every day, on average, a Company specialist visits a supplier to check that it is operating in compliance with the reference standards and to exchange the knowledge that has always characterised such partnerships.

Barilla is also aware that different types of raw materials are exposed to different types of food risk. For this reason, based

ing risks, Barilla had already started a study and the appropriate mitigation actions. All the Group's products are well below the thresholds recommended by EFSA.

In addition, the Group also focuses on identifying and monitoring potential emerging risks, i.e. critical issues currently being studied in the scientific community and not yet regulated by law, in order to implement preventive measures for their mitigation.

on specific risk assessment activities and internal reference standards, the Group draws up personalised monitoring plans for each ingredient included in its products. These plans are subsequently implemented by the Quality Control laboratories within the production plants or by qualified external laboratories.

To further protect the quality of raw materials and products, Barilla promotes the constant search for innovative analysis techniques to prevent the risks of food fraud and adulteration.

In particular, **with regard to durum wheat**, a key ingredient for pasta production, **Barilla has defined various prevention and control activities along the**

entire supply chain, guaranteeing ever greater safety and product quality.

For example, Barilla requires its suppliers of durum wheat to respect the good ag-

Over 650,000
tests are carried out
globally every year to
monitor the quality and
safety of raw materials
and packaging

conomic practices contained in the *Barilla wheat growing and storage rules*, which, among other things, requires pesticides to be used only where strictly necessary to protect crops against pests, according to more restrictive pro-

cedures and rules than imposed by current legislation. Additionally, Barilla has developed a forecasting model that allows it to classify the cultivation areas in which the grain can be attacked by a fungus that develops a mycotoxin called deoxynivalenol (DON). Thanks to this predictive system, the Group is able to accurately establish the frequency of analytical checks for this mycotoxin, to be carried out before buying the grain. After the planning stage, with the support of experts and approved external laboratories, Barilla carries out checks on all the lots coming in from the areas classified as being at risk.

Finally, in all Barilla mills, durum wheat is subjected to a rigorous food safety plan which involves further tests being carried out for different risk factors and activities to search for traces of food contaminants in particular.

QUALITY OF PRODUCTION PROCESSES

In addition to ensuring the safety of raw materials, Barilla guarantees the quality and excellence of all production processes. For this reason, for several years now, the Group has adopted the *Know-How Manual*, the **Good Manufacturing Practices**, in which over 1,200 health and hygiene requirements are defined with which the environments, production premises and facilities must comply, as well as basic hygiene rules for operators. In order to guarantee the quality of production processes,

12 million euros
spent during the year
globally for the ongoing
improvement of production
plants and production
lines to ensure product
quality and safety

THE MYTOOLBOX PROJECT

As part of the Horizon 2020 programme, the European Union is funding the innovative MyToolBox project, dedicated to developing an online system capable of providing concrete decision-making support to the different actors in the food chain in order to reduce contamination by mycotoxins. MyToolBox involves 23 partners in 11 countries, including Barilla. In particular, the Group is an active member of the project Board and coordinates all activities related to the development of new post-harvest strategies and tools for reducing food contamination from mycotoxins.

Barilla carries out more than 900 internal audits every year, which allow it to identify potential areas of intervention to improve the quality and safety of food products. As a guarantee of the quality of production processes, all Barilla plants are certified according to the FSSC22000 standard, recognised by the *Global Food Safety Initiative*, a non-profit foundation made up of

sector specialists, which supports companies with establishing increasingly effective food safety management systems. The FSSC22000 standard aims to ensure product safety and promotes a transparent and collaborative approach between the various operators in the supply chain.

QUALITY AT THE POINT OF SALE

As mentioned, **attention to quality and food safety at Barilla covers the entire life cycle of the products, including transport and display at the point of sale**. In order to protect product quality up to the point of sale, the Group has established its **Good Distribution Practices**, a document by which it monitors the quality of transport and distribution activities. In particular, this manual contains 143 requirements for the storage and transport

of products, as well as the service quality standards with which the Group's logistics partners must comply. The Group regularly organises **Food Values Days**, events dedicated to training distributors and raising their awareness about food quality and safety issues along the supply chain, which also include verification of the correct application of *Good Distribution Practices*. In addition to these initiatives, during the year, the *Quality and Food Safety*

department carried out checks on 3,480 packages at the points of sale, with the aim of verifying that the quality perceived by consumers is in line with the standards defined and implemented by Barilla. Last-

ly, during the year the Group organised specific technical tasting sessions which made it possible to carry out over 174,000 product quality checks.

PREVENTING FOOD FRAUD AND MANAGING CRITICAL ISSUES

The Group's belief in protecting the food safety of everyone who chooses its products every day is also reflected in the initiatives taken to fight food frauds.

Over the years, Barilla has created a structured system for the prevention and management of frauds. This involves identifying any vulnerability along the entire supply chain and planning the respective management and mitigation actions.

To support the management system, the Group has a **Food Fraud Prevention Programme**, in which it works with its suppliers to establish precise standards for assessing the vulnerability of the supply chain with a view to preventing fraud and sharing the risk.

For over 5 years, the Group has been involved in the **Food Integrity Project**, which, through a collaboration between 60 partners from 20 different countries, aims to ensure and improve the quality and authenticity of food products.

An integral part of the **Food Integrity Project** is the plan to reduce barriers to the

exchange of information between companies and authorities, in order to make fraudulent products on the market more identifiable and consequently improve consumer trust regarding the integrity and quality of food.

During 2018 a shared database called the *Food Integrity Knowledge Base* was completed, containing over 300 methods for analysing and verifying the authenticity of food products.

Barilla is a member of the Food Integrity Project Management Board and is the coordinator of Work Package-10, which aims to provide the European food industry with practical tools to manage and prevent health and safety risks arising from fraud and food adulteration, as well as to analyse food chains, from raw materials to the finished product.

In particular, Barilla's activities during the year focused on creating and disseminating specific industrial guidelines through which to implement a general model for the prevention of food fraud.

As regards the management of potential problematic issues, Barilla has set up a precise management system through which it is able to promptly activate diagnostic procedures to identify the causes

of the problem and implement effective solutions to safeguard consumer health. During the year, the Group did not report any food issues and did not carry out any product recalls.

FOOD QUALITY AND SAFETY TRAINING FOR BARILLA PERSONNEL

Food quality and safety rely strongly on the experience and skills of Barilla People. For this reason, **the Company is committed to ensuring constant training and awareness of its employees on the issues of food quality and safety.**

In 2018, Barilla again organised the **Food Safety Days** dedicated to disseminating a culture of food quality and safety among all the Group's employees. Over the course of the year, more than 500 operators,

technicians and sales staff from the various plants around the world took part in the events, including those in Italy, France, Greece, Brazil, Sweden and the USA.

7,500 people
trained and made aware
of food quality
and safety issues globally



TRAINING FOR PREVENTING INFESTATIONS

During the year, Barilla continued training and awareness-raising activities aimed at preventing food infestations in areas where the climate presents a risk, such as Brazil, Turkey and the Asian regions.

BRAZIL

In Brazil, activities aimed at disseminating a culture of food safety continued, including through the involvement of commercial partners to disseminate a shared infestation management process in points of sale. In particular, during 2018, Barilla carried out 132 visits to different points of sale in order to identify areas for improvement in food storage practices. Additionally, Barilla involved 250 people in training activities on the subject of infestations. Thanks to these activities, during the year Barilla recorded a reduction in complaints in the distribution chain related to the infestation, during storage at the retailers.

Barilla also involved workers employed in third-party call centres in training activities to ensure that correct and professional answers are given to the consumer. Important feedback on the validity of this activity came from an increase in customer satisfaction with call centre replies: plus 25% compared to the previous year.

TURKEY

In Turkey, Barilla's activities mainly involved point-of-sale distribution processes, with particular attention focused on food preservation and infestation prevention practices adopted. In particular, the Group plans to train the country's largest distributors on *Good Distribution Practices*. These training activities have allowed the Group to record a decrease in claims for food infestation.

ASIA

In China, Taiwan and Hong Kong, Barilla continued to train its distributors on how to prevent pests.

7.3 RESPONSIBLE MARKETING

Barilla is fully aware of the influence that its communication activities can have on people's food choices and on the spread of balanced eating habits and healthy lifestyles. For this reason, **the Group promotes the development of responsible communication to provide consumers with the right information to make informed consumption choices and understand the importance of an active lifestyle and a balanced diet.**

With this in mind, Barilla provides its customers with clear and transparent **nutritional information** on all products, through brand activities, product packaging and the Group's internet sites. For example, Barilla product packaging contains tips for a healthy and balanced diet and suggestions for the correct consumption of the products, with particular reference to the optimal quantities to be eaten and any indications on how to create meals that provide the correct amount of energy and nutrients.

As regards advertising and marketing activities, Barilla pays particular attention to the influence these can have on our consumers, especially younger ones. For this reason, during the year, the Group issued its **Responsible marketing principles**,

which apply to all of Barilla's marketing activities and communications around the world and were defined together with UNICEF.

In particular, these principles require all marketing communications to **respect the central importance of people, provide transparent information and actively promote the adoption** of healthy lifestyles.

Furthermore, as part of its responsible marketing principles, Barilla recognises that **children are important stakeholders and respects their universal rights according to the definition contained in the UN Convention on the Rights of the Child**. For this reason, Barilla's marketing communications are developed in the **interest of the child** and respect their freedom of expression, development, education, leisure, health and wellbeing.

The Group is also convinced that every child should have **access to complete and accurate information** and enjoy an adequate right to privacy; Barilla therefore prudently manages all marketing activities aimed at children, avoiding any communication that could expose children at risk of exploitation, manipulation and commercialisation.

7.4 FOOD EDUCATION

One of the pillars of Barilla's "Good for You, Good for the Planet" Mission is the food education of people, particularly the youngest.

In fact, the Group aims to disseminate information and rules for a correct and sustainable diet among consumers. **Barilla is committed to developing educational and informational activities for new generations and employees,**

through which it promotes healthy lifestyles, balanced eating habits and responsible food consumption. Among the main projects promoted during the year we would highlight the Giocampus programme, the si.mediterraneo plan and the Vivi Smart initiative.

GIOCAMPUS

Giocampus is a project promoted by an **educational alliance between the public and private sectors, dedicated to the wellbeing of future generations.** For the past 18 years, it has set itself the goal of promoting healthy lifestyles through a unique programme of physical and healthy eating education for children between five and 14 years old. The activities promoted by Giocampus during 2018 involved a variety of social events, including:

- **GIOCAMPUS INSIEME (together):** a dedicated educational path dedicated to respect for diversity and disability, which involved 115 children during the school months and a further 64 young people during the summer event. Giocampus Insieme is based on the principle that, through physical activity, all children can be included with their different abilities.
- **GIOCAMPUS SCUOLA (school):** a specific path integrated with the school curriculum that aims to teach a healthy and balanced lifestyle. During 2018, Giocampus Scuola involved about 8,500 children from the city of Parma and a
- **GIOCAMPUS ESTATE (summer):** a summer camp that offers children sports, movement and laboratory activities as well as, of course, food educa-

further 2,200 in the other 7 municipalities that signed up to the project.

tion. In 2018, the summer campus was attended by 5,300 boys and girls aged 5 to 13 years, overseen by a staff of 175. Moreover, Giocampus Estate involved about 275 secondary school students who, through the Giocampus Teen programme for alternating school with work, worked together to carry out numerous recreational and educational activities.

- **GIOCAMPUS NEVE (snow):** a week in the snow, in which children have the opportunity to try out different winter sports and learn the basic rules of proper nutrition. Almost 500 children took part in this initiative during the year.

Also as part of the project, the Giorno di Giocampus (Giocampus Day) event is organised, an opportunity for the city to party, in which children and adults can come together and discuss issues of inclusion and diversity. The 2018 event involved over 1,000 people and also provided an oppor-

SI.MEDITERRANEO

Barilla's focus on food education is addressed not only to new generations but also to all the people who work for the Group. To this end, over the years the Group has developed the **si.mediterraneo** project.

This initiative, which stems from a collaboration between Barilla and the Department

tunity to hand out the prizes to the Parma schools that took part in the "Giocampus Insieme" programme.

In recognition of the quality of the project, in September 2018, Giocampus received a special mention in the *Nutrition and sustainable diets* category of the *Milan Pact Awards*, an initiative designed to recognise the best projects carried out by the 177 cities that signed the Pact for the urban food policy of Milan. Following this award, even the academic world, through the *Obesity Week Congress* committee, scientifically recognised the commitment of Giocampus to promoting good practices for the reduction of childhood obesity, awarding it the *Obesity Week Award 2018*.

Finally, Giocampus was presented during the ninth edition of the *International Food and Nutrition Forum* of the *Barilla Center for Food & Nutrition* as a worldwide best practice to reduce childhood obesity and promote a healthy lifestyle.

of Clinical and Experimental Medicine of the University of Naples Federico II, with the contribution of the Barilla Health&Well-being Advisory Board, aims to increase awareness among employees of the benefits of the Mediterranean diet and to improve their eating habits every day. Through the si.mediterraneo project, Barilla develops environmentally sustainable

and nutritionally balanced menus for its employees, available every day in all the company's canteens. The menus offered consist of wholegrain bread and pasta, a varied selection of cereals, vegetarian salads and legumes, fish-based dishes and a reduced selection of red meats and fried foods. Thanks to this initiative, Barilla has seen a growing attention among employees to more balanced diets, thanks to a significant increase in the consumption of wholegrain products and white meat, and a significant reduction in orders for red meat.

Furthermore, through si.mediterraneo, Barilla provides numerous studies and research papers concerning the benefits of the Mediterranean diet and information

sheets for the creation of correct and balanced diets. The results of the experiments carried out in the Parma canteens have been published in the *International Journal of Food Science and Nutrition*, "A nutritional intervention program for a worksite canteen to promote healthful inspired by the traditional Mediterranean diet".

si.mediterraneo
has involved over
7,300 employees
in 15 countries where the
Group has a presence.

VIVI SMART

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, with the collaboration of major food sector companies, consumer co-operatives, non-profit foundations and scientific research. The aim of the initiative is for people to adopt "smart" lifestyles, i.e. characterised by informed nutritional choices and aligned with the Mediterranean model and the food pyramid.

With an innovative multi-factor approach, in selected points of sale and primary schools, ViviSmart involves Italian families

in a daily programme that combines attention to proper nutrition with physical exercise. People therefore have the opportunity to learn about choosing food, knowing their nutritional properties, as well as to perform physical activities following a few simple rules.

Since its launch in 2017, the initiative has involved 16 selected stores and 16 primary schools in four different cities, include 80 teachers and over 1,500 children and families in its activities. Furthermore, LUMSA University, in collaboration with the University of Naples Partenope and the Roma

Tre University, has conducted research on changes in people's eating habits resulting from better knowledge of the right nutritional styles and healthy lifestyles. In particular, this study showed that:

- 11% of the children who took part in the project started drinking more water during the day;
- 6% of the children who took part in the

project increased their consumption of fruit and 13% of vegetables; • more children have decided to spend more time on physical activity, starting to play sports for at least four days a week.



GOOD FOR THE PLANET

- 8.1 Responsible supply chains
- 8.2 Protection of animal welfare
- 8.3 Management of packaging materials
- 8.4 Production

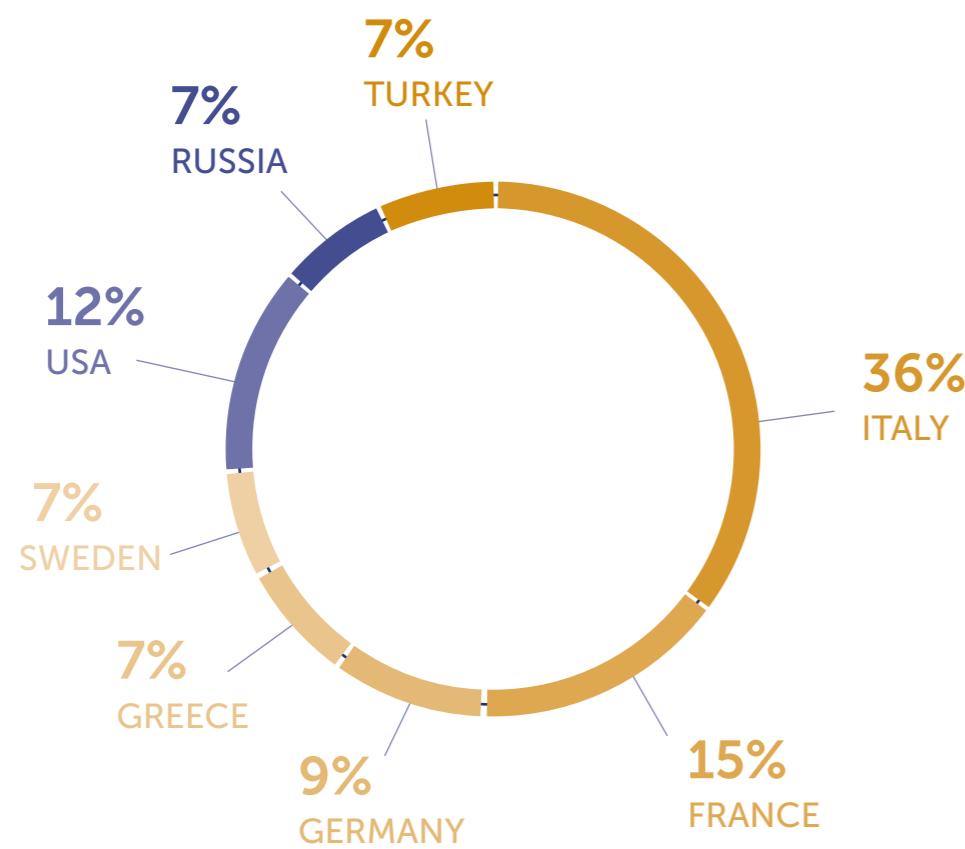


8.1 RESPONSIBLE SUPPLY CHAINS

Barilla's goal has always been to produce and offer people products that can promote healthy eating habits and help them live better, while reducing the impact of its activities on the environment and the community. It does this, not only by constantly improving the efficiency of production processes, but above all by developing sustainable supply chains from an economic, social and environmental point of view.

