

CORPORATE SOCIAL RESPONSIBILITY REPORT 2020



Mademoiselle
DESSERTS

▪ IN LOVE WITH PATISSERIE ▪

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2020 CSR Indicators

Faced with the COVID-19 health crisis, the Secretary UN General Antonio Guterres declared "We cannot afford to lose the gains obtained through investments in humanitarian action and the Sustainable Development Goals".

At Mademoiselle Desserts, we strive not to take our commitments for granted and to keep moving towards more of responsibility. By publishing this 11th report of Social Responsibility, Mademoiselle Desserts confirms more than ever its commitment to the 10 principles of the Global Compact and its contribution to 11 SDGs.



COMMUNICATION ON PROGRESS

This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

SUSTAINABLE DEVELOPMENT GOALS



EDITORIAL

Didier Boudy
PRESIDENT



How was 2020 for Mademoiselle Desserts?

Like for many others I imagine, 2020 has been an unprecedented year. Business has suffered. We ended the year with a 26% decrease in turnover. Of course, catering and exports have been hit particularly hard. But so have supermarkets, especially during the first lockdown when consumers were making their own pastries at home.

But if we look past the numbers, what I will take away from 2020 is that we did not give up, we have not let go of our strategy. Better still, we remained on the offensive on all our markets. Even when working from home, we continued to make progress on all our projects. During this unusual year, we made 30 million euros worth of investments! And it's not over yet.

The resilience we have shown in such a turbulent environment is largely rooted in our CSR strategy: Destination Sustainable Desserts, which we have been pursuing for over 10 years.

And for Mademoiselle Desserts, 2020 has also been an opportunity to accelerate the transformation of part of our business: the development of products for drive-through, the manufacture of organic products, the use of local, French ingredients, the ramping up of our responsible purchasing policy, the deployment of our new ERP for total traceability and transparency of all our activities... A truly incredible year!

Now more than ever, is the health and safety of employees your number one priority?

Absolutely! And believe it or not, 2020 was our best year ever. Our frequency rate fell from 34.1 in 2019 to 20.2 in 2020 for the whole Group, while our factories were turned upside down between emergency orders and short-time working. Our site in the Netherlands broke the Group record for the number of days without an accident: 432! And our site in Thenon has achieved one year without any accidents.

In recognition of this priority, in 2020 we promoted one of our safety coordinators, Corinne Escot, to Group Safety Manager France. Corinne will be in charge of deploying all good practices, leading OHS initiatives and increasingly integrating quality of life at work into our processes.

How does your environmental strategy fit into your Destination Sustainable Desserts business plan?

Environmental protection is at the heart of our DSD strategy. In 2021, we are planning to carry out our carbon footprint analysis for Scope 3 emissions for the entire Group, involving our suppliers and our raw material and packaging supplies, right through to the distribution of finished products. This will give us all the indicators we need to manage our action plans even more effectively. In concrete terms, in 2020/2021 we are investing 8 million euros in new high-performance equipment at our French sites, for example, in order to reduce our energy consumption and greenhouse gas emissions, to use more environmentally friendly refrigerants and set up heat recovery systems. The environmental impact of our factories will be significantly improved. The Group has also become a "pathfinder" for the Bpifrance Green Rooster community. Our experience and our long-standing commitment should serve as a compass for Bpifrance's corporate clients who want to take the first steps in their ecological transition. The objective is to prove that committing to the ecological and energy transition is first and foremost a question of will and organisation.

It seems that you are "on your way to B Corp certification"?

We do not need certification to carry out actions and be exemplary in terms of CSR. But in recent years, many companies, including some of our competitors, have been trying to catch up with a great deal of communication. So to highlight what makes us different and demonstrate that CSR is in our DNA, and not just because it is on-trend, we decided to have our approach certified. After some research, B Corp certification soon became the obvious choice. It's the Everest when it comes to CSR! B Lab, the certification body, only grants certification to the most ambitious companies in terms of governance and impact. We have worked very hard on the rigorous BIA (Business Impact Assessment) process. We updated our articles of association at the end of 2020 to confirm our mission as a company committed to generating a positive impact on society and the environment. We submitted our application at the very beginning of 2021. A long auditing process will now start, which I hope will lead to our certification in a few months.

