



Jordi Gallés, Executive Chairman

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The company

- Our values

- Business figures

- We are all Europastry

- Europastry in the world

03

Our commitments

- Sustainability

- Food Quality and safety

- Trends

 $\bigcirc 4$ 

Cereal

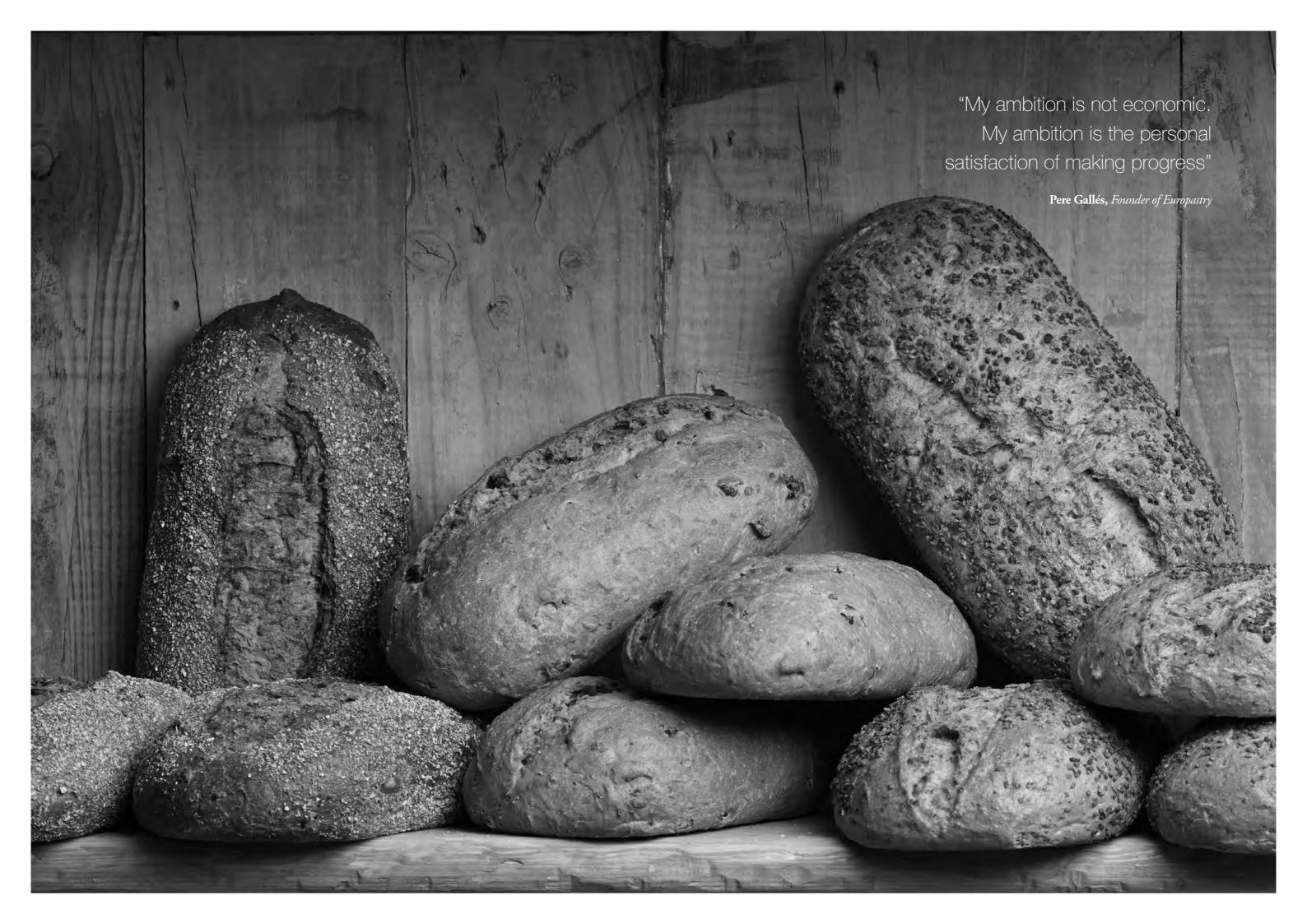
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Product innovation

360° solutions for each point of sale

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E-commerce





## Innovation with tradition as inspiration

2016 has been a very busy year for our company. Yet again this year, the individual work done by everyone at Europastry has enabled us to make progress with our project to make Europastry the leading frozen dough company in the international bakery sector.

Firstly, *Innovation* is one of the great strengths of our company. We have made great strides in the field of premium hamburger buns with the launch of the PanBurger range. In addition, the decision to expand in the rustic bread market has been given a boost by the acquisition of Sualba and our investment in one of the most "trad-innovative" production lines in the sector, at the plant in Paterna (Valencia). What do we mean by trad-innovative? We mean making products in the same way that an artisan baker would, but with the advantage of modern technology. We follow the same recipes and use time as another ingredient, with no shortcuts, because it's the only way to achieve the same superlative aromas and flavours. At the same time, we apply our technological experience to make the products efficiently and with the maximum guarantees of food safety.

Secondly, *Internationalisation* has emerged as a solid strategic pillar of our business. Our combined efforts have taken Europastry's international sales from 10% of our sales to 35% in 2016. Europastry is now present on five continents, and we rank as one of the companies with the highest international coverage in the sector. In 2016, we expanded our Oldenzaal plant, to make butter pastries. With this investment, which has doubled the size of the Dutch plant, Europastry has established its presence in the markets of Central Europe. Also during 2016, our sales in North America and Latin America continued to grow. We should also mention here the 100% purchase of our subsidiary, Europastry Colombia, which has enabled us to grow in this market.

We are also very proud of our progress in the areas of health and sustainability. Europastry is the first Spanish company in the sector to use sustainable palm oil to manufacture its products. We are also trailblazers in the use of local wheat, controlling traceability from origin, reducing salt content in bread and making products with zero additives.

As my father used to say, "we are not driven by economic ambition alone, but by the personal satisfaction of making progress." So, I'm sure he would be proud of what we are doing. 2017 will also be a year of milestones and challenges. Passion for the bakery world brings us together, enabling us to do things that might seem impossible. By working together, I am sure that we will take our business to the next level and make it the leading company in the frozen dough sector.

Jordi Gallés

Executive Chairman

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# The values that inspire us

Reaching the top is a real feat, but the greatest challenge, the highest aspiration of our everyday work, is to do our utmost to continue to be a benchmark company and to give the best of ourselves. We will only achieve this if we are working towards same goal: to be the best company and supplier of frozen dough for bread and pastries.









