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WORKING IN PARTNERSHIP: BARILLA

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Demonstrating Continuous Improvement in Sustainability and Animal Welfare



BACKGROUND

Founded in 1877, Barilla started out as a shop producing pasta and bread. Today the Barilla Group has become a world leader in the market for pasta and ready-made pasta sauces in continental Europe, for bakery products in Italy and for crispbreads in Scandinavia.

Barilla has 26 offices around the world (1 in Italy, 14 in Europe and 11 in the rest of the world), and 30 production sites (14 in Italy, 10 in Europe and 6 in the rest of the world), with an average yearly revenue of 3,254 million \in .

Compassion started its engagement with Barilla in 2010, supporting the company's aim to improve animal welfare in its supply chain. Since then, Barilla has made significant welfare policy commitments across its business, brand by brand, clearly demonstrating its leadership and commitment to animal welfare.

DRIVERS FOR WELFARE

Barilla first realised the importance of sustainability in 2009 when the Group decided to found the Barilla Center for Food & Nutrition (BCFN), a think tank aiming to study and analyse the major global issues around food and nutrition. Since then, Barilla has increasingly acknowledged the importance of food sustainability at a corporate level.

Over the past few years, the Barilla Group has crystallised its aim to increase its revenues, while reducing its footprint on the planet and promoting a healthy lifestyle through a balanced diet. Barilla developed its sustainability programme <u>"Good for you, Good for the planet</u>" which outlines its plan to purchase all of its strategic raw materials responsibly by 2020.

In this context, the quality, food safety and nutritional value of products are an absolute priority for Barilla, and higher farm animal welfare is integral to these values. As such, animal welfare has been a key focus for Barilla since 2011, when they made their first commitment to cage-free eggs.

At the end of 2015 Barilla made "<u>Good for you, Good for the planet</u>" the <u>purpose of the</u> <u>company</u>, and they are working together with their suppliers to encourage participation in initiatives aimed at improving animal welfare standards in the regions where they are farming, sourcing, processing and marketing animal products.

FARM ANIMAL WELFARE: POLICY AND IMPLEMENTATION

In 2011, Barilla took its first major step in introducing higher welfare standards across its business by comitting to source only cage-free eggs for its bakery brands **Mulino Bianco** and **Pavesi**. The following year their cage-free policy was extended to its pasta brand **Le Emiliane**. This was a very important step towards higher welfare for Barilla as eggs represent one of the most important supply chains for the Group. Compassion has recognised Barilla with three <u>Good Egg Awards</u> the Mulino Bianco, Pavesi and Le Emiliane brands; their cage-free commitments will positively affect almost two million hens each year.

With the development of the "Good for you, Good for the planet" sustainability programme, animal welfare became one of the key elements of Barilla's corporate policy and they started to identify farm animal welfare issues to be addressed within their supply chain, from birth to slaughter. As a result, Barilla has been working on specific animal welfare criteria, addressing issues such as housing, feed and water supply, health and antibiotics management, transport, slaughter and traceability.

Working closely with Compassion, in 2015 Barilla published an official position paper on animal welfare, setting out a clear and detailed <u>farm animal welfare policy</u>. Their commitment to this overarching strategy has led to Barilla's landmark policy decision to completely phase out caged eggs across ALL its brands by 2020.

As the Director of Raw Material Sourcing, Leonardo Mirone, highlights: "Barilla's purpose is "To be the people's preferred choice by promoting wholesome and joyful food habits inspired by the Mediterranean lifestyle". In order to meet our purpose and sustainability goals, for years we have worked with the best external partners to find the right solutions for our sourcing chains. We found Compassion to be the best partner to work with on farm animal welfare, as they are very well informed on the evolving demands of consumers and the current – and prospective – standards of farm animal welfare. Thanks to our collaboration, since 2010, Barilla and our suppliers have been progressively improving animal welfare standards across the business. We are already 82% cage-free and will completely phase out caged eggs by 2020; furthermore we have also made a commitment to guarantee that all the meat used in our sauces and filled pasta comes from higher welfare systems by 2020."

Continuing its higher welfare journey beyond eggs, Barilla started to engage with its meat suppliers to guarantee that the meat used in their sauces and filled pasta comes from higher welfare systems. This successful engagement has led to the development of clear animal welfare guidelines for their pork and beef suppliers; since 2015, Barilla's Italian meat suppliers have signed up to these higher welfare standards and have already started to implement them.

BUSINESS BENCHMARK ON FARM ANIMAL WELFARE

Since its first iteration in 2012, Barilla has been one of the companies benchmarked in the annual Business Benchmark on Farm Animal Welfare (<u>BBFAW</u>) – the leading global measure of company policy, practices and performance on farm animal welfare. Thanks to its successful engagement with suppliers and its journey to continuously improve welfare standards across its business, Barilla has been moving up the benchmark tiers year on year.



In the 2015 Benchmark, Barilla has confirmed itself as the highest ranking Italian company, moving up to Tier 3 ("Established but work to be done"), alongside other world leading food companies, such as Compass Group, Sodexo, and Subway.



COMMUNICATING HIGHER WELFARE

Following its Good Egg Award in 2011, Barilla produced a TV advert featuring Antonio Banderas to promote its move to cage-free eggs for its leading biscuit and bakery brand Mulino Bianco.

The advert gained a lot of public attention and helped raise the importance of higher welfare and cage-free systems in Italy.

It also publically promoted Barilla's welfare commitment as a leading Italian manufacturer.

To further promote its welfare credentials to Italian consumers, Barilla has dedicated sections of its websites to communicate its higher welfare achievements and high quality brands.

Barilla has also demonstrated good practice in transparency by publishing its welfare commitments and reporting on its ongoing projects and targets on:

http://www.goodforyougoodfortheplanet.o rg/ and http://www.barillagroup.com/ourposition.



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Barilla's commitment is also communicated through its pasta and bakery products, where packaging is used to inform customers of the products' higher welfare and sustainability credentials:





BUSINESS BENEFITS

Many global brands now report on animal welfare as part of their corporate social responsibility and sustainability programmes, due to greater consumer concern about how animals produced for food are reared. By introducing its cage-free policies and by engaging with its meat suppliers to improve welfare standards in its supply chain, Barilla is demonstrating its leadership position in the market.

As part of its sustainability plan, Barilla has aligned welfare with quality as part of its brand and has communicated this to its customers through a variety of marketing channels, reaching a widespread audience.

Farm animal welfare is also an emerging issue for the investor community and one that is set to become as important as carbon, water and waste in the future.

Although moving to higher welfare requires a long-term perspective and careful planning, Barilla sees animal welfare as an integral part of its strategy, and vital in order to meet stakeholders' expectations of improved sustainability. By working closely with its suppliers and engaging consumers, Barilla is showing leadership in this area by not only meeting its customers' expectations but also improving traceability and risk management throughout its supply chain.

Author: Elisa Bianco, European Food Business Manager

Compassion in World Farming offers free, objective advice and consultancy from a team of staff who work across the whole of the food industry. To find out more about how we can help you improve animal welfare standards within your business, please contact one of the <u>Food Business Team</u> or visit: <u>www.compassioninfoodbusiness.com</u>