



2018 Annual Report

🌿 EUROPASTRY



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01.
We are bakers





“We are bakers”

2018 has been an exciting year. At Europastry we have worked hard with our renowned passion to take our business to new levels of quality and commitment to our customers.

We are bakers. Our goal is to become the top specialist in the frozen bakery dough sector. This means being able to adapt very quickly to new market trends and to the demands of our customers. As such, in 2018, we were successful in advancing towards this goal. In 2018, we carried out over 750 R&D projects and launched 133 new products to the market. We are especially proud of the market reception to our Saint Honoré bread range, our new Dots ranges, and the new range of products manufactured at Ingapan.

This evolution requires us to become more expert every day at what we do. Our ambition is to be part of the most cutting-edged company in the frozen bakery dough sector. To achieve this, our technical team has been growing continuously. Today we have four innovation centers (Barcelona, Lugo, Beuningen and New York) where we develop the products of the future for our customers. Additionally, we have over 30 people dedicated to the research and development of new products and a team of over 20 product technicians who provide sales advice and training to our new customers. They also represent pillars of our growth.

It is also important to highlight our efforts to include new product families in our portfolio to be able to offer our customers a comprehensive solution. The acquisitions of EuroClassic, Confeitaria Torres and Grand Duet have enabled us to incorporate new product ranges such as the brioche, the baked croissant, and sweet and savoury snacks. They have also enabled us to consolidate our presence in geographic areas like the United States, Portugal and Central Europe. Today, we make 40% of our sales outside of Spain. And that also strengthens our ability to pick up on

new trends that appear in the main markets of our sector more rapidly, and helps us to boost the sales of the items we already produce at our plants.

In 2018 we took a major step forward in our continuous improvement processes. In this sense, we have invested over 65 million euros in expanding our production capacity of Dots in Oldenzaal, Croissants in Sarral, and Saint Honoré breads in Paterna. These three new plants represent a step forward for Europastry in terms of quality, food safety, innovation and efficiency.

At Europastry, we also believe that the social impact of our work is fundamental. Last year, we strengthened our initiatives to reduce CO₂ emissions in transport and reduce energy consumption at our plants. We also implemented pioneering initiatives, such as deliveries by electric bicycles in city centers. In our quest to be greener every day, our range of organic breads, which are increasingly in-demand by our customers, is also noteworthy.

Our commitment for 2019 is to continue to move forward in innovation and continuous improvement, as we have been doing all these years. All of this thanks, more than ever, to a great team that feels like a part of this big family.

Jordi Gallés
Executive President

O2. 2018 Main milestones



The company

We have a total of **22 production plants** and **26 sales offices** worldwide. We operate in **over 60 countries** around the world, providing service to **more than 63,000 customers** and **more than 600 distributors**.

Our business

€729 MM in turnover
€110 MM EBITDA
364,000 t sold

Sustainable growth

We have grown in the Central European market thanks to the acquisition of **Grand Duet**, a Dutch company specialising in frozen dough for bread, pastries and snacks.

We showed our commitment to making the most artisanal and traditional baked goods with the acquisition of the Portuguese company **Confeitaria Torres**.

We expanded our facilities in **Paterna** to produce our most premium bread: **Saint Honoré**.

In Sarral, we inaugurated one of the most innovative lines in Europe to manufacture **top-quality pre-proofed baked goods**.

In the United States, we acquired 100% of **Wenner Bakery** and further consolidated our position with the help of **Euro Classic**, which specialises in the distribution of French baked goods in the North American market.

Innovation as a business model

€68,5 MM invested in R&D
133 new products launched
752 new projects carried out
Four innovation and development centers strategically located in Spain, the Netherlands and the United States.

+300 Innovation Days held with customers.

We are all Europastry

4,539 employees
89 nationalities
+8,000 hours of training
+180 training initiatives

Growing a better world together

We are pioneers in our sector in **product delivery by bicycle** in city centers.

We reduced energy consumption by **+36,000,000 kWh**, which is equivalent to the **average annual consumption of +3,600 households**.

We reduced our carbon footprint by **+6,000,000 kg CO₂**, the equivalent of planting **+900 trees**.

We manufacture our products with **100% natural ingredients**. We are also committed to **organic farming** to produce our organic product line.

New Products

Saint Honoré, our range of traditional breads, continues to grow.

Viennoiserie Caprice is our range of pastries made using long resting processes and top-quality ingredients, especially butter.

Rainbow Dots is becoming the most colourful family in the Dots range.

Made with flour, eggs, butter and sugar, our new **Brioche Style Buns** range offers a unique experience for preparing sweet or savoury recipes. Our French-style Brioche is light and soft, the star product for any breakfast.

The new **Croissants Brioche**, shaped by hand, stand out for their artisanal process and their homemade style. They are made following the authentic brioche recipe, which gives them a tender and soft texture.

The **PanBurger** range continues to grow through innovation, with premium hamburger buns made with natural ingredients and no additives.

03.
About us



Management committee



Jordi Gallés
Executive President



JORDI MORRAL
CEO

The year 2018 has been one of great achievements for Europastry. We have become consolidated as one of the sector's leading companies in the world, with a significant presence in Europe and America, while increasing our strong leadership position in Spain. All of this allows us to visualise a future in which we must move forward at a strong and steady pace to maintain this growth and make Europastry an international reference, and not just in its sector.

With regard to 2018, I would also highlight the good results obtained from our work and constant innovation, and our acquisitions of such companies as Gran Duet (The Netherlands), Confeitaria Torres (Portugal), Ingapan (Spain) and EuroClassic (USA).

None of these achievements would be possible without the hard work, talent, commitment and passion that we all contribute and that all of us at Europastry feel. In this way, we ensure the quality of our products through an ideal combination of tradition and innovation, and we reaffirm our maximum commitment to our customers, our reason for being.



Joaquim Bauló
CFO

"The company's financial progress has been extraordinary. Turnover has grown by 23% and EBITDA by 17%, driven by strong organic growth and the acquisition of four companies in Spain, Portugal, the United States and the Netherlands. This great leap has made us a stronger, more diversified and better prepared Group to continue this success story of profitable growth."



Daniel Calvo
Commercial General Director

"In 2018, a year with the exquisite aroma of Galician empanada, we have improved the key business indicators in all our areas. Our recipe: to carry out concrete actions every day, in every division, in every territory. Achieving our vision is simply a question of satisfying our basic natural instincts, and so, in 2019, we are committed to providing our distributors and customers with more quality actions, more innovation and greater speed."



Bertrand Laffont
International Commercial Director

"In 2018 we were able to lay the groundwork for the future international expansion of our company. Our global strategy is based on the implementation of local operations with teams that perfectly understand the needs and interactions of each market where we operate. In 2019, our priorities will be focused on consolidating our historical markets (Europe and America) and starting to build the future of Europastry in Asia, Middle East and Africa. These challenges can only be achieved with a strong and committed team and a clear focus on meeting the company's objectives."



Marta Cortés
Marketing Director

"The year 2018 was one of constant innovation, of diversification with different product categories and concepts. Taking risks makes us go farther."



Alberto Alonso
Pastry R&D Director

"I firmly believe that attitude is everything. It's not about what happens, but how you confront it. Facing challenges with a positive attitude is synonymous with Europastry."



Jordi Caballero
Bread R&D Director

"The value of innovation lies not in avoiding being copied but in getting everyone else to copy you."

International Divisions



Maurice Hanste
CEO Europastry Central Europe

"It is very important to maintain the local connection with our market and their consumers, regardless the size of our company. Therefore, we are creating a new platform in Central Europe, including all disciplines needed to be even closer to the market. Think global, act local. Keeping things simple, do what we say and say what we do and most of all, presenting daily new ideas and being disruptive. We are working in the greatest business in the world and can be proud to be part of the Europastry family."



Jorge Amado
CEO Europastry Portugal

"As Fernando Pessoa, the famous Portuguese poet, said: 'Only what we dream is what we truly are, because all the rest, all that has been realised, belongs to the world and to everyone.' Europastry continues to dream and to define the future as a team, recovering and bringing back tradition and healthy options to the sector. And for me, this is our legacy to our stakeholders."



Oriol Tey
CEO Wenner Bakery

"In 2018 we have been able to strengthen and consolidate our presence in the United States through our expansion in new channels, the growth of our customer portfolio and the acquisition of EuroClassic, which brings us new market shares, access to new strategic customers and the incorporation of talent and know-how."



Josep Serret
Industrial Director

"In the Industrial Area, our challenge in production is to apply cutting-edge, lean manufacturing techniques to obtain the best and most competitive result, while maintaining the characteristics of a product made in a traditional way."



Jordi Fabregat
Operations & Investment Development Director

"We are closing a 2018 in which we have consolidated many projects, and in which we have laid the foundations for an even more interesting future in terms of our capacity for innovation, internationalisation, production and distribution."

The company

Europastry is a leader in the frozen bakery dough sector.

Our history goes back to 1987, when Pere Gallés, a visionary baker, embraced refrigeration technology to satisfy the needs of consumers and professionals in the bakery and food-service sectors.

Since then, our hard work, passion and perseverance have made us one of the most expert and cutting-edge bakery companies in the sector of frozen doughs for **bread, viennoiserie, pastries and snacks**, with a capacity to provide the best and most innovative solutions to our customers in an agile and dynamic way anywhere in the world.

We currently operate in over 60 countries, where we share our values under a multi-local model in which we operate locally, close to our customers, but with the efficiency, flexibility and speed necessary to adapt to new trends in those markets.