Efficiency

# Committed to health and nutrition

At Europastry, we never forget where we came from or how our ancestors developed the bakery specialities we produce today. We believe in the value of craftsmanship, which is why we emulate traditional processes and formulas but in an efficient, innovative setting. Our obsession with tradition inspires us to make our own sourdough, to use local flour and selected ingredients and, above all, to take time over our products, leaving them to ferment and stand for long periods, in the traditional way.











Local flour

Pure butter and vegetable margarine

Sustainable cocoa and palm oil

No artificial colourants or flavourings

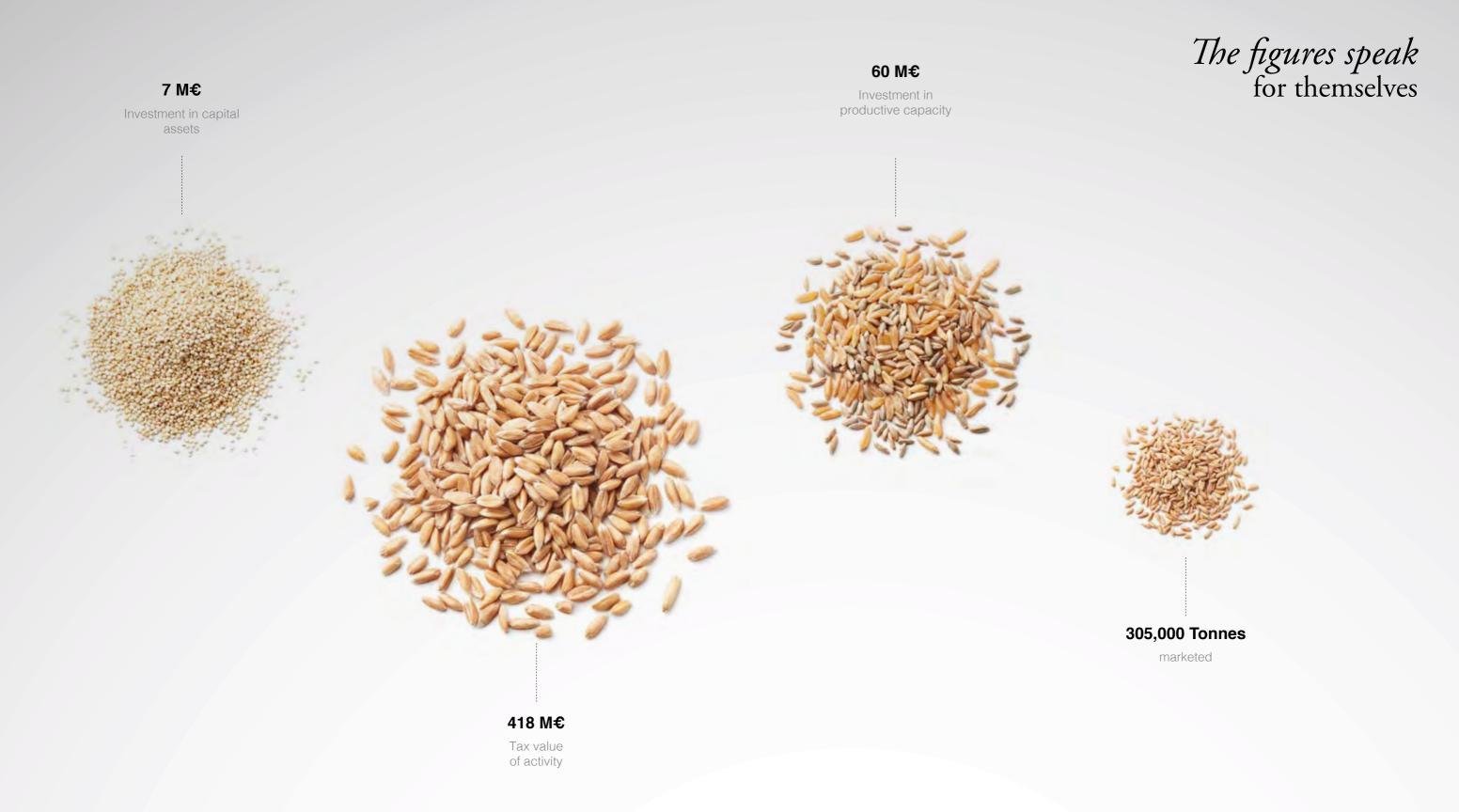
Always the best ingredients

Fermented with our own sourdough

Time as an ingredient for ensuring excellent, natural flavours

"Cohesion and harmony in the workforce is essential"