The main highlights from 2020

1 Maidenhead Berkshire

The teams have been focussing on reducing the sugar content in pastries. In line with our Healthier Indulgence commitments, products from the Handmade Cake range are now included in our NUTRI M programme to meet the UK government's targets, for example, the range of tray cakes and round cakes.

2 Weert The Netherlands

The Weert team broke its record by recording 462 days without any lost-time accidents. This result was achieved by daily safety communications at the site and in each of the company's departments, as well as by continuously focusing on responsible behaviour in terms of health and safety in the workplace. In 2021, preventive safety checks will be organised to explain and further improve behaviour.



Good health and well-being at work

3 Broons Côtes d'Armor

After a test phase with the production teams, muscle warm-up workshops before starting work have been extended to all departments at the Broons site. Twelve mentors have been trained. This programme has been really well received. The objective is to reduce MSDs, but the benefits of this programme go even further: reducing perceived pain, promoting group cohesion and better integration of new recruits.

4 Taunton Somerset

The Vegan trend continues to grow in the UK each year. In 2021, we expect to sell almost £2 million worth of vegan products. Our three sites are now developing a market-leading vegan range. In 2020, Taunton's R&D team developed a new range of vegan apple and cherry tarts.



5 Renaison Loire

This **Nutella**® log made at our Renaison site was a real success, and could now be available all year round! 100% of the cocoa sourced for the famous spread comes from Rainforest Alliance Certified™ farms.



6 Tincques/ Aubigny Pas de Calais

Délices des 7 Vallées is a long-time expert in producing mini-doughnuts. Available in chocolate or spread, these mini-doughnuts are the flagship product of the Tincques site for the French market as well as for export. The Group has therefore invested 6 million euros in a new production line. With its local footprint and its partnerships with well-known brands, the site is creating a major mini-doughnut hub and further consolidating its expertise, while contributing to the economic development of the region. Eighteen new employees joined the site in 2020.

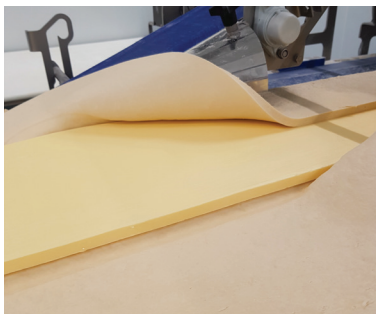


Decent work and economic growth



7 Valade The Dordogne

The historic practice of kneading puff pastry dough has been revolutionised with the arrival of two new automated lines. We have doubled production capacity and optimised manufacturing conditions. Using robots and digital screens, this line truly is a new technological masterpiece! A great experience and a real evolution for all the employees involved: operators, kneaders and drivers, who have acquired new skills and improved their working conditions. This is the culmination of a substantial project in terms of both project management and financial investment.



8 Saint Renan Finistère

The Saint Renan site now has a new freezer. This investment makes operations more reliable, increases production capacity, optimises the energy performance of the installation and facilitates safe cleaning.



