

# WE ARE THE FUTURE

**SUSTAINABILITY REPORT 2014**





# 1 THE CHAIRMAN'S LETTER

As Chairman of the Group La Farga, I am pleased to submit the group's annual accounts together with the sustainability report which is attached. Our group is made up of the holding company Corporación Metalúrgica Catalana SL and its subsidiaries, in Les Masies de Voltregà, in France and in the United Kingdom, as well as our minority investees in the United States and distribution companies in Spain and France.

We continue to uphold the commitment acquired ten years ago with the Global Compact to implement principles in our group that embrace this international initiative. This sustainability report is a demonstration of our willingness to extend the best practices aligned with our business, thereby contributing to the sustainability of the Group.

The Board of Directors which I chair is very proud of the achievements made by the whole group with regard to health and safety in the workplace. We have once again closed the year with very low frequency rates compared to the average rate for the industrial sector, maintaining this rate below 20 for the second consecutive year. In this sense, we have continued to work on expanding the awareness of our employees and on implementing initiatives that will help us to remain a healthy and secure company.

I would like, first of all, to refer to the current socio-economical situation. During the financial year 2014 the poor prospects glimpsed at the beginning of the year have materialised: the slowdown in the Chinese economy and the poor possibilities for growth in emerging countries, with the situation being aggravated by the conflict in Ukraine, Syria and the Islamic State. The only really good economic news has appeared in the North American market, with favourable growth, and a certain degree of stability in the Japanese economy. In the case of Europe, it has been influenced by all of these factors, keeping the economy worryingly lethargic this year. If you examine the situation in Spain, the double dip in GDP that occurred from the onset of the crisis prolonged the situation of difficulty until the end of the 2014. We can say that this paradigm shift has lasted seven years, generating a reduction of wealth in the whole of the Spanish economy of 30%.

We can now launch a message of economic optimism, given that since the end of the financial year that we have closed, and during the start of 2015, there have been three major economic events that have contributed to the recovery of our economy: the first of these being the depreciation of the euro against the do-

llar, from a rate of \$1.37 to \$1.08. Currently this factor favours Europe's exports greatly, allowing us to activate our manufacturing industry. Obviously, since Spain has a deficit raw materials and particularly in oil, the danger of a depreciation of the euro would come from the prices of our imports, but this factor has also been offset by the dramatic drop in the price of a barrel of oil, from \$110 to \$55/ barrel.

A final favourable factor that has driven the production economy is the injection made by the ECB of 60 billion euros per month. This pharaonic investment will lead to a strong development in infrastructures in Europe, generating great production activity.

The average value of copper during 2014 was

5,165 €/ metric tonne

This optimistic situation makes it possible to predict a growth in our GDP of 2.4% for the current year, with considerable job creation. We can therefore finally say that the situation of great difficulty and suffering experienced by society in general will decrease. Nonetheless, a series of instabilities that may jeopardise these good prospects should be mentioned: there is still a lack of important structural reforms that need to be introduced, major political unknowns in the upcoming elections, armed conflicts between societies, religious fundamentalisms and a possible drop in US growth, and strategic change in the Middle East, among many others that suggest that geo-strategic stability requires large doses of intercultural dialogue.

The average value for copper during 2014 was 5,165€/mT, slightly lower than 2013, when its average value was 5,513€/mT.

During this financial year there has been strong volatility in the value of copper, ranging from a maximum of 5,440€/mT to a minimum of 4,661€/mT. Thanks to our robust system of coverage achieved by placing our copper positions on the London Metal Exchange futures market, we can guarantee our added values without them being affected by variations in the price of copper. As for the €/€ exchange rate, we have gone from a maximum of 1.3992 to a minimum of 1.2095 at the end of the year.

We have made consolidated sales of 222,471 tonnes, which represents an increase of 4.5% over the volume turned over in the previous year. The total turnover for the Group represented 905 million euros, the same as in the previous year.

During this year we have continued to expand our export capacity; with our direct exports standing at 41% and taking into account that the indirect exports were 35%, we stand at a total export of 76%. This increased capacity is due to our wide range of products, with emphasis on different sectors: electrical conductors, automotive products, special conductors, metal container welding, solid items, railway electrification, transportation of fluids, water, heating, gases and industrial applications. In addition, we have introduced our products in countries such as Mexico, Ireland, Belgium, Slovakia, Romania, Saudi Arabia, Israel, Chile, Santo Domingo, Poland, Finland, Norway, Côte d'Ivoire, South Africa, Senegal and Australia, as well as the traditional ones close to hand.

In 2014 we commissioned a new refining furnace; a furnace that has replaced the previous one, which was built in the 1980s, when the company introduced itself massively into the world of copper recycling. This new furnace maximises performance compared to the previous one and provides greater energy efficiency. Designed and patented by La Farga personnel, its major technological developments include especially the innovative system for loading raw material.

In addition, La Farga has continued its policy of reducing costs on a global scale, creating groups of broad-based teams that identify and develop efficiency initiatives in the use of resources, from energy use to packaging policy or developing applications that conserve the use of materials to a greater extent; equipment that is showing very positive results and have allowed La Farga to position itself as a leader in the sector in terms of cost per tonne produced.

Once again I have to stress the great difficulty we have had in supplying our material recovery plant. The scarcity of secondary copper has led to a historical decrease in purchasing discounts,

which has impacted strongly on our income statement. Never in the recent history of the secondary markets has there been such a long period with such small discounts. However, the good results in the margins and volumes of sales of different products have been reduced by the decrease in purchasing discounts; therefore the investments made and the decreases in operating costs are not reflected in our results due to this decrease in margin. I should point out that during the first quarter of 2015 we have, in part, recovered purchasing discounts more in line with historical statistics, cutting back the long bearish period we have experienced over the previous two and a half years.

In the closing financial year, the Board of Directors agreed to carry out a very ambitious investment plan designed to evolve the production of copper piping. This project, known as Evo-Tub, represents a major technological challenge:

manufacturing the mother piping from a press will be replaced by a mother piping obtained directly from smelting. This method makes it possible to decrease the eccentricity of the product to a great extent, allowing us to access industrial markets that we are currently unable to due to the maximum weight limitation of the product that we have been able to offer. This new process, planned with an investment of 5.5 million €, will make our plant much more competitive.



We have also made significant investments in our wire-drawing section in order to increase productivity and reduce costs. Two much more efficient multi-cores have been incorporated in line with our policy of renewing our fleet of machinery. In addition, in order to ensure our reliability and security in railway supplying, we have increased our copper alloy casting capacity, and also our braiding capacity. The total volume invested throughout the Group during the financial year is 10.2 million €.

As chairman of the company, I am proud to announce that during 2014 a competitiveness agreement was reached with the works councils. I would like to take this opportunity to express my gratitude for the capacity for dialogue which has been shown in this negotiation, allowing us to face the future with much more capacity to adapt to the changing situations around us; something that makes us much stronger in facing the company's upcoming challenges.

We have followed closely everything that refers to risks, both in terms of total copper cover (hedging) and the risks incurred by our customers, for the most part covered by insurance contracts or other forms of cover.

The company had sufficient financial instruments to guarantee its working capital needs at all times; having effectively managed the resources needed for the proper functioning of the company.

### We are negotiating knowledge transfer with other manufacturers of wire rod

Lastly, after five years of experience in the Asian market, during 2014 we redefined our positioning in this market with the aim of improving the overall profitability that we can obtain from it. For this purpose, the company has divested the participation we had in the Chinese company Ganzhou Jiangwu - La Farga High-Speed Railway Copper Materials Co., Ltd., and our holdings have been bought by the company Hong Kong Shining Resources Holdings Co. Limited. We felt this divestment to be necessary since, after an exhaustive analysis of the Chinese railway market, we concluded that it is monopolised by MOR (Chinese Ministry of Transport), which strongly protects manufacturers that are 100% domestic. This divestment has been one of the pillars of our strategic change for operating in the Asian country, which, in return, has been accompanied by the implementation of a strategy of technological contribution and advice. Thus, since mid-May 2014, we have begun a programme of technological support for our ex-partner JXTC, for five years. This contract of sale of technology meant revenue of 550,000 euros for La Farga Intec SL in 2014. In this direction, we are negotiating knowledge transfer with other manufacturers of wire rod, Fire Refining High Conductivity Copper Rod, in China. We believe that this repositioning, by participating in the development of the country, from a point of view of technological contri-



but ion and not from a capitalist point of view, will be much more effective for La Farga.

In addition, with the aim of concentrating our international industrial holdings in a company that is specific for this purpose, thus avoiding the influence on the Spanish industrial companies, during the financial year that has ended we put the La Farga LLC stockholdings we had, as non-current assets held for sale, and on January 28th 2015 sold 26% of SDI La Farga LLC to an associated partnership: Corporación Metalúrgica Worldwide SL., with the residual 19% remaining in possession of Corporación Metalúrgica Catalana SL.

### 2015 will be a year of good prospects

With regard to the development of SDI La Farga LLC, during the financial year that has ended we can say that we have completed the period of initial development of the company, and thus for this year sales with stable contracts were obtained, having achieved consistent quality and production, with a regular supply of raw material. We can look forward to 2015 with optimum perspectives for this American investment.

In July 2014 we acquired 30% of our French subsidiary La Farga Tub France, SAS; and therefore La Farga now owns 100% of the company in this country.