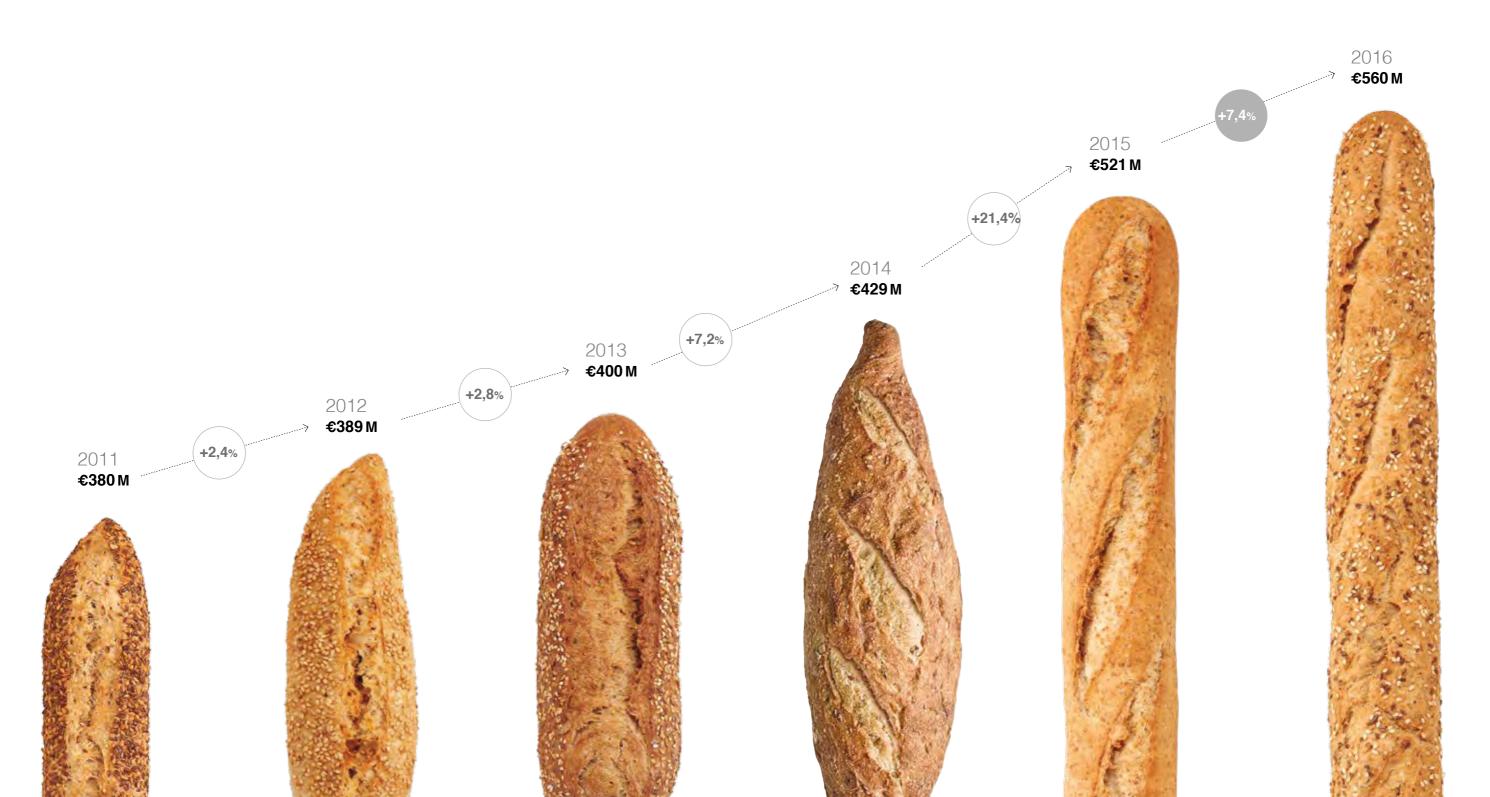
Pere Gallés, Founder of Europastry



# Sustained growth over the years

We are particularly proud of our year-on-year growth. The thing that motivates us most is measuring ourselves against our own performance, rather than that of others.

Net value (€ million)



## 02

## Our business areas

We specialise in the production, marketing and distribution of frozen dough for bread, pastries, cakes and ready meals.

Looking at Europastry in numbers shows our great capacity to keep advancing: it is not just what we like doing best, it's also what we do best.

11,000 Kg



production centres in five countries

employees

products launches

tonnes of flour

donated to Food Banks

+45

148 M

## Investing in energy efficiency

16

3,272

Savings in kWh in the last two years:

0.38

2,099,451

6,314,213

kg CO<sub>2</sub>/kWh ratio in 2016:

Savings in kg of CO<sub>2</sub> in the last two years:

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(% in value)

# Customised solutions for each channel

We have three different distribution channels, ensuring our complete range of products is suitable for every need and circumstance. We are in tune with our customers and provide them with innovative solutions, anticipating their needs.















Daniel Calvo. General Commercial Director

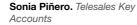
"We compete by attacking. We are obsessed with reaching customers first, with the opportunities that still lie ahead"



Marta Cortés.

Marketing Director

"Innovation is in our DNA, the constant challenge to grow, evolve and excel year after year"



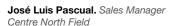
"Europastry has a valuable workforce that overcomes even the most difficult challenges"



Koldo Adrián. Sales Manager Foodservice & Bakery Chains

"A passion to innovate in our market, a spirit of continuous improvement, present in all areas and at all levels, and a vocation to lead, are the roots of our success'





"It's like a recipe. The ingredients are the basis of quality bread; we are the ingredients in the Europastry recipe"



Nathalie Yanez. France Sales Administrator and Business Developer

"I am very happy to work in a company that corresponds to me and with which I share the same values . Over the years, I was able to rapidly progress in my professional



David Díez. Modern Distribution Sales Manager

"The only thing that's impossible is the one you don't try"

Jordi Caballero.

Bread R&D Manager

"Attitude is the key to success"



Lucía Esquiu. Telesales, Levant Area

"The secret of a great team is the people, and I am lucky enough to be surrounded by some of the best"



Ana Belén Cobos.

Telesales, Malaga Area

"Coming together is the beginning. Staying together is progress. Working together is success"



Ana Elisa Hernández.

"The magic of our team lies in the constant desire for improvement, when you feel passion for something,



Alberto Álvarez.

success'

Marketing Manager United States "When I look at the long term, I am sure we will become a leader in the US frozen dough market, just as we are in Europe. We have an amazing product, a thrilling story to tell and are motivated by a desire for

Alberto Alonso.

"Innovation, quality and passion are the best ingredients to keep

Viennoiserie R&D Manager



Laura Boj. Telesales, Barcelona Area

"I'm proud of my team, its commitment to clients, our motivation and desire to give our best and, above all, the family we have created"



Ricardo Valls. Senior Sales Manager North East Field

"I have been growing personally and professionally at Europastry since the late eighties. If vintage is the term used to describe objects and furniture of a certain age but old enough be classed as antiques, and like good wines, considered to have improved or become more valuable with the years, I am 100% vintage"



Xisca Tauste. Telesales, Mallorca Area

"Proud to belong to this great family where every day motivates you to keep going and achieve goals"



Daan Groenendiik.

"To be a part of this company and having the trust and support from

the teams in Spain is what makes

Benelux Director

me enjoy my work"

Javier Fraile. Sales Manager South

"Talent wins matches, but teamwork and intelligence win championships"



Telesales, Madrid Area

vou find ways to nurture it"



Zachary Fairbank. UK & Ireland Sales Manager

"I am proud to belong to a family company. I am part of something that is special. I feel like a pioneer for Europastry in the UK with truly exceptional products to develop this market with"



Gemma Romaní. Telesales, Gerona Area

"Working hard, perseverance and feeling supported by the entire team. There are the keys to achieving my goals"

"Our strength lies in teamwork, taking well-considered decisions and sharing responsibilities. The development of large projects should be subject to the profit and loss account and this in turn should achieve greater prosperity all round, so that we feel proud of Europastry and form an unstoppable group"