Industry, innovation and infrastructure

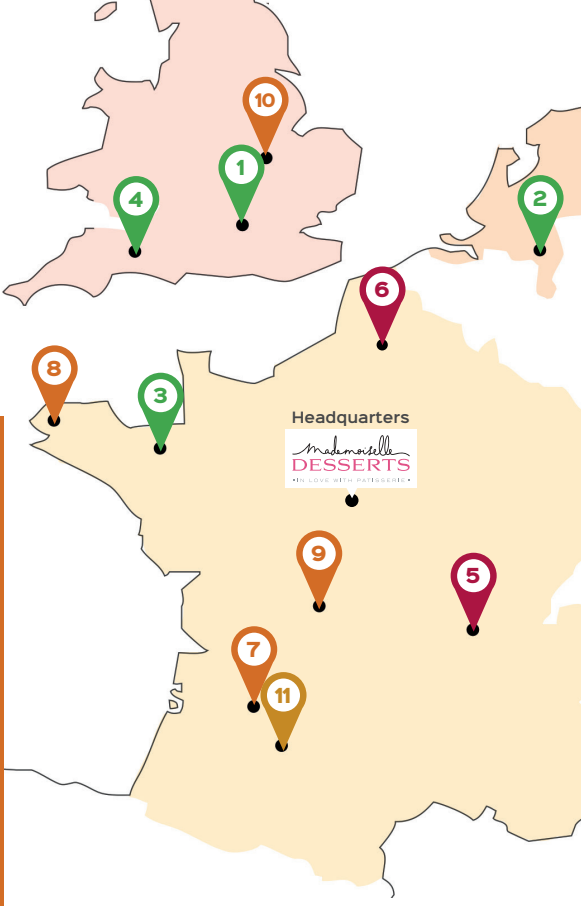
9 Argenton Indre

After 8 months of studies and 6 months of design, the robot for packaging frozen raw chouquettes was put into operation. A new tool created especially for this line, this robot allows the packaging of chouquettes to be automated at an optimal rate. The packaged products are then labelled and palletised. Until now, these tasks were performed manually. The objectives of this automation are to reduce operator workloads, to reduce MSDs and to guarantee the safety of employees and to gain in productivity.



10 Corby Northamptonshire

We have optimised the cookie manufacturing process to improve the line's efficiency. These cookies are intended for coffee shops and other opportunities are underway.



11 Thenon The Dordogne

The first production of organic custard flans took place in the summer of 2020 at the Thenon site. Almost 2000 flans were produced for our principal market for this product. The flan is made with organic eggs, organic flour and organic French milk. It is baked in paper moulds and packed in a 100% recyclable kraft case sealed with a dedicated sticker.



Responsible consumption and production



1

CSR at the heart of governance and our economic development



100%
of the sites
participating in the
Clean M program

Contribution to
11 SDGs
UN Agenda 2030

Our external Stakeholders



Customers and consumers

Offering healthier products that are just as tasty, while supporting consumers' healthy eating habits. Dialogue and "sustainable development" meetings. Highlighting our own Oh Oui! brand.



Recruitment agencies

Close link with local agencies to recruit more effectively. Construction of vigilance action plans to guarantee compliance with regulations and to ensure that employees are in line with the expectations of the position to be occupied.



Charities - Food Bank

Partnership with local charities in the form of financial sponsorship or donations of cakes and desserts. Contribution to food aid as part of solidarity initiatives.



Public authorities and communities

Local involvement, investment subsidies, dialogue and participation in the life of the land with the water agency, local communities, town halls and French Environment and Energy Management Agency [ADEME].



Suppliers

The responsible purchasing strategy mainly concerns long-term contracts, a sector-based approach for flour, eggs, etc., prioritising "local" produce wherever possible and CSR assessments.



Schools and training institutions

Recruitment of trainees and those on work-study training programmes from the third to fifth year of higher education in order to build suitable professional careers and develop the employer brand and attractiveness.



International organisations

Integration of the UN Sustainable Development Agenda 2030 through meeting the 17 Sustainable Development Goals. Report in line with GRI expectations. Works with the Global Compact.



Peers

Mademoiselle Desserts is a member of the French Association of Food Industries [ANIA] working groups and participates in the 3D and ALTERE workshops. Member of the Federation of Baker-Pâtisserie companies [Fédération des entreprises de Boulangerie-Pâtisserie (FEB)]

EXTERNAL



Shareholders/ Investors

Aware of the importance of environmental, social and governance factors, our investors closely monitor the annual CSR performance indicators.