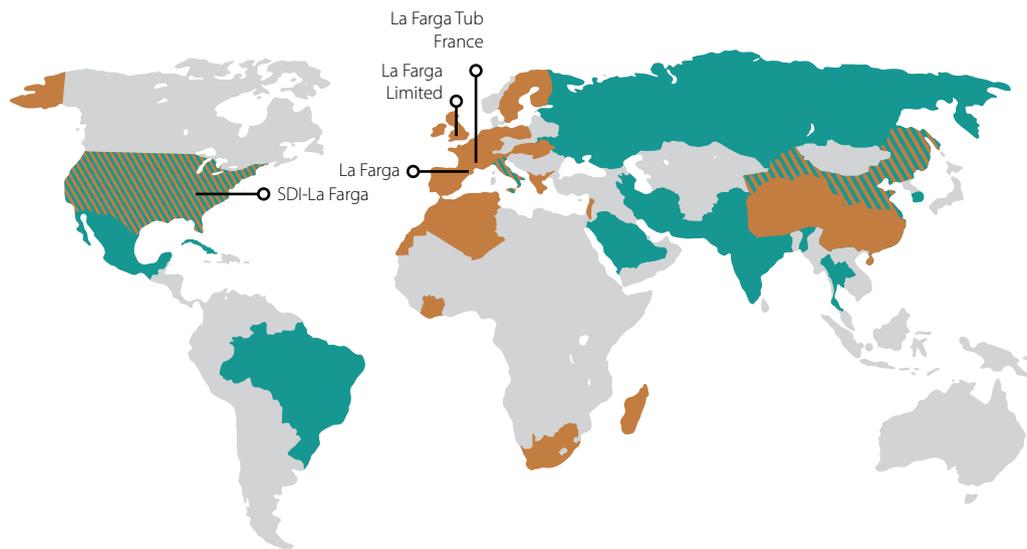
At the end of the 2014 financial year and with all shares exposed, I can announce a generation of cash flow after taxes in our consolidated profit and loss account of 11.4 million euros, representing an increase of 28% compared to the result obtained in the preceding year.

To sum up the above, we can feel confident that 2015 will be a financial year of good prospects, since the company can be seen to be greatly influenced by factors that have changed dramatically with the new situation, as I have already explained. It is also important to mention that all the initiatives carried out in recent years position La Farga at full power to successfully meet the targets we have set. Best wishes for you all.

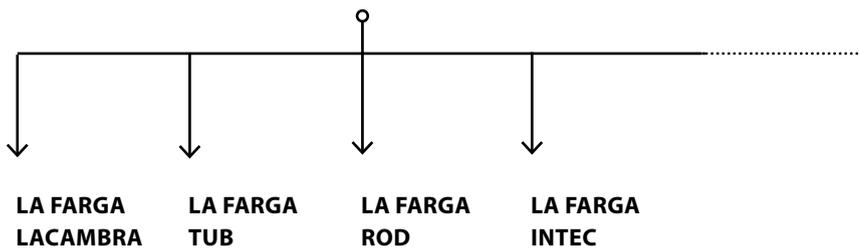
Vicente Fisas Comella, Chairman

# 2 AN OVERVIEW OF LA FARGA

La Farga is a family-run company with a very clear philosophy: constant innovation and investment in order to improve.



- Markets
- Production plants where technology developed by LFL has been sold
- Both



**FUNDACIÓ LA FARGA** — THE COPPER MUSEUM  
— GRANTS COLLABORATIONS, DONATIONS AND SPONSORSHIPS



Associations and branch organizations and the environment to which La Farga

### ASSOCIATE COMPANIES

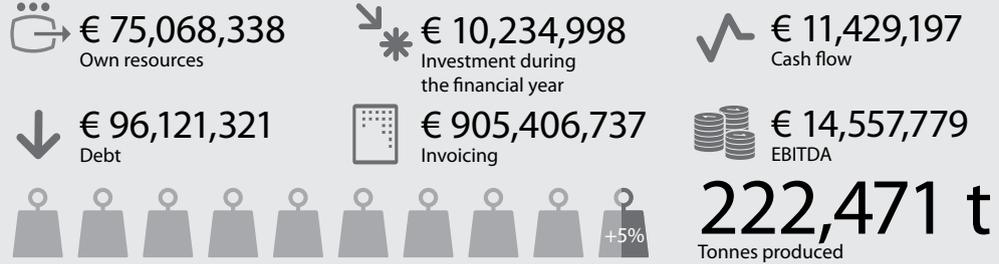
- 19% LA FARGA
- 100% LA FARGA
- 100% LA FARGA

- 5% LA FARGA, 50% LFL, 20% LFT, 25% LFR
- 100% LA FARGA
- 100% LA FARGA
- 40% LA FARGA
- 40% LA FARGA
- 40% LA FARGA
- 10% LA FARGA
- 10% LA FARGA

## LA FARGA



## FAMILY BUSINESS



## PROFESSIONAL TEAM



## CUSTOMERS



## SUPPLIERS



## NEIGHBOURS, COMMUNITY, PUBLIC ADMINISTRATIONS AND MASS MEDIA



## THE ENVIRONMENT



# 3 OUR FOCUS ON CREATING VALUE

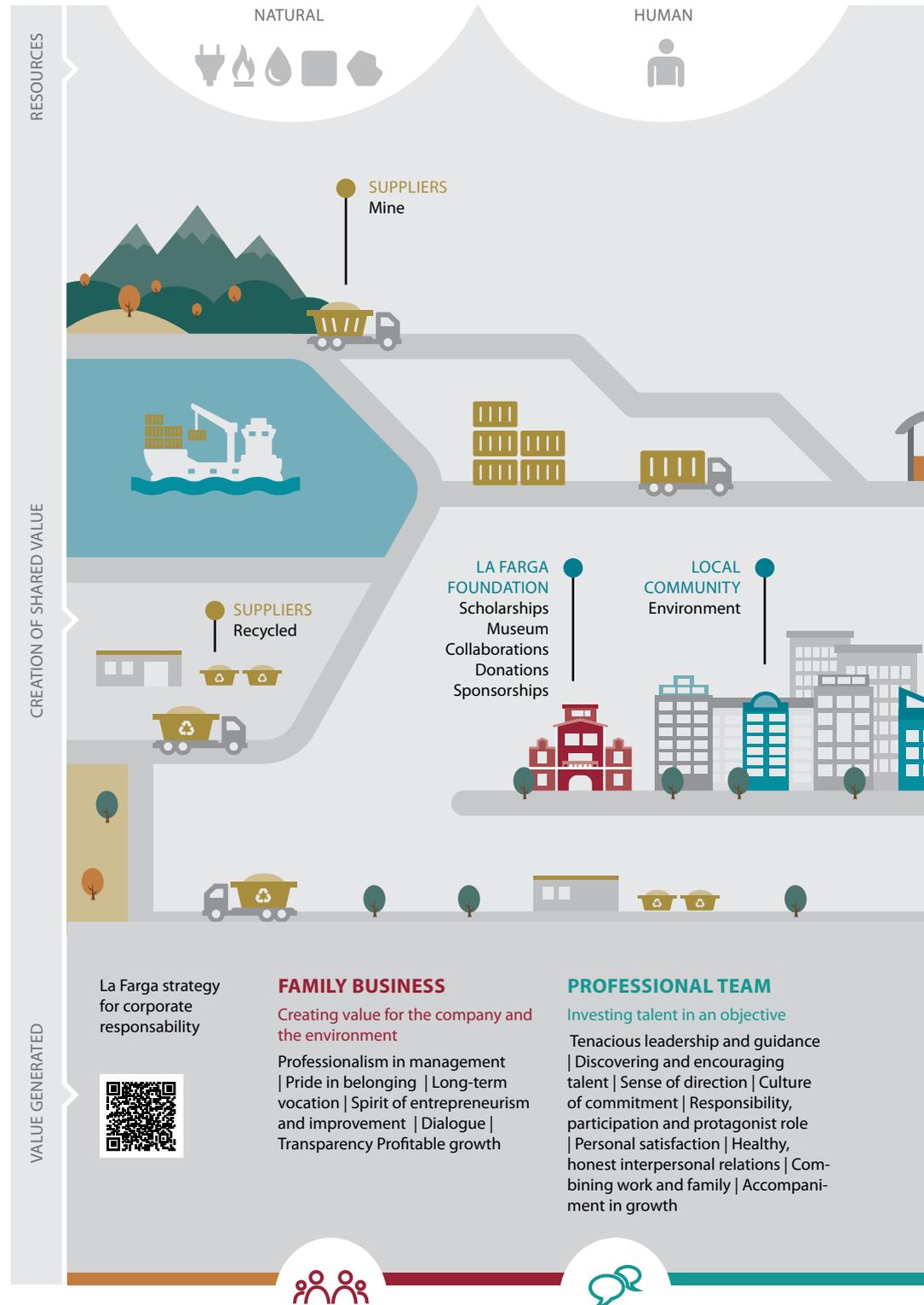
La Farga must last over time. Our management must be sustainable and this sustainability is understood in the social, economic and environmental area.

## LA FARGA CORPORATE RESPONSIBILITY POLICY

The La Farga Corporate Responsibility policy defines our commitments with each stakeholder, based on the mission, vision and values. Our business strategy consists of transforming these commitments into specific objectives and actions to provide value for our environment.