Pere Gallés, Founder of Europastry

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## Europastry in the world



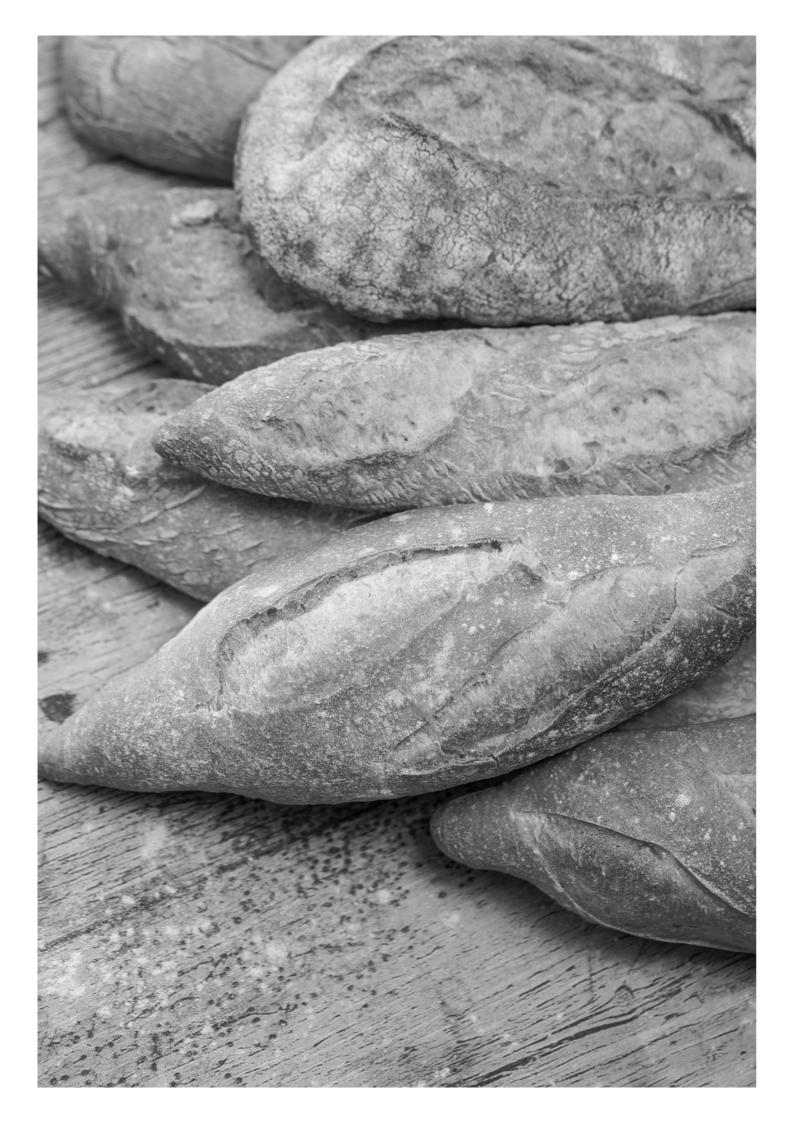
**♦** EUROPASTRY

## 02

# Europastry in the world Iberian Peninsula

This is where the business started three decades ago, and now it is a nursery for ideas to be applied around the world. Our production plants and network of distributors, regional offices and warehouses, which guarantee remarkable capillarity and encourage optimal distribution supply the 60,000 customers who rely on us every day, and help us maintain our position as market leader.





**♦** EUROPASTRY

## Iberian Peninsula Milestones

## Vallmoll (Spain)

Having detected a boom in hamburger restaurants and after testing the market, Europastry created a range of burger buns of different shapes and sizes, spearheading the market. This innovation was born in the Cereal ideas laboratory, where it was tested on a small scale and then transferred to the production plant in Vallmoll. This is where the three ranges in the PanBurger family are made: Premium Crystal, Commodity and Brioche.





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"The excitement and determination with which we face great challenges is the continued spirit of our company's success. It is the seed, the sourdough and the yeast of our new PanBurger production line"

Toni Fité, Head of Production at the Vallmoll Plant

With the strategic objective of positioning ourselves geographically in the Levant, using the same processes used to make lengthy fermentation times, use our own





90 Employees



"In this competitive market, we opt to stay away from the commonplace, taking the best from innovation and tradition"

Borja Rubio, Paterna Plant Manager

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we acquired the Sualba plant, in Paterna (Valencia), in 2016. This plant produces our range of rustic breads, artisan bread of the highest quality. We shape our loaves by hand, allow sourdough and locally-produced flour and bake in stone ovens.



## Europastry in the world Central Europe

The two key countries in the Central European market are the Netherlands and Germany, where we see the greatest potential for growth. To meet these expectations, our policy of constant innovation leads us to update and enlarge our production centre in Oldenzaal (Netherlands) every year. This plant provides an optimal supply to all the countries in its sphere of influence, thanks to its strategic location and excellent connections with the main transport routes.







## Central Europe Milestones

## Oldenzaal (Netherlands)

The new line at the Oldenzaal plant, which opened in 2016, specialises in the production of different types of butter pastries in the Viennoiserie Caprice range, as well as savoury pastries, such as our Gouda and ham and cheese croissants. These products are really popular in Central Europe. In this sense, Europastry's products can be supplied from Oldenzaal in an agile and competitive way.





100 Employees



"Every day at Europastry is full of new opportunities to improve and innovate"

Cor Brookhuis, Manager of the Olenzaal plant

**❖** EUROPASTRY

## 02

# Europastry in the world United States

New Brunswick O Bayport

The United States has been a strategic priority for Europastry for almost half a decade. Constant innovation, a key feature of the company, was implemented at all levels in North America. The three crucial factors underpinning our continued growth are: Europastry's advanced technology, Wenner Bakery's familiarity with the territory and the extensive experience of everyone participating in this exciting project.



## Savory Garlic Knots

Best-selling product



**+96,000**Tonnes productive capacity



**629** Employees





**♦** EUROPASTRY

## The United States Milestones

## Wenner Bakery (United States)

In 2016, we consolidated our presence in the United States with three manufacturing plants, in New Brunswick, Ronkonkoma and Bayport.

#### New Brunswick (New Jersey)

In the last year, we launched two new production lines at the plant in New Brunswick, New Jersey.

> This plant now has three production lines:

2 PAR-BAKED LINES: One line specialized in loaves, baguettes, half baguettes and buns. Another line dedicated to our famous Garlic Knots.

1 FROZEN DOUGH LINE: This line makes Dinner Rolls, Subs Rolls, Hamburger Buns and Kaiser Rolls.

#### Ronkonkoma (New York)

The Ronkonkoma plant has a production line that manufactures frozen dough and fully baked bread. This is where we made Ciabattas, Rolls, Knots and the Artisan Bread range.

#### Bayport (New York)

The third of our plants in the United States has seven frozen dough production lines for making Italian Bread, Rolls, Kaiser Rolls, Dinner Rolls and specialities such as Challah and Swirl Bread

Among our innovations, in 2016 we launched our Ancient Bread range for the United States market.

The launching of our Ancient Bread category was one of the milestones during 2016. All the products are frozen dough and offer different fiber or grain claims which are aligned what consumers are looking for. As pioneers of introducing the Clean Label in the frozen dough category, our Ancient Bread category follows our Clean Label ingredients policy. The four new varieties are:

Multigrain with Ancient Grains and Cranberries, Super Sprouted Wheat, Marathon Bread and Chia Bread

In addition, thanks to our constant work, we are now recognised as the largest manufacturer of Knots, producing 100 million units.

