



Corporate report
2014-15





**CORPORATE
REPORT
2014-15**

INDEX

THE PRESIDENT’S LETTER	4
WHO WE ARE	6
Our origins	8
Our brands	12
Our products	14
RESPONSIBLE MANAGEMENT	18
Environment	20
Human team	22
Consumers and clients	24
Supply Chain	26
Community and alliances	27
ORGANIZATION	28
Corporate governance	29
Business model	30
Borges Branded Foods	32
Borges Branded Foods	36
Borges Agricultural & Industrial Edible Oils	42
Borges Agricultural & Industrial nuts	46
RESULTS	50

THE PRESIDENT'S LETTER



RAMON PONT AMENOS
President of the
Borges International Group

In an environment complicated by price increases of the raw materials and large currency fluctuations in the emergent countries, Borges has been able to reach a record profit, that is 10 % more than the previous financial year, while our sales have increased 9 % up to 675 MM€. It reveals on the one hand the soundness and sustainability of our operative business and on the other hand, the good work of a human team united and aligned with the targets and values of the company.

Moreover, at balance level, the high prices of raw material and low availability on the olive oil market, due to a meagre harvest in Spain, have forced us to increase our stock of product which has resulted in high level of temporary positions of working capital until the closing date of the financial year.

The determined commercial bet in practically all the international markets, either B2C or B2B, is the strategic base that guarantees its growth to the Group. It is reinforced on the one hand by its implantation in agricultural subsidiaries and from supply in countries and regions of origin, which produce the raw material that we need for the wide range of our packaged products and others, as well as for the availability of our efficient industrial facilities dealing with processing and conditioning.

By means of this Annual Report we would like to inform not only of our economic performance but also of our performance on the subject of corporate social responsibility. At the closing date of the financial year, Borges' team has increased a 3 % with regard to the previous year, reaching the number of 1.058 employees.

This year the unexpected death of our Director of Human Resources, Dolors Salguero, was a painful event for the Group. She was a very dear and appreciated person by everyone in our organization and, moreover, an excellent professional. Once again, we have bet for an internal promotion to cover such a key position in the organization.

During the financial year 2014-15 we have undertaken an important internal reorganization that should improve our focus in every business area and allow us to successfully set about future processes of inorganic growth.

The challenges raised by the current context can only be overcome by innovative ideas from a responsible approach at all the levels of operation and a quality of service adapted to the new requirements and needs.

We are sure that integrity and values are key elements for the success of a company. The development of all our activities according to strict ethical standards is and will always be a priority in Borges International Group.

RAMON PONT AMENOS
President Borges International Group

WHO WE ARE



BORGES INTERNATIONAL GROUP

We are a food and agricultural family Group that, from its foundation in 1896, has remained faithful to its origins, to the land, to its family tradition and to some values in harmony with the Mediterranean Life Style. From the beginning we have chased the excellence and have been able to maintain both the family character and a high degree of professionalism that maintain a constant spirit of growth and excellence.

Our products are currently present in 111 countries on five continents by means of our branches, which consist of 14 commercial offices and 12 productive centers located in the origins and strategic markets for the Group, in addition to an extensive collaborator network in the rest of the world.

This international vision has been part of our DNA as well as part of our teams' since 1957 when we initiated the internationalization process of the company. Today we can rely on a network of more than 6.000 professionals, both internal and external, who attend our clients and consumers around the world every day, allowing the brand Borges to have the most important international presence in the sector.

69 % of the value of our sales comes from the international markets. We are Mediterranean because of our origin, our culture and our products. Our permanent target is the creation of sustainable values for our clients and shareholders, with a clear bet for quality and innovation. With it, we give our consumers the possibility to enjoy the standards and qualities of the Mediterranean Life Style as a global cultural concept that defines food as a source of health and pleasure, a unique cultural experience: the Mediterranean Life Style and Quality.

And all this by being always faithful to the values which have been preserved in the Group because of its family tradition since the very beginning:

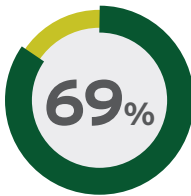
PROFESSIONAL ETHICS		RESPECT FOR MOTHER EARTH
QUALITY AS PRINCIPLE		THE VISION OF FUTURE
TRADITION		WORLD DIMENSION
TRUST		ORIENTATION TO THE CLIENT
PROFITABILITY		INNOVATION



PRESENT IN

111

COUNTRIES



OF THE SALES ON THE
INTERNATIONAL MARKET

OUR ORIGINS



1896

THE FOUNDATION

Antonio Pont Pont along with his wife, Dolores Creus, decide to dedicate themselves to the purchase and sale of olives and almonds from the regions of Lleida and Tarragona, being the beginning of what Borges International Group is today.

1914

THE FIRST STEPS

The way to the industrialization begins. In TÁRREGA an oil mill is installed with a wooden beam press. Soon, the oil mill is modernized with the installation of a hydraulic press.



1920

THE INDUSTRIALIZATION CONTINUES

Borges starts the operation of the first industrial shelling facility in Lerida.

1925

THE SECOND GENERATION

Josep and Ramón Pont Creus, , children of the founders, join the company, which is increasing its dimension with purchases and sales. The almond shelling facility and the olive oil factory are consolidated.

1939

THE OIL SPREADS

In Tárrega the first oil extraction facility of the Company is installed. In the same year a refinery is also built. The bulk sale of oil begins.