## GLOBAL COMPACT

We have been members of the United Nations Global Compact since 2006.



SOCIAL



FINANCIAL



OPERATIONAL



**SMELTING**  
Refined  
Cathode  
Recycled material plants

**SEMI-FINISHED PRODUCTS OF COPPER**  
Electrolytic wire rod  
FRHC wire rod  
Billet

**PIPING**  
Copper  
piping plants

**WIRE-DRAWING**  
Wire-drawn  
products plants

**ADVISORS**  
Sale of recycling  
technology

**CUSTOMERS**  
Warehouses  
Industry

**DISTRIBUTION CENTRES**

**CUSTOMERS**

Solutions and responses to the greatest demands

Guarantee of quality of service and product | Respect and honesty | Satisfying needs | Rigorous, transparent information | Continuous improvement of product, service and processes | Design and development of safer, more sustainable products | Constant innovation

**SUPPLIERS**

Winning synergies

Respect for commercial agreements and mutual respect | Guarantee of stability and safety | Long-term agreements | Integration | Joint innovation | Win-win

**NEIGHBOURS, COMMUNITY, RESIDENTS' ASSOCIATIONS, MM**

Involvement with the territory

Good neighbourly behaviour | Cultural and social collaboration and development | Protecting the environment | Transparency | Respect | Dialogue

**THE ENVIRONMENT**

Respect for our environment

Recovery and reuse of raw material: copper | Optimisation of the use of natural resources and energy | Mitigation and minimisation of impacts | Environmentalisation of projects and processes | Environmental protection and control of emissions



### 3.1 ANALYSIS OF MATERIALITY AND RESULTS (G4-18)

To determine which topics are relevant to stakeholders, we have conducted a process with several phases, in accordance with the AA-1000SES Accountability Standard, and considering the principles of the GRI G4 Guide.

**MATERIALITY MATRIX (G4-19)**



ASPECTS: Environmental Employment practice Social Product liability Economic aspects



## 3.2

# GOALS FOR 2014 AND 2015

2014

### ECONOMIC GOALS

GRADO DE CUMPLIMIENTO

Obtaining the financing required for the La Farga Group's Financial Plan.	98%
Maintaining outstanding balances at less than 4% of the total of client balances.	100%
Implementing the Business Objects by 31.12.2014.	80%

### GOALS FOR INDIVIDUALS AND THE ORGANISATION

Completing Phase 1 of management by processes.	75%
Achieving cultural change by: recognising, guiding and challenging talent; developing the management team for each company and ensuring remuneration in accordance with merits.	62%
Improving the working environment.	100%

### GOALS FOR HEALTH AND SAFETY IN THE WORKPLACE

Achieving a frequency rate for La Farga of less than 20.	100%
Adapting machinery to comply with RD 1215/97.	66%
Reducing places at risk by 2% according to specific studies (noise, lighting, hygiene, temperature, ergonomics and psycho-sociology).	100%

### R&D&I GOALS

Highlighting La Farga's technological know-how and management.	99%
Promoting projects aimed at making changes in the production process that will reduce costs.	100%
Promoting projects focusing on the development of new copper alloys and new manufacturing processes for sectors where we are not present (the aerospace industry).	100%

### CLIENT GOALS

Continuing the <i>Value for the client</i> Project, improving delivery deadlines, resolving incidents and providing flexibility for clients who represent 80% of the sales volume.	97%
Achieving the railway projects envisaged for 2014.	95%
Expanding La Farga's range with new products and introducing the company into new geographical markets.	98%
Continuous improvement in the quality of LFR wire rod.	56%
Continuous improvement in the quality of the industrial market for copper piping.	92%

### GOALS AIMED AT SUPPLYING COMPANIES

Extending the CO <sub>2</sub> emissions study to other families of products and companies in La Farga, based on 2013 sales.	100%
Implementing the internal packaging recovery system.	100%

### GOALS AIMED AT THE COMMUNITY

Contributing to local development, while maintaining or increasing the number of training grants.	100%
Maintaining the policy of transparency by publishing the sustainability report.	100%

### ENVIRONMENTAL GOALS

Maintaining the noise level at $\pm 2$ dB (A) compared to 2013.	100%
Maintaining the amount of waste managed externally at $\pm 2\%$ compared to 2013.	0%
Maintaining water consumption at $\pm 2\%$ compared to 2013.	100%
Maintaining energy consumption at $\pm 2\%$ compared to 2013.	100%

2015

### **ECONOMIC GOALS**

Optimising the Group's financial structure and the tools that we use.

Enhancing the project's processes in order to ensure that the organisation works according to these and has the necessary tools.

Reducing DSO compared to 2014.

### **GOALS FOR INDIVIDUALS AND THE ORGANISATION**

Leading the processes project in order to ensure that the organisation works by processes.

Identifying, protecting and capturing the company's talent.

Improving the working environment.

### **GOALS FOR HEALTH AND SAFETY IN THE WORKPLACE**

Maintaining frequency and severity rates below the established targets.

Maintaining the Standard OHSAS 18001 records for all the companies in the group.

### **R&D&I GOALS**

Managing La Farga's technological know-how and management.

Promoting projects aimed at making changes in the production process in order to reduce costs.

Promoting projects aimed at developing new manufacturing processes.

### **CLIENT GOALS**

Carrying out the Value for the client project in order to improve delivery deadlines, resolve incidents and provide flexibility for clients who represent 80% of the sales volume.

Developing the railway market for 2016.

Identifying new opportunities with the aim of offering a more complete range.

Supervising and monitoring the national and international legal regulations for the correct fulfilment of the requirements demanded.

Organising and structuring a new quality system for adapting to new copper pipe clients.

### **GOALS AIMED AT SUPPLYING COMPANIES**

Optimising costs by means of projects developed in collaboration with our suppliers.

Drawing up the policy on conflict minerals.

### **GOALS AIMED AT THE COMMUNITY**

Contributing to local development, while maintaining or increasing the number of training grants.

Maintaining the policy of transparency by publishing the sustainability report.

### **ENVIRONMENTAL GOALS**

Maintaining the noise level at  $\pm 2$  dB (A) compared to 2014.

Maintaining the amount of waste managed externally at  $\pm 2\%$  compared to 2014.

Maintaining water consumption at  $\pm 2\%$  compared to 2014.

Maintaining ENERGY consumption at  $\pm 2\%$  compared to 2014.

## IMPLEMENTING A **SYSTEM** OF GOALS.

*At La Farga we distinguish between two types of goals: operational goals, aimed at achieving the budgeted cash flow, and strategic goals, defined in line with the corporate culture and focusing on fulfilling the strategic plan in the long term.*





# CREATING VALUE FOR THE COMPANY AND THE ENVIRONMENT

**We manage resources with professionalism and responsibility** and with a long-term vision.  
We offer dialogue and transparent information.



## 4.1

### GOOD GOVERNANCE PRACTICES

Our family firm philosophy has helped us to build our **own model of corporate governance** that establishes efficient operation and a proper structure that balances the powers while dividing functions between the family business and management bodies, safeguarding the interests of our shareholders and maximising the economic value of the company and its durability over time in a sustained way.

With the integration of best practices, we have fully embraced **a management model based on transparency, ethical business management and accountability** by means of internal and external verification and control mechanisms.

### REDEFINING LA FARGA'S CODE OF ETHICS

As a result of La Farga's general and criminal risk analysis, carried out in 2013, we developed a work programme designed to minimise and deal with the risks detected. One of the initiatives contemplated by and prioritized in the agenda is that of redefining our code of ethics. We began to draw up the new code in 2014.

#### **We work towards the profitable growth of the company through a motivated team**

aimed at results and with an enterprising spirit seeking improvement, which looks to generate value in our environment in line with our basic values and aims to ensure the corporate family feels proud of our management

## COPPER MARKET

- The world's secondary copper market has been in a no surplus situation; at the end of 2014, this situation began to improve, due to several factors.
- The price of copper has begun to fall, in part as a result of an excess of concentrate.
- As of September, the Russian market eliminated the cathode exploitation rate, thus encouraging a greater supply and access to it.

€ 5,165  
/t average price

31/12/2013: € 5,361/t  
31/12/2014: € 5,238/t

## COPPER DEMAND

- In 2014 China accounted for about 48% of the global consumption of refined copper.
- A 4.7% expansion in the demand for copper compared to 2013, with a total of 22 million tonnes. The countries recording falls in consumption are Brazil (-10%), and the United States (-2.5%).
- By 2015 the forecast growth in the global consumption of refined copper is 565 thousand tonnes (+2.6%), with China having a significant moderation in consumption.
- PA demand of 23.2 million tonnes (+2.8%) is estimated for 2016, which is equivalent to a higher consumption of 623 thousand tonnes.

Source: Cochilco, trends report 4th quarter 2014

## COPPER SUPPLY

- In 2014 the supply was limited.
- In 2015 an increase of 1.16 million tonnes (+ 6.3%) in the global production of mined copper is expected compared to 2014.
- A world production of mined copper of 20.94 million tonnes (+ 6.4%) is projected for 2016.