The rights of the people who operate in the supply chains and the impacts of production on the environment and on animal welfare are therefore fundamental parameters used by Barilla Group to evaluate the risks related to more than 8,500 suppliers with whom it had a commercial relationship during the year and implemented proper mitigation plans.

SUPPLIERS BY COUNTRY



THE BARILLA SUSTAINABLE AGRICULTURE CODE

Barilla establishes direct and lasting working relationships with raw material suppliers, based on dialogue and transparency, and defines clear requirements regarding the excellent quality of raw materials and strict compliance with the ethical and sustainability principles that characterise the Group's way of doing business. In particular, the Group's commitment to creating a sustainable raw materials supply chain is outlined in the **Barilla Sustainable Agriculture Code**, a document that establishes the principles for managing purchases according to sustainability criteria and guarantees proper relations with all the actors involved in the supply chain. This code is based on five fundamental principles:

- SEEKING EFFICIENCY AND COMPETITIVENESS IN THE PRODUCTION SYSTEM:** for Barilla, the achievement of high levels of efficiency in agricultural practices is the starting point for the development of a sustainable supply chain, as it allows the competitiveness of all the players in the sector to be increased, while at the same time reducing the negative impacts on the economy, the environment and society.
- PROTECTING BUSINESS INTEGRITY AND ENFORCING THE CODE OF ETHICS:** the Group favours the adoption of long-term contracts with its suppliers, guaranteeing stable earnings and promoting sustainable cultivation in terms of quality, food safety and environmental impact. Fur-

thermore, all Barilla contracts with suppliers are based on the explicit acceptance of the principles and values expressed in the Group's Code of Ethics.

3. PROMOTING FOOD HEALTH AND SAFETY: in order to guarantee the high quality of its products, Barilla monitors the risk profile of suppliers with regard to the food safety of raw materials. In fact, all the ingredients used only come from suppliers who undergo regular food health and safety assessment and certification procedures.

4. REDUCTION OF ENVIRONMENTAL IMPACTS: Barilla requires all suppliers to fully respect the environment and national and international environmental laws. Furthermore, in order to monitor the impact of the supply chains, throughout the product life cycle, from the field to the table, the Group uses the LCA (Life Cycle Assessment) methodology, measuring greenhouse gas emissions (Carbon Footprint), water consumption (Virtual Water Content) and the use of natural resources (Ecological Footprint).

5. LISTENING AND WORKING TOGETHER FOR CONTINUOUS DEVELOPMENT: the Group works with various stakeholders, including universities, NGOs, institutions and trade associations, to identify emerging risks and opportunities in agriculture. Barilla therefore intends to promote a shared development path in order to achieve common benefits.

ANALYSIS OF THE ENVIRONMENTAL IMPACT OF PRODUCTS

In pursuing its commitment to constantly reducing its environmental footprint, **Barilla regularly conducts an analysis of the environmental impacts associated with the entire life cycle of its products using the Life Cycle Assessment (LCA) methodology.** This method of analysis allows the environmental impacts to be assessed in terms of greenhouse gas emissions, water consumption and natural resources used, taking into consideration all stages of the product's life from the cultivation of raw materials to consumption and the final disposal of the packaging. In order to

71% of volumes produced covered by the LCA analysis

guarantee transparency regarding the environmental impact of its products, Barilla publishes the results of the LCA analyses through *Environmental Product Declarations (EPD)*, an international public analysis and communication tool compliant with the ISO 14025 standard, which undergoes verification by an independent third party.

66 EPD
published covering
69%
of 2018 production

THE SUSTAINABLE AGRICULTURE PROJECT

The **Barilla Sustainable Agriculture Code** is applied through the **Barilla Sustainable Farming (BSF) programme**, by means of which the Group supports and promotes the adoption of sustainable and innovative agricultural practices in its strategic supply chains, as well as in those which by their nature present potential environmental and social problems.

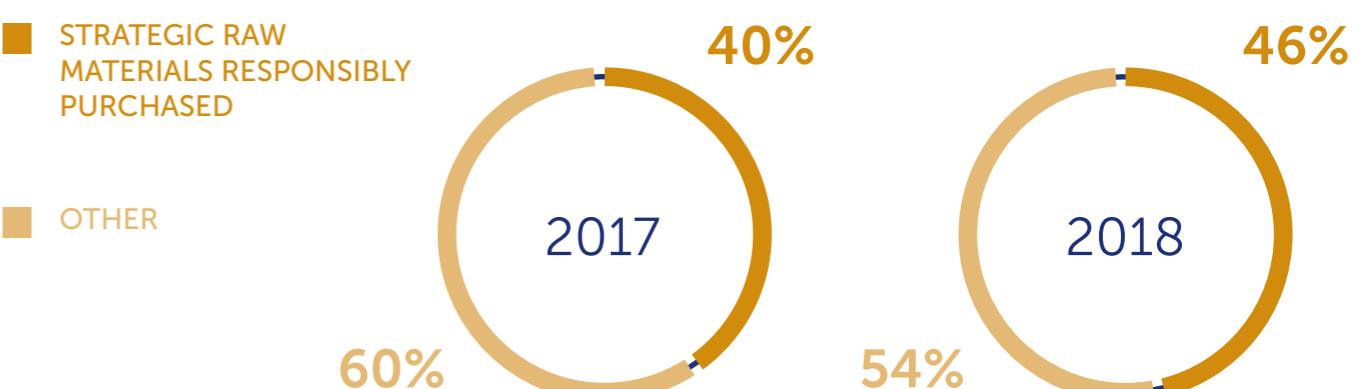
The objective pursued by Barilla through this programme is therefore to increase

the share of raw materials purchases cultivated in accordance with the principles stated in the *Barilla Sustainable Agriculture Code* from year to year. In particular, during 2018, the Group's attention focused on developing sustainable agriculture projects for the following supply chains: durum wheat, common wheat flour, other flours, cocoa, tomato and vegetable oils.

ENVIRONMENTAL IMPACT OF INGREDIENTS PURCHASED IN 2018

	Carbon Footprint	Virtual Water Content	Ecological footprint
	kt CO ₂ eq	mm ³	Global ha
Durum wheat	601	407	839
Soft wheat	31	66	32
Rye	23	22	27
Sugarbeet	39	35	21
Sunflower seed oil	104	125	94
Rapeseed oil	21	39	21
Tomatoes	24	2	10
Eggs	105	69	58
Cocoa	7	366	89
Beef	18	19	7
Pork	7	43	3
Fished fish	0	-	1
Animal fat	42	52	14
Dairy products	71	86	24
Total impacts	1,093	2,331	1,240

SHARES OF RESPONSIBLY PURCHASED STRATEGIC RAW MATERIALS



STRATEGIC RAW MATERIALS RESPONSIBLY PURCHASED							
	Total tonnes purchased			Tonnes selected from responsibly managed supply chains		Share of purchases selected from responsibly managed supply chains	
	2017	2018		2017	2018	2017	2018
	t.			t.		%	
STRATEGIC RAW MATERIALS							
Durum wheat	1,188,000	1,084,000		417,977	434,312	35%	40%
Durum wheat semolina	334,000	329,785		203,000	199,48	61%	60%
Common wheat	81,151	80,971		10,200	17,400	13%	21%
Common wheat flour	368,331	325,666		141,931	148,358	39%	46%
Rye	58,006	64,445		-	-	-	-
Tomatoes	62,898	68,111		54,418	63,863	87%	94%
Sunflower oil	35,613	39,257		15,488	33,880	43%	86%
Rapeseed oil	8,030	8,950		-	4,500	-	50%
Sugarbeet	-	57,461		-	56,822	-	99%
Eggs	24,668	24,684		23,144	23,103	94%	94%
RAW MATERIALS FROM SUPPLY CHAINS WITH ENVIRONMENTAL AND SOCIAL ISSUES							
Sugar cane	1,063	1,497		1,063	1,497	100%	100%
Cocoa	1,411	3,580		1,411	3,580	12%	27%
Beef	723	753		723	753	100%	100%
Pork	2,024	2,108		2,024	2,108	100%	100%
Chicken	16	-		16	-	99%	-
Fished fish	73	68		73	68	100%	100%
OTHER RAW MATERIALS OF ANIMAL ORIGIN							
Butter	7,208	7,592		-	-	-	-
Fresh milk	2,951	3,161		-	2,585	-	82%
Dairy products	6,994	7,303		-	1,210	-	17%
Total	2,192,661	2,118,833		866,312	993,387	40%	46%

DURUM WHEAT: A STRATEGIC RAW MATERIAL FOR THE GROUP

Durum wheat represents for Barilla one of the main materials in terms of volumes used.

It is of vital importance for the Group to guarantee, throughout the supply chain, the promotion of cultivation, conservation and handling techniques that guarantee the highest quality of the raw material, also making available specific instruments and tools to the farmers.

From this vision and need arise, in the various countries where Barilla operates, numerous projects aimed at spreading and developing tools and knowledge to support the responsible development of the durum wheat supply chain, based on respect for local peculiarities and on the promotion of lasting collaborations with different suppliers and local scientific bodies.

ITALY

During 2018, Barilla maintained its commitment to favour the Italian pasta supply chain by promoting an increasingly strong and lasting collaboration with durum wheat producers' organizations.

With this in mind, the Group signed an important agreement during the year with the Crédit Agricole financial institution that will allow Barilla's suppliers to receive direct loans, not only if they belong to consortia or cooperatives, under competitive financial conditions. **Thanks to this agreement, 5,000 farms will have the opportunity to access this form of finance, which will foster local economic**

DURUM WHEAT PURCHASES

	Total tonnes purchased			Tonnes purchased from the local market				Tonnes purchased under cultivation contracts				
	t.			t.		%		t.		%		
	2017	2018		2017	2018	2017	2018	2017	2018	2017	2018	
Italy	756,000	670,000		671,000	562,000	89%	84%	432,000	450,000	57%	67%	
Greece	65,000	66,000		62,000	66,000	95%	100%	18,800	22,879	29%	35%	
Turkey	139,000	135,000		127,000	133,000	91%	99%	0	0	0%	0%	
North America	228,000	213,000		228,000	213,000	100%	100%	0	0	0%	0%	
Total	1,188,000	1,084,000		1,088,000	974,000	92%	90%	450,800	472,879	38%	44%	

PURCHASES OF DURUM WHEAT SEMOLINA

	Total tonnes purchased			Tonnes purchased from the local market				%			
	t.			t.		%					
	2017	2018		2017	2018	2017	2018	2017	2018		
Italy	127,000	122,000		76,200	85,120	60%	70%				
North America	90,000	85,880		90,000	85,880	100%	100%				
Mexico	78,000	78,280		78,000	78,280	100%	100%				
Russia	34,000	43,320		34,000	43,320	100%	100%				
Total	329,000	329,480		278,200	292,600	85%	89%				

development, strengthening and consolidating the local production fabric and collaboration between the farms and Barilla.

Implemented in 2018, these initiatives are part of a broader programme promoted by the Group to support of Italian agriculture, mainly by drawing supply chain contracts, up to three years, with various farmers' organizations operating in Emilia Romagna, Marche, Puglia and Campania.

Thanks to these contracts, the Group aims to enable companies in its supply chain to achieve greater profitability and to plan the use of resources more confidently, with important positive effects on the quality of durum wheat produced and the cost management. Through these annual and multi-year contracts, Barilla also has the opportunity to involve farmers more and accelerate the process of achieving sustainability promoted by the company by disseminating shared cultivation rules and a decision support system to help farmers for a better use of fertilizers and to reduce CO₂ emissions and the use of water resources.

In addition to the agreement with *Crédit Agricole* and the commercial agreements signed with farmers' organizations, Baril-

la works with various national and international research organisations in developing new technologies and services to provide valuable support to agricultural producers in cultivation activities.

For example, for several years now, the Group has had a solid collaboration with HORTA, a spin-off of the *Catholic University* of Piacenza for the development and dissemination of the *Barilla Decalogue for Sustainable Cultivation of Quality Durum Wheat* and Granoduro.net®, two innovative tools supporting the development and continuous improvement of sustainable agronomic practices.

In particular, the **Decalogue** is a document shared with farmers and suppliers which contains 10 rules and useful tips to promote the spread of more efficient and sustainable agricultural practices, validated over the years thanks to field trials in different Italian areas.

Granoduro.net® is a digital platform which, by analysing numerous objective parameters - weather trends, soil fertility, the phenological state of the plant, and many others - provides concrete support to farmers in making technical decisions regarding such things as field fertilisation and crop disease treatments. Alongside the *Barilla Decalogue for Sustainable Cultivation of Quality Durum Wheat* and Granoduro.net®, 2018 also witnessed the launch of the **Agrostat** platform. During the year, Barilla worked actively with the CNR *Institute of Biometeorology* of Florence and Foggia on the

450,000
tonnes of durum wheat
purchased under
Cultivation Contracts

PURCHASES OF DURUM WHEAT FROM ITALIAN FARMERS WHO USE THE GRANODURO.NET SYSTEM

	Number of growers and farm holdings that use granoduro.net		Tonnes of wheat grown with the support of granoduro.net	
	2017	2018	2017	2018
Northern Italy	593	1,178	91,675	88,169
Central Italy	768	1,104	104,938	91,390
Southern Italy	687	678	33,363	47,653
Total	2,048	2,959	229,976	227,212

creation of a completely free service to support farmers in managing fertilisation through precision farming techniques. Agrostat is an innovative tool able to increase the production and quality of the crop, reducing costs for farmers and the environmental impact. The first important result achieved during the year by the platform involved supporting cereal producers in the Province of Foggia and the whole of Emilia-Romagna by providing a detailed picture of the temporal variability of biomass in the field and the development of maps fertilisation prescription maps.

Finally, to develop synergies between different supply chains, Barilla continued the pilot project on integrating durum wheat with sugar beet crops. During the year, thanks to the partnership with Cooperative Produttori Bieticoli (COPROB) and Italia Zuccheri, 31 sugar beet producers integrated their cultures with durum wheat, cultivated according to Barilla's Sustain-

able Agriculture principles. As a result of the numerous initiatives implemented during the year to support farmers and promote more responsible agricultural practices, in 2018 the Barilla Group was able to purchase approximately 227,000 tonnes of durum wheat grown in a more responsible way.

227,000 tonnes of
Sustainable Durum Wheat
cultivated in 2018

POSSIBLE ORIGINS FOR IMPORTS OF DURUM WHEAT AND MAIN QUALITATIVE PARAMETERS

ITALY

Durum wheat is imported into Italy mainly for quantity reasons as total Italian production covers just 65-70% of requirements. Often the quality of Italian durum wheat is not sufficient and suitable to achieve the qualitative performance required for high quality Italian pasta.

In particular, while it favors Italian durum wheat, Barilla imports around 20-30% of

wheat from European or non-European countries, depending on quality, each year, than can integrate the national one. Wheat with a high protein content is mostly imported from France, Australia or the United States, to guarantee the qualitative performance required by our consumers.

Over the years, depending on the quality and quantity of the Italian harvest, imports may also come from other countries such as Greece or Spain.