In the bakery sector, tradition is an undeniable value, and Europastry has based its leadership on carrying on the tradition of our forefathers while applying the latest technological advances. Tradition is our guide, because we are and we think like master bakers, and **innovation** is our best ally in bringing the best products to the market.



Mission

Our mission is to transform the baked goods industry through innovation, and our differential value lies in our speed in responding to the emerging needs of consumers. Our goal is not to become the largest company but the fastest one in the sector. Our customers have always been, and will continue to be, our highest priority.

Vision

To become consolidated as the global leader in the frozen dough sector by combining tradition and innovation to offer top-quality products that meet the demands of the market.



Values

Quality — Commitment

All our products meet the highest quality and food safety standards. Quality is also at the heart of our R&D efforts.

Innovation — Tradnovation

Tradition teaches how to create the best products. Innovation makes it technologically possible. By combining tradition and innovation, we have taken the bakery world to a higher level.

Efficiency — Massclusivity

Massive and exclusive are not always opposing concepts. We create products tailored to every preference, every need, every lifestyle and every consumption moment. Always in a unique and genuine way.

International development — Multi-local Model

We bring our products to countries around the world and learn from all our customers so that we can be market leaders. We adapt to the needs and unique characteristics of each market through our multi-local model.

04.
Our business



Main figures



22
Production
plants



26
Sales offices



+60
Countries where
we operate



4,539
Employees



€729 MM
Turnover



€110 MM
EBITDA



€68.5 MM
R&D Investment



133
New products
in 2018



364,000
Tonnes sold



4
R&D centers



32
New product
researchers
and developers



+20
Product
Technicians

Evolution of our turnover

Net value
(€ MM)



Business Areas



50%
Bread

+1,300
References

48%
Viennoiserie

+1,500
References

1%
Patisserie

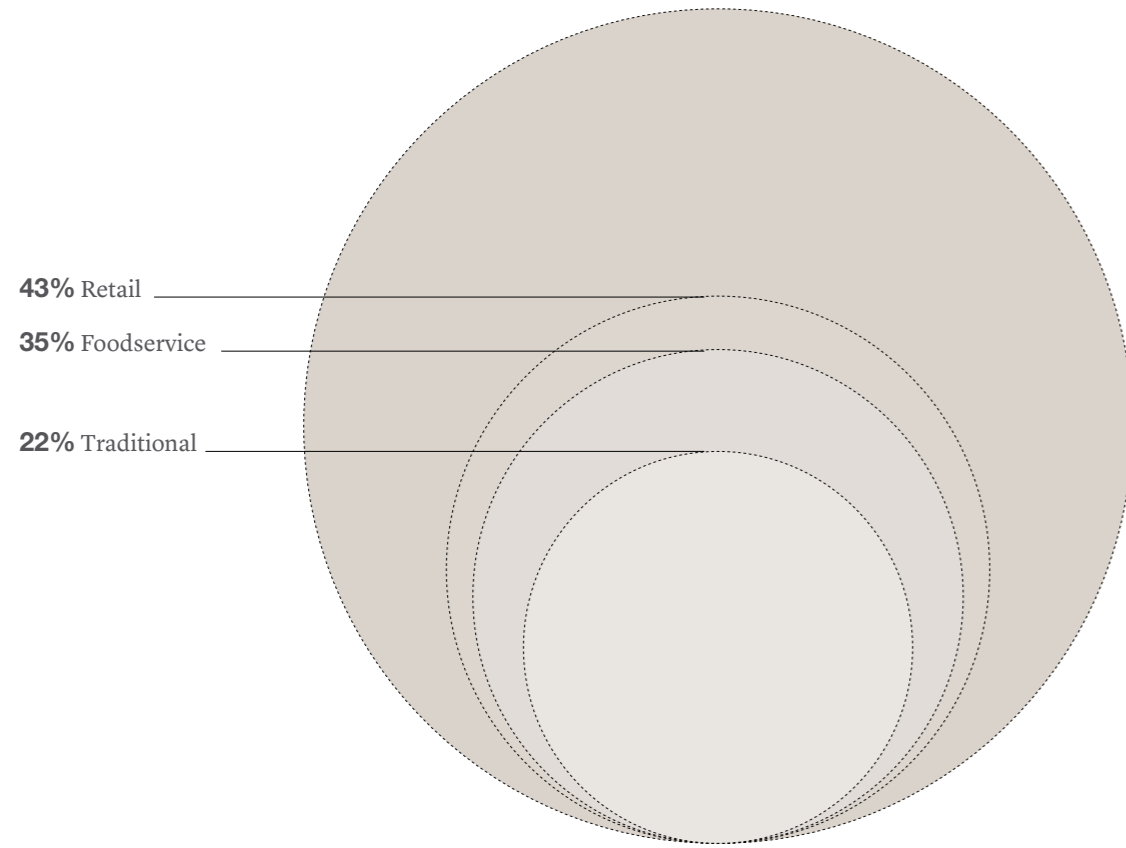
+150
References

1%
Ready meals

+200
References

Distributors

% in value



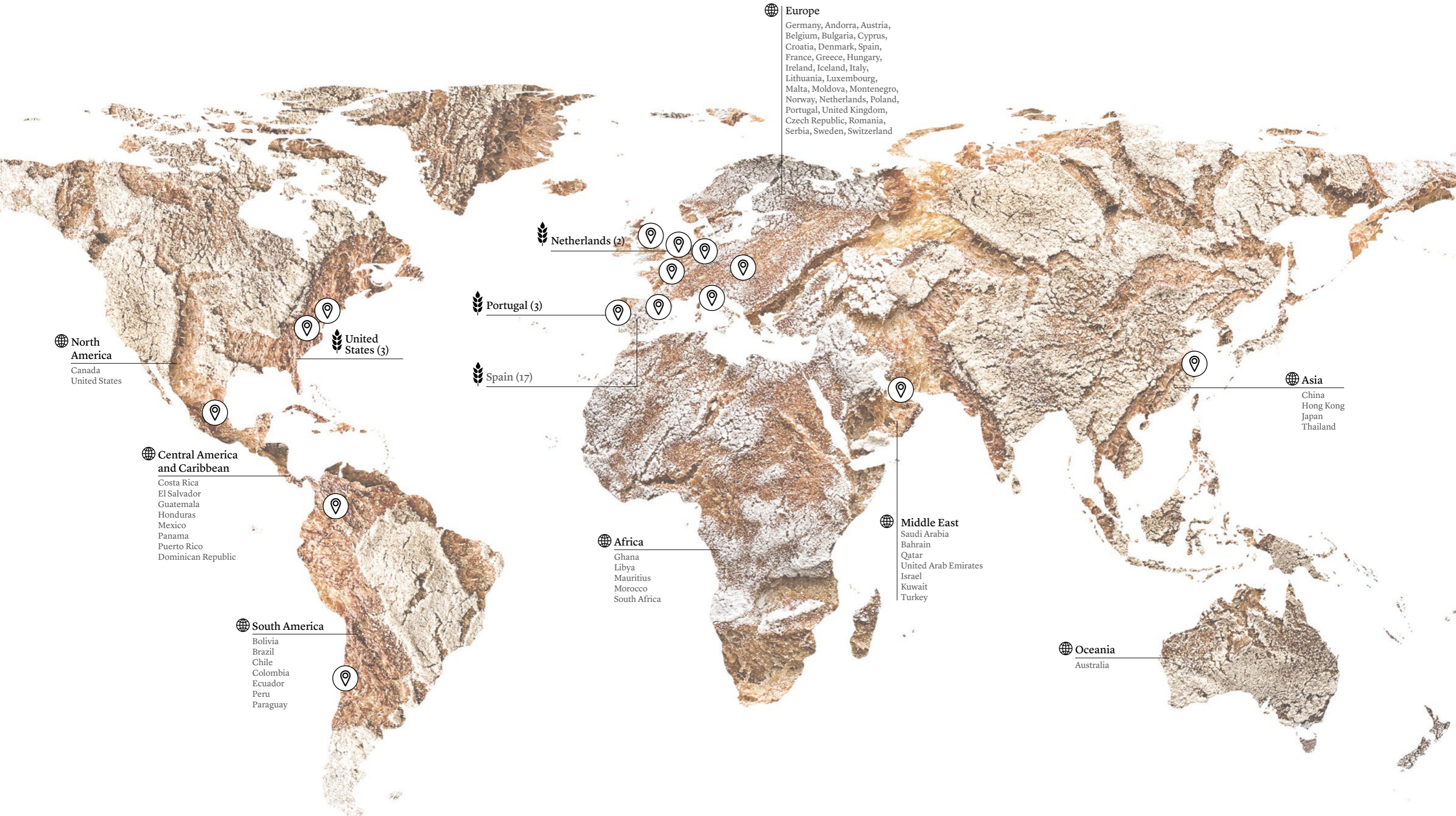
Our markets

With the aim of responding to the rapid growth we have experienced over the past years and the characteristics inherent to our industry, such as offering local products rapidly and assuming the logistical needs of each market, Europastry