Source: Cochilco, trends report 4th quarter 2014



## TRENDS OF GREATER RELEVANCE TO LA FARGA

- Investment in machinery in order to be more competitive.
- Strengthening of commercial activity
- Better macroeconomic prospects and optimism in the markets.
- The development of new projects.
- A reduction in the price of resources, primarily copper and natural gas.
- Europe is expected to resume investments in infrastructure in 2015.
- Consolidation in the automotive sector.

## ECONOMIC FORECASTS

- Recovery in Spain continues at the envisaged rate. The forecasts for growth of the Spanish economy for 2015 and 2016 stand at 2.7%.

- Economic activity and job creation are accelerated because of the strength of domestic demand, the relatively positive behaviour of exports, an expansive monetary policy more ambitious than expected in Europe and the fall in the price of oil.
- The global gross domestic product will probably grow by 3.77% in 2015, and should exceed 3% in the following year.
- The European Commission has launched an investment plan for Europe which aims to unlock public and private investments in the real economy of around 315 billion €, over the next three years.
- The economic recovery in Europe is not happening as quickly as expected.
- The construction sector is expected to grow globally by more than 70% in 2020. The electricity sector is considering large integration projects, line

renovation and compliance with the requirements of the Smart Grid. In the automotive sector in Europe, an increase of 2.4% is expected in 2015 compared to 2014 and an increase of 17% in 2020. In the railway sector the European Union will invest 11.9 million € in rail projects until 2030.

Source: 'Situación global España. Primer trimestre de 2015' report, BBVA Research

## COPPER PRICE FORECASTS

- An improvement in the global economy is expected for 2015, with the most positive global economic growth of the past four years.
- For 2015, metal prices traded close to their lowest since October 2009, due to the fear that production was exceeding demand.
- The fall in copper reflects losses in all goods.

#### LA FARGA LACAMBRA AND LA FARGA ROD

- Increase efficiency in all processes, whether productive or otherwise.
- Implement work methodology by projects.
- Continue strengthening exports.
- Prioritise products with the greatest added value.
- Continue our innovative activity in products and processes.
- Focus all our attention on the client and in fulfilling their expectations.

#### LA FARGA TUB

- Create databases in order to: initiate a change in the production processes with a new project in order to expand our product portfolio, improve our competitiveness through investments in new technology and prioritise higher value-added products in order to open us up to new markets.
- La Farga Limited, as a distributor of copper piping in the UK, is increasing its market share and complying with anticipated growth targets.

#### LA FARGA INTEC

- Develop global advisory projects, and not only technological ones for those customers who already have La Farga technology. We also propose advising new investors on decision-making, executing and implementing the business.
- Provide a greater dynamism in the sale of knowledge to new customers.

#### LA FARGA'S INTERNATIONAL POSITIONING AND ACTIVITY IN 2014

- A new approach to the sale of technology after the disappearance of the joint venture with Continuus Properzi. Now the goal is to focus on customers who we can offer greater added value.
- La Farga Tub now has a presence in new markets internationally.
- La Farga Lacambra has increased its international presence, mainly due to its impetus in the natural markets, where its share has increased.
- The launch of the CAC (Copper Alloy Conductor) conductors has increased awareness of La Farga globally.
- SDI - La Farga is working to increase the efficiency of the plant. In addition it has continued to increase its presence in the American market.



## LA FARGA IS POSITIONING ITSELF AS INTERNATIONAL LEADER IN THE RAILWAY SECTOR

*In 2014 we doubled our production capacity in electrification in order to respond to railway projects.*



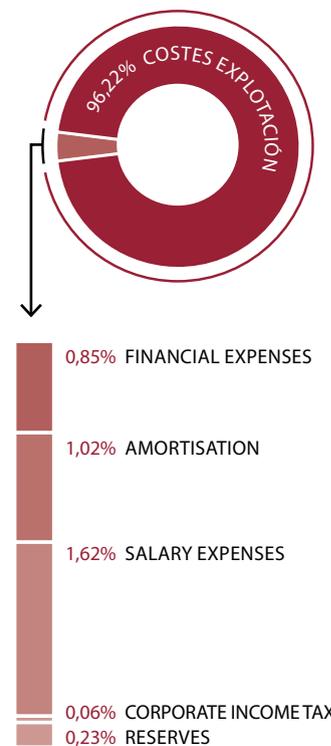
## 4.2 ECONOMIC MANAGEMENT FOR A SOUND AND SUSTAINED GROWTH

(in €)	LA FARGA LACAMBRA		LA FARGA TUB		LA FARGA ROD	
	2013	2014	2013	2014	2013	2014
Revenue	500,836,006	517,751,121	95,131,677	94,373,788	541,803,782	571,813,401
Operating costs	482,193,616	500,874,127	89,603,892	89,208,229	537,349,041	567,498,432
Salaries and social benefits	8,124,385	8,387,963	3,291,320	3,208,036	798,001	761,665
Payments to financial backers	3,857,704	3,964,821	710,435	602,836	3,249,752	2,678,411
Direct payments to the government	3,231,972	3,668,243	1,272,729	1,462,850	325,868	336,303
Payment CMC taxes	5,731,117	1,757,930	10,981,838	11,045,230	-2,146,555	-1,215,240
Significant financial aid received from government bodies	1,500	0	0	28,732	0	17,632
Turnover	503,656,265	515,385,400	95,739,504	94,792,711	540,842,288	572,725,963
Net Cash flow	8,301,216	7,505,316	1,778,030	1,570,850	1,982,790	2,229,343
% of exportation	24%	27%	36%	36%	38%	36%
Expenditure	495,196,597	514,777,060	95,988,050	95,028,713	538,861,744	570,596,228
Total investment	5,817,806	8,400,592	1,282,969	1,072,909	1,095,030	761,497
Corporate income tax	1,249,072	322,557	-42,589	-266,230	339,298	314,850
Total assets	118,941,030	125,589,325	35,489,481	37,556,067	36,961,856	35,543,164
Shareholders' equity	41,507,083	42,565,554	17,337,262	17,156,157	13,391,528	19,560,470
Reservations	13,221,776	13,944,583	2,360,851	2,360,851	1,997,443	2,366,101
ROE	8%	5%	0%	-1%	6%	5%



LA FARGA INTEC		METALÚRGICA CATALANA	
2013	2014	2013	2014
1,069,424	1,676,374	4,762,442	1,381,872
289,052	182,181	4,708,027	1,356,961
333,029	231,616	0	0
29,643	118,463	11	23,780
121,599	102,913	39,930	4,456
67,948	453,368	3,845	39,216
0	0	0	0
1,069,424	1,676,374	4,720,854	1,366,537
385,211	259,262	70,808	61,821
46%	46%	0%	0%
1,136,028	927,500	4,708,027	1,356,961
0	0	0	0
32,501	-830,516	3,845	1,148
3,423,280	3,312,210	3,983,642	3,374,781
965,709	711,268	2,436,250	2,436,233
94,445	94,445	1,507,749	1,516,719,69
-13%	-36%	0%	0%

#### STATUS OF ADDED VALUE



5 PROFESSIONAL TEAM



# CONTRIBUTING TALENT TO AN OBJECTIVE

**We assist our employees in their growth,** with a leadership that is tenacious and that guides them towards a culture of commitment.



A woman wearing a red hard hat and safety glasses is focused on her work in a factory. She is wearing a purple long-sleeved shirt and white work gloves. She is working on a large, cylindrical metal component that is part of a machine. The machine has a green and yellow striped safety guard. The background shows other industrial equipment and a green safety fence.

## 5.1 WE ENCOURAGE QUALITY EMPLOYMENT

At La Farga we also aspire to excellence in the field of people management. Therefore our human capital management model includes the processes and systems for developing people, designed to obtain their satisfaction and commitment, and succeed in aligning them with the corporate strategy. To this end, in 2014 we have worked to ensure that the leadership guideline is correct, since the climate survey revealed aspects that needed improving. The aim is for all the people to share a common direction, either in the field of training or of work teams, among others, and promote the skill of responsibility and autonomy in the area where they are qualified to do so.

People are a key asset for our business, and the vocation of leadership is a key value. For this reason, in 2015 we will introduce changes in our human capital management model that will have an impact on the way people are led.

**We work to ensure that every individual can discover and foster his or her talent.** By means of an attitude of responsibility, participation and recognition, we create healthy and honest relationships that lead us to greater personal satisfaction. We are committed to equality of opportunity and non-discrimination by reason of gender.