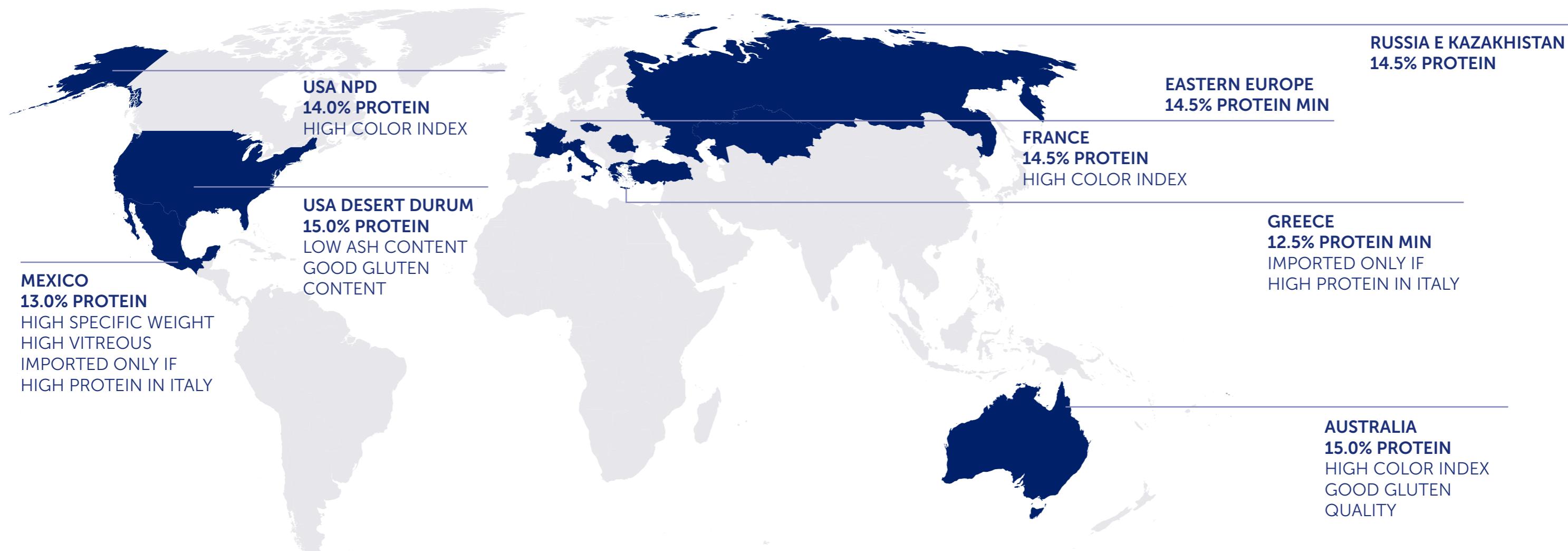
The protein content is the most important parameter in determining the quality of the wheat as a high protein level, together with the quality of the gluten, improves resilience in cooking. We try to maximise these characteristics in our purchases. The level of yellow of the wheat (given by the carotenoids pigments) positively determines the colour of the dough.

In addition, another important characteristics is the low ash content (the content of

mineral salts) that optimises the grinding process.

GREECE

Over the course of the year, Barilla continued to forge partnerships with the various local players in Greece, aimed at promoting a more sustainable durum wheat supply chain. In this respect, the Group worked with the University of Thessaly to define guidelines to adopt



agro-technical tools to reduce production costs. Starting from 2018 there have been the gradual spread, together with cultivation contracts and the Granoduro.net decision-making system, of the 12 principles of sustainable agriculture. Thanks to these initiatives, 218 farmers sowed the first 2,200 hectares of land according these guidelines.

22,879 tonnes of durum wheat purchased under Cultivation Contracts

TURKEY

In Turkey, during the year Barilla continued the dissemination of the *Sustainable Agriculture Manual* developed with *Bahri Dağdaş International Agricultural Research Institute*. The collaboration with the university *Namık Kemal* has also been started, for the preparation and then dissemination of a manual of cultivation of durum wheat in Thrace.

RUSSIA

The Barilla supply chain of durum wheat in Russia is still in a study phase. In this context, Barilla has launched a scientific project to identify varieties and cultivation techniques for durum wheat, together with the *Faculty of Agriculture of Moscow (Tymirazev Academy)*.

NORTH AMERICA

In the United States and in Canada, farmers already adopt highly efficient agricultural cultivation systems, using precision farming tools and in many cases using technical support systems similar to those developed by Barilla in the European supply chains.

In the agricultural areas of North America, the Group continued to collaborate with research bodies and local partners in 2018 to improve the agronomic knowledge of farmers and to develop new sustainable agriculture techniques.

In collaboration with the *University of North Dakota*, Barilla has promoted the publication of a complete agronomic guide, which contains a set of guidelines with practical suggestions for the most innovative agricultural techniques for cultivating durum wheat. This guide, after two years of field trials, has been made available online on the website of the University and other bodies for the benefit of all the producers of durum wheat in the state. During 2018, a complete agronomic guide was also published to support farmers, developed in collaboration with Agrifood Canada and SeCan.

Finally, in Montana, Barilla promoted the *Agrible* digital platform throughout the durum wheat supply chain. This provides Canadian farmers with real-time data on their crops, supporting them in the use of more efficient and sustainable agricultural practices.

THE GROUP'S OTHER STRATEGIC SUPPLY CHAINS: COMMON WHEAT, RYE, TOMATOES AND VEGETABLE OILS

COMMON WHEAT AND COMMON WHEAT FLOUR

Common wheat flour is a key ingredient for Barilla's bakery products and is produced mainly in Italy and France, and in a very limited part in Germany.

To promote sustainable development of the supply chain, the Group published two important documents during the year: *La Carta del Mulino* and *La Carta di Harrys*.

La Carta del Mulino (The Mulino Charter) stems from the *Mulino Bianco* brand's interest in supporting the spread of sustainable agricultural practices along the common wheat supply chain in Italy and France. Created in collaboration with the WWF It-

aly, this charter is an innovative set of rules for sustainable agriculture. Its 10 rules are intended to guarantee the ever-increasing quality of the products, support the work of farmers' communities and protect the environmental heritage by safeguarding biodiversity, reducing the use of chemicals and protecting pollinating insects.

At the same time as the *Carta del Mulino* was issued, the *Harrys* brand in France drew up its *Carta di Harrys* (The Harrys Charter), in collaboration with several supply chain operators, agronomy experts and certification bodies, which defines the principles of agriculture that the common wheat chain is required to respect.

PURCHASES OF COMMON WHEAT FROM GROWERS WHO HAVE SIGNED UP TO THE "CARTA DEL MULINO"		
	Tonnes of wheat cultivated with the support of granoduro.net	Number of growers and farm holdings that use granoduro.net
Italy	3,910	45
France	1,497	13
Total	5,407	58

PURCHASES OF COMMON WHEAT FROM GROWERS WHO HAVE SIGNED UP TO THE "CARTA DI HARRYS"		
	Tonnes of wheat grown with the support of granoduro.net	Number of growers and farm holdings that use granoduro.net
France	26,717	183

In particular, this charter contains 40 agro-ecological rules based on the NF30-001 public standard, outlining good practices for the responsible cultivation of wheat in all its phases, taking into consideration the positive and negative effects deriving from soil cultivation.

Furthermore, the *Carta di Harrys* is the foundation for the sustainable agriculture programme *Moelleux & Responsable* (Soft and Responsible), with which the French brand sets out to achieve the dual objective of providing concrete support to local farmers, through the use of multi-year cultivation contracts, and promoting the spread of more environmentally-friendly agricultural practices.

In addition to the commitments made through the Harrys brand sustainable agriculture project, in France, Barilla buys common wheat flour only from mills that fully manage their supply chain and are able, for each crop, to provide a detailed analysis of the product life cycle.

In Italy, the Group carried out an LCA analysis involving all the mills in Barilla's national wheat flour supply chain to identify the main areas for improvement for sustainable development in this sector. Furthermore, working with HORTA, Barilla has drawn up and made available to farmers in the supply chain, a set of guidelines for the sustainable cultivation of soft wheat.

RYE AND RYE FLOUR

Rye is the basis of the crunchy bread recipes produced by the Group mainly in Sweden and Germany. Barilla's rye supply chain has an excellent environmental profile based on two main factors: first of all, rye cultivation does not require a high use of inputs, such as water and fertilisers; secondly, sustainable agronomic practices, in environmental and agricultural terms, have existed in Germany and Sweden for some time. As regards supplies of rye, Barilla undertakes to buy 100% of the raw material locally, unless adverse weather conditions make a partial supply from other countries necessary.

TOMATOES

In Italy and the United States, the main countries in which Barilla uses tomatoes to produce ready-made sauces, **the Group is committed to buying 100% of the raw materials locally and promoting initiatives for the sustainable development of supply chains**, as defined in the Barilla Sustainable Agriculture Code.

In Italy, Barilla buys tomatoes only from producers operating in the Po Valley who apply mechanical harvesting techniques. Since 2015, the Group has committed itself to buying tomatoes from Global G.A.P certified producers who guarantee the application of sustainable and responsible agricultural practices. Constant commitment in this respect led Barilla in 2017 to purchase 84% of the tomatoes used in Italy from Global G.A.P certified producers.

In the United States, the tomatoes pur-

chased and processed for Barilla by *LiDestri* come from Californian producers, who apply mechanical harvesting practices.

In collaboration with these producers, in 2018 Barilla concluded an LCA study on the last decade's crops in collaboration with the *University of California UC Davis*. The study has highlighted a continuous reduction over the years in the use of water resources and

the emission of greenhouse gases, in line with the criteria of the Barilla Sustainable Agriculture Code.

RYE AND RYE FLOUR						
	Total tonnes purchased		Tonnes purchased from the local market			
	t.	t.				
	2017	2018	2017	2018	2017	2018
Sweden	35,238	34,800	34,780	31,668	99%	91%
Germany	21,813	21,315	21,813	21,315	100%	100%
Italy	276	324	-	-	-	0%
France	394	343	-	-	-	0%
Russia	285	343	285	343	100%	100%
Total	58,006	57,125	56,593	53,326	98%	93%

TOMATOES						
	Total tonnes purchased		Tonnes purchased from the local market			
	t.	t.				
	2017	2018	2017	2018	2017	2018
Italy	52,998	57,402	52,998	57,402	100%	100%
North America	9,900	10,710	9,900	10,710	100%	100%
Total	58,006	68,112	56,593	68,112	100%	100%

VEGETABLE OILS

Vegetable oils are used by Barilla to produce numerous recipes. In particular, **the Group uses sunflower oil, extra virgin olive oil, rapeseed oil and soybean oil.**

As regards sunflower oil, mainly used in Italy, the Group promotes its production in rotation with durum wheat. In this respect, Barilla has undertaken numerous projects with farmers to determine the best agricultural practices for sunflower cultivation, in accordance with the principles of the Barilla Sustainable Agriculture Code.

In particular, Barilla is committed to buying sunflower seed oil from producers who are certified to the CSQA or ISCC+ DTP 112 standard, which guarantee sustainable production in environmental, economic and social terms, or which adopt the HORTA Girasole.net® platform. To date, 86% of

sunflower seed oil purchased from Barilla comes from producers that meet these criteria, more than double the amount recorded in 2017.

In Italy, Barilla also uses soybean oil in its recipes, purchased entirely from producers who meet the requirements of the CSQA DTP 112 standard.

With regard to rapeseed oil, which is particularly widespread in France, Barilla has launched several projects in collaboration with suppliers to define how to apply the principles of sustainable agriculture defined at Group level.

SUPPLY CHAINS WITH POTENTIAL SOCIAL ISSUES

The Group's procurement system also includes supply chains that present potential social issues.

Barilla has identified potential issues in the **cocoa, cane sugar and promotional gadget supply chains** related to the use of child labour and the failure to respect human rights.

Therefore, when making purchases from these supply chains, the company only deals with suppliers who hold certifications issued by **independent organisations that verify compliance with international ethical and social standards**. For example, Barilla requires all promotional gadget suppliers to have the SA 8000 cer-

tification and sugar cane producers the SMETA or Bonsucro certification.

Furthermore, the Group requires its suppliers to register with the international Sedex platform, verified quarterly, in order to ensure full compliance with the ethical and social standards that the Group is inspired by. Finally, a binding requirement for all supply contracts is the supplier's acceptance of the Barilla Code of Ethics.

VEGETABLE OILS

	Total tonnes purchased		Tonnes purchased from the local market			
	t.	t.	%			
	2017	2018	2017	2018	2017	2018
Sunflower seed oil	35,606	39,257	5,388	8,380	15%	21%
Rapeseed oil	8,030	8,950	3,594	4,308	45%	48%
Total	43,636	48,207	8,982	12,688	21%	26%

	2017	2018
Suppliers deemed to be at potential risk of violating human rights	97	83
Suppliers exposed to the risk of violating human rights who hold independent third party certifications or audit reports verifying compliance with ethical and social standards	84	71
Percentage of suppliers who hold independent third party certifications or audit reports verifying compliance with ethical and social standards	85%	86%

COCOA

Cocoa is one of the Group's raw materials that presents the greatest social and human rights concerns.

Through the Pan di Stelle brand, the Barilla Group has therefore launched a collaboration programme with the supplier *Barry Callebaut* and his *Cocoa Horizons Foundation*, with the aim of supporting the cocoa supply chain in Africa. During the year, this collaboration led to the launch of a project called *Un Sogno Chiamato Cacao* (A Dream Called Cocoa), through which the Group is actively committed to supporting the foundation's projects in Ivory Coast.

The Foundation's projects aim to improve the living conditions of cocoa farmers' communities through numerous training courses, support programs for school education, initiatives to strengthen the role of women and activities to protect children and health. To further safeguard the sustainability of the supply chain, the Barilla Group buys cocoa only from suppliers who have signed up to the *World Cocoa Foundation*, a non-profit organisation engaged in the responsible

27% of cocoa is bought by Barilla in collaboration with the Cocoa Horizons Foundation

development of the sector.

In 2019 all the cocoa purchased from *Barry Callebaut* will be part of the *Cocoa Horizons* project and by 2020 the same approach will be launched to other Group suppliers.

CANE SUGAR

With regard to cane sugar, Barilla has identified potential critical social issues, considering the geographical areas in which this raw material is produced. Barilla undertakes to support the development of sustainable purchasing projects in collaboration with the main suppliers and to define specific ethical and environmental standards.

Today Barilla purchases cane sugar only from SMETA (Sedex Members Ethical Trade Audit) or Bonsucro certified suppliers.

100% of Barilla's cane sugar suppliers are certified according to the SMETA standard



ATTENTION TO DIVERSITY AND INCLUSION ALONG THE SUPPLY CHAIN

Over the last few years, Barilla has made important progress in promoting diversity and inclusion in the company. As a next step, during the year, the Group decided to extend its commitment in this area to its relationships with suppliers.

Barilla therefore launched the Supplier Diversity & Inclusion project to ensure that its procurement processes involve female-run companies, companies managed by LG-BTI people, as well as an increasing number of small and medium-sized companies.

As a first step, Barilla submitted a questionnaire on diversity and inclusion issues to around 1,900 suppliers in six different regions (USA, Italy, France, Germany, Sweden and Greece). The questionnaires gathered relevant information for the Group regarding the different perception of diversity and inclusion in the various regions of the world in which it operates. For example Supplier Diversity is very well-known in North America, where a specific certification is required for suppliers to be considered as "Diverse" and where many companies have developed *ad hoc* D&I support programmes. In Europe, however, Supplier Diversity is little known and there are few organisations able to certify a company as "Diverse". Furthermore, only a small number of companies have defined so far developed their own D&I strategy.

In particular, the questionnaire revealed that several Barilla suppliers are considered "Diverse" and some of them have developed their own D&I programs.

In the coming years, the Group will be developing the Supplier Diversity & Inclusion project, extending it to new suppliers and new geographical areas, while promoting the dissemination of a culture of respect for Supplier Diversity along its supply chain by organising workshops with suppliers, customers and interested companies.



8.2 PROTECTION OF ANIMAL WELFARE

ANIMAL WELFARE GUIDELINES

Barilla is committed to ensuring that all suppliers of raw materials of animal origin respect not only the legal requirements but also the highest animal welfare standards and criteria.

In support of this commitment, working with *Compassion In World Farming* (CIWF), the Group has drawn up the **Barilla Animal Welfare Guidelines**.

Barilla pays particular attention to establishing precise purchasing criteria for eggs, meat, fish and dairy products, coming from Europe, North and South America, Russia and Turkey.

In particular, the Group recognises in its guidelines that it is fundamental to respect both the physical and mental wellbeing of the animals, and their ability to express species-specific behaviour. For this reason, it promotes respect for the Five Animal Freedoms:

- freedom from hunger and thirst;
- freedom to have an adequate physical environment;
- freedom from pain, injury and disease;

- freedom to express their species-specific behavioural characteristics;
- freedom from fear and discomfort.

Furthermore, the guidelines establish specific standards with which Barilla supply chains must comply. In particular:

- all animals raised in the supply chains must have appropriate access to feed and water, thus satisfying their needs and reducing aggression;
- densities must guarantee the wellbeing and comfort of the animals, allowing the expression of species-specific behaviours;
- routine mutilations must be avoided, unless strictly necessary to preserve the welfare of the animals;
- transport must always be carried out in a way that minimises potential causes of stress and shortens the length of travel as much as possible. Transport for over 8 hours must always be avoided;
- animals must always be stunned before slaughter;
- antibiotics must always be used responsibly, reducing their use where possible and avoiding prophylactic use;

- the use of growth hormones is not allowed;
- genetic engineering or cloning of farm animals and/or their offspring are not allowed;
- breeds must be selected based on traits that improve wellbeing, rather than only to increase productivity.

Compliance with these standards, periodically verified through specific audits, is an integral part of contracts with suppliers of eggs and meat. If the supplier does not comply with the standards, Barilla draws up

a plan to restore compliance based on the severity of the case. Furthermore, in order to train people in animal welfare, Barilla carried out a training course internally, run by *Compassion in World Farming* (CIWF), for all the employees involved in managing the supply chain, particularly the *Global Supplier Quality Management* and *Global Purchasing Unit*.