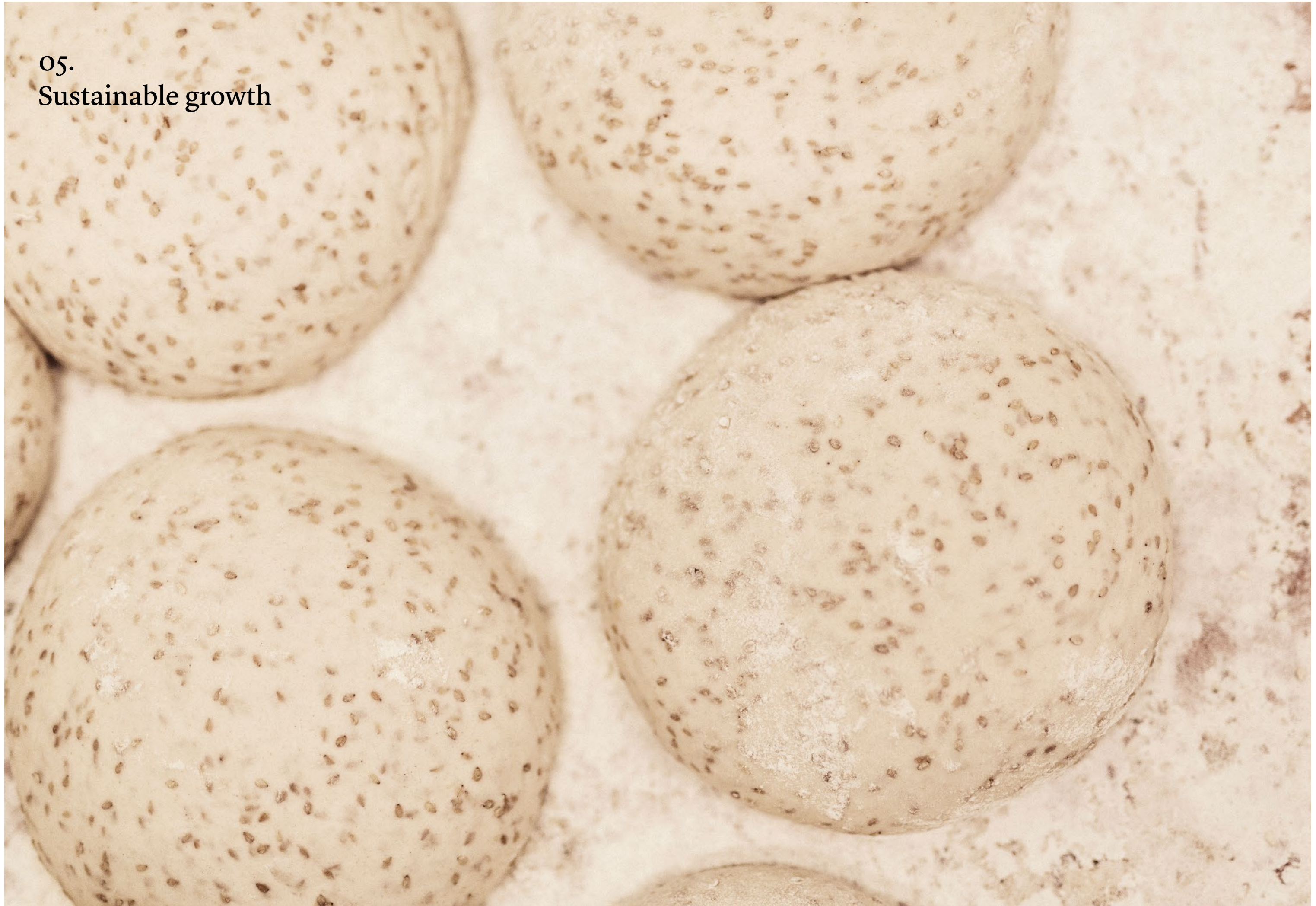
has built a **multi-local** organizational structure, with multidisciplinary teams in each region to achieve greater flexibility and agility in decision-making.

That is how we achieved strength internationally, operating in over **60 countries** through our **22 production plants** and **26 sales offices**, from which we provide service to over **63,000 customers** and **600 distributors**.

-  Production plants
-  Sales offices
-  Markets



05.
Sustainable growth



Iberian Peninsula

PRODUCTION PLANTS 17

- 1 - Sant Joan Despí
- 2 - Rubí
- 3 - Barberá del Vallés
- 4 - Azuqueca de Henares
- 5 - Sarral
- 6 - Vallmoll
- 7 - Paterna
- 8 - Tenerife
- 9 - Koama
- 10 - Otero de Rei
- 11 - Lugo CEAO 1
- 12 - Lugo CEAO 2
- 13 - Begonte
- 14 - Chousa R&D Center
- 15 - Carregado
- 16 - Famalição
- 17 - Trofa

SALES OFFICES: 13

- La Coruña
- Pontevedra
- Lugo
- Porto
- Lisbon
- Bilbao
- Madrid
- Malaga
- Girona
- Barcelona
- Valencia
- Palma
- Tenerife

DISTRIBUTORS:

+250 distributors on the Iberian Peninsula



2018 Milestones Iberian Peninsula



New production line for Saint Honoré bread in Paterna (Valencia)

In 2018, we expanded our Paterna plant with a new specialised production line for our traditional Saint Honoré breads. With this new line, we have reaffirmed our philosophy of combining design, innovation and maximum quality, drawing inspiration from traditional bread-making processes.

The new facility, which represented an investment of 10 million euros, has also resulted in the addition of 30 more professionals to our team. A workforce that will continue to work hard to ensure the artisanal processes of shaping, slicing and boarding every loaf of Saint Honoré bread.

- **Production capacity:** 13,500 t per year
- **Production lines:** 3
- **Specialization:** rustic bread

The Sarral (Tarragona) plant inaugurated a new line for producing premium pre-proofed pastries

At the plant in Sarral, Tarragona, we also inaugurated a new production line for premium pre-proofed pastries which, once again, combines the most cutting-edge technology with traditional methods. There, the Viennoiserie Caprice butter-based pastry ranges and the Sélection d'Or margarine-based ones, among others, are made.

We have invested a total of 30 million euros, which has meant an increase in the production capacity of the plant to 80,000 tonnes annually. Additionally, as a result of this investment, we have also created 100 new jobs, a clear commitment to the area.

- **Production capacity:** 80,000 t per year
- **Production lines:** 10
- **Specialization:** pre-proofed pastries and bread



We show our commitment to Galician products with Ingapan Corporación

We completed the integration of the Galician company, Ingapan Corporación, following acquisition of a 60% stake in 2017. The objective was to strengthen production of emblematic products such as: Galician empanadas, empanadillas, snacks, traditional breads, pastries, and Koama-brand prepared dishes.

In Lugo we have the Chousa Innovation and Development Center, which has a highly-qualified team working to develop new products, always using traditional production processes as a guide.

- **Production plants:** 5
- **Production capacity:** 55,500 t annually
- **Production lines:** 15
- **Specialization:** empanadas and empanadillas, rustic breads, pastries, and ready meals dishes



New acquisition of the Portuguese company Confeitaria Torres (Portugal)

At the end of 2018, we completed the purchase of the Portuguese pastry company Confeitaria Torres, with which we sought to boost production of artisanal and top-quality products like those of this bakery.

Confeitaria Torres operates under the same philosophy as Europastry, combining technology and tradition to produce its star products: croissants brioche, brioche, *Bolo de Rei* and *Pão de Deus*, among others.

- **Productive Plants:** 2
- **Production capacity:** 5,000 t per year
- **Production lines:** 2
- **Specialization:** brioche pastries



Europe

- PLANTS: 2**
 - 1 - Oldenzaal (Netherlands)
 - 2 - Grand Duet (Netherlands)

- SALES OFFICES: 6**
 - Netherlands
 - United Kingdom
 - Belgium
 - France
 - Italy
 - Czech Republic



2018 Milestones Central Europe

Europastry is unique in the world of bakery. We combine global expertise with regional presence. It is inspiring to see how we combine the different capabilities of bread, viennoiserie, pastry and snacks in the ever-changing food market. With teams all over world working full of passion, energy and commitment it is an honour to be part of this revolutionizing category leader in the bakery market. With a global focus and the family strategy, we take a unique position in the bakery market for our customers for the coming future.

It is very important to maintain the local connection with our market and their consumers, regardless the size of our company. Therefore, we are creating a new platform in Central Europe, including all disciplines needed to be even closer to the market. This allows us to act with a high sense of urgency in this fast-moving market with local resources in place, but using the global Europastry expertise when needed. This is how we expect to stay relevant for our customers. Think global, act local. Keeping things simple, do what we say and say what we do, and most of all, presenting daily new ideas and being disruptive.

We are working in the greatest business in the world and can be proud to be part of the Europastry family.

Maurice Hasnte,
CEO Europastry Central Europe



We strengthen our position in the Central European market with the acquisition of Grand Duet

In 2018, Europastry signed an agreement to acquire Grand Duet, a company specializing in frozen doughs for bread, pastries and savory snacks, with a production capacity of 27,000 tonnes per year. Through this union, we not only strengthened our position in the Central European market but also expanded our portfolio with local products.

The objective was to integrate the structure and processes of this company in Europastry Central Europe, our platform for the Central European markets.

Grand Duet has five specialized production lines for bread, pastries, puff pastries and pizzas, including the typical puff pastries of the region like Sausage Rolls, Kaiser Rolls, baguettes, croissants and savory snacks, among others.

Grand Duet has an R&D Center that channels talent and innovation, not only in terms of Central European market trends but also in terms of emerging global trends.

- **Production capacity:** 27,000 t
- **Production lines:** 5
- **Specialization:** bread, pastries, snacks and pizzas

New production line for Dots in Oldenzaal

In 2018, at our Oldenzaal plant, we installed a new production line, in addition to our two existing ones, designed to add new colors and fillings to our Dots. Besides this new line, at Oldenzaal, we also have two other lines: one specialized in the production of Dots and another for producing butter croissants in their ham and ham and cheese varieties.

In addition, this year we also opened a new, fully automated warehouse with a capacity of 6,000 pallets and an automated crane system. As is the case of the rest of the architectural complex, it was built in compliance with the BREEAM certificate of environmental sustainability certification.