INTERNAL



Workforce

Internal communication, newsletter, ethical charter of conduct displayed and explained at the time of hiring, integration and training plan, promotion of sporting activity for well-being.



Employee Representative Bodies

The members of the Social and Economic Committee (SEC), including professional unions, ensure the collective expression of employees as well as their responsibilities in terms of social and cultural activities.

Our values reflect who we are and convey our vision of the company. They guide our relationships and the way we work with our various stakeholders.

Our values

#RESPECT

How we see it:

"Respect within the Supply Chain department means acknowledging one another's strengths and accomplishments, listening to each other's opinions and working as a team, alongside being inclusive. This is pertinent within the department, but also the wider business."

How others see it:

"We have been on site partners with Mademoiselle Desserts Weert for over 15 years. We manage the temp workforce needed by Mademoiselle Desserts due to a fluctuating level of demand. Mutual respect is the base of our relationship. It helps us to grow together and to serve Mademoiselle Desserts and our temp workers."



Sophie Brown
Supply Chain Manager
Corby UK



Claudia Nelissen
Senior Operational Manager
Randstad
Nederland bv



Élodie Kernec
Product Range Manager
France



Vanessa Baker
Category Manager Bakery,
Desserts & Ice Cream

#PASSION

How we see it:

"As Danton put it: 'To win, we need audacity, and yet more audacity, and always audacity.' Audacity at Mademoiselle Desserts takes on its full meaning when we see the determination of the teams to continue to innovate and create products that stand out from the crowd despite a health and economic context that would hold many back. Transforming constraints into opportunities is the strength of Mademoiselle Desserts."

How others see it :

"Brakes and Mademoiselle Desserts have the same shared passion of providing our customers with outstanding cakes and desserts. We have recently launched a range of vegan cakes with Mademoiselle Desserts, the most successful being a Vegan Jaffa Cake which has proven to be a favourite. It's a fantastic addition to any menu in its own right – with the added advantage that it's suitable for vegans too."

#COMMITMENT

How we see it:

"Over the last 10 months, Covid has had a significant impact on everyone. It is sometimes in adversity that we see the best of people. Within our business during the adversity faced, I have been extremely proud to be an employee of Mademoiselle Desserts where such a high level of commitment has been shown at all levels. So many employees have shown a proactive approach and the Group has always put the interests of employees at the top of its agenda. To steal a quote, 'The difference between involvement and commitment is like ham & eggs. The chicken is involved but the pig is committed.' At MD we are fortunate to have more pigs than chickens."

How others see it:

"Our nostalgic and innovative Chocolate Orange Christmas Cake, made in Taunton, has just been named a Quality Food Awards winner for 2020. This gorgeous orange-flavoured sponge cake is topped with a rich chocolate-orange glaze, a tangy orange-flavoured jelly and chocolate ganache. The judges loved its sweetness and light sponge as well as the gourmet quality of the cake, and awarded it the Christmas award this year."



Nigel Taylor
UK Managing Director



Quality Food Awards

#DELIGHT

How we see it:

"In 2019, after completing my studies in engineering, I joined the Renaison site in R&D, first for my end-of-studies internship, then on a fixed-term contract and currently I am an R&D Project Manager at the Valade site. The atmosphere is good and there's never a dull moment! We work with the different departments, the company is friendly, and the diversity of products and projects makes the experience interesting. The value that speaks to me and that I've found here is delight: our goal is to make products that delight consumers."

How others see it:

"Since 2015, Pamplie Cooperative Dairy has been pleased to supply fresh milk to Mademoiselle Desserts for the manufacture of its products. Over time, a real relationship of trust has developed, which now allows us to carry out constructive and innovative projects. We appreciated being integrated into their continuous improvement process during a joint project integrating the concepts of local supply and animal welfare."