Our workforce management continues to be characterised by a high level of commitment, preserving human capital to the maximum - aspects that can be seen with:

**WORKFORCE DISTRIBUTION BY TYPE OF CONTRACT AND WORKING DAY**



**OUTSIDE THE REGION**  
11% in 2014 / 11% in 2013



**100%**  
of La Farga's workforce covered by the collective agreement

**93%**  
of the staff with a permanent contract

**320**  
employees in 2014  
24 new members

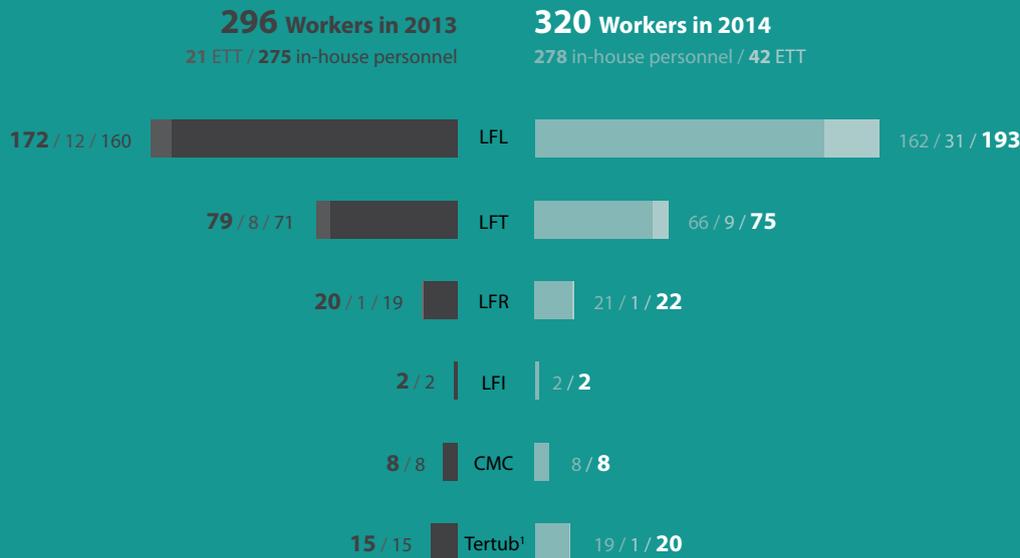
**11.7**  
years average service with the company

**84%**  
of the workforce on full time

**5%**  
workforce turnover

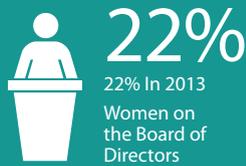
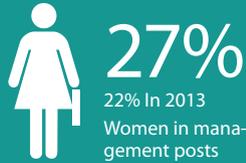
**EQUIVALENT AVERAGE WORKFORCE**

This includes permanent and temporary employees, weighted according to the type of working day.



N.B.: The equivalent average workforce includes in-house personnel and personnel appointed through a Temporary Employment Agency.  
1 Subrogated personal from CMC.

Equality of treatment and opportunity between men and women is a fundamental principle whose application is reflected in the **Equal Opportunities Plan** drawn up in 2013. With this aim, the main initiatives promoted in 2014 are drawing up the neutral language manual, putting up awareness signs in facilities and the awareness campaign begun with the launch of the *Neither more nor less* slogan. *Let us work towards equality of opportunities* present in email signatures.



La Farga's wage policy is aligned with the business strategy and aims to pay each person fairly and competitively. We provide personal, family and employment conciliation.



employees have benefited from paternity leave / maternity



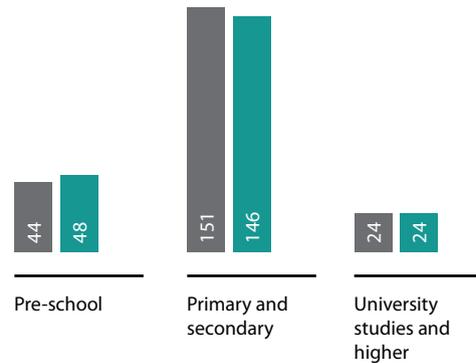
in aid to employees

We supplement our employees' salaries with a set of social benefits, including school aid for the children of La Farga employees. Our employees have benefited from **218 examples of aid provided**, with a total amount of **22,803€** in 2014.

## COMPETITIVENESS AGREEMENT WITH THE EMPLOYEES

*The employees' commitment and sense of belonging to La Farga has been highlighted with an employment agreement about the quality and future sustainability of the workforce in terms of stability in the workplace.*

### TOTAL NUMBER OF GRANTS PER SCHOOL YEAR



■ School year 2013-2014 ■ School year 2014-2015

A commitment to integrating people with disabilities. We promote communication via internal corporate channels as well as via two-way communication within teams.



## 5.2 WE CREATE OPPORTUNITIES FOR PROFESSIONAL GROWTH

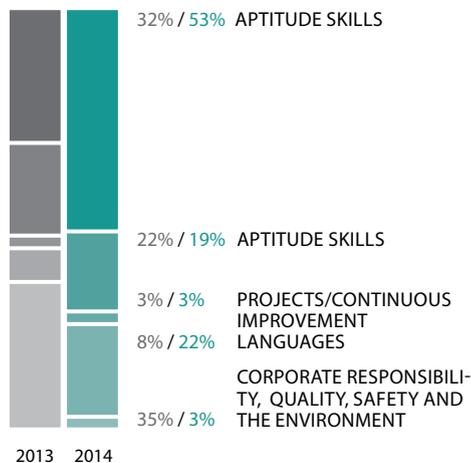
278  
employees trained  
87% of the workforce

We promote continuous professional improvement. Our people management seeks to attract, develop, motivate and retain the talent needed to achieve the strategic goals, aligned in order to meet the expectations of customers and markets.

At La Farga we attach special importance to leadership aligned with strategy, and for this reason we have created new procedures to control it more evenly, including training, defining and improving internal processes and implementing indicators for each of the company's strategic lines. The tool used to manage our teams is the HPT (High-Performance Teams) model, as well as sheets that collect data from incidents in the field of internal processes.

Via training schemes we offer people the know-how needed to carry out their daily activities and to enhance their skills and abilities in a way that is adapted to the workplace.

### BREAKDOWN OF TRAINING ACTIVITIES AT LA FARGA



### TRAINING INDICATORS

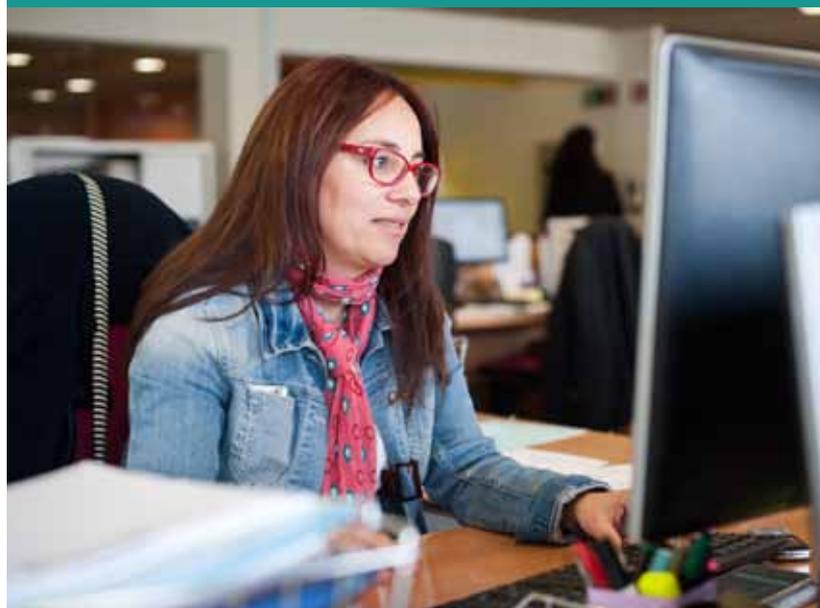
	2013		2014	
<b>HOURS OF TRAINING BY CATEGORY</b>				
MANAGEMENT, TECHNICIANS AND STAFF OPERATORS	40	45	47	47
AVE. NUMBER OF HOURS OF TRAINING PER EMPLOYEE	23	41	22	47
<b>INVESTMENT IN TRAINING</b>				
INVESTMENT (€)	87,329		116,689	
INVESTMENT IN TRAINING PER EMPLOYEE (€/EMPLOYEE)	316		420	
<b>NUMBER OF TRAINING ACTIONS</b>	40		38	

## DEFINING SKILLS FOR ASSESSING AND IMPROVING THE LEADERSHIP OF THE STAFF

For every post we have defined the skills and abilities needed for the proper and efficient performance of the tasks in ADA sheets (Analysis, Description and Assessment of the posts).

In 2014 we revised and updated more than 60% of these sheets.

We also carried out an assessment in the area of the Management Committee, with a 360° approach. For this evaluation, we carried out a working session on Improving organisational culture and leadership.



### 5.3 WE PROVIDE A SAFE WORKING ENVIRONMENT

One of our priorities is the health and safety of everyone who works at La Farga. Therefore we focus on strengthening the health and safety in the workplace management and prevention culture, which is expressed by the OSHAS 18001 management system.



#### OSHAS 18001 MANAGEMENT SYSTEM

SINCE **2005**, LA FARGA LACAMBRA, SAU  
 SINCE **2008**, LA FARGA TUB, SLU  
 SINCE **2009**, LA FARGA ROD, SLU

#### INVESTMENT IN OCCUPATIONAL RISK PREVENTION \*



■ 2014 ■ 2013

\*Verification system and machinery adaptation costs must be added to ORP expenses.



### CONSECUTIVE DAYS WITHOUT AN ACCIDENT INVOLVING SICK LEAVE

In 2014 we attained all the objectives set in preventing risks in the workplace, achieving the best LFL frequency rate and decreasing the LFT, and beating the record for consecutive days without accidents with sick leave in LFT.