- **Production capacity:** 25,700 t per year
- **Production lines:** 3
- **Specialization:** Dots and pastries

North America

-  **PLANTS: 3**
 - 1 - New Brunswick
 - 2 - Ronkonkoma
 - 3 - Bayport

-  **SALES OFFICES: 3**
 - New York
 - New Jersey
 - Mexico City



2018 Milestones United States

WENNER BAKERY

In 2018, Europastry acquired 100% of Wenner Bakery and confirmed its commitment to this market in which innovation is positioned as an axis of strategic growth. Proof of this are the successful launches of such products as JellyDots, the Clean Label range of rustic hamburger buns and the Slider Buns, pre-sliced buns ready for preparing mini-sandwiches.

This year, the New York and New Jersey plants also achieved **SQF Level 3** certification, which ensures compliance with the highest safety standards in the food industry.

Furthermore, in 2018, we focused on improving our positioning in the Convenience channel, the segment with the greatest growth in the American market. Through new agreements with key distributors in this sector, we have arranged for our product portfolio to be offered and presented to the most important customers in the Convenience Store market. Thanks to these efforts, we can say that one of our most important categories, our Dots, is a top seller in the Convenience channel.

Plants and production lines:

- **New Brunswick:** 2 lines for par-baked bread + 1 line for ultra bread
- **Ronkonkoma:**
1 line for par-baked bread
- **Bayport:** 6 lines for ultra bread
- **Production capacity:**
111,000 t per year
- **Specialization:** par-baked and ultra bread

Wenner Bakery®
Art of baking since 1956

EUROCLASSIC

In 2018, Europastry strengthened its presence in the North American market with the acquisition of **EuroClassic**, one of the leading importers and distributors of premium French pastries in the United States, with products as emblematic as brioches and croissants.

Our objective in this operation was to allow US consumers to enjoy authentic artisanal recipes from France and the rest of Europe. With Euro Classic, we have the ability to distribute our products in over 45 US states, both to retailers and to foodservice companies.

EuroClassic



Latin America

With sales offices in Chile and Colombia, and a network of distributors covering Mexico, Honduras, El Salvador, Costa Rica, Panama, Dominican Republic, Puerto Rico, Ecuador, Peru, Bolivia, Paraguay and Brazil, Europastry is one of the companies with the most presence in its sector in the Latin American region.

Latin America is a priority market for Europastry, and therefore we work to offer our customers the best products, which we adapt to their needs, with the best service. We are convinced that the way to achieve this is through innovation, and by perfecting our processes and strengthening our local presence in the region.



COLOMBIA

In the last year, Europastry has become consolidated in the Colombian market. Thanks to a committed team and continuous improvement processes, such as the optimization of storage and distribution systems, Europastry Colombia has managed to close deals with customers that are leaders in this country's food sector, particularly in the Foodservice and Retail channels.

CHILE

Crandon Europastry has strengthened its presence in Chile, thanks to the over 1,500 points of sale where it is present, through the Retail and Foodservice channels and our distributors.

In 2018 we successfully positioned ourselves in the Chilean market thanks to a wide selection of baked products, now enjoying recognition as one of the most powerful brands in the industry in this country. Our objective is to continue to grow and differentiate ourselves from the competition through the great quality and variety of our products.

📍 Sales offices



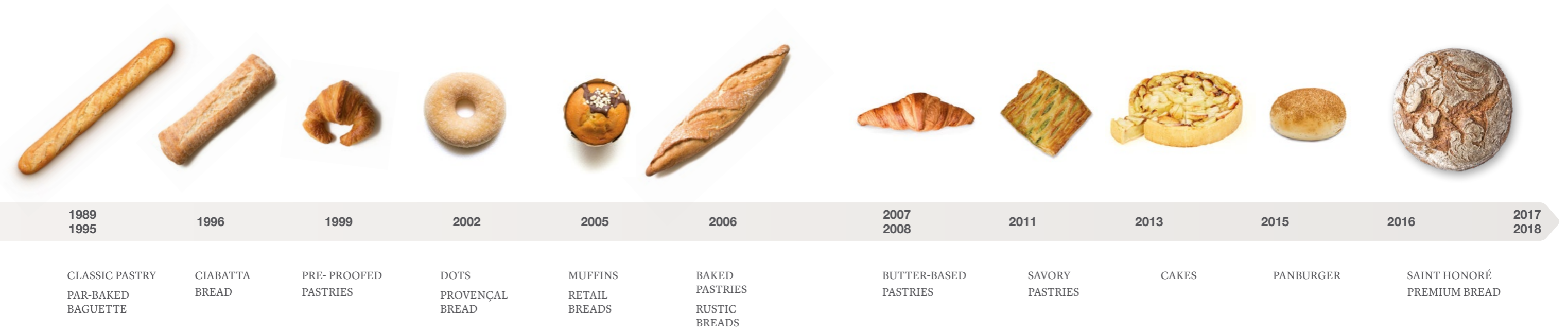
06.
Innovation as
a business model



At Europastry, we base our leadership position on being one of the most cutting-edge companies in the industry. And we are passionate about forming part of the most innovative company in the sector. Every year we invest millions of euros in R&D to improve and develop new products.


Our investment in R&D is defined in a **Virtuous Cycle** in which, by investing in innovation, we generate higher sales, which translate into increased profits, which are then reinvested in innovation. In this way, we guarantee that sustainable growth and the creation of products are increasingly adapted to the tastes and needs of the consumer.

At the moment, the baguette, our first iconic product, represents 3% of our sales.



 €68.5 MM invested in R&D in 2018

 133 new products developed in 2018

 752 R&D projects developed in 2018

 Collaboration with scientific research centers

 Foodservice CLUSTER

 eurecat
Centre Tecnològic de Catalunya

 CSIC ICTAN
INSTITUT D'INVESTIGACIÓ I TÈCNIQUES DE LA CIÈNCIA I LA TECNOLOGIA

 CNTA
TECNOLOGIA Y CONOCIMIENTO PARA LA COMPETITIVIDAD DE LA INDUSTRIA ALIMENTARIA



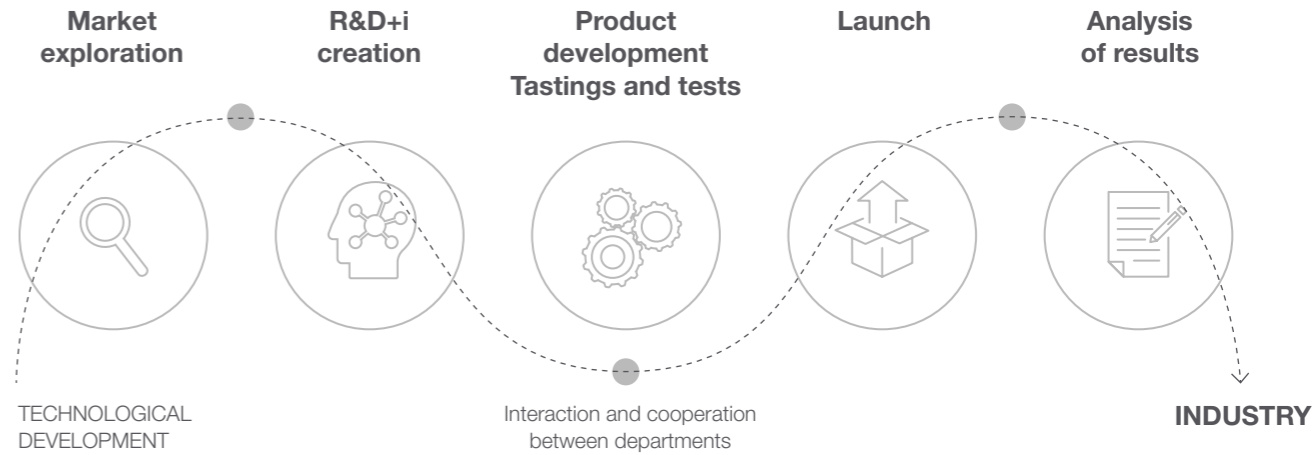
How we innovate

R&D is carried out at our four innovation centers, which are strategically located to enable innovation on a global scale following with the latest trends.

A key strength at Europasty is the capacity to react to markets demands: our R&D teams work in an agile and efficient way to obtain, in the shortest time possible, the best results.

For new developments, each of our **innovation centers** has multidisciplinary teams that research traditional production processes and combine them with the most innovative technologies, bringing together innovation, creativity, experience and know-how in each of the phases of the process.

Innovation process



Innovation centers

Europastry carries out research and development at its **four innovation centers**, which are strategically located in Spain, Netherlands and the United States. At these centers, our R&D teams, consisting of 30 master bakers, nutritionists, engineers and

biologists, focus on global consumption trends and on the needs of local markets to provide our customers with innovative products that offer differential value.



CEREAL, Center for Research Europastry Advanced Lab. (Barcelona)

Located in Barcelona, CEREAL is our pioneering research center where our R&D team is constantly researching new ways to improve and innovate in products and processes.

In this space they develop, on the one hand, customized products for customers, harnessing all the expertise and know-how of our team, and, on the other, the latest innovations in bread and pastries to anticipate consumer trends.



18 new product researchers and developers

Chousa R&D Center (Lugo)

Our Chousa R&D+i Center is the oldest baking facility in Ingapan. This artisanal bakery creates different recipes following traditional methods, but with the help of the latest machinery to enable us to improve timing and performance, as well as the quality control and consistency of our products. Our R&D department utilizes the information from this center and its experience, because we want to maintain the artisanal concept in each of our breads. There, we work to develop new recipes and differential formulas that match the latest trends.