Marion Raynaud
R&D Project Manager,
Valade France



Marie Eck
Quality Manager
Pamplie Dairy

THE BENCHMARK THAT GIVES PROFESSIONALS THE BEST SOLUTION FOR CAKES AND DESSERTS

SUPPLIES

We pay special attention to the raw materials and packaging we use to ensure the best quality while respecting our values.

Raw products

of plant origin
flour, sugar, chocolate, etc.

of animal origin
milk, cream, eggs, etc.

- Responsible sourcing, CSR assessment of suppliers
- Support of efforts (Forever Chocolate, Transparence Cacao)
- Reduction of residues from plant protection products
- Local purchasing whenever possible

- Responsible sourcing, CSR assessment of suppliers
- Attention to animal welfare
- Reduction of greenhouse gas emissions
- Local purchasing whenever possible

Other ingredients

Reduction or, if possible, elimination of controversial ingredients and additives.



Packaging

Eco-friendly product design, reduction of the use of plastics.



Manufacturing and Innovation

58,000 tonnes
cakes and desserts manufactured

7%
Proportion of turnover from products less than 1 year old

Energy consumption

Gas + Electricity
72,082,920 Kwh

Water
3,23 m³
per tonne of products manufactured

People

1,800 employees

39% men | **61%** women

42 years old
years average age

Shared values complying with our ethical charter

Factory outputs

Waste
72% of waste recycled

Charity

400,000 €
The equivalent of cakes and desserts donated to food aid charities

130 charities supported

CONSUMPTION

Our pastry range is available in:

Pastry bases
Desserts
Tarts
British desserts, etc.

Supermarkets
Out-of-home catering
Consumer brand

Including products certified as:

Bio

Vegan

Gluten free

Product specifications, often virtual, created with our customers.

FABRICATION

8 SITES IN FRANCE

3 SITES IN THE UK

1 SITE IN THE NETHERLANDS



DESTINATION DESSERTS
DURABLES

DESTINATION: SUSTAINABLE
DESSERTS

“Destination Sustainable Desserts”

has been the Group’s most important project for several years now. It demonstrates the company’s real commitment to:

- Sustainable economic growth
- Manufacturing attractive, good-quality, healthy and safe products
- Industrial excellence
- Protection of health and safety at work
- An ambitious programme of innovation: *Think out of the box*
- Responsible purchasing of our raw materials
- Sustainable consumption of packaging



OUR CLEAN M PROGRAMME

The Clean M programme was launched in 2017. The objectives are to simplify ingredient lists, remove controversial additives and favour local, high-quality raw materials (free-range eggs, “sustainable” cocoa, etc.). The list of additives is reviewed regularly, based on customer requests and scientific advice. In 2020, for example, the teams worked on removing glucose-fructose syrup from the apple compote in turnovers or replacing E120 with radish, blackcurrant and apple concentrates in our charlotte.

Our objectives

+10% of pastries classified as green and “clean”

according to our highly demanding internal standards* by 2021.

CSR: rating of 2 “cherries” out of a maximum of 3,

according to our internal reference system*

Working on a 10-product offering with improved Nutri-Score

*Available on request

● **Sonia**
HMC

“These are projects involving many departments and the Group’s R&D teams are heavily invested in the cross-functional management of this programme to offer good-quality, healthy and safe products!”
Sonia, R&D Manager in Maidenhead UK.”



The Nutri M programme focuses on reducing the sugar content of our products. For example, a large proportion of our product range manufactured in the United Kingdom now meets the UK government’s target of reducing sugar consumption by 20% by 2020.

57%

of pastries are classified as green and “clean” with no controversial additives according to our highly demanding internal standards*.



The Clean M programme, led by Julie Cohen-Solal for Ingredients, is a topic of regular discussion between the different sites: *“This programme is a major focus for us every day, it is something we take into consideration for every development and every time a recipe is updated. It affects every site and it’s something we discuss a lot.”*



THE TOOL OF THE FUTURE

Maintaining the premises and equipment at our production sites, investing in efficient and less energy-consuming machines, deploying management software and the traceability of information with ERP are among our main commitments to maintain the highest level of performance in our activities. We have developed automatic palletising systems in Saint Renan, Thenon, and Argenton. The Group invested nearly 24 million euros in its factories in 2020.