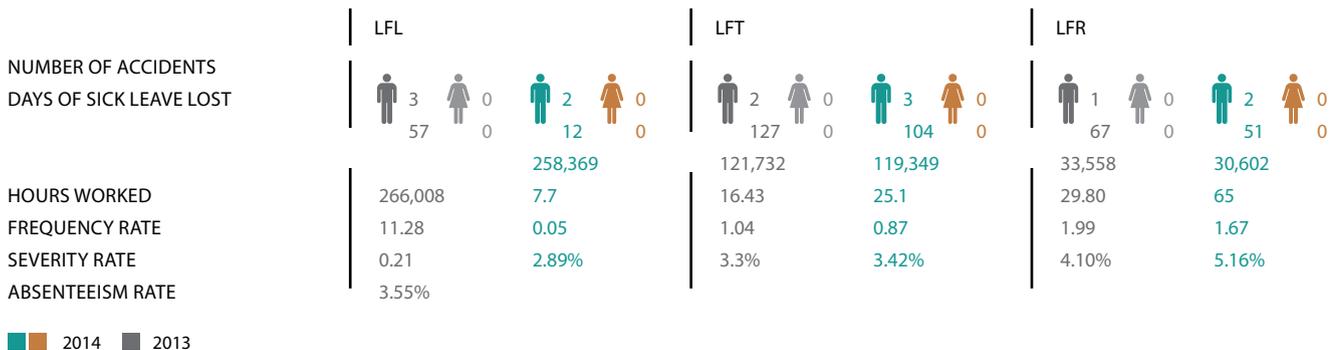
### CONTINUITY OF THE 0 ACCIDENTS AND BEYOND PROGRAMME WITH THE CREATION OF BROAD-BASED TEAMS

Within the framework of the 0 accidents and beyond programme, beginning in 2013 we have created the figure of the broad-based work teams. These teams are made up of workers from different plants that followed paths through previously defined areas in order to assess the current situation.

### AWARENESS INITIATIVES FROM THE 0 ACCIDENTS AND BEYOND PROGRAMME

Another of the initiatives promoted as part of the 0 accidents and beyond programme are awareness talks about health and safety in the workplace aimed at all employees.

#### SAFETY AND RISK INDICATORS



■ 2014 ■ 2013

6 CUSTOMERS



# SOLUTIONS AND ANSWERS TO THE HIGHEST DEMANDS

In all of our products, services and processes we guarantee the highest **quality** and the implementation of continuous improvement techniques.



## 6.1 CUSTOMER-FOCUSED INNOVATION

Over the years we at La Farga **have focused our efforts on acquiring a differentiating factor compared to the competition**, with the development of new products and solutions that respond to the exacting requirements and demands of the market.

The ability to adapt to change and innovation are two key aspects that allow our business model to be sustainable over time. Innovation thus becomes an aspect across the board in all corporate areas, allowing us to be constantly developing and evolving.

In 2014 six of our customers from different activity sectors participated in the development of our innovation activities. In 2014 six of our customers from different sectors of activity, have participated in the development of our innovation activities.

**We maintain a relationship of respect and honesty with all of our customers, and with a continuous, thorough and transparent communication at all times.** We are committed to constant innovation, something which satisfies the new requirements and allows us to develop products that are more sustainable and offer a higher added value for the customer.

## MAIN R&D&I PROJECTS AND RESULTS IN 2014

### LA FARGA LACAMBRA

- **Launch of the new CAC conductor and three installation projects.**
- **Copper for Energy (C4E) in Chile:** alliance for marketing the CAC.
- **Eurotapes project:** participation, together with other European companies, in research aimed at creating a superconductor.
- **Plusrod project:** consolidation in the market of this rod with high performance and higher conductivity.



## CONTINUED INVESTMENT IN INNOVATION AND RESEARCH

€ 10,234,998  
total investment

€ 1,984,062    € 284,540

€ 1,447,804

€ 198,407

Investment in R+D+I

Non-returnable subsidies received for the development of R+D+I programmes

■ 2014    ■ 2013

### LA FARGA TUB

- **Investment in a new product:** Evo-Tub.
- **Improved automation of the processes.**

### LA FARGA ROD

- **MONIPRO projects:** seeks to increase the energy efficiency of the La Farga Rod process and thereby reduce CO2 emissions.

## 6.2

## THE CUSTOMER AT THE CENTRE OF OUR ACTION

We are committed to providing a quality service that meets your current and potential requirements, in order to achieve the highest level of satisfaction, while offering safety and reliability.

## CONSOLIDATED AND BROAD-BASED QUALITY MANAGEMENT

### ISO 9001 CERTIFICATES



SINCE **1993**, LA FARGA LACAMBRA, SAU  
SINCE **1998**, LA FARGA TUB, SLU  
SINCE **2009**, LA FARGA ROD, SLU  
SINCE **2009**, LA FARGA INTEC, SLU  
(TECHNOLOGY TRANSFER ACTIVITY)

## EVO-TUB PROJECT

*Investment to improve the production of polished pipe without press, in order to provide our company La Farga Tub with raw material of the highest quality. Using an advanced control system that makes it possible to decrease the eccentricity, improve costs and improve the quality of our product, La Farga Tub can become more competitive, reducing losses, offering a greater range to the market and improving the life cycle of some consumables by means of structural changes and product design.*

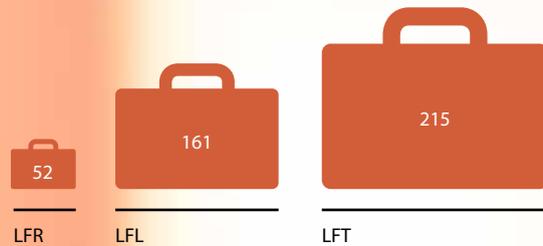


## A COMMERCIAL INITIATIVE AIMED AT THE CUSTOMER

We are restructuring the commercial areas in order to be closer to the customer. We want to learn more about our current customers and potential ones, and about their needs and expectations, so we can become more flexible and adjust our products to satisfy them. To achieve this we are drawing up commercial action plans for specific customers.

# 428

La Farga customers  
-5% compared to 2013



# 26

patents  
awarded

# 8

patents in the  
process of being  
granted

# A

is the level that  
two new customers  
(preferred suppliers)  
have bestowed on us

## VISITS WITH THE **LEAN INSTITUTE** TO LEARN ABOUT OTHER **PROCESS** **IMPROVEMENT SITUATIONS**

*The Lean Management programme helps us to achieve maximum efficiency in all business processes in order to be able to offer our customers higher performance. Throughout 2014 the Institute has scheduled a series of visits to other companies involved in the programme, with the aim of learning about other situations and achieving mutual enrichment.*

## **ADAPTING TO THE** **CUSTOMERS' REQUIREMENTS**

*In La Farga Tub we have worked to adapt the products to the market, looking for the real needs of copper tube installers. We are launching new formats on the market, with 2.5 metre bars and 5-10 metre rolls, which can be transported easily and handled safely and speedily.*

7 SUPPLIERS



**We establish trade agreements with mutual respect, applying win-win policies.** With them we develop joint innovations, maintaining long-term agreements that guarantee security and stability in their production and in our supply.

# WINNING SYNERGIES





# 7.1

## SUPPLIERS – A KEY COMPONENT IN OUR VALUE CHAIN

We are committed to providing and guaranteeing **high quality innovative products and an excellent service** to respond to the requirements of our customers. To do so, we are aware that it is necessary to have a qualified and efficient network of suppliers which allows us to stay competitive in the current context, and who we can consider as being strategic partners of our business.

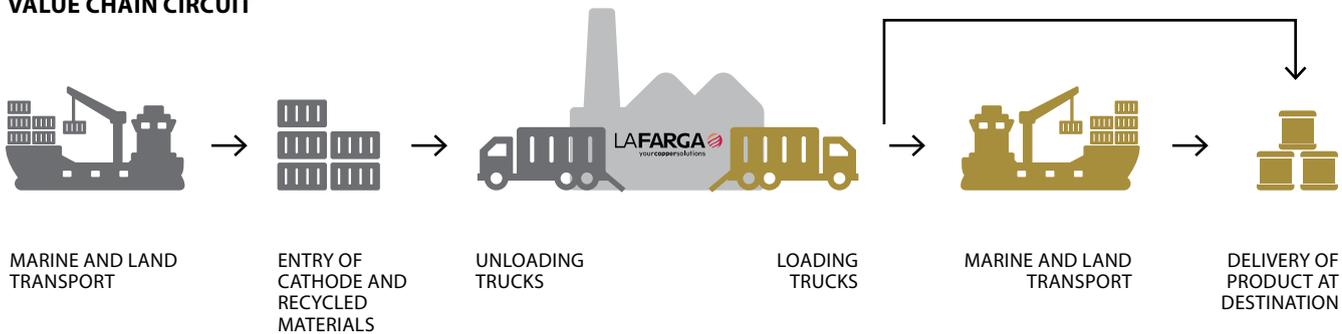
## TECHNICAL ASSESSMENT FOR PROVIDERS THAT OPERATE IN LA FARGA

Our system for technical assessment of suppliers includes the following criteria: adaptation of budgets in terms of response time and presentation, product quality and compliance with deadlines, service provided (flexibility, technical ability, availability, responsiveness and order-organisation cleanliness), and other aspects such as technical advice, provision and attention to safety, and involvement.