7 new product researchers and developers



Wenner Innovation Center (New York)

At Europastry we believe that good ideas emerge from the process of constant trial and error in the bakery, before new ideas are taken to large scale production. Testing, testing and testing, that's the best way to develop a master recipe that later, in the plant, with the use of the advanced technology of our production lines, we can share with everyone. One of the main goals of the Innovation Centers in the United States is the development and continuous improvement of our current product portfolio. Focused on global trends and adapting them to the local needs, our R&D team works daily on numerous projects to provide our customers with innovative solutions that contribute differential value to their business. One of the most important milestones of recent years has been the adaptation of the local product catalog to cleaner recipes, in other words, free of all additives, making us one of the first suppliers to offer frozen raw doughs with the Clean Label.



4 new product researchers and developers



R&D Grand Duet Center (Beuningen)

Our innovation center in Beuningen has over 40 years of history and brings together a team of technicians and artisanal masters with over 50 years of experience in the sector, all of whom are exclusively dedicated to product development and improvement. The center is equipped with the vanguard materials to carry concepts from the initial idea to their market launch. Additionally, all our innovation centers are designed to receive customers and hold onsite product demonstrations to share ideas and collaborate on innovations. It's a place where we seek to inspire and show our visitors how we work from the beginning.

We are also specialists on innovating in the formats, flavours and colours in our Dots range. There are currently over 170 references in this range, and we produce over 2.5 million units a day. Our R&D team works every day to adapt consumer trends, not only for our star product but also for the typical products of the Central European market.



3 new product researchers and developers

Innovation at the service of our customers

Our innovation teams provide continuous training to our customers to help them work with our products in the most efficient way possible so that they can achieve maximum profitability.

Consulting by our Product Technicians

Our team of product technicians is responsible for advising and training our customers, whether at our facilities or at our customers. They advise our customers on how to increase sales, innovative ways of using our products, presentation, placement and much more so that they can make the most of our products.

- **+20 Product Technicians**
- **+12 Training Rooms**
- **Collaboration with +10 internationally renowned chefs**

Cobranding

We collaborate with top-tier brands to develop exclusive products. Nutella, Nestlé and Disney are just a few examples.

- **13 Active cobrandings in 2018**

Innovation Day

In order to increase our customers' sales, leverage their strengths and minimize their weaknesses, we hold Innovation Days, which are exclusive presentations of our products to our customers based on their needs. Innovation Days cover recipes, characteristics, processes and handling, even strategies to maximize profits.

- **+300 Innovation Days held in 2018**

Product customisation

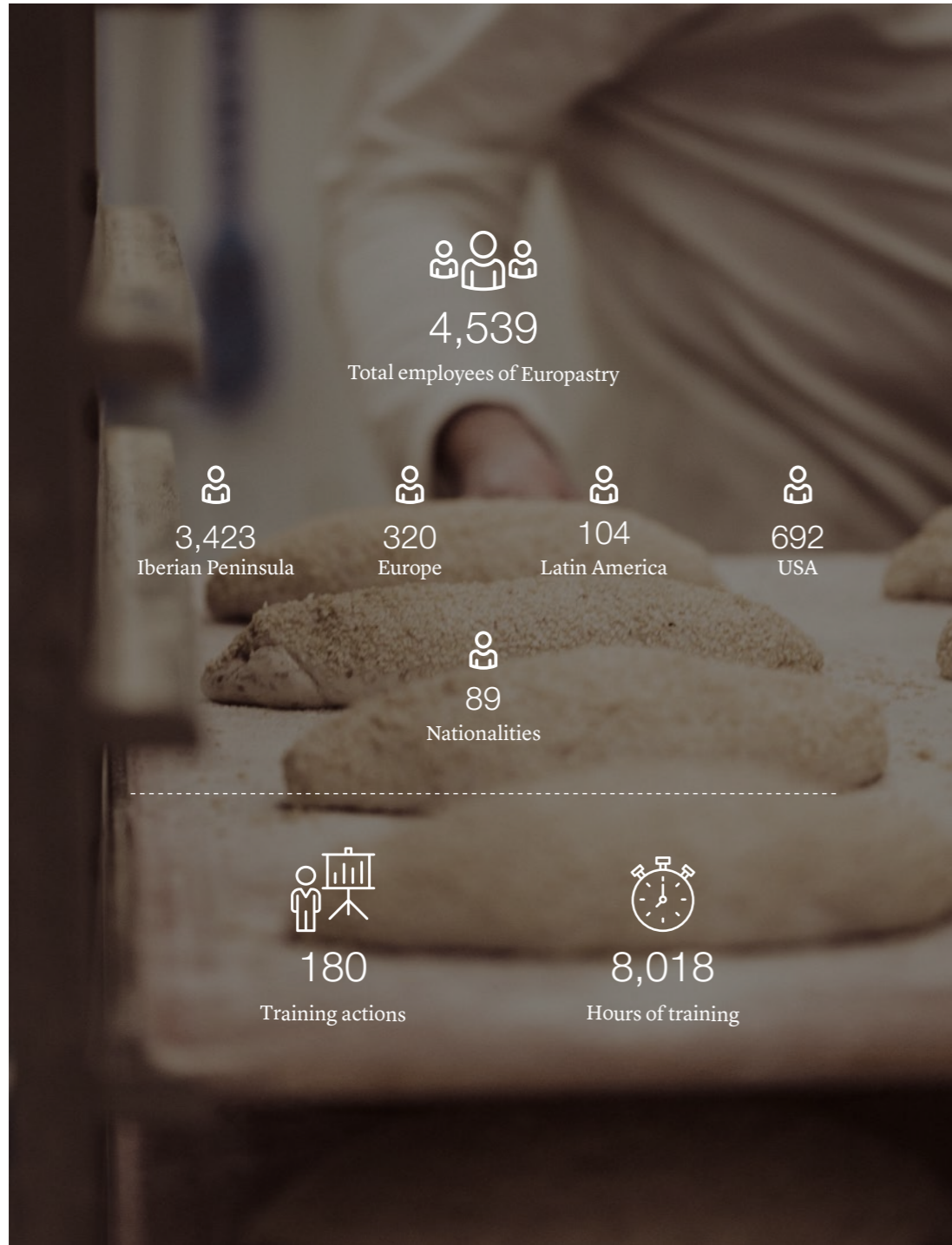
We design and develop 100% customized and personalized products that meet our customer's every possible need.

- **380 customized products in 2018**

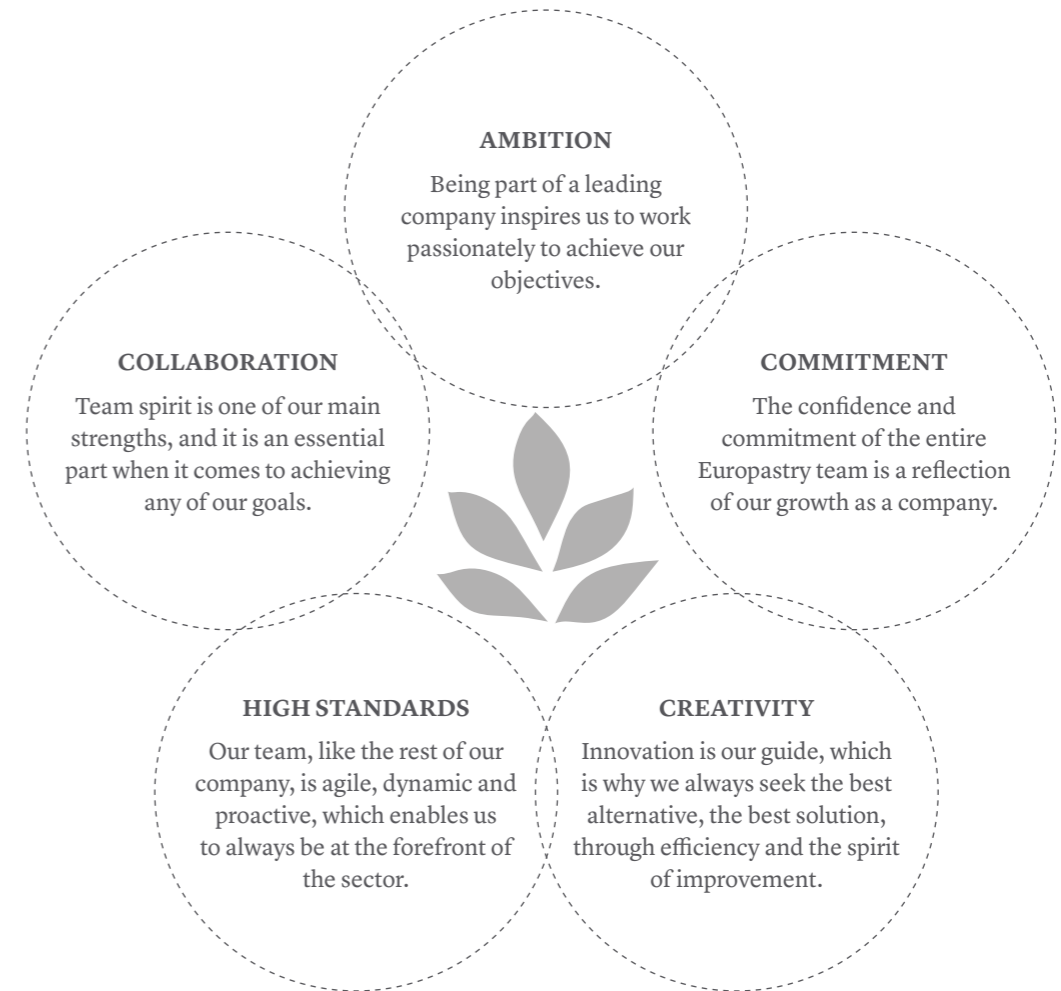


07.
We are all Europastry





With over 4,500 employees worldwide, Europastry is a family business that maintains in its DNA a series of solid principles: ambition, commitment, creativity, high standards and collaboration.