PROCUREMENT OF FREE-RANGE EGGS

Barilla believes that the confinement of hens is a harmful practice for the wellbeing of animals and **has therefore decided to abandon this farming method throughout the supply chain and to use free-range eggs exclusively from 2019, anticipating a commitment initially set for 2020.**

Since 2012, all the eggs used in "Le Emili-anne" and "La Collezione" pasta, as well as Mulino Bianco, Pan Di Stelle and Pavesi baked products, are entirely free-range. Since 2017, the eggs used in Harrys brand products have also all been free-range.

PROCUREMENT OF MEAT-BASED PRODUCTS

Since 2014, Barilla has been running an important **project with the suppliers of meat used in sauces and filled pasta to develop new animal welfare guidelines that cover all supplies of pork and beef**. These guidelines respect all the practices mentioned above.

The suppliers signed the joint document in 2015 and the practices are already being implemented. Furthermore, during 2018, Barilla planned to complete the full implementation of all the practices for both supply chains.

To date, the guidelines cover 100% of the supplies of pork and beef for sauces and filled pasta produced in Italy (99% of the total meat used by Barilla).

PROCUREMENT OF CHICKEN MEAT

Barilla does not purchase chicken meat for the production of its products. However, it commits to ensure that any future purchases come from suppliers who undertake to implement specific animal welfare protection practices. In particular:

- transition to breeds approved by the world-wide organization RSPCA or by the *Global Animal Partnership (GAP)* based on measurable results of welfare improvement;
- density reduction to a maximum of 1.2 Kg / m², prohibiting the use of cages;

- breeding in enriched environments that meet the new GAP standards, including bedding and light management;
- elimination of pre-stunning manipulation, using irreversible stunning systems instead;
- guaranteeing compliance with the standards defined by Barilla for the protection of animal welfare, undergoing external verification activities.

PROCUREMENT OF FRESH MILK

Fresh milk is a key ingredient for many Barilla products, purchased by the Group from local, traceable and controlled supply chains. During 2018 Barilla, in partnership with its main supplier, started a certification process according to the animal welfare and biosecurity assessment system for cattle breeding (beef and dairy cattle) developed by the CReNBA (*National Reference Center for Animal Welfare*). The certification process required the analysis of various parameters such as stall management, structure assessment, measurement of specific animal parameters, biose-

curity and large-scale risk assessment. At the end of 2018 over 80% of the milk volumes purchased by the group came from farms certified according to the CReNBA Standard for Animal Welfare (this percentage represents 20% of the purchases of dairy products by the Group). In addition, all the dairy cows of the Italian supply chain, which represent 20% of the supply of dairy products, are raised in free stables without constraint systems.

EXTERNAL ACKNOWLEDGEMENTS

In February 2019, the seventh *Business Benchmark on Farm Animal Welfare* report was presented in London. An initiative that grows year by year, with the total number of companies analysed increasing from 110 in 2017 to 150 in 2018, coming from 23 different countries.

The BBFAW benchmark is therefore becoming an increasingly popular tool used by investors and industry stakeholders to assess the policies, performance and transparency of food companies in terms of animal welfare. In particular, in order to ensure clear and transparent communication, the BBFAW analyses and evaluates public communications by leading food

companies in the industry worldwide, assessing how they manage and communicate their policies and practices regarding the welfare of livestock.

In the 2018 edition of the Benchmark, Barilla confirmed its leadership in the field of animal welfare, the only Italian company to achieve the third level of the pyramid defined by the BBFAW.

An important result achieved thanks to detailed and transparent communication on the subject of animal welfare, which includes not only defining more concrete objectives, but also communicating the progress made from year to year to achieve them.

ANIMAL ORIGIN SUPPLY CHAINS: EGGS, PORK AND BEEF

EGGS

Barilla uses eggs for its own bakery products and fresh pasta, mainly in Italy and France.

Since 2012, the Group has started a process of conversion of the supply chain, through the gradual abandonment of caged breeding and favoring the purchase from producers who raise hens on the ground. Barilla undertakes to complete this transition by 2020.

The results obtained during the year for the responsible purchase of the eggs are the following:

- Italy (from which 77% of the eggs purchased comes from) 100% of the eggs are purchased from free-range hens, traced and verified supply chains;
- France (from which 17% of the eggs purchased comes from) 100% of the eggs are purchased from free-range hens, traced and verified supply chains;
- Brazil (from which 5% of the eggs purchased comes from) the conversion

- to land farms was completed in March 2019;
- Turkey (from which less than 1% of purchased eggs comes from) the conversion to land farms was completed in March 2019;
 - USA (from which less than 1% of purchased eggs comes from) a profound reformulation of the products has been completed with the aim of eliminating the eggs as an ingredient. The conversion will be completed during 2019.

During 2018, Barilla introduced a digital system, called eggs.barilla.com, to track the origin of eggs in their supply chains in France and Italy, which represent 94% of global supplies. Important progress has been achieved by Barilla in Brazil, where

the adoption of new types of sustainable farming will be completed during 2019. Furthermore,

Barilla carries out periodic audits at all its egg suppliers, in order to ensure the effective adoption of practices sustainable breeding in line with the Group's animal welfare policy. In particular in Brazil, Barilla has started a process of conversion of the supply chain, favoring the purchase of eggs from producers who raise hens on the ground. The Group expects to complete this process by 2019.

In the United States, a project has been launched to reformulate products containing eggs, which will lead to a gradual decrease in the use of this ingredient. The remaining volumes will be purchased

entirely from producers with free-range farms during 2019.

Finally, Barilla carries out periodic audits on all free-range egg producers to verify effective compliance with alternative farming systems. To date, these checks have been carried out on European suppliers, as they are the only ones to have completed the conversion process to cage-free farms. In other non-European countries, the Group relies on suppliers who comply with national breeding schemes.

In the absence of national schemes, an Animal Welfare Officer is in charge of carrying out an audit on a sample of breeders, in order to verify their compliance with a recognised guarantee scheme.

implemented in collaboration with farmers in the coming years.

As regards the supply of pork, the Group is working with *Compassion in World Farming* and its Italian suppliers to abolish tail-docking throughout the supply chain. This process is aimed at improving welfare conditions for the animals, increasing awareness among breeders on this subject and promoting the development of alternative breeding practices that can reduce the risk of accidents linked to cannibalism and aggression among the animals.

Following an initial stage of checking and improving environmental standards in all pigsties, Barilla involved the farmers in specific training sessions on correct breeding practices for long-tailed pigs.

EGGS									
	Total tonnes purchased		Tonnes purchased from the local market				Percentage of free-range eggs purchased		
	t.		t.		%		%		
	2017	2018	2017	2018	2017	2018	2017	2018	
Italy	18,833	18,918	8,833	18,918	100%	100%	100%	100%	
France	4,307	4,181	3,350	2,207	78%	53%	100%	100%	
United States	181	204	181	204	100%	100%	0%		
Brazil	1,334	1,334	1,334	1,334	100%	100%	0%		
Russia	9	14	9	14	100%	100%	0%		
Turkey	18,833	30	18,833	-	100%	0	0%		
Total	24,664	24,680	23,698	22,676	96%	92%	94%	94%	

PORK AND BEEF

Pork and beef are ingredients used in Barilla's ready-made meat sauces and filled pasta produced in Italy. In accordance with its animal welfare policy, the group buys meat from producers who respect the five freedoms of animal welfare.

During the year, Barilla completed its analysis of the meat supply chain to identify possible areas for improvement in line with the parameters included in the *Business Benchmark on Farm Animal Welfare (BBFAW)*.

This analysis showed an improvement in the alignment with the BBFAW and, as a result of the main deviations observed, Barilla committed itself during 2018 to drawing up an improvement plan to be

In parallel, between the end of 2016 and the beginning of 2017, the Group carried out tests and evaluations on the best materials for the environmental enrichment of livestock farms, in order to better meet the behavioural needs of the animals and prevent aggressiveness. In the coming years, Barilla will work actively with its suppliers to implement these breeding standards throughout the supply chain by 2019.

BEEF						
	Total tonnes purchased		Tonnes purchased from the local market			
	t.		t.		%	
	2017	2018	2017	2018	2017	2018
Italy	714	750	714	750	100%	100%
United States	9	4	9	4	100%	100%
Total	723	754	723	754	100%	100%

PORK						
	Total tonnes purchased		Tonnes purchased from the local market			
	t.		t.		%	
	2017	2018	2017	2018	2017	2018
Italy	2,003	2,096	2,003	2,096	100%	100%
United States	21	12	21	12	100%	100%
Total	2,024	2,108	2,024	2,108	100%	100%

OTHER PRODUCTS OF ANIMAL ORIGIN

Also other animal products such as fish, milk and dairy products are used in Barilla recipes. With reference to these ingredients, **the Group is committed to promoting purchases in line with what is defined within the animal welfare policy and preferring supplies from breeders operating in the same countries where Barilla is present.**

As regards milk, **Barilla is committed to replacing milk powder with fresh milk**

from local, tracked and certified supply chains in its production processes. Fresh milk is mainly used in Italy, where about 83% of global milk volumes and 25% of dairy products are consumed. The Group purchases this ingredient mainly in Northern Italy from a single supplier from which over 90% of the milk consumed globally and 25% of dairy products comes from. The latter is actively engaged in the application of the Barilla Guidelines on Animal Welfare and has obtained the certification for the Animal Welfare according to the standard defined by the CReNBA.

BUSINESS BENCHMARK ON FARMED ANIMAL WELFARE SURVEY

During 2017, Barilla conducted a survey involving Italian meat suppliers to verify the level of compliance with the parameters stated in the Business Benchmark on Farmed Animal Welfare (BBFAW). This analysis produced the following results:

PORK

- the gestation cages for the sows are used for the first four weeks of gestation, subsequently all the animals are transferred in collective boxes for the remaining period;
- 50% of the animals bred are not subject to cutting the tail while for the remaining part tests are underway to eliminate this practice;
- all pigs are transported from breeding to slaughter in less than 8 hours, including loading and unloading from transport vehicles;
- all products containing pork come from

animals that are effectively stunned before being slaughtered.

BEEF

- all the cattle are transported from the breeding to the slaughter in less than 8 hours, including the loading and unloading activities from the means of transport;
- all products containing beef come from animals that are effectively stunned before slaughter;
- all calves reared at Barilla supply chains are not subject to routine mutilation and are not injured;
- 33% calves are bred using straw bedding in the stalls.

In the course of 2019 the results of the analysis conducted will also be verified with the support of an independent third party and an improvement path will be defined for 2020.

OTHER PRODUCTS OF ANIMAL ORIGIN

	Total tonnes purchased		Tonnes purchased from the local market			
	t.	2017	2018	t.	2017	2018
Fished fish	73	68	-	-	0%	0%
Butter	7,208	7,592	-	-	0%	0%
Milk	2,951	3,161	2,951	3,161	100%	100%
Dairy products	6,994	7,303	3,719	3,945	53%	54%

8.3 SUSTAINABLE MANAGEMENT OF PACKAGING MATERIALS

Barilla has issued the Barilla Sustainable Packaging Principles, published on the www.barillagroup.com website, to promote the environmental sustainability of its product packaging. In particular, these principles require:

- the quantity of packaging materials to be reduced;
- the use of recyclable packaging;
- the use of materials sourced from responsibly managed forests;
- validation of the choice of technical packaging solutions by means of impact analyses (LCAs);
- the use of materials not coming from the food chain.

Building on the excellent results achieved over the years by applying the *Sustainable Packaging Principles*, in 2017 Barilla decided to update this document, introducing a further concept of sustainability and pushing the bar even higher.

The zero waste packaging objective, achievable by reducing packaging at source and ensuring the recyclability of materials, was supplemented by the longer term zero impact packaging objective, which requires the use of renewable or recycled resources to produce packaging materials.

PRODUCT PACKAGING

Barilla has established responsible purchasing criteria for the paper and cardboard used in its product packaging, making use of supply chains managed according to the FSC or PEFC standards, which guarantee sustainable forest management, based on environmental protection, respect for rights and cultural traditions and promoting the economic sustainability of forestry activities. The Group is also committed to guarantee-

ing the recyclability of packaging, preferably using recyclable materials, where the organoleptic characteristics of the product allow it. **In order to help consumers sort packaging and dispose of it correctly, Barilla has also designed and applied specific recycling icons on its product packaging.** Barilla Group takes part in two important initiatives to promote product packaging recycling:

RAW MATERIALS USED FOR PACKAGING			
	2017	2018	Purchased in accordance with sustainable packaging principles
Flexible film	23,695 t.	23,937	95%
Glass	58,046 t.	141,497	100%
Paper and cardboard for packaging	137,027 t.	63,349	100%
FS FSC, PEFC and SFI certified paper and cardboard for packaging C, PEFC and SFI certified paper and cardboard for packaging	98.8%	100%	100%

PACKAGING RECOVERY AFTER CONSUMPTION		
	2017	2018
Recyclable packaging put on the market	99%	99.4%
Packaging showing information on how to recycle	99%	99%
Packaging made of recycled material	37%	35%

- Barilla has become a member of the **Sustainable Packaging Coalition**, a working group that involves producers, distributors, public bodies and academics in promoting the wider use of more sustainable packaging materials.
 - The Group has signed up to the US **How2Recycle** labelling system, which promotes the spread of clear and simple communication with consumers on recycling product packaging.
- Barilla has declared its commitments for the sustainability of plastic packaging, signing the pledge and adhering to the commitment of the Ellen MacArthur Foundation for a more conscious use of plastic materials.
- In particular, by 2020 all packaging materials placed on the market will be monomaterial or recyclable with paper according to the reference standards.

THE BARILLA READY PASTA RECYCLING PROGRAMME

During the year, Barilla entered into an important partnership with TerraCycle, an innovative company involved in the recycling of plastic materials, to provide its consumers with a simple and free service for recycling Barilla ready-made meal packaging. Through this initiative, called Ready Pasta Recycling Program, the Group is therefore committed to providing people who choose Barilla products with innovative tools to reduce their environmental impact.

In particular, the partnership ensures that, once collected, the pasta packaging is cleaned and melted into plastic which can then be reused to make new sustainable products. Furthermore, for every kilo of waste sent to TerraCycle, consumers have the opportunity to contribute 1 dollar to supporting a non-profit organisation, school or charity of their choice.

Thanks to this initiative, Barilla's Pasta Pronta packaging is now 100% recyclable and makes a concrete contribution to reducing the quantities of potentially recyclable materials disposed of in landfills rather than being reused.



8.4 PRODUCTION

SUSTAINABLE MANAGEMENT OF THE BARILLA'S PRODUCTION ACTIVITIES

Barilla's focus on the environment is also reflected in its constant promotion of efficiency and sustainability in its production processes, the accurate monitoring of energy resources used in the plants, greenhouse gas emissions, water consumption and production waste.

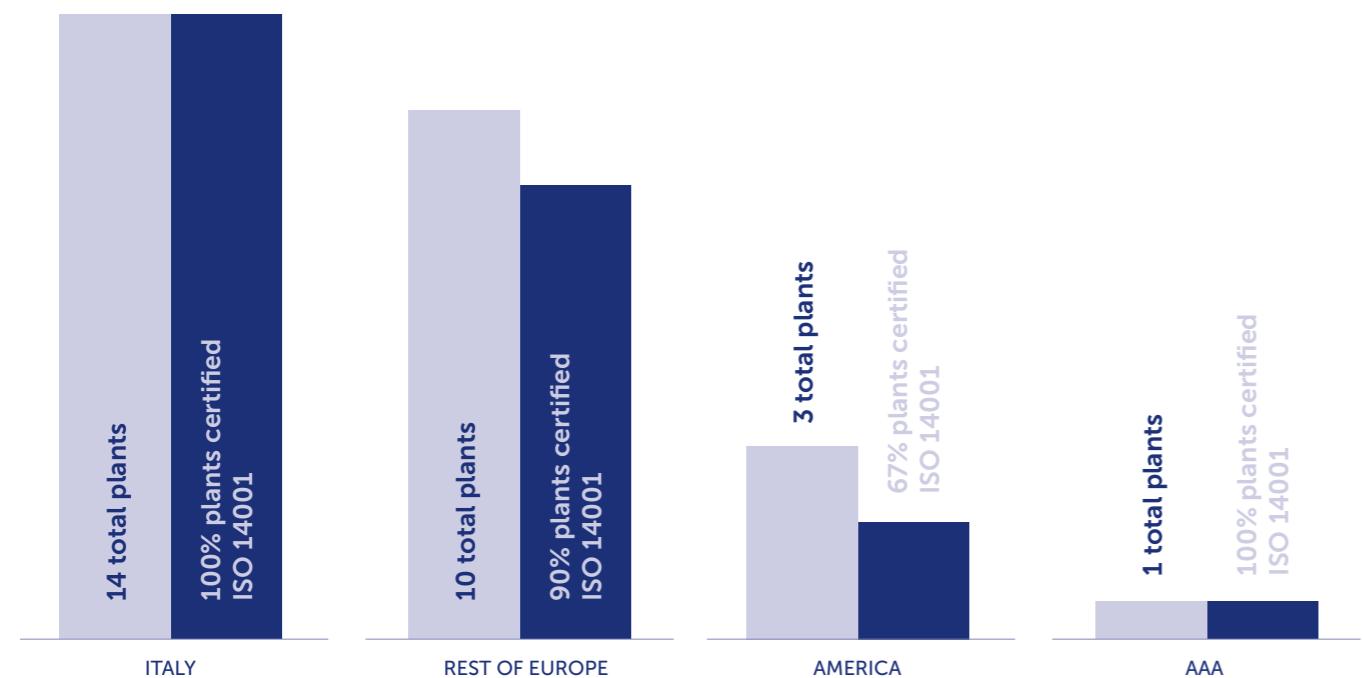
In order to manage its environmental footprint more effectively and guarantee the sustainability of its production processes, the Group has implemented a solid environmental management system for several years. This system, which exists in 90% of the Group's plants, was certified by an independent third party as compliant with the international ISO 14001 standard. Furthermore, with particular reference to energy resources, Barilla has implemented a system for the ongoing improvement of energy performances, certified according to the ISO 50001 standard, for 70% of production plants.