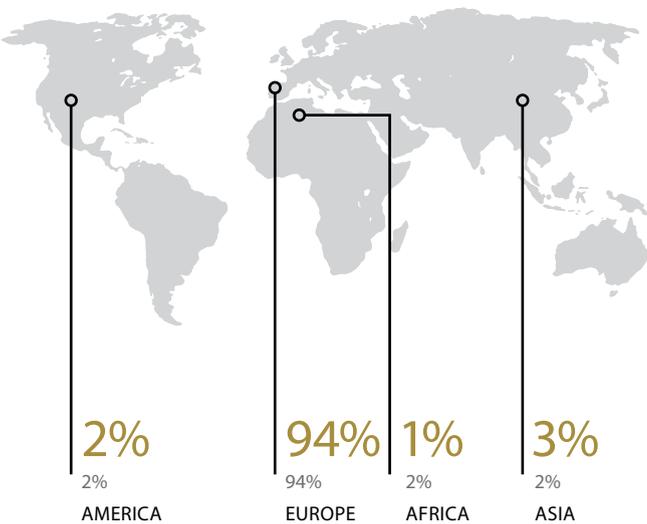
## RESULTS OF THE TECHNICAL ASSESSMENT (OUT OF 100)

**76** POINTS LFT  
**76.2** POINTS LFL AND LFR

### LA FARGA SUPPLIER VALUE CHAIN CIRCUIT



### SUPPLIERS ACCORDING TO REGION



■ 2014 ■ 2013

### EXTENSION OF THE COMMITMENT TO SUSTAINABILITY

We encourage the contracting of suppliers who promote the implementation of best practices related to ethical, environmental and social performance, whose role models are consistent with our business model.

We carry out a follow-up of the traceability of raw materials in issues such as origin or source. With reference to the cathode, we have quality and traceability reports for this raw material. Nor do we purchase conflict minerals, i.e. those from areas affected by conflict.

2014 was characterised by an increase in terms of volume in tonnes of copper and number of trucks handled, and a variation in the origins and destinations of both raw materials and the sale of semi-finished products.

## 7.2 COMMITTED TO LOCAL SUPPLIERS

La Farga's purchasing policy promotes and **prioritises purchases from local suppliers** (based in the province of Barcelona) whenever possible, with the aim of contributing to the revitalisation of the economy and to create value in our region.

53%

local  
suppliers  
(based in  
Catalonia)

931

suppliers in  
2014  
764 in 2013



8 NEIGHBOURS,  
PUBLIC BODIES,  
COMMUNITY AND THE MEDIA



# INVOLVEMENT WITH THE REGION

**We maintain a policy of good-neighbourliness,** collaborating and developing social, cultural and training initiatives in our environment. We seek the preservation of our environment and maintain a relationship of respect, dialogue and transparency of information with all the stakeholders around us.



MUSEU

museu del coure  
Fundació La Farga

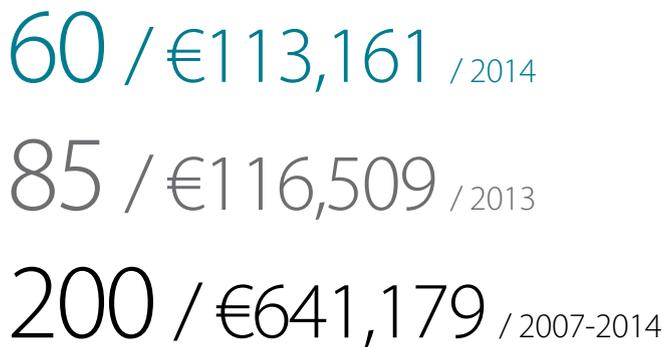
## EDUCATION AND TRAINING, AN INVESTMENT IN THE FUTURE FOR YOUNG PEOPLE

Our commitment to education and training is highlighted with the granting, in 2014, of 60 scholarship for higher studies, studies in languages abroad and summer and Christmas recreation centres, for a sum amounting to 113,161.43 euros.

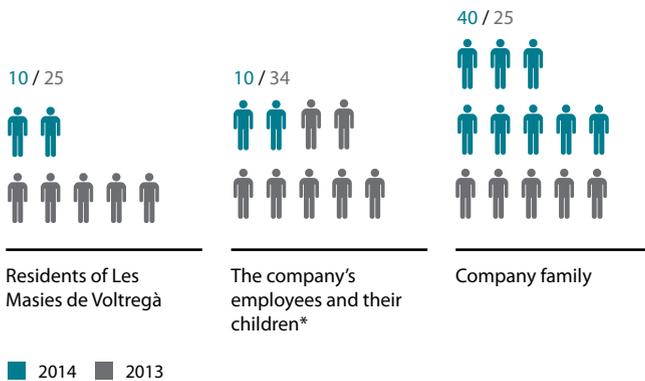
During 2014, 15 students carried out internships in La Farga as a result of partnerships with the UPC, UAB and UVic universities, as well as IES Vic, IES Mar and La Salle Manlleu secondary schools.

### EVOLUTION OF THE GRANTS

Number of grants / aid Amount / Period



### DISTRIBUTION OF THE GRANTS



NB: the data for 2014 include the October-March period.  
\*Includes grants for summer and Christmas schools and centres.

## COLLABORATIONS AND DONATIONS

Our social initiative also reveals itself in collaborations and donations, which reached the figure of 17,286.48 euros in 2014. The most outstanding initiatives include the Vicens Fisas i Comella Award, the La Forja de l'Aram Award, the Innovacat Awards and the collaborations of the Fundació La Farga with entities in the region for developing outstanding projects.

100%  
of the applications  
for grants have been  
awarded

## 8.2 COMMUNICATION AND TRANSPARENCY IN THE RELATIONSHIP WITH OUR ENVIRONMENT

Every year we draw up a communication plan with initiatives aimed at improving the relationship with our stakeholders.

31,944  
visits to the Copper  
Museum since its  
opening in 2008

SICTED 6  
tourism quality  
certification  
renewal  
papers in business  
schools, universities  
and other entities

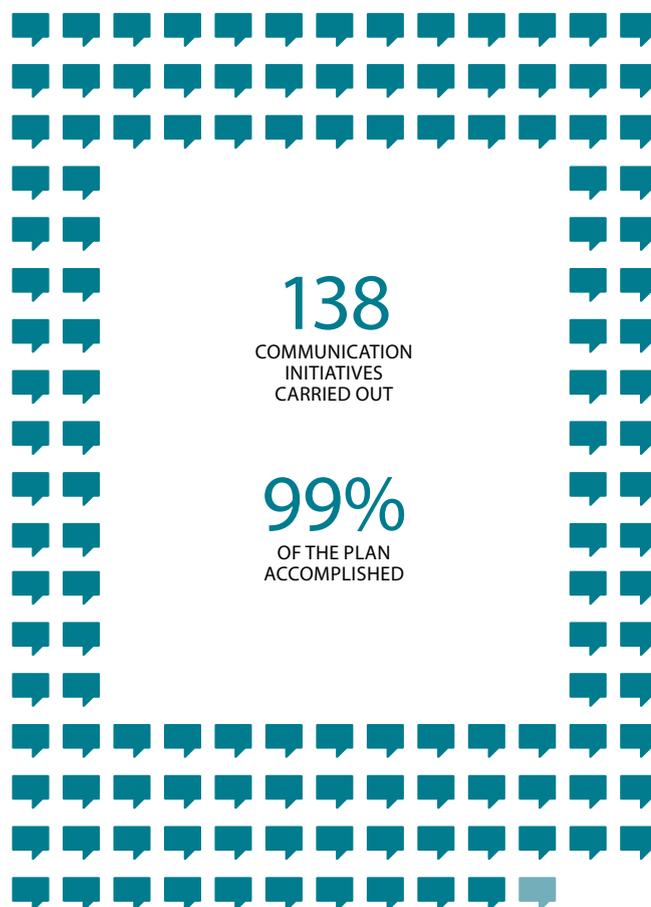
## THE COPPER MUSEUM – THE ONLY ONE OF ITS KIND IN EUROPE

In 2014, the Museum received a total of 2,947 visitors (2,951 in 2013), which is an average of 245 visitors per month. 68% of the visits were external, with school pupils (48%) and the elderly (31.5%) being the groups visiting most often. The visitors' level of satisfaction with the Museum is excellent, with an average rating of 9.75 out of 10 (17 surveys made of individuals and schools).

With regard to the management of the Museum, and to better meet the needs of visitors, in 2014 we reduced the price of admission by 15% and expanded the areas included in the low rate of 3 and 4 euros, in addition to changing the opening hours. We have also implemented a new protocol for booking guided tours.

## PROMOTING KNOWLEDGE

In addition to participating in conferences organised by third parties to share our experience and know-how in subjects such as business management, our business model, the new refining furnace or copper recycling, in 2014, and on our own initiative, we organised the conference entitled "The resistance of microbes to copper and to antibiotics".





# RESPECT FOR OUR ENVIRONMENT

We promote the **environmental** improvement of our processes and projects, while controlling our emissions in order to reduce them.





## 9.1 CONSOLIDATED ENVIRONMENTAL MANAGEMENT

Our goal is to achieve excellence in environmental performance, and to this end we have implemented an environmental management system (EMS) certificated according to the ISO 14001 standard, with which we carry out proactive management aimed at continuous improvement. The system is complemented by monitoring consumption and applying the best available technologies. La Farga's *Cosmelt Process* eco-efficient technology for recycling copper is one of the most efficient on the market: it does not generate any solid waste, removes all impurities and minimises the environmental impact by reducing the number of stages in the recycling process.