Working at Europastry

At Europastry, our employees have the opportunity to grow professionally and become specialized in the sector through our career development and talent management plans in an environment that always is innovative. We also make a strong commitment to people who make a difference and feel passionate about their work, through internal promotion, which enables our employees to rise in their careers in a leading company.

As part of our multi-local strategy, and with the aim of sharing our know-how and carrying out training among our collaborators, Europastry promotes career development plans in the countries where it does business, such as United States, China and the Netherlands, for both temporary and long-term projects.



Working at Europastry



Welcome Week

Currently, all employees who join Europastry participate in our onboarding plan, Welcome Week, a week during which they visit the main departments of our organization to learn first-hand the company's work philosophy and get to know their colleagues, and to ease their entry to the company.

Junior Engineers Program

In addition to personalized career development plans, Europastry works on talent development projects, like the Junior Engineers Program, in which new graduates follow a training plan that starts on our production lines to prepare them for middle management positions.

Promoting Dual Training

In 2018, Europastry entered into agreements with various educational institutions to promote Dual Training programs. These programmes enables students to get a glimpse of the business world and put their knowledge into practice. And, in parallel, our company is able to find specialized profiles and recruit the best talent.

These are some of the areas of specialization in which we cooperate:

- Advanced Vocational Training Cycle for Automation and Industrial Robotics
- Advanced Vocational Training Cycle in Mecatronics
- Advanced Vocational Training Cycle for Administration and Finances
- Advanced Vocational Training Cycle for Administration of IT Systems
- Advanced Vocational Training Cycle in Mechanic Manufacturing



Collaboration with the leading schools in the sector

Europastry partnered with over 30 universities to offer practical internships to students to allow them to apply the knowledge they acquired academically and receive training in a dynamic atmosphere.

Promoting employment of people at risk of exclusion

Europastry has been working with Cuina Justa NGO for years to help the neediest members of society by supporting people with a high risk of social exclusion. The collaboration project between Europastry and Cuina Justa began in 2015, and today there are over 70 people from this organization working in packaging at the Barberá del Vallés plant, where they package various product assortments, and, year by year, the number of employees from this group is growing.

Europastry Code of Ethics

As part of our commitment to ethics, integrity and transparency, Europastry launched its Code of Ethics in 2018, which was approved by the Board of Directors.

This document was aimed at all of us who are part of this company, and it has the following objectives:

- Maintain the highest ethical standards in the company's entrepreneurial undertakings.
- Serve as a guide for our daily decision-making processes.
- Prevent corruption and illegal behaviour. To this end, Europastry also has an **Anti-Corruption Policy** that contains the corporate standards in the area of corrupt and irregular conduct, conflict of interest, and the giving and receiving of gifts.
- Establish the monitoring and control mechanisms necessary to guarantee compliance. To do so, we formed the Ethics Board, which is responsible for periodically verifying effective compliance with this Code and makes an Ethics Communication Channel available to all interested employees.



o8.
Growing a better world together



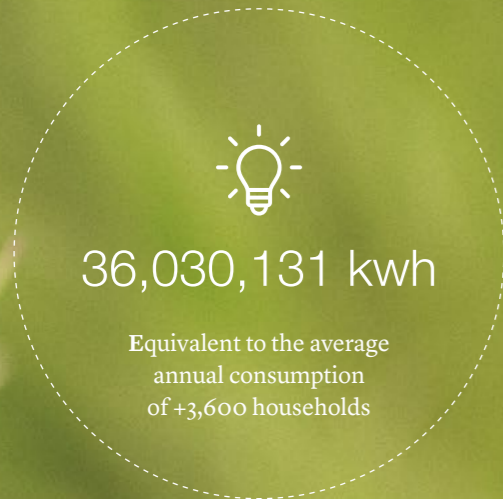
Environment

At Europastry, we are conscious of our responsibility to the environment, which is why we apply measures to ensure care and respect for it:

- We have developed an environmental policy that defines our commitment to environmental protection.
- We fully comply with the legislation related to environmental issues in every country where we do business.

- We make energy efficiency one of the pillars of our production process, as well as one of our deepest values. To this end, we have an ongoing program of audits and improvements in our water and energy management systems, as well as new projects to optimize production processes.

In 2018 we saved:



Waste Management

One of the key actions included in our Environmental Policy is waste management, which includes, aside from recycling, reduced consumption of chemical products thanks to changes in the wastewater treatment facilities to achieve a better performance. In 2018 we implemented the following waste management projects:

- **Expansion of the Sarral wastewater treatment plant:** As a result of this expansion, we achieved a total purification capacity of 380 m³ per day, a 316% increase over the previous year.
- **Program for Reduction of Waste Movements:** In 2018, its implementation resulted in the reduction of over 80% of the movements of plastic waste.
- **Sustainable Fleet:** The Nodriza Project, pioneering in the sector, is an innovative delivery system that relies on electric bicycles, which allows us to deliver our products with efficiency and agility in the main city centers in Spain. With this sustainable capillary delivery system, we hope to reduce emissions by over 37 tonnes of CO₂ and save 14,400 litres of fuel each year.



Growing a better world together

Adhesion to the United Nations Global Compact

In early 2018, Europastry joined the United Nations Global Compact, the world's largest Corporate Social Responsibility initiative.

This agreement forms part of our commitment to **transparency** and **sustainability**.

In this way, we at Europastry establish a commitment to formally adopt the 10 basic principles of the United Nations in the areas of human rights, labour, the environment and the fight against corruption, as well as to the Sustainable Development Goals set by

the United Nations for eradicating poverty, protecting the planet and ensuring prosperity for all as part of the new global agenda for sustainable development.



Food waste

We are committed to donating products to social organizations, such as food banks, NGOs and foundations.

Sustainable management

We are committed to energy efficiency and to reducing our carbon footprint through the implementation of state-of-the-art systems to become more efficient.

Quality

Organic farming, Clean Label and 100% natural products, locally sourced organic flours, guarantee the superior quality and sustainability of our products.

Health

We develop products that are increasingly adapted to the health needs of our consumers. Reduction of sugar and sodium content, elimination of partially hydrogenated fats, and enrichment with vitamins, fiber and minerals are some of our lines of action.

Society

Through our collaboration with local associations and social organizations, we help the most vulnerable.



Quality, our priority

Quality assurance has been part of Europastry's identity since our beginnings. We work tirelessly to exceed our own expectations and the needs of the market. This is how we have achieved important milestones such as eliminating partially hydrogenated oils from our products.

Raw materials

Processes

Products



We select the best **raw materials**, ensuring their origin and traceability.

We make our products using **processes** that bring together tradition and innovation, craftsmanship and technology.

We offer **products** of the highest quality.

Quality commitments

Clean Label

We are committed to using 100% natural ingredients and work daily to eliminate additives, preservatives, and artificial flavourings and colourings.

GMO-Free

Our products are free of genetically modified organisms (GMOs).

Hydrogenated fat free

We are pioneers in the elimination of hydrogenated fats from all our products.

Organic Commitment

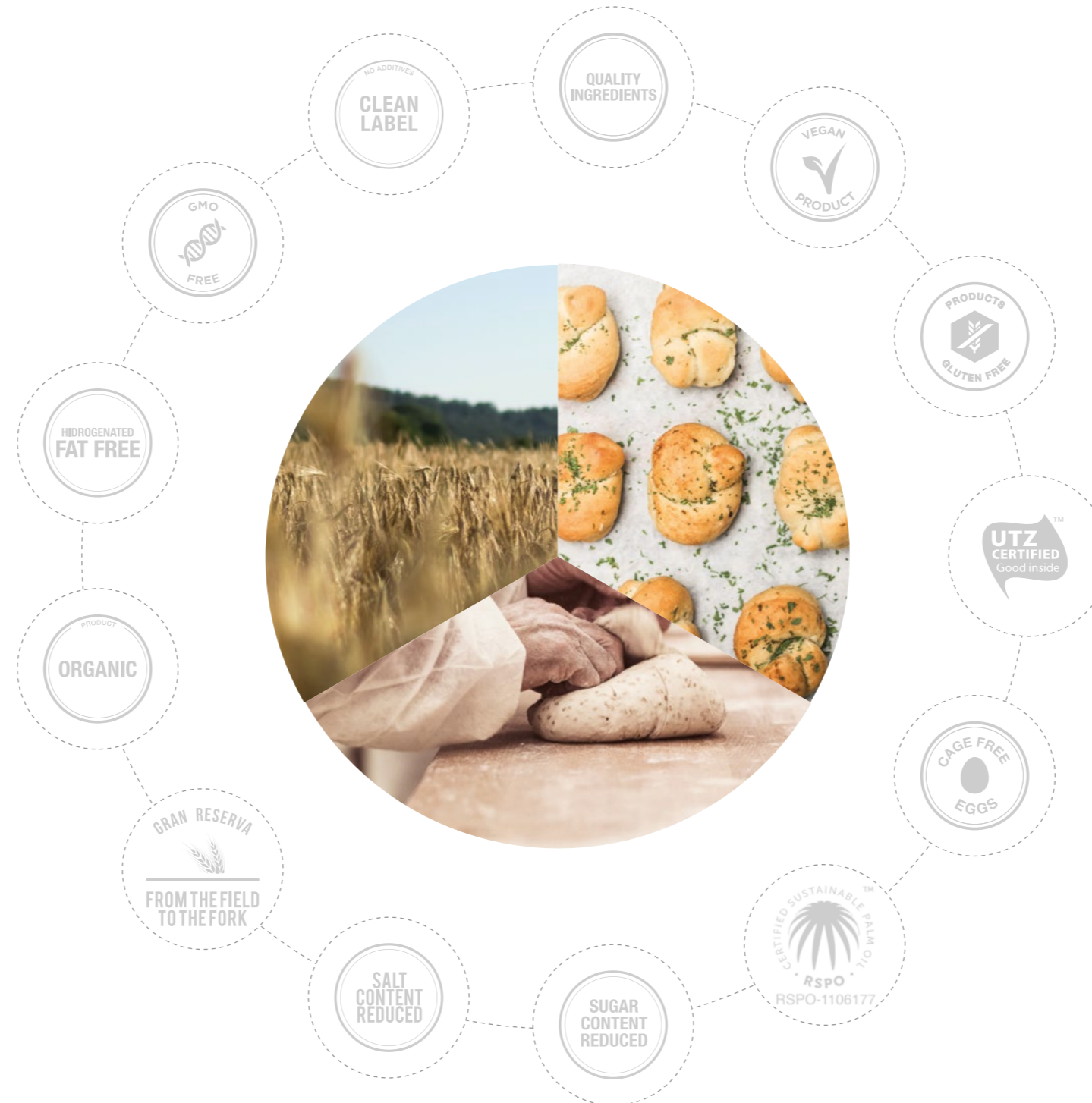
We are strongly committed to organic farming, which avoids the use of pesticides and chemicals that are not of natural origin. We hold the Organic Farming Certificate for our organic products.