In order to ensure transparent communication of its environmental performance, the Barilla Group voluntarily adheres to the initiatives promoted by the *Carbon Disclosure Project*, an independent international

organisation committed to promoting an ever greater synergy between the financial community and the business world to enhance and monitor the commitment to contain climate change and the responsible and sustainable use of water resources over time.

In particular, the Group responds to the *CDP Climate Change*, *CDP Forest* and *CDP Water* questionnaires. During 2018 in particular, the Group obtained a "B" rating (on a scale ranging from a minimum of D- to a of A) in the *Climate Change questionnaire*, while it received an "A-" rating in the *Forest questionnaire*, an improvement compared to the results achieved in 2017.

93%
of production volumes
manufactured in
ISO:14001-certified
production plants



FOCUS ON REDUCING ENERGY CONSUMPTION AND EMISSIONS

In order to improve its environmental profile, **Barilla makes significant investments every year in modernising its production facilities and implementing new technologies to guarantee ever better performance in terms of energy efficiency.** During 2018 in particular, the Group invested over € 6.8 million in protecting the environment.

Thanks to these investments, the Group continued to implement the *Energy Saving Project* (ESP) during the year, aimed at improving the energy efficiency of the plants and production processes. In particular, Barilla carried out target-

6.8 million
euros
invested
in environmental
protection

ed work on the production lines to replace burners, improve the thermal insulation of machinery and install heat recovery systems. Barilla has also made improvements to the general production plants systems by installing and automat-

ing high-energy efficiency refrigeration units, compressors and air conditioning systems.

Finally, further energy efficiency measures were taken regarding lighting systems, involving the installation of new solutions based on LED technologies.

As regards energy generation from renewable sources, during the year Barilla completed the installation of a new co-generation plant at the Saint Luis (Mexico) production site and a photovoltaic plant in Melfi (Italy).

Thanks to these initiatives, the Group recorded a decrease in energy consumption on the previous year. In particular, in 2018, Barilla used 5,398,672 GJ of energy, 23% of it from renewable sources.

As regards greenhouse gas emissions into

the atmosphere, in 2018 they fell by 2% compared to 2017.

This reduction is attributable to the energy efficiency measures taken at the production plants, the installation of new renewable energy production systems and the purchase of a considerable amount of electricity, around 68% of the total, from renewable sources with *Guarantee of Origin* certificates (GO).

68%
of electricity used
comes from renewable
sources with GO
certificates.

INVESTMENTS IN THE RUBBIANO SAUCE PLANT

During the year, Barilla continued with the activities undertaken in 2017 to double the production capacity of the Rubbiano sauce production plant and introduce new technologies to improve the efficiency of production processes and reduce energy consumption as well as greenhouse gas emissions. Most

of this investment went towards implementing the Industry 4.0 mechanical technologies and computer communication infrastructure. These innovations will allow Barilla to reduce the plant's environmental impact, with an estimated 7% decrease in CO₂ and 9% decrease in water use.

ANNUAL ENERGY USE BY SOURCE (GJ)

	2017	2018
DIRECT USE	2,595,331	2,461,488
ENERGY FROM RENEWABLE SOURCES		
Natural Gas	2,210,737	2,114,897
Fuel oil	5,124	6,328
Diesel	459	1,040
Petrol	5	-
SELF-PRODUCED ENERGY THROUGH COGENERATION		
Thermal Energy	227,052	197,271
Electricity	151,954	141,634
ENERGY FROM RENEWABLE SOURCES		
Photovoltaic electricity	-	319

INDIRECT USE	2,853,325	2,937,184
Electricity	2,251,749	2,272,893
from non-renewables	1,036,988	1,038,781
from renewable sources	1,214,761	1,234,112
Thermal Energy	590,016	651,657
from non-renewables	590,016	651,657
from renewable sources	-	-
Energy for cooling	11,561	12,633
from non-renewables	11,561	12,633
from renewable sources	-	-

ENERGY USED PER TONNE OF FINISHED PRODUCT (GJ/T)

2017	2018
3.13	3.10

WASA: A 100% CO₂ COMPENSATED BRAND

In 2018, Wasa became **Barilla's first 100% CO₂ compensated brand**, setting a new standard for the whole Group in terms of environmental sustainability.

This is the result of a structured process that required the accurate monitoring and management of CO₂ emissions throughout the product life cycle, from cultivation of the raw materials to the shelf. This result was possible thanks to a commitment on two fronts: first of all, over the years, Wasa has implemented energy efficiency projects aimed at promoting more sustainable logistics practices. Fur-

thermore, Wasa is committed to buying electricity exclusively from renewable sources with a *Guarantee of Origin* certificate. **After the reduction plans were implemented, Wasa decided to offset the remaining emissions** amounting to around 94,000 tonnes of CO₂.

To offset these emissions, **the brand has chosen to contribute to the promotion of rainforest conservation and renewable energy projects**.



For several years, Barilla has been committed to reducing the amount of wheat and products transported by road and switching to means of transport which have less environmental impact.

In Sweden and Germany, the Group increased the share of products transported by train, reducing greenhouse gas emissions by an estimated 1,600 tonnes over the year. As far as Italy is concerned, Barilla uses rail transport to move durum wheat from collection points at the port of Ravenna and Polesella station (Rovigo) to the Parma production plant. Thanks to these journeys, the Group was able to save around 800 tonnes of CO₂ over the year.

The modernisation of the company's fleet also plays a part in Barilla's strategy to reduce air pollutant emissions. In particular, the Group has reached an important goal in the logistics sector, supplementing its fleet with 3 new tractor units powered by liquid natural gas during the European Week of Sustainable Mobility.

The new vehicles allow the Group to reduce nitrogen oxide emissions by 70%,

-30% reduction in greenhouse gas emissions per tonne of finished product since 2010

carbon dioxide emissions by 15% and almost all particulate emissions, compared to an equivalent diesel-powered vehicle.

As part of the vehicle fleet renewal process, the Group has also purchased 83 hybrid-powered vehicles with an integrated thermal and electric engine, which will allow Barilla to reduce carbon dioxide emissions by almost 40% compared to the use of conventional vehicles.

Alongside the purchase of hybrid vehicles, Barilla has also completed the installation of 31 charging stations within the parking area at the Pedrignano plant.

ATTENTION TO WATER USE

Barilla is pursuing the rational use of water resources in its production processes. The Group has therefore carried out several specific projects to reduce water consumption in its production facilities. These have allowed the Company to reduce its water requirement per tonne of finished product by 21% compared to 2010.

These actions also allowed the company to limit the increase in water consumption in 2018 following the implementation of new production lines which led to an increase in the Group's water requirements.

In order to ensure a more responsible use of water resources, the Group promotes water recycling and reuse in production processes and in the general services associated with its offices and

production plants. In particular, during 2018 around 90,000 m³ of water were reused by the Group after entering the production process.

-21% reduction in water used per tonne of finished product since 2010

GREENHOUSE GAS EMISSIONS PER SCOPE (T CO ₂ EQ)		
	2017	2018
SCOPE 1	185,492	175,761
Emissions from use of fossil fuels	150,816	144,454
Emissions from owned co-generation plants	34,676	31,300
Emissions from photovoltaic plants	-	7
SCOPE 2	193,687	197,094
Indirect emissions due to electricity used	98,659	148,763
Indirect emissions due to thermal energy produced by external co-generators	94,903	48,194
Indirect emissions due to cooling energy produced by external co-generators	125	137
Total	379,179	372,855

GREENHOUSE GAS EMISSIONS PER TONNE OF FINISHED PRODUCT (T CO ₂ EQ)	
2017	2018
0.22	0.21

WATER USAGE BY SOURCE OF SUPPLY (M³)

	2017	2018
From well	1,375,655	1,480,996
From public water supply system	985,641	968,476
From other sources	-	47,758
Total	2,361,296	2,497,230

WATER USED PER TONNE OF FINISHED PRODUCT (M³)

2017	2018
1.36 m ³	1.40 m ³

WATER DISCHARGED BY DESTINATION (M³)

	2017	2018
Into surface water	211,637	307,807
Into sewerage system	674,802	689,023
Total	886,439	996,831

ATTENTION TO WASTE PRODUCTION

Barilla implements projects to incentivise the reduction of waste produced and adopt recovery methods to replace disposal. In particular, during 2018, the Group recorded a substantial reduc-

tion in the tonnes of hazardous waste produced. However, the start of several construction projects to build new production sites and offices led to a greater production of non-hazardous waste, which led to an increase in total waste generated during the year.

WASTE PRODUCED PER TYPE (T.)

	2017	2018
Non-hazardous waste	28,214	29,700
Hazardous waste	416	526
Total	28,630	30,225

WASTE PRODUCED PER TONNE OF FINISHED PRODUCT (T.)

2017	2018
0.0164	0.0173

WASTE PRODUCED PER DESTINATION (T.)

	2017	2018
Non-hazardous waste	28,214	29,700
Recycling	26,576	28,081
Disposal	1,638	1,619
Hazardous waste	416	526
Recycling	351	432
Disposal	65	93

DIVERSITY AND INCLUSION

- 9.1 Barilla People
- 9.2 Wellbeing of employees
- 9.3 Attracting and developing talents
- 9.4 Training and communication
- 9.5 People's health and safety
- 9.6 Trade Union Relations
- 9.7 Community inclusion



9.1 BARILLA PEOPLE

Diversity, equality and Inclusion are an integral part of the Group's culture, values and Code of Ethics.

The Group is engaged in a process aimed at promoting the development of each person's value, respecting physical, cultural and moral integrity, and the right to associate with others, and paying attention to every aspect of people's lives, because it is human life that inspires all the company's activities. Barilla supports and respects human rights in all its activities and in its sphere of influence, offering equal opportunities for the development of people and guaranteeing the protection of their privacy.

This process has led to collaborations with external organisations aimed at achieving specific results, and to company policies and procedures being adopted to highlight the central role played by the inclusion of diversity as a business imperative.

The Group has also established the Global Diversity & Inclusion Board, which works with the company to identify potential areas for improvement, define new initiatives and monitor existing ones, in order to ensure that Barilla continues to make progress in becoming a model company in the areas of diversity and inclusion.

Lisa Kepinski, founder and director of the *Inclusion Institute*, who has specific skills in behavioural sciences and in integrated and inclusive organisational development, has joined the Board, replacing the consultant Patricia Bellinger. Finally, alongside the establishment of the *Global Diversity & Inclusion Board*, the Group has appointed a Chief Diversity Officer, who reports directly to the Chief Executive Officer.

A management system that respects diversity and promotes inclusion is fundamental for a company that operates all over the world with more than 8,000 people, almost all of whom are hired under permanent contracts, a sign of Barilla's constant attention to guaranteeing stability of employment for its workers.

BARILLA PEOPLE ON PERMANENT CONTRACTS BY REGION AND GENDER

	2017			2018		
	Men	Women	Total	Men	Women	Total
Italy	2,903	973	3,876	2,942	1,001	3,943
Rest of Europe	1,790	968	2,758	1,838	954	2,792
America	362	169	531	379	172	551
AAA	202	79	281	198	82	280
Rest of World	67	53	120	65	52	117
Total	5,324	2,242	7,566	5,422	2,261	7,683

Note: The personnel data shown in the following chapter relate to Barilla G. and R. Fratelli with the exception of Mexico, where 182 people were employed on permanent contracts in 2018 and 215 people in 2017.

BARILLA PEOPLE ON FIXED-TERM CONTRACTS BY REGION AND GENDER

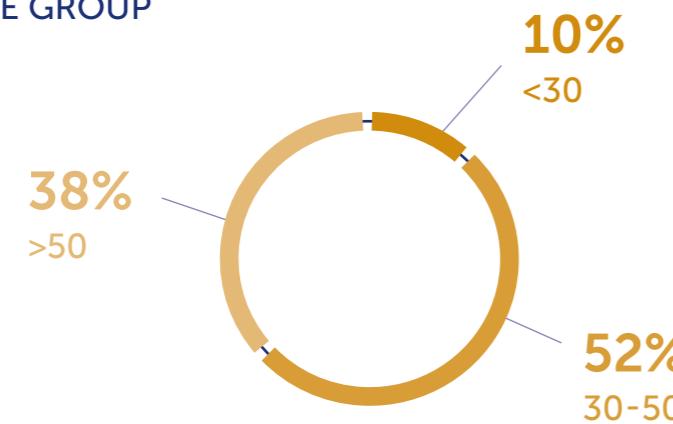
	2017			2018		
	Men	Women	Total	Men	Women	Total
Italy	107	78	185	99	92	191
Rest of Europe	108	54	162	123	88	211
AmericasAAA	0	0	0	0	0	0
Rest of World	0	0	0	0	0	0
Total	217	135	352	224	182	406

Note: The personnel data shown in the following chapter relate to Barilla G. and R. Fratelli with the exception of Mexico, where 85 people were employed on fixed-term contracts in 2018 and 58 people in 2017. Under national legislation in force in the United States, the distinction between permanent and fixed-term contracts does not apply: the employment relationship can be interrupted at any time by both parties without any liability. For the purposes of this document, Barilla people in the United States are considered to be hired on a permanent contract basis.

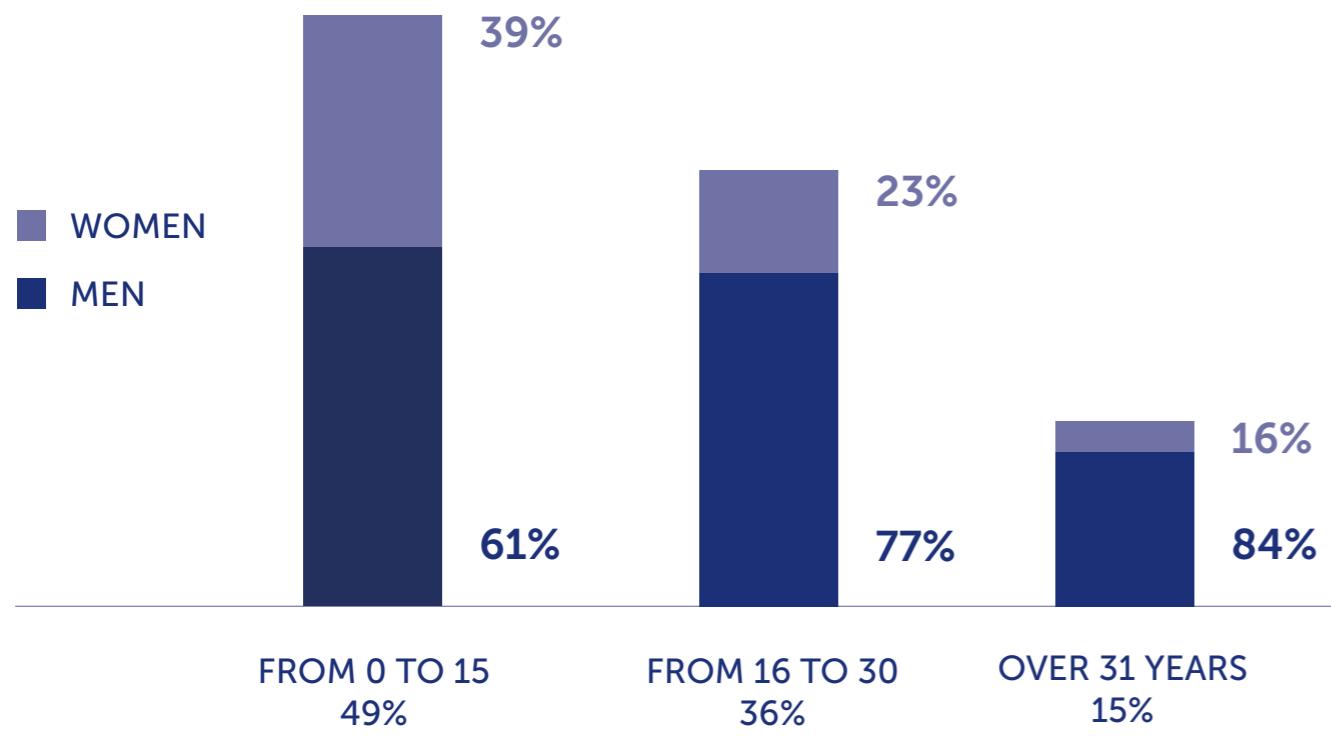
Barilla's focus on ensuring diversity and inclusion among its people also involves integrating different generations within the company, paying attention to the needs of

the new generations while at the same time enhancing the skills of its senior workers.