"Every achievement obtained is the result of good teamwork. The best gift you can receive at work is having a well-motivated team that is always there"

Joselo López, Manufacturing Manager of the New Brunswick plant, New Jersey

# Europastry in the world Colombia

2016 marked a high point for Europastry in Colombia, with a substantial increase in sales. Colombia is the country with our highest sales in South America.

Europastry Colombia operates nationwide, but our main headquarters are in Bogota. We also have a regional office in Cartagena de Indias and distributors for the areas of Medellin, Cali and the Coffee Growing Axis.

When it comes to our top sellers, since 2015, our Donas (the local brand name for our Dots) have been a huge success in Colombia. In addition, the Baguette Plus has established itself as our most popular bread sold in the country. In terms of pastries, the Caprice Multicereal Croissant, the Mixed Delight and the Caprice Paris Croissant, all performed well in the Colombian market

The excellent result for the last financial year was helped by deals closed with important customers like Tostao, the country's leading chain of bakeries and cafés, which opened 80 stores in 2016.





19 Employees



"Don't say it can't be done, work to make it possible"

Pablo Andrés Lopera, General Manager of Europastry Colombia





## Our commitment to sustainability

A key ingredient of our success is being able to stay true to ourselves. It is from this starting point that we are leading the way by removing some or all hydrogenated fats from our products. We want to continue to make progress in this area and ensure that our processes are increasingly respectful to our environment.



## Locally produced flour

We control the traceability of the flour right from the seed.



## Clean Label

No artificial colourants and flavourings. We always use ingredients from natural sources.



## GMO Free

Products free from genetically modified organisms.



## BIO

Our commitment to organic farming.



## Gluten-free

Our products for special needs.



## UTZ Certified, sustainable cocoa

Controlled sustainable cocoa with traceability from origin.



### Sustainable Palm Oil

Ours is the only Spanish company in the frozen dough sector to use sustainable palm oil certified by RSPO (Roundtable on Sustainable Palm Oil).



## NAOS Certification

Low salt bread, a source of potassium.



Product cycle

"Happy companies have the best chance of success"

Pere Gallés, Founder of Europastry

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## FROM THE FIELD TO THE FORK

## Locally produced flour

The different varieties of flour we use to make our products are our basic ingredient, which is why we work closely with local farmers and producers. We monitor every ear from the time it is sown, following the natural rhythm of the seasons, and control the traceability of each grain until grinding. To preserve the authentic taste of traditional bread, we select the best wheat from Valle del Ebro, Huesca and Vega de Albacete.



## Clean Label - 100% natural

Our company is committed to using only ingredients from natural sources, and we work daily to eliminate additives, preservatives, flavourings and artificial colourings from our products.

Our premium range bread contains 100% natural ingredients, and includes loaves, Gran Reserva baguettes, the Crystal and Obrador's Bread ranges.



## **GMO Free**

Our products contain no genetically modified organisms.





## Sustainable palm oil

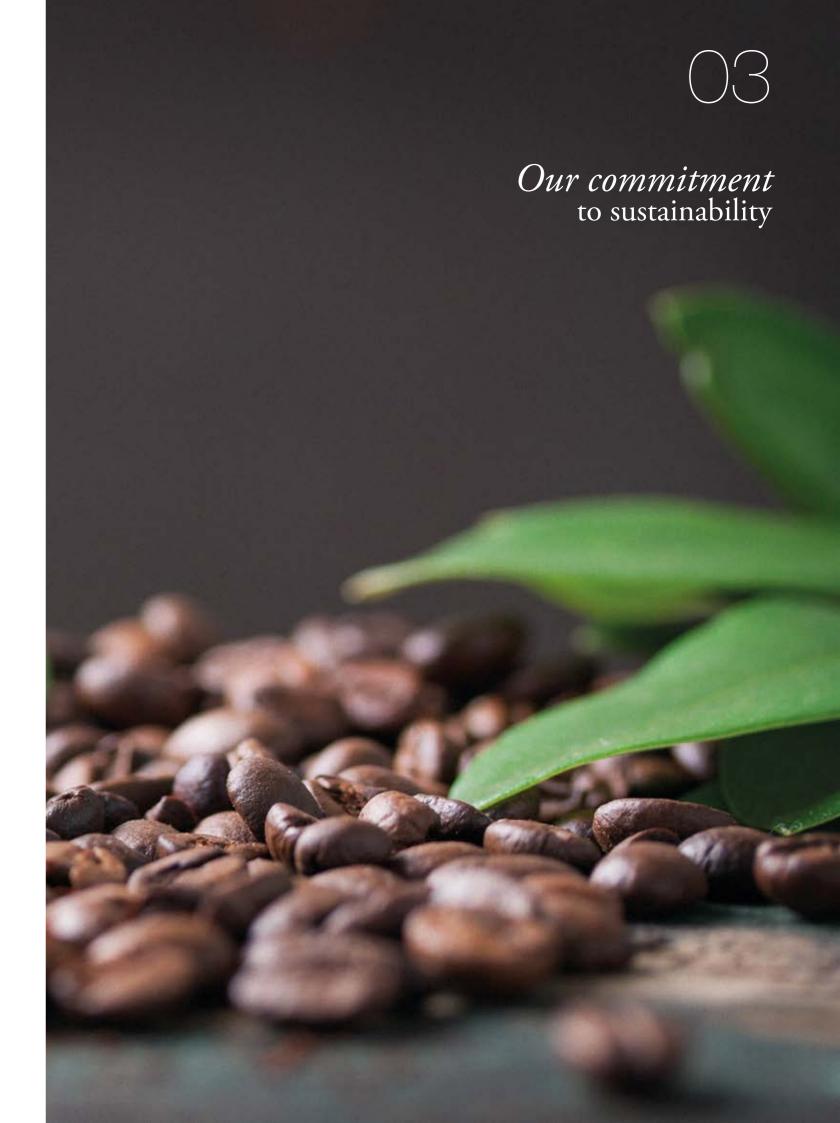
Europastry contributes to social sustainability and the conservation of tropical forests, by using 100% sustainable palm oil, certified by RSPO, the leading international organisation, which we joined in 2010, becoming the first company in the frozen dough sector to make an official commitment to the sustainable use of palm oil.



## Sustainable chocolate UTZ

The cocoa coating on our Dark Dots is subject to a rigorous traceability protocol, from farms on the Ivory Coast and Ghana where it is gathered, and selected, to the chocolate factory where it is ground and cocoa paste is produced, and, after refining and conching, it is packed to coat

Thanks to UTZ cocoa certification, we help to train farmers to improve their productivity, product quality and efficiency, caring for people and the environment.