Local flours

We work hand in hand with local farmers and producers. We accompany each wheat spike from the moment it is planted, following the natural rhythm of the seasons, and we control the traceability of each kernel of grain until it is milled.

Low-salt products

We joined the NAOS Strategy for Nutrition, Physical Activity and Prevention of Child Obesity of the Spanish Ministry of Health. We hold NAOS Certification for our low-salt breads, which are a rich source of potassium.



Quality ingredients

Our butter is produced using the best milk, which contains premium-quality cream, a natural source of vitamin A. Both our butters and our vegetable margarines are hydrogenated and added fats free, to look after the health of our customers.

Gluten free and Vegan products

We have product ranges for diets with special needs, such as gluten-free, vegetarian and vegan.

UTZ sustainable cocoa

The cocoa for coating our Dots follows a rigorous traceability process backed by the UTZ certification (sustainable agriculture label). In this way, we contribute to improving the lives of farmers, cocoa quality and the environment.

Free-range eggs

We support the use of eggs with the Free Range seal, that is, from chickens raised in liberty.

Sustainable palm oil

Our Dots range meets all the requirements of the RSPO certification, including the use of sustainable palm oil.

Low-sugar products

According to AECOSAN, our muffins and croissants have 30% less sugar than the industry average. As part of this commitment, we joined the Sweetfood Project, promoted by the European Regional Development Fund (ERDF) to reduce the amount of refined sugars in food and beverages through the use of new natural sweeteners.

Our guarantee

All our products meet the most exhaustive quality and food safety controls.

Our seals and certificates are our guarantees.



BRC Global Standard

Our plants have BRC Global Standards food safety certification.



IFS Food

Our Dots, Doughnuts and Muffins ranges have IFS (International Food Standard) food quality and safety certification.



FDA

In the United States, our food safety standards have been certified by the FDA, which aims to protect and ensure public health.



SQF certification

Our three plants in the United States have SQF certification, guaranteeing the food safety and quality of our products.



ISO 14001 / OHSAS 18001

Our factory in Rubí has the ISO 14001 environmental management certificate. Likewise, this plant also has the OHSAS 18001 occupational health and safety certificate.



Kosher Certificate

Our Viennoiserie Caprice and Sélection d'Or pastry production lines are Kosher-certified.



Halal Certificate

The majority of our Dots, BerliDots and Muffins are Halal-certified, as are the Viennoiserie Caprice and Sélection d'Or production lines.



Certificate on care for the environment and occupational risks

Our Department of Environment and Occupational Risks is responsible for managing and complying with all legal requirements regarding waste control, environmental controls, identification and assessment of legal compliance.



Internal microbiology laboratory with ISO 17025 certification

Our internal microbiology laboratory has been certified under ISO 17025 by Spain's National Accreditation Entity (ENAC). The laboratory runs daily analyses of our products to guarantee the health of all our consumers.

09.
New Products



SAINT HONORÉ

by Pere Gallés

Saint Honoré was created to pay tribute to traditional and artisanal processes. We pay attention to each and every detail so that all the artisanal spirit and flavor reaches the final product intact, to create a bread that is simply unique.

In 2018, we added to this range the Sibarit loaf, a small-format bread with high moisture and all the qualities of the Saint Honoré process.

The manual work, the key and soul of the process

With all the time it needs, all the time it deserves

Baked in a stone oven, the premier oven

The sourdough culture used to make Saint Honoré is part of the unique Sourdough Library preserved at The Center for Bread Flavor (Belgium).




Commitment to artisanal processes



100% natural product



Fiber-enriched products



Long resting times on wooden boards certified for use with food products



Exclusive high moisturisation process



Hand-kneaded bread



In the Organic range the flours are ground in stone mills



Exclusive sourdough for each product



Baking in stone oven



VIENNOISERIE
CAPRICE
Pur Beurre

Europastry is one of the largest producers and distributors specializing in butter-based pastry in Europe. Viennoiserie Caprice ensures the highest quality standards by using real butter in all its products, just like traditional boulangers. The Caprice process stands out for the dough's long resting period, which results in spongier products, with a crunchy puff pastry and more defined layers.

In 2018, we added two new products to the Caprice range: the Italian-style vanilla cream Caprice croissant, with a yellow-sugar topping, and the Caprice Paris Chocolate Croissant, a product with chocolate and hazelnuts and lightly dusted with chocolate shavings.



Caprice Paris Croissant



Caprice Custard Croissant



Caprice Paris Chocolate Croissant



100% Spelt Paris Croissant



Caprice Multicereal Croissant



Caprice Pain au Raisins



Caprice Pain au Chocolat



Dark Plait



Dots

Rainbow Dots is the most colorful Dots family, with five specialities made with natural flavorings and colors, oriented towards the demands of our most selective customers: Green Pistachio,

Red Cookies, Yellow Frutti, Purple White and Marshmallows, all of them made following traditional artisanal methods and the most stringent quality control.



Brioche Style Buns

Our brioches are made at our bakeries in France. Made with flour, butter and eggs from free-range hens, we offer them in different formats, in addition to the traditional bun, like hamburger and hot-dog buns, baguettes and

the classic braid, and we combine them with different filling, such as cream, chocolate and cinnamon. Their natural golden colour and their soft texture makes them unique.