EMPLOYEES BY AGE GROUP



BARILLA PEOPLE BY LENGTH OF SERVICE



RESPECT FOR DIVERSITY

Barilla works every day to achieve an ever-increasing balance between genders in the company, respecting personal orientations and values. The **enhancement of female talent plays an important role** for

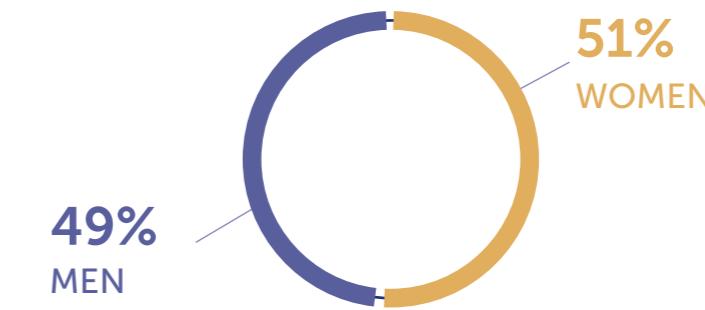
the Group in the field of D&I. It therefore sets itself increasingly challenging targets to be considered an increasingly inclusive company for women.

BARILLA PEOPLE BY PROFESSIONAL CATEGORY

	2017		2018	
	Total	Women	Total	Women
Executives	163	33	172	36
Managers	612	237	620	249
Employees	1,764	760	1,767	770
Workers	4,958	1,241	4,998	1,242
Sales Force	421	106	531	146
Total	7,918	2,377	8,088	2,443

36% of Barilla's executives and managers are women, increasing in comparison to the 35% of 2017

SHARE OF WOMEN IN THE GLOBAL TALENT POOL



Gender diversity is also ensured by the support for balancing work with private life. Barilla in fact grants parental leave to

all its employees in accordance with current regulations and local legislation.

RETURN TO WORK INDEX	RETENTION INDEX
91%	83%

EMPLOYEES WHO HAVE MADE USE OF PARENTAL LEAVE

	2018		
	Men	Women	Total
Executives	1	1	2
Managers	9	22	31
Employees	11	31	42
Workers	41	43	84
Sales Force	9	6	15
Total	71	103	174

EMPLOYEES WHO HAVE RETURNED TO THE COMPANY AFTER PARENTAL LEAVE

	2018		
	Men	Women	Total
Executives	1	1	2
Managers	9	21	30
Employees	12	22	34
Workers	39	40	79
Sales Force	9	5	14
Total	70	89	159

EMPLOYEES WHO HAVE RETURNED TO THE COMPANY AFTER PARENTAL LEAVE AND WHO ARE STILL EMPLOYED TWELVE MONTHS AFTER RETURNING

	2018		
	Men	Women	Total
Executives	1	0	1
Managers	6	16	22
Employees	6	10	16
Workers	36	34	70
Sales Force	6	2	8
Total	55	62	117

The data for parental leave relate to 89% of the company's employees

Return to work index calculated as: (number of employees who have returned from parental leave/total number of employees who have used parental leave)

Retention index calculated as: (total number of employees who are still employed twelve months after returning from leave/total number of employees who returned from parental leave during the previous reporting year)

In particular, in the Parma office, **in order to promote a balance between people's private, work and social life, the Group launched the *Winparenting* project** aimed at employees with children from zero to 12 years. This initiative is a concrete example of how Barilla embraces diversity and cares about its employees first of all as People, showing its close interest in one of life's most significant experiences: becoming parents.

***Winparenting* is a tool designed to support managers and parents through every stage of parental leave, including preparation, the whole period of leave and the eventual return to work.** As part of this programme, the Group has developed an online platform to provide employees with guidelines, advice and information on the relevant parental leave legislation, as well as events and services available to parents.

Winparenting also includes the MAAM© training path for new mothers and fathers, which shares information about services and testimonies related to each stage of parenting. Finally, in line with its objective of guaranteeing a balance between work commit-

ments, the role of parents and the needs of the family, Barilla confirmed its agreements with three nursery schools and kindergartens.

At Barilla, respect for diversity is not limited solely to enhancing female talent and supporting parenting, but embraces a wider perimeter, which includes the protection of all freedoms and human rights. **Barilla does not therefore tolerate any form of discrimination or exclusion based on age, culture, ethnicity, nationality, religious belief, origin, political opinion, marital status, gender and sexual orientation.**

In order to promote a more inclusive culture every day, the Group promotes and supports the establishment of ERGs (Employee Resource Groups): interest groups created by employees for employees that are focused on specific diversities.

"The Barilla Employee Resource Groups are a key component of our **INCLUSION** strategy. I am proud of our employees, who are always committed to promoting **POSITIVE CHANGES** in our organisation. We want people to introduce the richness of **DIVERSITY** into our business. We therefore encourage all our colleagues to join our **ERGS**"

Claudio Colzani, CEO, Barilla

DIVERSITY AND INCLUSION ACTIVITIES PROMOTED BY BARILLA EMPLOYEES

During 2018, Barilla actively supported the various activities run by ERG groups around the world, in particular:



ALLEANZA, in the United States, to support Latino and African-American minorities.



ARMONIA, in Greece, to promote diversity and equal opportunities.



BALANCE, in Italy, Central Europe and the United States, to promote the right balance between work and private life.



HAND IN HAND, in AAA area countries, to promote gender diversity and equal opportunities.



INCLUSIVO, in Canada, to promote an inclusive place of work for all employees.



INSIEME, in the USA, to promote diversity and equal opportunities in production plants.



RESPEITO, in Brazil, to protect and respect personal differences in the workplace.



THISABILITY, in Italy and France, dedicated to issues connected with disabilities.



TOGETHER, in Nordic countries, to promote diversity and equal opportunities.



VOCE, in Italy, France, Germany and the United States, to discuss LGBTI issues.



WELCOME HOME, in Italy, to promote a multicultural place of work.



YOUNG, in Italy, to support differences between different generations in the company.

As regards the rights of LGBTI (Lesbian, Gay, Bisexual, Transgender, Intersex) **workers**, since 2017, **Barilla**, the first Italian company to sign up to a *United Nations Initiative*, **has actively supported the Standards of Conduct for Business of the UN High Commissioner Office for Human Rights**, which aim to deal with the issue of LGBTI discrimination in the business world. The *Standards of Conduct for Business* aim to establish rules of conduct that companies should follow when dealing with LGBTI employees, suppliers, customers and distributors. These rules of conduct have been established to support and respect the rights of LGBTI communities wherever companies operate, to eliminate dis-

crimination and to support LGBTI workers.

Furthermore, in order to support LGBTI workers, in 2018, Barilla announced its sponsorship of *Openly*, a new digital news platform, developed by the *Thomson Reuters Foundation*, dedicated to reporting global problems affecting the LGBT+ community. In its role as the philanthropic division of *Thomson Reuters*, the Foundation serves as an impartial source of leadership in underestimated areas such as slavery, women's rights, climate change and more. With the advent of *Openly*, the coverage of LGBT+ problems and innovations has now been added to the list of topics for analysis by the foundation.

OCCUPATIONAL INCLUSION PROGRAMMES FOR REFUGEES

In a historical period characterised by a high increase in migratory flows, as a result of global crises and conflicts, **the Group is implementing local projects and initiatives to welcome, include and integrate refugees arriving in European countries**.

SWEDEN

Barilla has started a partnership with the national employment centre and the *Swedish for Immigrants* (SFI) association to host a group of refugees received by Sweden within its production plant. Each of these people is supported, over a six-month period, by a Company supervisor,

who guides them through a job placement process, which gives them the opportunity to learn both the Swedish language and a new profession. Barilla's goal, at the end of this process and following a language test, is to offer the people involved in this initiative the opportunity to be hired at the production plant. During 2018, Barilla Filipstad hired 10 refugees and received very positive feedback.

ITALY

In Italy, in partnership with Adecco and the *United Nations High Commissioner for Refugees*, Barilla launched a project intended

to provide employment for a group of refugees, through an apprenticeship contract, at the Pedrignano office and the group's production sites. The objective of the project is to support refugees received in Italy to integrate more easily into Italian society, particularly by joining the world of work.

GERMANY

The Group has begun to work with local *Chambers of Commerce* on a series of initiatives aimed at promoting employment in the Cologne office and the Celle pro-

duction facility for refugees hosted in Germany. Barilla offers refugees the opportunity to participate in an apprenticeship period in which they have the opportunity, also through work, to learn the German language and deepen their knowledge of the local culture, with a view to greater integration and inclusion in the community. During 2018, Barilla hired 8 refugees as a result of this initiative.

SUPPORTING PEOPLE WITH DISABILITIES

With regard to the issue of disability, **the Group is careful to create accessible and inclusive workplaces**. During the year, Barilla developed an awareness-raising and training course for its people on this subject and their integration into the world of work. The aim of this process was to encourage the development of creative and innovative ideas and solutions to overcome the physical and social barriers to people with disabilities in the company.

The Group maintained its commitment to the *Hackability* event involving interdisciplinary teams, in which people with disabilities, together with makers and designers, design cooking tools and new packaging suitable for the needs of people with special needs. Since the end of 2017, Barilla has hosted

the crucial stages of the initiative at its Parma site, inviting its employees to take part, providing mentors with specific skills and selected some interesting prototypes in 2018.

During the annual *Disability Matters Europe Conference & Awards*, one of the most important corporate events on the subject of disability and its protection in the workplace, held in Switzerland, **Barilla received the prestigious *Step-to-Success* award**.

The award aims to identify and celebrate companies that are starting out on the path to innovation, action and transformation in respect of people with disabilities, whether they are employees, customers or both. The award encourages the winners, whose initiatives have been implemented for no less than six months to no more than two years,

and who demonstrate a significant promise of long-term success, for having the commitment and perseverance to continue tak-

ing the necessary measures to eventually become an employer or supplier of choice for disability.



9.2 THE WELLBEING OF EMPLOYEES

As an integral part of its sustainability path, **Barilla pays particular attention to promoting the wellbeing of its People**. This commitment is reflected in the numerous *People Care* initiatives launched by the Group that range from *Smartworking* tools

to protecting people's health. The underlying theme of all these projects is Barilla's desire to help its People live better lives, by promoting a greater balance between private life and working life and adopting healthier lifestyles.

SMARTWORKING

For the past 5 years, Barilla has allowed its employees to take part in the *Smartworking* project, which aims to promote the development of a work environment that is more inclusive and attentive to people's needs. Thanks to *Smartworking*, the Group allows its employees to manage their activities more independently, deciding how, where and when to work, adapting their working methods to personal and business needs, so as to best meet their objectives.

Many so-called "time-saving" services have also been introduced into the company to help employees carry on with their daily lives, even outside the workplace, such as receiving parcels at the company for employees, the in-house laundry and the option to book take-away hampers for dinner.

1,414 people benefited from the Smartworking programme during the year

9.3 ATTRACTING AND DEVELOPING TALENTS

Barilla has always been committed to seeking and developing the best talents, both within the Group and on the outside, who stand out for their ability to make a concrete contribution to the responsible and lasting growth of the Company. To support this vision, Barilla offers its People a stimulating work environment that enhances the skills of each individual and guarantees concrete opportunities for professional growth.

In particular, **the Group has defined a specific internal selection process aimed at identifying the best talents among employees for covering vacant positions in the Company.** If a position exists, this process involves searching for a suitable profile within the Company in order to promote the personal and professional growth of employees. In order to guarantee equal opportunities in the internal selection process, Barilla advertises vacant positions globally and ensures that everyone in the Group can apply.

Selected candidates are assessed by telephone interviews, online questionnaires and individual interviews. If an employee is not selected for a vacant position, he/she will receive an evaluation and a series of recommendations in order to promote his/her professional development.

As regards the search and selection of new profiles in the labour market, Barilla has established its own *Employer Value Proposition (EVP)* in order to attract the best talents, with the skills required by the Group, and to guarantee the increasing loyalty of those already present in the Company.

BARILLA'S EVPS

- **HUMAN TOUCH:** sense of belonging, family culture and a business guided by strong values with special attention paid to care and respect for People.
- **SENSE OF PURPOSE:** pride of being one of the Barilla People and doing an important job.
- **EMBRACING CHALLENGES:** a dynamic and meritocratic environment that allows people to take on challenges and initiatives.

HIRINGS BY GEOGRAPHICAL AREA AND GENDER

	2017			2018		
	Men	Women	Total	Men	Women	Total
Italy	48	19	67	105	56	161
Rest of Europe	106	63	169	165	78	243
AmericasAAA	53	31	84	56	24	80
Rest of World	5	7	12	9	6	15
Total	218	130	348	350	175	525

DEPARTURES BY GEOGRAPHICAL AREA AND GENDER

	2017			2018		
	Men	Women	Total	Men	Women	Total
Italy	53	24	77	68	21	89
Rest of Europe	146	120	266	130	108	238
America	45	18	63	42	18	60
AAA	12	7	19	13	4	17
Rest of World	6	9	15	13	10	23
Total	262	178	440	266	161	427

HIRINGS BY GEOGRAPHICAL AREA AND AGE BAND

	2017			2018		
	>30	30-50	<50	>30	30-50	<50
Italy	4	29	44	7	14	68
Rest of Europe	65	131	70	53	114	71
America	11	36	16	15	22	23
AAA	3	13	3	3	12	2
Rest of World	1	13	1	2	15	6
Total	84	222	134	80	177	170

DEPARTURES BY GEOGRAPHICAL AREA AND AGE BAND

	2017			2018		
	>30	30-50	<50	>30	30-50	<50
Italy	31	34	2	64	96	1
Rest of Europe	64	95	10	109	117	17
America	29	39	16	31	40	9
AAA	5	6	1	6	9	0
Rest of World	4	11	1	10	15	1
Total	133	185	30	220	277	28

PERMANENT STAFF POSITIVE TURNOVER INDEX

2017			2018		
Men	Women	Total	Men	Women	Total
4.1%	4.1%	4.1%	6.5%	7.7%	6.8%

PERMANENT STAFF NEGATIVE TURNOVER INDEX

2017			2018		
Men	Women	Total	Men	Women	Total
4.9%	5.8%	4.6%	4.9%	7.1%	5.6%

At Barilla, the **Employee Performance Assessment System** plays a fundamental role in enhancing people and their professional development. This tool is in fact the basis for defining career paths and improving the skills of employees, while at the same time allowing the Company to recognise the contribution each person makes to the achievement of corporate objectives and the implementation of the "Good for You, Good for the Planet" Mission.

2,280 Barilla People included in the annual performance management system

In particular, the **Performance Evaluation System** provides three fundamental opportunities for dialogue and discussion between employees and their managers. To begin with, people are asked to define, in agreement with their managers, the main objectives to be achieved during the year, as well as the performance levels associated with them. Structured skills development plans

are then defined for each person, aimed at ensuring and facilitating the achievement of the objectives set. Subsequently, in the middle and at the end of the year, employees are evaluated regarding their achievement of the defined objectives and the development of their skills, in particular those concerning leadership.

The **Performance Assessment System** is part of the broader global talent assessment programme, by means of which **the Group monitors and evaluates the professional growth potential of its People**. In order to guarantee the transparency and clarity of roles and responsibilities and tasks assigned and make a precise assessment, Barilla has mapped 2,250 organisational positions, formalising them in as many job descriptions.

As a complement to the global talent assessment programme, a process is run annually by Barilla to identify employees with the highest annual performance levels and a high potential for professional growth who could join the Group's **Global Talents**. The latter receive targeted training from Barilla with the aim of assigning them to managerial positions over a five-year period.

1,713 Barilla People included in the talent management system



9.4 TRAINING AND COMMUNICATION

In order to support and promote People's personal and professional growth, Barilla has devised specific training courses to improve the potential and expand the skills of its employees, while respecting the Group's values and strategy.

In order to guarantee People access to a structured training offer that responds to their training needs, Barilla has set up a business unit dedicated to People development activities.

In addition, **Barilla Academies** have been established over the years, which provide training and involve employees in strengthening their individual skills in the main professional fields, through the Accademie Funzionali (Functional Academies) or in specific strategic areas for Barilla's business, thanks to the Accademie della Pasta (Pasta Academies).

2017 was also a year of transparency and clarity for human resource management processes, thanks to the *HR Expo* listening and training initiative, aimed in particular at identifying areas for improvement in the management of the Group's People.

company involved in Human Resources (HR) processes. The training activities involved 1,500 people worldwide, including through specific road shows organised in all the countries where the Barilla Group has a presence. During the initiative, a specific digital portal was also launched through which all HR processes were made accessible and transparent to company employees.

The *HR Expo* initiative was thus the culmination of years of work aimed at simplifying processes, connecting to corporate strategy and engaging managers as key players in managing their People.

In order to provide its People with high quality training, the Group invested over 2.4 million euros during the year for a total of over 120 thousand hours of training.