Our objectives

Implementation of the **new ERP information system** in the UK and continued deployment of ERP in France.

Use of new **COBOTS**.

Automatic palletisation for several packaging lines in Tincques and Broons.

Construction of a **new BREEAM certified building** in Tincques.

Replacement of most of our artificial refrigerants with **natural refrigerants**, combined with more efficient equipment and heat recovery.



THE EMPLOYER BRAND

Discussions, maintaining a good social climate, and our ethical charter are always at the heart of our commitment. In 2020, these pillars of our employer brand were complemented by the implementation of our co-optation charter, the updating of the HR section of our website, and the implementation of AFEST (Action for Workplace Learning) and line manager training. We are also strengthening our partnerships with agri-food colleges and are planning to take part in various local job fairs, with new communication tools developed in 2020.

Our objectives

Attracting young talent by taking part in student recruitment fairs and developing our partnerships with colleges.

Developing our visibility as an employer by communicating about our company on social and professional networks, both locally and nationally.

Maintaining and developing our **work-study policy** and professionalising the role of the tutor.

To develop skills : use our know-how, organize internal training, support change.



THE ENVIRONMENT

We are now integrating Sustainable Development Goal 13 into our contribution to the 2030 Agenda. We have carried out our carbon footprint analysis for Scopes 1 & 2 emissions and have drawn up a dashboard, which is monitored on a regular basis, for our energy consumption and GHG emissions. We are taking action to use resources efficiently and in a controlled manner, and to reduce our impact on the environment. In 2020, the Group invested more than 10 million euros to reduce energy consumption.

Our objectives

Modernising our production facilities by investing in innovative processes and equipment, using natural refrigerants, making our **transport more sustainable**, integrating **BREEAM “green building” environmental certification** for the construction of our new building in the north of France... these are our main commitments to reduce our environmental impact by 2023.

We have signed a partnership **with a French start-up to carry out our Scope 3 GHG analysis in 2021** using the method validated by Association Bilan Carbone (Association for the implementation of carbon footprint assessment).

By 2025, our aim is to make **the majority of our packaging recyclable** where a sorting facility exists.

Offering sustainable products and services



2

ZERO HUNGER



Rethink how we grow, share and consume our food



3

GOOD HEALTH AND WELL-BEING



Ensuring healthy living and promoting the well-being



9

INDUSTRY, INNOVATION AND INFRASTRUCTURE



Build resilient infrastructure, promote sustainable industrialization, and foster innovation.

“Clean” ingredients

In 2020, Mademoiselle Desserts, as part of its Clean M program, removed the glucose-fructose syrup, found in apple puree from most apple turnovers.



Understanding the market

Recent events have pushed consumers towards a greater need for safety, traceability and “locality” in food products. Without compromising the quality of our products, we observe trends and adapt our offer accordingly.

Organic

The organic market has seen a marked increase since 2019 and a significant acceleration following the COVID-19 crisis. Organic products are perceived as “safe haven” products: more natural and healthier.

Mademoiselle Desserts is expanding its offer and with a range of moelleux, flans, muffins, madeleines and bases for making savoy or sweet tarts. Special attention was also paid to packaging. These ranges are offered in kraft trays, made from natural and recyclable materials.



organic sugar



whole milk



eggs



butter



french organic flour

A new “to-go” range in the UK

Our teams in the UK have reviewed their “to-go” range. This extension of the range aims to cover a wider variety of consumer opportunities and distribution channels by providing an appropriate solution and strategic market data to help our key and prospective customers increase their market penetration in the “post”-health crisis.

For example, the range of pre-packaged products makes it possible to guarantee compliance with food safety and product hygiene right up to the consumer.