#### **BRC Global** Standard

All our factories are certified in food safety according to the BRC Global Standard.



### **FDA**

In the United States, we have FDA certification in food security, which protects and safeguards public health.



### ISO 14001 / **OHSAS 18001**

Our Rubí plant has obtained Environmental Management Certification System ISO 14001. This plant has also obtained occupational health and safety certification according to OHSAS 18001.



### IFS Food

Our ranges of Dots, Berliners and Muffins are certified for food safety and quality according to IFS (International Food Standard).



#### Certificate on the care of the environment and occupational hazards

Our Environmental and Occupational Hazards Department is responsible for management and compliance with all legal requirements and areas concerning waste management, environmental controls, identification and evaluation of legal compliance.



### Internal microbiology laboratory with ISO 17025 certification

Our internal microbiology laboratory has obtained ISO 17025 certification from the Spanish National Accreditation Entity (ENAC). Our products are analysed in the laboratory daily to ensure the health of all consumers.



## **Halal Certificate**

Our Dots, Berliners and Muffins have Halal certification. This also applies to the Viennoiserie Caprice factory, where we make our premium butter pastries.



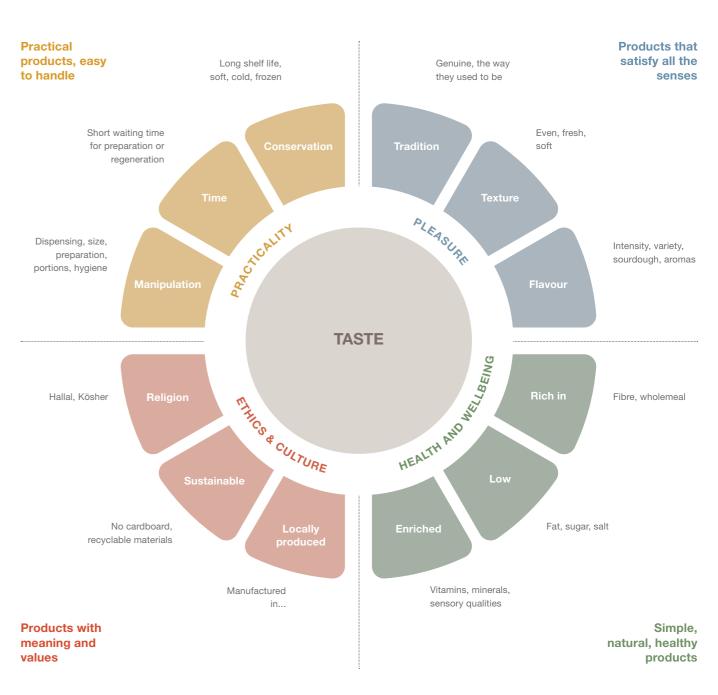
## **Kosher Certificate**

The Viennoiserie Caprice pastry plant has Kosher certification.

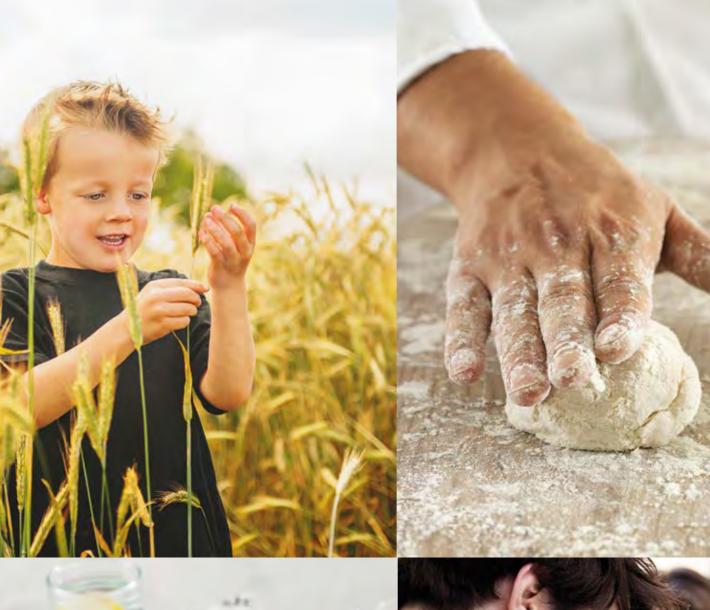


## 03

## Consumer trends



Today's consumers are more critical, better informed and more interactive, keen to share their opinions and find information about other products and services: they are increasingly using social networks to rate products and validate their decisions with their surroundings and with other uses.







DOTS BAKERY

## 03

# Consumer trends

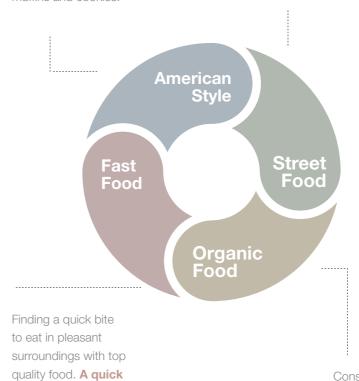
## Trendy

Food truck phenomenon. Good food, fast and at affordable prices. Big trend in cities.

## American Style

### The American trend:

Dots, cheesecake, cupcakes, muffins and cookies.



## Convenient

and easy alternative.

Consumers are concerned with health and the environment.
They want organic food.
Growth in organic products in 2016.

Eco-authentic Healthy





**♦** EUROPASTRY

# At Cereal we look into the future

Our breeding ground for new shapes, textures and flavours is called Cereal (Center for Research Europastry Advanced Lab). At Europastry, we believe that great ideas, those artisan creations whose tastes and textures transport you to other places and times, are the result of endless trial and error by traditional bakers taken to large-scale production. Try, try and try again is the best way of devising a master recipe for use in the plant, with advanced production technology, for everyone to enjoy.



+450
Projects carrie out/year



+45
Products
launched



**3 months**Project maturation time

"We are proud to sell Dots in the United States and croissants in France"

Joan Quílez, Quality Manager at Europastry



## Pere Roche master baker

### How do tradition and innovation come together at Cereal?

Cereal is staffed by a team experienced in traditional and craft processes, and people with an innovative view of baking. Together, they bring the perfect combination of experience and new concepts of bread and processes. They have all the innovative capacity, creativity and energy of a young team, with the experience, wisdom and knowledge of an artisan generation.

## How are products created and developed at Europastry?

It all starts with demand for a product or a quality concept. It may be something customers are asking us for, or we may have an idea that we put into practice.

The process always begins by defining the most suitable raw materials for the product, a step that always involves knowledge and ideas from all departments. We then define the shape, and production process, as well as fermentation requirements before baking. Finally, we produce the goods on a small scale and, if the product is suitable for the market, we design all the engineering for the production line and cover all the technological needs of large-scale development.