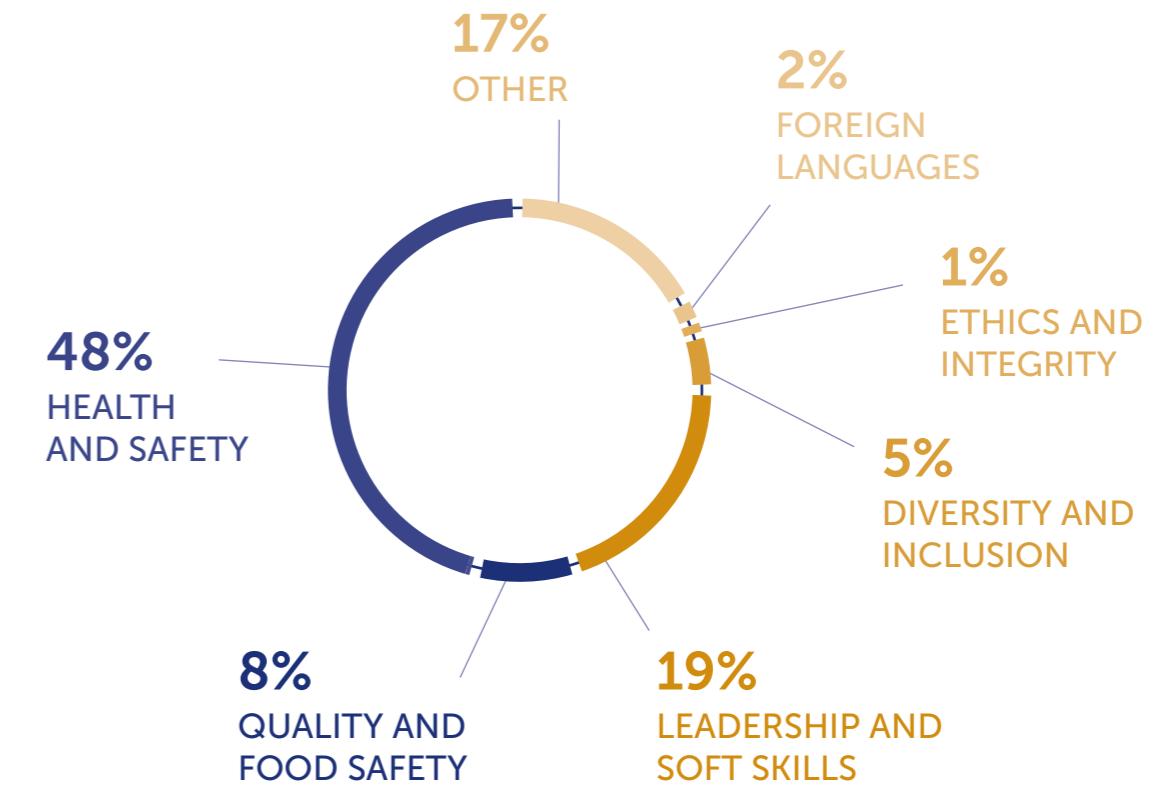
In 2018, more than
120,000 hours
of training

The project included training initiatives implemented globally for everyone in the

AVERAGE HOURS OF TRAINING BY CATEGORY AND GENDER

	2018		
	Men	Women	Total
Executives	24.5	34.6	26.6
Managers	17.7	18.7	18.1
Employees	23.2	15.8	20.0
Workers	13.7	13.1	13.5
Sales Force	3.3	4.8	3.7

TRAINING HOURS BY SUBJECT AREA



INTERNAL COMMUNICATION

Internal communication at Barilla has always played a key role in promoting the spread of corporate values throughout the organisation, informing people about the priority initiatives promoted during the year and the company's performance, as well as **involving employees** in all Group offices in sharing ideas, proposals and suggestions, with the aim of creating a collaborative context, improving work processes, having a positive effect on the internal climate and on organisational wellbeing.

The key elements of Barilla's internal communication strategy are, on the one hand, the **Local Town Hall Meetings, local events held periodically in all Group offices**, and, on the other, the **Global Town Hall Meetings, held on a four-monthly basis and disseminated throughout the Group in digital format**. Both these initiatives aim to allow direct discussion between employees and senior managers to share strategies and achievements, and give visibility to business initiatives in the various markets.

Barilla's internal communication also uses various digital channels to involve everyone in the Group. In particular, the company has a **corporate social network** and a digital newspaper, which was read by 4,400 people during the course of 2018. Furthermore Barilla has implemented an internal portal through which employees are provided with the documents, poli-

cies and procedures needed to carry out their work, as well as digital tools and applications designed to promote inclusion, share needs and interests with colleagues and give visibility to initiatives and activities promoted inside and outside the organisation. Over the years, the corporate portal has become an increasingly dynamic tool to better support the adoption of *Smart-working* and provide all Barilla People with improved accessibility to content shared both by smartphone and tablet.

During the year, Barilla recorded over 460,000 accesses to the journal on the home page of the portal with a total of over 335,000 views at Group level, a sign of widespread appreciation of this tool by the people. To ensure the presence of current and interesting content for Group employees, the portal home page is updated daily with product and activity news, both local and global, and includes an interface integrated with the press review.

The internal portal is also accessible from workstations, monitors and digital totems in all the Group's production plants, allowing the people who work on the production lines to benefit from the content of the portal and keep up-to-date with news from the world of Barilla.

An important aspect of internal communication activities carried out during the year was the work done to promote and sup-

port the initiatives carried out by the company's ERG groups. In particular, Barilla's internal communication promoted and coordinated the various activities, making the right communication tools available to the employees involved and ensuring alignment with the corporate strategy.

Transparency, greater accessibility, even on the move, and sharing of content from across the organisation added value to internal communication, which aimed to enhance the activities and initiatives implemented by the People during the year and allowed Barilla to achieve important goals in line with its way of doing business.



9.5 PEOPLE'S HEALTH AND SAFETY

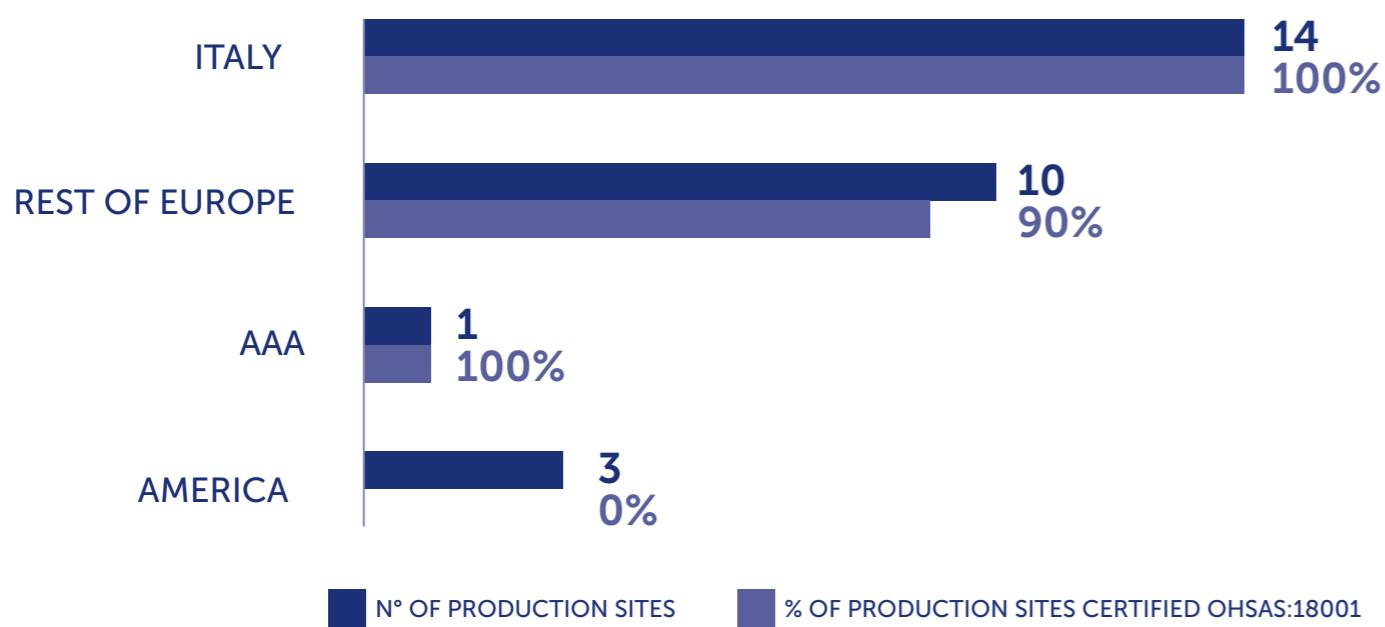
For Barilla, looking after People's health and wellbeing also means guaranteeing that everyone who works in the Group's offices, production facilities and sales network can work in healthy environments that ensure the health and safety of every individual.

In accordance with this vision, the Group has issued a specific policy for the management and protection of health and safety in the workplace. In addition to this document, **Barilla has adopted an Occupational**

Health and Safety Management System at its production facilities. In particular, this system, which exists in 80% of the Group's plants, was certified by an independent third party as compliant with the international ISO 18001 standard.

87% of employees work in OHSAS:18001 certified sites

PRODUCTION SITES CERTIFIED BY OHSAS:18001



In order to guarantee the highest levels of safety for People at all Group sites, Barilla regularly carries out numerous checks and audits for fire prevention and safety standard verification purposes. In particular, the health and safety department conducts over 50 audits annually in the various company sites to verify compliance with local regulations on health and safety in the workplace, as well as with the provisions of the OHSAS 18001 standard.

76 audits carried out during the year in **50** sites to verify safety standards

Health and safety protection in the workplace is also guaranteed by Barilla by providing continuous training on this issue to all employees. In addition to the annual courses required by the relevant legislation, the Group develops *ad hoc* training for all newly hired staff, focusing in particular on the main areas of risk associated with the job performed. Furthermore, the emergency teams set up within the Group take part in specific courses on first aid procedures and on preventing fires and explosions. During 2018, Barilla provided over 48,000 hours of training to its employees on occupational health and safety issues.

48,747 hours of training provided during the year on issues of health and safety issues in the workplace

Thanks to a detailed *Occupational Health and Safety Management System*, constant checking of compliance with the regulations, as well as effective training of employees on the subject, Barilla recorded a 50% reduction in the number of injuries compared to 2010. Also, as further evidence of the Group's commitment in this area, no accidents have occurred in 7 production plants for at least a year.

-50% fewer accidents recorded, compared to 2010

NUMBER OF INCIDENTS BY GEOGRAPHICAL AREA



ACCIDENT SEVERITY INDEX

2017	2018
0.49	0.35

Severity index calculated as: (total number of days of absence due to accidents/total number of hours worked) *1,000

ACCIDENT FREQUENCY INDEX

2017	2018
10.24	10.23

Frequency index calculated as: (total number of accidents/total number of hours worked) *1,000,000

9.6 TRADE UNION RELATIONS

In order to create an inclusive working environment that is attentive to People's needs, **Barilla maintains a constant dialogue with all the trade union organisations present in the Group, establishing long-lasting relationships based on principles of integrity and transparency.**

In particular, discussions with the unions take place in three main forums:

- the European Works Council or Comitato Aziendale Europeo (CAE);
- the National Trade Union confederation or Confederazione dei Sindacati Nazionali (CSN), which is supported by national and local trade union offices;
- the site representation body or Rap-

presentanza Sindacale Unitaria (RSU) that exists in 10 production plants, 4 mills, offices and VVPP Venditori. The RSU coordinators meet twice a year to discuss the national economic and social situation, performance indicators and strategies related to the production plants. Local RSUs are also responsible for dealing with matters arising at their individual sites, such as training courses, environmental and safety issues, occupational impacts and specific local issues.

Thanks to the responsible management of relations with union representatives, in 2018, only 0.1% of hours worked at Barilla concerned strikes or labour disputes.



9.7 COMMUNITY INCLUSION

Over the years, Barilla has established a strong relationship with the local areas where it operates, by constantly listening and attending to their needs and the Group's desire to promote solidarity and support for the various local communities with which it relates every day.

Every year, this commitment leads to numerous initiatives and activities designed to promote social inclusion and provide access to food for people in difficult situations or following natural disasters. Alongside these activities, there is also a broader commitment on the part of the Group to supporting charities and non-profit associations through sponsorships, product donations and financial support. In particular, to guarantee the effectiveness, legality and transparency of its charitable activities, Barilla has issued a specific policy aimed at regulating donation activities.

PRODUCT DONATIONS

Product donations by production plants are a fundamental part of Barilla's work to support local communities. In order to manage surplus food donations fairly and transparently, the Group has entered into

**Around
4,230,000** euros
donated during the year

Around 4,300
hours of volunteering
by Barilla employees
in company
volunteering activities

Over 14,000
visits to Barilla
production plants

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; and **Banque Alimentaire** and **Restos du Coeur** in France.

Over 2.7
million tonnes of food
products donated during
the year

Activities continued during the year in France to support charitable initiatives run by food banks to deal with situations where people have little access to food. 150 employees of the Group were granted paid leave to take part in the annual food collection promoted by food banks in France and Belgium. In addition to participating directly, Barilla employees in France donated over 170 tonnes of products to food banks and continued to support the activities of the Restos du Coeur by donating 81 tonnes of food.

SUPPORT FOR REFUGEES

During 2018, Barilla started a collaboration with **Tent**, an association founded by Hamdi Ulukaya, CEO of Chobani, to mobilise the private sector for the purpose of improving the lives and livelihoods of over 25 million men, women and children

In Sweden, Barilla renewed its support in 2018 for the non-profit organisation **Hunger Project**, dedicated to fighting hunger around the world. As part of this collaboration, in July, the Group donated one kroner to Hunger Project activities on specific purchases made by customers after activating a promotional code printed on the packaging. Alongside this initiative, Barilla Sweden also supported the Stockholms Stadmissionen during the year, which distributed hot meals to homeless people in the area.

forced to leave their countries of origin. In particular, over the next five years, Barilla undertakes to train at least 75 refugees in its production plants and offices in Sweden, France, Italy and Germany. Furthermore, the Group works actively with local

organisations and government agencies to identify, train and accommodate refugees in its workforce and provide key services such as language training.

In addition, during the year the Group supported the development of new **food donation** initiatives in Greece and Lebanon to **assist refugees**. In Greece, for example, the Group donates food and basic necessities to associations and non-profit organisations that prepare and distribute meals

to refugees in dedicated facilities in the city of Athens. In Lebanon, in partnership with the United Nations Development Program (UNPD), Barilla launched the No Hunger **project**. By organising charity lunches in various cities around the country, this project aims to make people aware of the issue of access to food and food insecurity. In particular, the lunches organised by the Group involve communities living in poverty or difficult situations and refugee groups present in the country.



DEVELOPMENT IN AREAS OF SOCIAL DEPRIVATION

Barilla is keen to promote the development of the most economically and socially disadvantaged areas and communities. In this context, the activities promoted by Barilla in collaboration with the *Cocoa Horizons Foundation* in support of cocoa growers in Ivory Coast were very important during 2018.

In particular, thanks to the #unsognochiamatocacao project, the Group carried out two important projects in favour of these communities. The first one, called Safe Wa-

ter, involved the construction of a well to provide the Djangobo (Ivory Coast) community, which is home to almost 7,300 inhabitants, including around 3,000 children, with access to a source of clean drinking water. The second project involved the construction of a school, in the village of Dahiri (Ivory Coast), designed to give children and young people in the community a real opportunity to study.

SUPPORT TO COMMUNITIES IN CRISIS SITUATIONS

Barilla has always been at the forefront of supporting institutions and communities in the most critical situations related to natural disasters. For years, **the Group has been working with the emergency services in Italy to provide support to people affected by disasters**.

This collaboration has led to an emergency mobile unit (*Colonna Mobile*) being cre-

ated to bring help to people in disaster situations. The unit includes a kitchen truck, a kitchen module for people with coeliac disease, a marquee with benches and tables and a tented camp where 500 meals an hour can be prepared. All this provides not only a source of sustenance for the needy, but above all a place for people to find a warm welcome and a hot meal.

ANNEX

Methodological note
GRI Index



METHODOLOGICAL NOTE

METHODOLOGICAL NOTE

The "Good for You, Good for the Planet Report" is the main reporting tool for the environmental and social performance of the Barilla Group.

It provides a representation of the strategies, projects and outcomes achieved by the Barilla G.e.R. Fratelli S.p.A., with a view to creating long-term value and looking after the expectations of its stakeholders.

This Report, which is published every year since 2008, is written in accordance with the *Sustainability Reporting Standards* issued in 2016 by the *Global Reporting Initiative* (GRI), at *Core Option* level.

These Guidelines represent the most widespread and internationally recognized standard in the field of non-financial reporting. It should be noted that all the GRI indicators reported refer to the version of the GRI Standard published in 2016.

The data and information reported refer to the tax year from 1 January to 31 December 2018, unless otherwise indicated. The reporting period is the same as the Consolidated Financial Statements for the year ended on 31 December 2018, any difference is specified in the document. The data on production refer to the Group

companies operating in Italy, France, Sweden, Germany, Greece, Turkey, Russia, U.S.A. and Mexico. The data on distribution and sales include the countries above, and also Austria, Belgium, Croatia, Denmark, Norway, The Netherlands, Poland, Slovenia, Spain, Switzerland, United Arab Emirates, Brazil, Canada, Australia, China, Japan and Singapore.

There were no significant events or change in the measurements that could impact the comparability of the information reported in this report to those illustrated in the previous edition, except for any instance detailed in *ad hoc* footnotes.