10.
360° solutions
for our customers



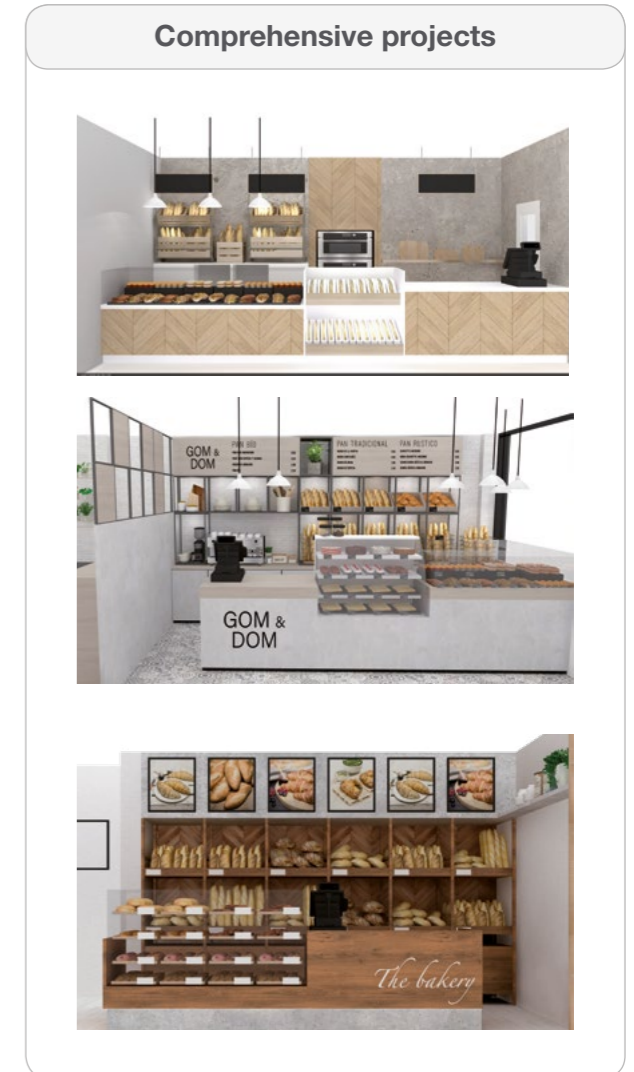
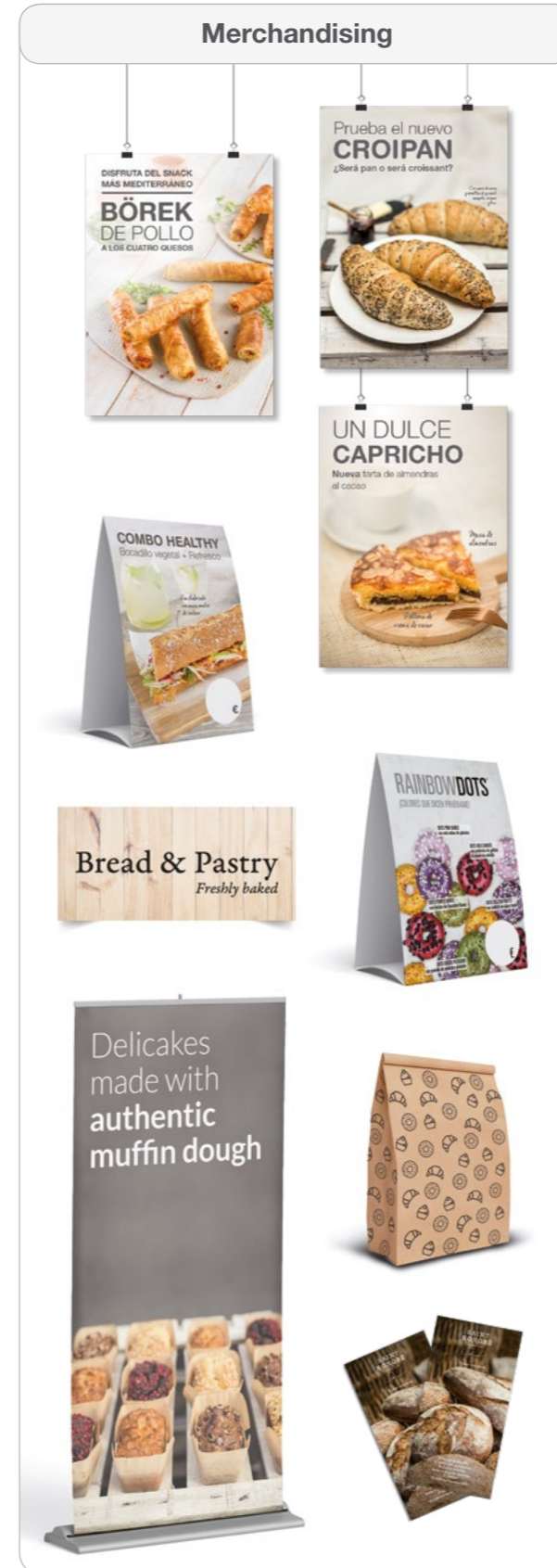
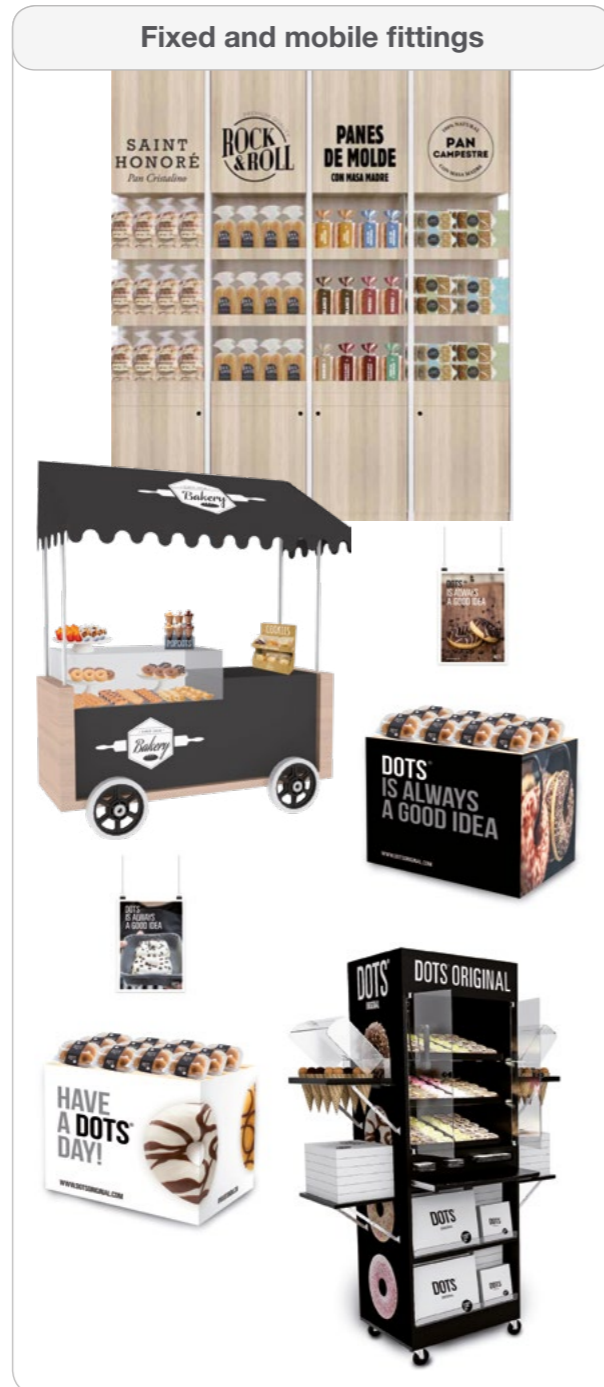
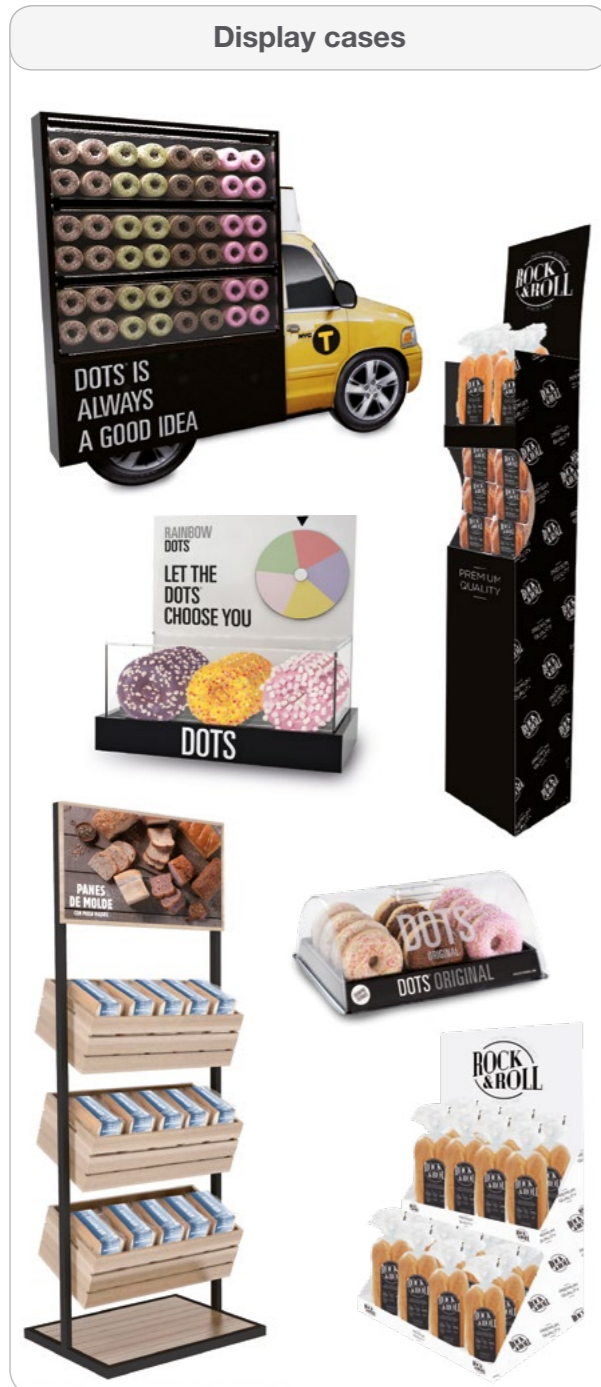
360° solutions for our customers

At Europastry, we provide solutions tailored to the needs of each of our customers to help them boost their sales in the most efficient way possible and maximize the profitability of our products.

One example of this is the work of our Visual Design team, made up of expert designers who apply the latest trends in design, decoration, display and communication

in every type of space, according to our customers' needs. We use image to help customers increase rotation and, ultimately, the sales of their products on display.

+40 comprehensive projects for customers in 2018
 +60 implementations of customized fittings in 2018



Gastrodays with customers



In 2018, we held 37 **Gastrodays**, exclusive events that we organize jointly with our customers to help promote their sales through our products. These are unique gastronomic experiences that include

live **showcooking** with our product technicians and offer original and innovative ideas for presenting and promoting them.



Rock&Roll Sessions

The most unconventional event in the sector. During these sessions, we put on a show with our star Rock&Roll bun. We offer fantastic recipes, ideas and ways of preparing a unique sandwich.



BURGER EXPERIENCE



Burger Experience

A gastronomic event packed with new and original ideas to make the most of a dish that never goes out of style: hamburgers. Attendees get to see how our chefs cook irresistible recipes with our PanBurger range.



Koama Cooking

The perfect solution for any chef. An event at which our customers have the chance to meet their best partner for their kitchens, with a varied menu of gastronomic options with the Koama seal.

Among them, our croquettes of different flavours, our canapés and skewers, and our organically certified premium burgers stand out.



Bread Sommeliers

Our master in bread is taught by experts, Bread Sommeliers, who reveal the secrets and characteristics of the best breads, so that our customers can learn about and understand the

virtues of sophisticated ranges like Saint Honoré and Gran Reserva and become true experts themselves.

Gofrissimo Moments

We use these events to introduce to our customers in the world of waffles to our Gofrissimo range, which is much more than a waffle. The aim is to teach them to make the most of a product as versatile and appealing as a waffle.





 **EUROPASTRY**

www.europastry.com