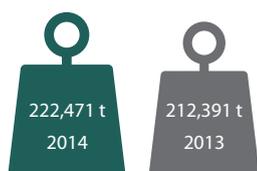
### ISO 14001 CERTIFICATES

SINCE **2001**, LA FARGA LACAMBRA, SAU  
 SINCE **2007** LA FARGA TUB, SLU  
 SINCE **2009**, LA FARGA ROD, SLU  
 SINCE **2011**, LA FARGA (GROUP)

### OUR ENVIRONMENTAL POLICY IN FIGURES

■ 2014 ■ 2013

EXPENSES			
	2014	2013	
	€106,498	€86,178	€11,292
	€67,275	€62,970	€4,305
			€9,028
			€0
TOTAL	LFL	LFT	LFR
€225,052	€159,149	€0	€65,903
€5,434,757	€4,635,169	€611,603	€187,985
INVESTMENT			



↑ 5%

tonnes of copper processed compared with 2013

### SMART MONITORING SYSTEM BUILT INTO THE COPPER TRANSFORMATION PROCESS (MONIPRO)

*The La Farga Rod process has a high rate of energy consumption (natural gas and electricity). In the manufacture of electrolytic copper rod, a small disparity in productive parameters reduces the quality of the final product. This reduction can be reprocessed; however, to do so consumes a large amount of additional energy. In this context, the main objective of this project is to reduce losses to 1%, which would mean a reduction of 80% of the energy consumption associated with reprocessing, and consequently minimise CO2 emissions.*

## 9.2

### CONTINUOUS IMPROVEMENT: EFFICIENT MANAGEMENT OF RESOURCES

#### ENERGY:

IMPROVEMENTS IN THE PROCESS FOR SAVINGS AND EFFICIENCY

In 2014 we inaugurated a new refining furnace (RF-150) which maximises the productive performance compared to the previous one and provides greater energy efficiency, with expected savings in consumption of 18%. In addition, the new multi-core machines are also more efficient in energy consumption, with energy cost being one of the aspects valued in the purchase of new machinery. In Plant 1 of the La Farga Lacambra the existing light bulbs have been replaced by low consumption ones, enabling a saving of 44.81% in energy consumption, equivalent to 15,875 €/year. All this, together with a strict control and monitoring of consumption, has allowed us to reduce our energy consumption for yet another year. 2% less energy consumption than 2013.

#### WATER:

IMPROVEMENTS FOR SAVING AND REUSING WATER

The main factor that has contributed to the saving in water consumption is the increase in measures for the continuous control of water consumption as a result of installing machinery that allows a greater efficiency of the cooling circuits. In the event of faults, the system detects them and warns those in charge so they can be corrected.

#### OTHER RESOURCES:

RECOVERY AND REUSE FOR LOWER CONSUMPTION

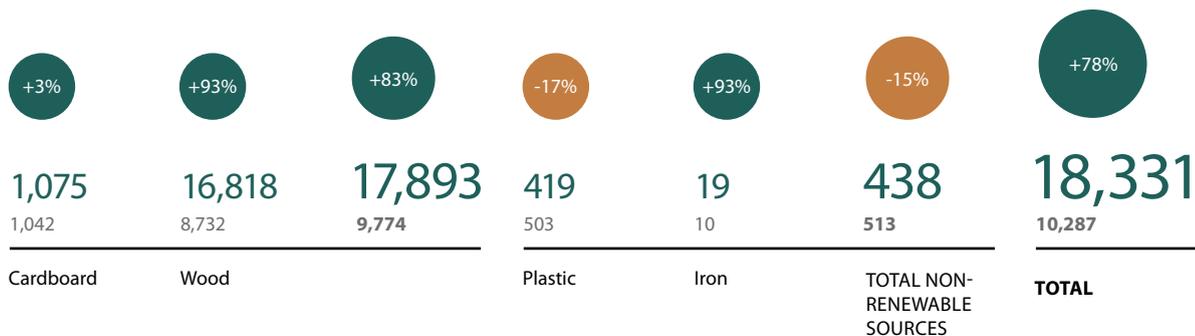
Wood is the material that has seen the greatest increase, due to a widespread of wooden packaging (reels) use by our customers. The increase in iron is also due to customers' requirements and for internal use. In the case of plastic, we have managed to reduce consumption by replacing the plastic accompanying reels with cardboard.

We have implemented a system for recovering packaging materials and other resources. In particular, we reuse the railway cable reels, recover the wooden reels sent to customers, and in 2013 we initiated a plan to increase the recovery of pallets for internal use.

↓2%  
less energy  
consumption than 2013

↓16%  
less water  
consumption than 2013

#### ANNUAL GLOBAL CONSUMPTION OF OTHER RESOURCES (PROCESSED G/T)



# 10 ECONOMIC INFORMATION

## BALANCE SHEET (LAFARGA CONSOLIDATED)

ASSETS	
<b>NON-CURRENT ASSETS</b>	<b>79,512,866</b>
Intangible fixed assets	10,502,344
Tangible fixed assets	63,099,883
Long-term investments in the Group's companies and associated companies	549,403
Long-term financial investments	2,947,672
Deferred tax assets	2,413,564
<b>CURRENT ASSETS</b>	<b>128,584,762</b>
Non-current assets maintained for sales	11,843,675
Stock	65,645,462
Trade receivables and other accounts to collect	45,207,263
Short-term financial investments	468,179
Short-term accruals and deferrals	987,479
Cash and other equivalent liquid assets	4,432,705
<b>TOTAL ASSETS</b>	<b>208,097,628</b>
EQUITY AND LIABILITIES	
<b>NET WORTH</b>	<b>75,620,796</b>
Equity	75,068,338
Capital	44,482,500
Reserves	28,865,594
Result for the financial year attributed to the parent company	2,091,745
Valuation adjustments	-371,500
Conversion difference	-371,500
Subsidies, donations and bequests received	552,453
<b>NON-CURRENT LIABILITIES</b>	<b>27,160,649</b>
Long-term provisions	58,420
Long-term debts	26,426,747
Deferred tax liabilities	675,482
<b>CURRENT LIABILITIES</b>	<b>105,316,182</b>
Short-term provisions	40,501
Short-term debts	69,654,073
Trade creditors and other accounts to be paid	35,609,073
Short-term accruals and deferrals	12,535
<b>TOTAL</b>	<b>208,097,628</b>

## CONSOLIDATED LA FARGA PROFIT AND LOSS ACCOUNT

A) ONGOING OPERATIONS	
1. Net turnover	905.406.737
2. Variation in stocks of finished goods and work in progress	-15.490
3. Work carried out by the group for its assets	2.370.339
4. Suppliers	-853.826.545
5. Other operating income	-5.392
6. Personnel expenses	-14.803.510
7. Other operating expenses	-24.840.154
8. Amortisation/depreciation of fixed assets	-9.337.452
9. Allocation of subsidies for non-trade and other fixed-asset investments	545.444
11. Loss and income from the sale of fixed assets	68.778
14. Other income (loss)	-342.428
<b>A.1) OPERATING INCOME (1+2+3+4+5+6+7+8+9+11+14)</b>	<b>5.220.327</b>
15. Financial revenues	3.364.073
16. Financial expenses	-7.726.058
17. Change in fair value	552.448
18. Exchange rate differences	-20.066
<b>A.2) FINANCIAL INCOME (15+16+17+18)</b>	<b>-3.829.603</b>
22. Impairment and profits/losses due to loss of significant influence in equity method holdings or joint control over a multigroup company	1.288.073
<b>A.3) PRE-TAX INCOME (A.1+A.2+22)</b>	<b>2.678.798</b>
24. Corporate income tax	-587.053
<b>A.4) INCOME FOR THE YEAR FROM ONGOING OPERATIONS (A.3+24)</b>	<b>2.091.745</b>
<b>A.5) CONSOLIDATED INCOME FOR THE YEAR</b>	<b>2.091.745</b>
<b>INCOME ATTRIBUTED TO THE CONTROLLING COMPANY</b>	<b>2.091.745</b>
<b>CASH FLOW</b>	<b>11.429.197</b>
<b>EBITDA</b>	<b>14.557.779</b>

This report is available in an online version (PDF, which includes the table of contents of the Global Reporting Initiative) on the La Farga website: [www.lafarga.es](http://www.lafarga.es)

For further information on its contents, please consult us at [yourcoppersolutions@lafarga.es](mailto:yourcoppersolutions@lafarga.es).

For further information on La Farga and copper, you can follow us on our blog: [www.yourcoppersolutions.info](http://www.yourcoppersolutions.info) and on Twitter: @FargaInfo.

The report has attained the most demanding option in the G4 'In Accordance - Exhaustive' Guide, and has been subjected to the GRI reviewing service, obtaining the "Materiality Matters Check" stamp. Of EQUITY AND LIABILITIES (C) 208.097.628



La Farga  
C-17z Road, km 73,5  
08508 Les Masies de Voltregà  
Barcelona (España)  
[www.lafarga.es](http://www.lafarga.es)

Design and realization: Lavola

Legal deposit: B-14220-2015



La Farga  
C-17z Road, km 73,5  
08508 Les Masies de Voltregà  
Barcelona (España)  
[www.lafarga.es](http://www.lafarga.es)