For more information on objectives, indices and results, or to make a comment on this report, kindly contact: goodforyou-goodfortheplanet@barilla.com

This report was written with the assistance of KPMG Advisory S.p.A..

PRINCIPLES FOR THE CHOICE OF CONTENT

STAKEHOLDER INCLUSIVITY	Barilla is committed to an open and transparent dialog with all people who take part in the company's activities in any capacity, or are influenced by them. The Report describes the Group's key stakeholders, their demands and expectations from Barilla, as well as the modes of listening and engagement.
SUSTAINABILITY CONTEXT	Barilla measured and described its sustainability performance with due consideration for the wider international context and the global debate on food and nutrition issues. We strove to identify the Group's current and perspective contribution to local and global sustainable development, also by clarifying the contribution made by Barilla's Good for You, Good for the Planet commitment to achieving the United Nations Sustainable Development Goals.
MATERIALITY	This document reports on the social and environmental issues linked to Barilla' business that are most relevant for Barilla and the communities where it operates, based on stakeholders engagement, management evaluations and context analysis.
COMPREHENSIVENESS	The issues reported, their qualitative and quantitative indicators and the reporting period reflect the set of economic, environmental and social impacts of the entire Group, in all geographical areas and contexts where the Group's activity can have a significant influence on its stakeholders.
BALANCE BETWEEN POSITIVES AND NEGATIVES	The document describes the Group's key performance and reports the core areas of the Group as well as the areas that need to be improved and the future challenges

PRINCIPLES FOR THE CHOICE OF CONTENT	
COMPARABILITY	Wherever possible, the Report provides the data on the last two years of operation, ending on 31 December 2016 and 2017. It also provides information on the quantitative and qualitative objectives of the Barilla Group for 2020 and 2030, in accordance with its business strategy. Comparisons with data from previous years are provided where relevant.
ACCURACY	In order to ensure the reliability of the information reported, actual measurements have been preferred to estimates wherever possible. Where estimates were needed, they have been based on the best available methodologies, or on random sampling, and their use has been clearly flagged. Data on consumption and emissions has been calculated following the methodology defined by the IPCC - Intergovernmental Panel on Climate Change.
RAPIDITY	Barilla reports on a yearly basis. Like the previous edition, this document is published at the same time as the Consolidated Financial Statements for the year ending 31 December 2018.
CLARITY	The description of activities and projects contains information written in such a way that it is readily understandable for any stakeholder, with some technical data and trade specific information.
RELIABILITY	Data is collected with the support of a variety of corporate functions and contacts in the countries involved, also using IT systems for data collections. This is followed by a process of consolidation and validation by representatives from the various working groups, each for their own area. The document is not subject to third independent verification. The responsibility for all data and information contained in the report therefore rests wholly on the management of Barilla.

MATERIAL TOPICS IDENTIFIED	GRI REFERENCE STANDARDS	TOPIC BOUNDARY		
		<i>Internal impact</i>	<i>External impact</i>	<i>Limitations</i>
Selected raw materials	Materials	●	●	
Traceability and transparency	Procurement practices Marketing and labeling of products and services	● ●		
Innovation and quality for food safety	Customer health and safety	●		
Excellent recipes for superior flavors	*	●		
Human and animal welfare	Supplier social assessment Animal welfare	●	●	
Perfect nutritional profile	Customer health and safety	●		
Diversity and Inclusion	Diversity and equal opportunity Non-discrimination	●		
Promoting healthy lifestyles and nutrition education	Health and access to food	●		
"Modern" food trends	*	●		
Sustainable agriculture	Procurement practices Supplier social assessment	●		
Human Rights	Non-discrimination Supplier social assessment	●		

MATERIAL TOPICS IDENTIFIED	GRI REFERENCE STANDARDS	TOPIC BOUNDARY		
		<i>Internal impact</i>	<i>External impact</i>	<i>Limitations</i>
Recycling and food waste	Effluents and waste	●		
Taking care of the local area and communities	Indirect economic impacts	●		
Responsible marketing and labeling	Marketing and labeling of products and services	●		
People Care	Employment	●		
Sustainable production sites and health and safety	Energy Water Emissions Effluents and waste Occupational health and safety	●	●	

GENERAL DISCLOSURES

ORGANIZATIONAL PROFILE				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-1	Name of the organization		Barilla Group > Group profile	
102-2	Activities, brands, products and services		Barilla Group > Group profile > Group brands	
102-3	Location of headquarters		Barilla Group > Group profile	
102-4	Location of operations		Barilla Group > Group profile > Barilla in the world	
102-5	Ownership and legal form		Barilla Group > Group profile	
102-6	Markets served		Barilla Group > Group profile	
102-7	Scale of the organization		Barilla Group > Group profile	
102-8	Total number of employees by employment contract, region and gender		Diversity and inclusion > Barilla People	
102-9	Supply chain (activities, products, number of suppliers, suppliers by geographical area, monetary value of payments made to suppliers)		Good for the Planet > Responsible supply chains Good for the Planet > Protection of animal welfare	
102-10	Significant changes to the organization's size, structure, ownership, or supply chain during the reporting period		Annex > Methodological note	
102-11	How the organization applies the precautionary principle or approach		Governance > Risk management	
102-12	Externally-developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes		How we respond to global challenges > The consumer goods sector How we respond to global challenges > Contribution to 2030 Agenda	
102-13	Main memberships of industry or other associations, and national or international advocacy organizations		How we respond to global challenges > The consumer goods sector	

STRATEGY				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-14	Statement from the Chairman and the CEO		Value for people and for society as a whole Who we are and who we want to be	
102-15	Key impacts, risks, and opportunities		Governance > Risk management How we respond to global challenges > International scenario How we respond to global challenges > BCFN Foundation	
ETHICS AND INTEGRITY				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-16	Values, principles, standards, and norms of behavior		The Barilla Group > Values How we respond to global challenges > Contribution to the 2030 Agenda > Our mission Governance > The Code of Ethics	
102-17	Mechanisms for advice and concerns about ethics		Governance > The Code of Ethics	
GOVERNANCE				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-18	Governance structure of the organization, including committees of the highest governance body. Committees responsible for decision-making on economic, environmental and social topics		Governance > Our model	
102-19	Process for delegating authority for economic, environmental, and social topics from the highest governance body to senior executives and other employees		Governance > Our model	
102-20	Appointment of an executive-level position or positions with responsibility for economic, environmental, and social topics, and procedures by which post-holders report directly to the highest governance body		Governance > Our model	
102-22	Composition of the highest governance body and its committees		Governance > Our model	
102-26	Highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental, and social topics		Governance > Our model	
102-29	Highest governance body's role in identifying and managing economic, environmental, and social topics and their impacts, risks, and opportunities. Use of stakeholder consultation to support the highest governance body's identification and management of economic, environmental, and social topics and their impacts, risks, and opportunities		Governance > Our model Governance > Risk management	

STAKEHOLDER ENGAGEMENT				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-40	List of stakeholder groups		Responsible strategy > Stakeholders' engagement	
102-41	Percentage of total employees covered by collective bargaining agreements		<i>100% of Barilla employees are covered by collective bargaining agreements</i>	
102-42	Basis for identifying and selecting stakeholders with whom to engage		Responsible strategy > Stakeholders' engagement	
102-43	Approach to stakeholder engagement		Responsible strategy > Stakeholders' engagement	
102-44	Key topics and concerns raised through stakeholder engagement, and respective response		Responsible strategy > Stakeholders' engagement	
REPORTING PRACTICE				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
102-45	List of all entities included in the organization's consolidated financial statements, and any of these not covered by the sustainability report		Annex > Methodological note	
102-46	Defining report content		Responsible strategy > Stakeholders' engagement Annex > Methodological note	
102-47	Material topics identified		Responsible strategy > Materiality matrix	
102-48	Effect of any restatements of information given in previous reports, and reasons for such restatements		Annex > Methodological note	
102-49	Significant changes from previous reporting periods		Annex > Methodological note	
102-50	Reporting period		Annex > Methodological note	
102-51	Date of most recent report		Annex > Methodological note	
102-52	Reporting cycle		Annex > Methodological note	
102-53	Contact point for questions regarding the report		Annex > Methodological note	
102-54	Claims of reporting in accordance with the GRI Standards		Annex > Methodological note	
102-55	GRI content index		Annex > GRI Index	
102-56	External assurance		<i>The report has not been externally assured</i>	

SPECIFIC DISLOSURES

GRI 200: ECONOMIC PERFORMANCE				
GRI 203: INDIRECT ECONOMIC IMPACTS				
Indicator	Indicator description		Section of the report	Omissions
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Inclusion of communities	
203-1	Infrastructure investments and services supported		Diversity and Inclusion > Inclusion of communities	
GRI 204: PROCUREMENT PRACTICES				
Indicator	Indicator description		Section of the report	Omissions
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Responsible supply chains	
204-1	Proportion of spending on local suppliers for the most significant locations of operation		Good for the Planet > Responsible supply chains > Sustainable Agriculture Project Good for the Planet > Protection of animal welfare	
G4 FP1	Percentage of purchased volume from suppliers compliant with company's sourcing policy		Good for the Planet > Responsible supply chains > Sustainable Agriculture Project Good for the Planet > Protection of animal welfare	
G4 FP2	Percentage of purchased volume which is verified as being in accordance with internationally recognized responsible production standards		Good for the Planet > Sustainable management of packaging materials	
GRI 205: ANTI-CORRUPTION				
Indicator	Indicator description		Section of the report	Omissions
GRI 103-1, 103-2, 103-3	Management approach		Governance > Fighting corruption	
205-1	Operations assessed for risks related to corruption		Governance > Fighting corruption	
205-2	Communication and training about anti-corruption policies and procedures		Governance > Fighting corruption	
205-3	Confirmed incidents of corruption and actions taken		<i>The Barilla Group recorded no incidents of corruption during the year</i>	
GRI 206: ANTI-COMPETITIVE BEHAVIOR				
Indicator	Indicator description		Section of the report	Omissions
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		<i>The Barilla Group recorded no legal actions for anti-competitive behavior, anti-trust, and monopoly practices</i>	

GRI 300: ENVIRONMENTAL PERFORMANCE				
GRI 301: MATERIALS				
Indicator	Indicator description		Section of the report	Omissions
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Responsible supply chains Good for the Planet > Protection of animal welfare Good for the Planet > Sustainable management of packaging materials	
301-1	Materials used by weight or volume		Good for the Planet > Responsible supply chains Good for the Planet > Sustainable Agriculture Project Good for the Planet > Protection of animal welfare Good for the Planet > Sustainable management of packaging materials	
301-2	Recycled input materials used		Good for the Planet > Sustainable management of packaging materials	
301-3	Reclaimed products and their packaging materials		Good for the Planet > Sustainable management of packaging materials	
GRI 302: ENERGY				
Indicator	Indicator description		Section of the report	Omissions
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Sustainable production > Sustainable management of the Barilla's production activities Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
302-1	Energy consumption within the organization		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
302-2	Energy consumption outside of the organization		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
302-3	Energy Intensity		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	

GRI 303: WATER

<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Sustainable production > Attention to water use	
303-1	Water withdrawal by source		Good for the Planet > Sustainable production > Attention to water use	

GRI 305: EMISSIONS

<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
305-1	Direct (Scope 1) GHG emissions		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
305-2	Energy indirect (Scope 2) GHG emissions		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
305-4	GHG emissions intensity		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	
305-5	Reduction of GHG emissions		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions	

GRI 306: EFFLUENTS AND WASTE

<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Sustainable production > Focus on reducing energy consumption and emissions Good for the Planet > Sustainable production > Attention to waste production	
306-1	Water discharge by quality and destination		Good for the Planet > Sustainable production > Attention to water use	
306-2	Waste by type and disposal method		Good for the Planet > Sustainable production > Attention to waste production	

GRI 400: SOCIAL PERFORMANCE

GRI 401: EMPLOYMENT

<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People > Trade union relations	
401-1	New employee hires and employee turnover by age, gender and geographical area		Diversity and Inclusion > Barilla People > Trade union relations	
401-3	Parental leave		Diversity and Inclusion > Barilla People > Trade union relations	

GRI 402: LABOR/MANAGEMENT RELATIONS				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People > Trade union relations	
G4 FP3	Percentage of working time lost due to industrial disputes, strikes and/or lock-outs		Diversity and Inclusion > Barilla People > Trade union relations	
GRI 403: OCCUPATIONAL HEALTH AND SAFETY				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People > People's health and safety	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and gender		Diversity and Inclusion > Barilla People > People's health and safety	
403-4	Health and safety topics covered in formal agreements with trade unions		<i>The matters discussed by the Barilla European Company Committee (CAE), established in 2000 between the unions and company representatives, include occupational health and safety topics. At every production site, furthermore, local union representatives are involved in specific committees for the management of occupational health and safety</i>	
GRI 404: TRAINING AND EDUCATION				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People > Training and communication Diversity and Inclusion > Barilla People > Attracting and developing talents	
404-1	Average hours of training per year per employee, by gender and employee category		Diversity and Inclusion > Barilla People > Training and communication	
404-3	Percentage of employees receiving regular performance and career development reviews, by gender and employee category		Diversity and Inclusion > Barilla People > Attracting and developing talents	
GRI 405: DIVERSITY AND EQUAL OPPORTUNITIES				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People Diversity and Inclusion > Barilla People > Respect for diversity	
405-1	Diversity of governance bodies and employees		Diversity and Inclusion > Barilla People > Respect for diversity Governance > Our model	

GRI 405: NON-DISCRIMINATION				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Diversity and Inclusion > Barilla People > Respect for diversity	
406-1	Incidents of discrimination and corrective actions taken		<i>The Barilla Group recorded no incidents of discrimination during the year</i>	
GRI 414: SUPPLIER SOCIAL ASSESSMENT				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Sustainable production > The sustainable agriculture code> Supply chains with potential social issues	
414-2	Negative social impacts in the supply chain and actions taken		Good for the Planet > Sustainable production > The sustainable agriculture code> Supply chains with potential social issues	
GRI 416: CUSTOMER HEALTH AND SAFETY				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for You > Quality and food safety	
416-1	Assessment of the health and safety impacts of product and service categories		Good for You > Quality and food safety	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Good for You > Quality and food safety	
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards.		Good for You > Quality and food safety > Quality of production processes	
FP6	Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars		Good for You > Nutrition > Barilla reformulation plans	
FP7	Percentage of total sales volume of consumer products, by product category, that contain increased nutritious ingredients like fiber, vitamins, minerals, phytochemicals or functional food additives.		Good for You > Nutrition > New Barilla products	
GRI 417: MARKETING AND LABELING OF PRODUCTS AND SERVICES				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for You > Responsible Marketing	
417-1	Requirements for product and service information and labeling		Good for You > Responsible Marketing	
FP8	Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements.		Good for You > Responsible Marketing	

SECTOR SPECIFIC: HEALTH AND ACCESS TO FOOD				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for You > Food education	
FP4	Nature, scope and effectiveness of any programs and practices that promote access to healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need.		Good for You > Food education	
SECTOR SPECIFIC: ANIMAL WELFARE				
<i>Indicator</i>	<i>Indicator description</i>		<i>Section of the report</i>	<i>Omissions</i>
GRI 103-1, 103-2, 103-3	Management approach		Good for the Planet > Protection of animal welfare	
FP9	Percentage and total of animals raised and/or processed, by species and breed type		Good for the Planet > Responsible supply chains >The sustainable agriculture project	
FP10	Policies and practices, by species and breed type, related to physical alterations and the use of anesthetic		Good for the Planet > Protection of animal welfare	
FP11	Percentage and total of animals raised and/ or processed, by species and breed type, per housing type		Buono per il Pianeta > Protection of animal welfare > Animal origin supply chains: eggs, pork and beef > Eggs	
FP12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type		Good for the Planet > Protection of animal welfare	

BARILLA G. E R. FRATELLI

SINGLE-MEMBER JOINT STOCK COMPANY
UNDER THE DIRECTION AND COORDINATION
OF BARILLA INIZIATIVE S.P.A.

Registered Office: Via Mantova 166 - 43122 Parma
Share Capital 180,639,990.00 fully paid up
Tax ID code and Parma Companies Register
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List of images:

P. 1, Barilla Archive
P. 3, Barilla Archive, Simone Bramante
P. 5, Barilla Archive
P. 8-9, Barilla Archive
P. 18, Barilla Archive
P. 19, Barilla Archive
P. 21, Barilla Archive
P. 22-23, Barilla Archive
P. 25, Barilla Archive
P. 30, Barilla Archive
P. 35, Barilla Archive, Simone Bramante
P. 36-37, Barilla Archive
P. 43, Barilla Archive

P. 49, Barilla Archive
P. 52, Sustainable Development Goals
UN official website
P. 55, Barilla Archive
P. 56, Barilla Archive
P. 56, Barilla Archive
P. 56, Barilla Archive
P. 56, Barilla Archive
P. 57, Barilla Archive
P. 57, Barilla Archive
P. 57, Barilla Archive
P. 57, Barilla Archive
P. 62-63, BCFN Eighth International
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P. 78-79, Hero Images, Getty Images
P. 83, Barilla Archive

Produced by

Barilla Communication
and External Relations

Graphic Design

Visualmade, Milan

Photographs

Barilla Archive
Simone Bramante
Armando Testa