## What are the essential ingredients of great bread?

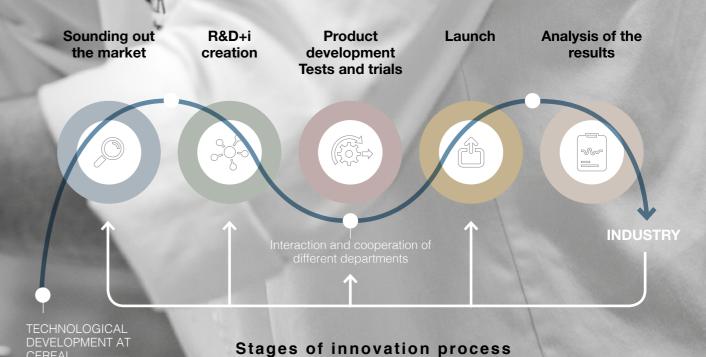
We begin by selecting the raw ingredients: high-quality, locally produced flour, our own sourdough, high nutritional value seeds, etc. When designing and adapting the process, there is another essential factor - time: time spent kneading, resting, shaping, fermenting and baking... Time is one of the most important ingredients of great bread. We also use new technologies to fine tune each stage of the bread-making process and ensure compliance with our quality objectives. Finally, all these factors are seasoned with passion, love, and the hard work of even one at Careel. of everyone at Cereal.

## What do you like best about Cereal?

The camaraderie among those of us who work to innovate, develop and improve the products we offer.

### And about the company?

Europastry makes great quality bread and pastries. We have an innovat spirit that respects tradition and the product, we are improving all the tim with each product, and we are moving towards the future with a desire to grow within the industry.







# Burgers Fashionable bread

Exquisite fast food to suit consumers' modern lifestyles. In recent years, a growing number of restaurants are including the burger as a gourmet product on the menu. A recent upsurge in 1950s style diners, and a significant USA influence, have helped to make this irresistible dish suitable for gourmet menus.

Hamburgers have endless possibilities, provided you have the right bread and a good filling. From the classic burger to the tenderest or crunchiest burger or the most suitable burger local tastes. We make a wide range of the best burger buns, so that each recipe gets its own, specific and unmistakable bun. When all's said and done, when it comes to a superb sandwich the bread is as important as the filling.



#### Brioche

















#### Commodity



























### American-style cookies

We constantly innovate with our traditional American cookies to create new flavours that follow market trends while preserving the original recipe. We make our cookies with the best ingredients, which give them an unmistakable aroma and texture. We have a wide variety of real American-style cookies, delicately baked, crunchy on the outside and caramelised inside.







### Dots High impact originality

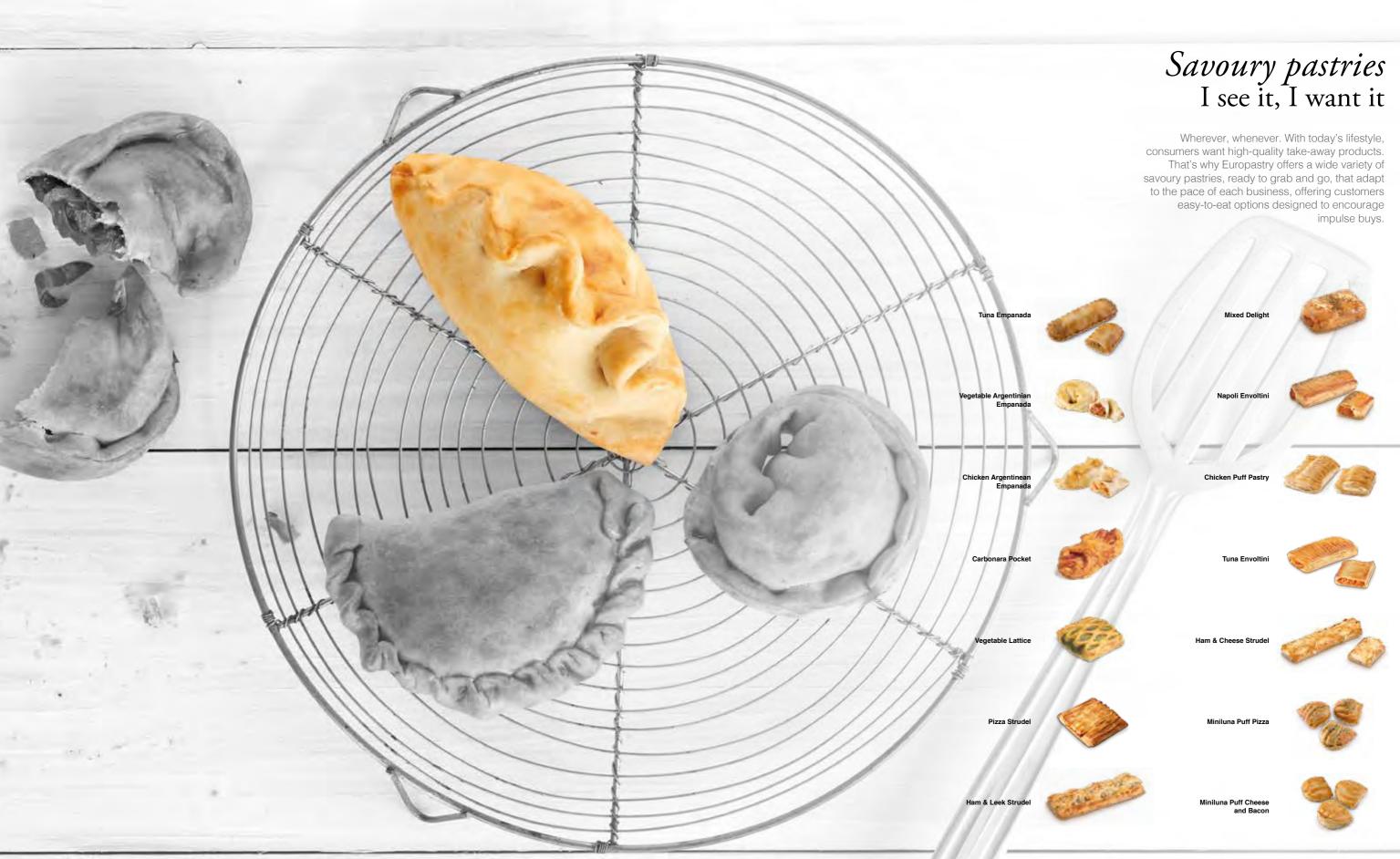
DOTS® ORIGINAL

The Dots family is one of the company's most dynamic product families with big innovations appearing every season. Concept Dots were originally launched in 2016, designed to be customised to cover the needs of the business or local preferences. These two references are just a couple of examples: the graphics that decorate each unit can be adapted with different styles and designs.







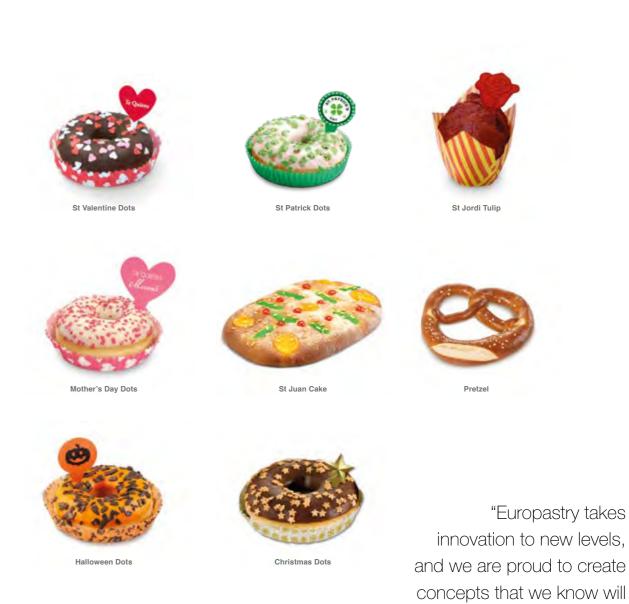




### In & Out Something special for every occasion

Europastry is skilled at offering points of sale the support they need to sell very specific products for local festivities.

With our In&Out products, which are sold for limited periods, we offer eye-catching marketing materials for points of sale that attract visitors to the shop and the highest possible turnover, with posters, displays, bun cases, special decorations, etc.



Sara López, Foodservice Trade Marketing

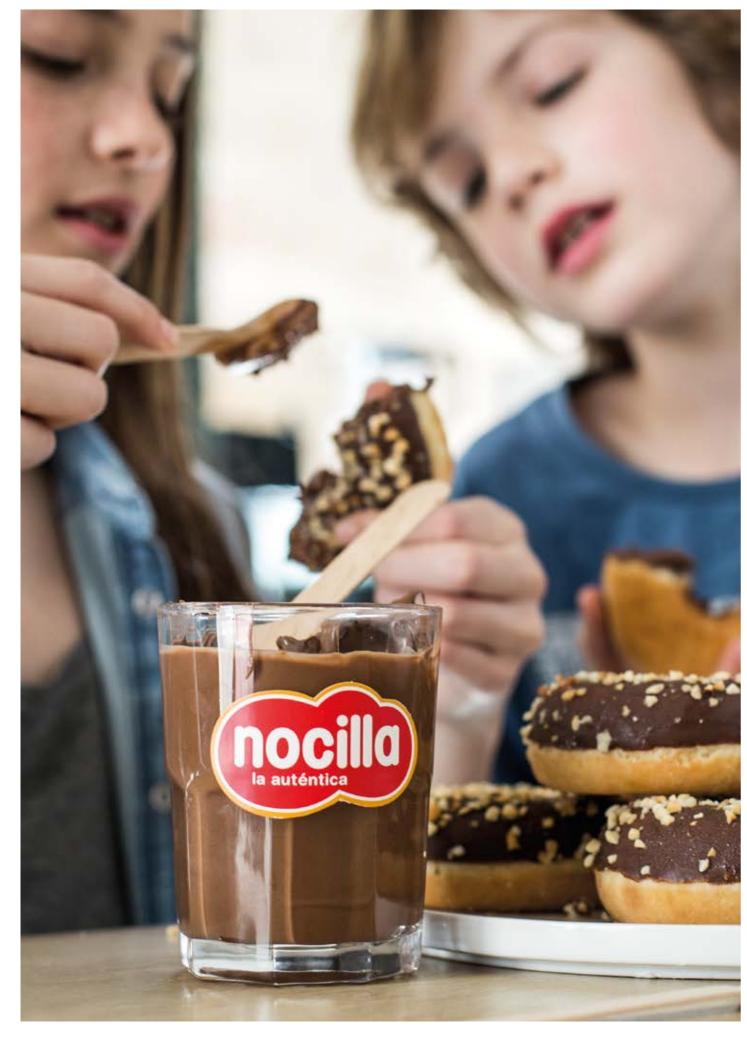
revolutionise the market"



## Cobranding Partnerships that add up

In 2016 we continue to forge strategic cobranding alliances with leading names. To delight our youngest consumers, we collaborate closely with leading brand names to create great varieties that are easy to display at the point of sale and very tempting to their target market.







#### 360° Solutions for each point of sale

Europastry has a Visual Design team consisting of specialist designers who use the latest trends in design, decoration, product display and communication for sector points of sale.

In line with the company's philosophy, our Visual

that includes designing spaces and advising on of activating, renewing and updating the business to

Design team offers customers a differential service, always innovating and enhancing the customer's image, increasing sales and product rotation.

We make a painstaking study of the point of sale, materials, lighting and product rotation, all with the aim retain and attract new customers.

#### Displays

We develop ideas for every business and need.









"Innovate, revolutionise, create new business models, reinvent... we are always trying to create shopping experiences that have the WOW factor!"

Carolina Moré, Visual Merchandiser Manager



COMUNICACION

LOGO y DISENG

DISTRIBUCIÓN

NECESIDADES del LOCAL

COLOCACIÓN DE PRODUCTO

### Dynamic, mobile displays

Our Visual Design Department has jumped on the food truck bandwagon to create vans and trucks, real and fictional, for use as product displays. Not only are they fresh and dynamic, but the food trucks and carts are so versatile that they can be used anywhere and reused in different circumstances and surroundings.









#### Mobile displays

Easy to move and handle, they create an interesting focal point wherever they are placed.



Carts can be used to display bread, pastries and Dots.



All carts can be customised.



#### *E-commerce* for today's consumers

Europastry has opened a new line of business, making direct contact with end consumers through its Aunt Marian brand, in collaboration with online sales platforms Ulabox and Amazon.

One of the biggest innovations for customers of these online platforms is the possibility of having freshly-baked bread delivered to their homes. From traditional, multigrain and spelt loaves to rustic and Provençal baguettes; rustic and wholegrain loaves, to more unusual varieties such as cocoa and Kalamata olive bread.

This initiative is new to Europastry's strategy, which has always focused on the Horeca, bakery and food channels.

Cereal, Europastry's R&D centre, has been chosen as the main workshop for managing, handling and preparing products.

"We have been innovating for years, not only in products and production processes, but also in the digital environment. This opens up new opportunities that are now bearing fruit and making us a benchmark in our sector"

Tamara Rojas, Digital Manager