1957

THE THIRD GENERATION

Pont Family's third generation begins to take part in the activities of the Group. The olive oil, almonds and hazelnuts bulk export activity is moved to Reus.

1964

A BRAND IS BORN

For the first time the brand BORGES appears on the market. For it, a factory of bottled oil is built in Tárrega. It is the beginning of a long history.



1967

DEVELOPMENT AND EXPANSION OF NUTS

The sale of the complete range of nuts elaborated and packed under the brand BORGES begins. There also begins the direct import of those nuts whose local production does not exist.

1978

FRUSESA

With the creation of "FRUSESA - FRUTOS SECOS ESPAÑOLES, S.A", Borges starts the first national farms of pistachio and nuts.

1984

IN ANDALUSIA

"BORGES ANDALUSIA, S.A. "is constituted and dedicated to the purchase of almonds and olives straight from the farmers. The factory carries out the shelling process of almonds, as well as the olive pressing for the production of virgin olive oil.

1985

THE JUMP TO THE UNITED STATES

"BORGES OF CALIFORNIA, INC." is founded, which supposes the internationalization of the agricultural activity with the acquisition of 360 ha in the Sacramento valley, world reference area for nuts production.

1987

THE FOURTH GENERATION

Members of the fourth generation PONT join the activities of Borges International Group.

ACCESS TO THE CAPITAL MARKET.

The agricultural project is consolidated by the foundation of "AGROFRUSE - MEDITERRANEAN AGRICULTURAL GROUP, S.A.", company quoted on the 2nd market of the Stock Exchange in Madrid and dedicated to the development of agricultural farms.

1995

GROWTH IN THE UNITED STATES

"GIURLANI USA Inc. "is acquired. It is a company founded in 1898 that commercializes Mediterranean products - principally oil, olives and vinegars - on the American market under the brands STAR, CARA MÍA and PACIFIC CHOICE.



1996

BORGES TUNISIE

"SOCIÉTÉ DES HUILES BORGES TUNISIE, S.A." is founded in order to enter into the market of North Africa and supply our production plants. We are the first Spanish olive oil enterprise with implantation in Tunisia.

1997

COMUNIDAD VALENCIANA

The Group acquires the company "ALMENDRAS DE ALTURA, S.A." in CASTELLÓN, dedicated to almond purchase, straight from the farmers, and to the shelling process.

2000

THE EXPANSION CONTINUES

The second plant of nut processing is constructed in Reus. It specializes in products for the food industry and the production of its specialties.



2003

THE FRENCH MARKET IS EXTENDED

The Group extends its activities in France with the participation in the Society "CDS-CATERING DISTRIBUTION SERVICES, SAS" to promote the sales in the Food Service channel.

2004

MORE INTERNATIONAL PRESENCE

Acquisition in Russia of the Society "INDUSTRIAL TECNOLOGICA LAINTEX VETERINARI, S.A." with head offices in Moscow and Saint Petersburg. Dedicated to the commercialization of oils, olives and other products of the Mediterranean Life Style under the brand ITLV.

2006

THE AMERICAN MARKET IS EXTENDED

"BORGES NATIONAL USA CORP." is born with head office in New Jersey. It incorporates the business and the goodwill of more than 20 years of olive oil distribution in the most important companies of USA and Canada. This way the position of Borges International Group is consolidated on the North American and Canadian Market.

2007

BORGES - TRAMIER SASU

The Group acquires TRAMIER, French family enterprise founded in 1863 and table olive leader in France, with a market share of 30 %. With this acquisition, Borges International Group is consolidated as one of the largest companies of olives in the world.

2008

EGYPT

"BORGES FOR FOODS INDUSTRIES-EGYPT" is constituted. An oil mill is built for olive oil production from the olives that are purchased from the local farmers to supply our production plants.

2009

BORGES INDIA P LTD.

The company "BORGES INDIA P LTD." is constituted to develop our own commercial network which consolidates the growth reached on this market in order to achieve a better distribution in the whole country, allowing the Group to keep on being a reference in Mediterranean Products and Life style.



2011

BORGES DO BRAZIL ALIMENTOS

The subsidiary "BORGES BRAZIL" is constituted to reinforce the good results already obtained and to persist with the aim of both reaching the second position on the national olive oil market and developing other strategic categories such as vinegars and olives.

2012

BMG FOODS (SHANGHAI), CO. LTD

The subsidiary "BMG FOODS (SHANGHAI), CO. LTD" is constituted to keep on the footpath of the growth on the Asian market and to be consolidated as a reference in the internationalization of the Group.

CAPRICO ANDALUZ

60 % of the society CAPRICO ANDALUZ, S.L. is acquired. It is a leading corporation in the olive oil portion packs. With this acquisition we strengthen our presence in the Food Service channel. We also promote the oil mills network of the Group and extend our packaging capacity.

BORGES INTERNATIONAL GROUP AT PRESENT

Today Borges International Group is a leading corporation in its sector. It is present on five continents and keeps on day by day to maintain its tradition and its values in order to assure a sustainable project of future.



14

COMMERCIAL OFFICES



12

PRODUCTION CENTERS



34

MILLION EUROS EBITDA



675

MILLION EUROS TURNOVER



302

THOUSAND TONS SOLD



1.047

EMPLOYEES

OUR BRANDS

The prestige of our brands, the recognized quality of our products and processes, the diffusion of the Mediterranean values and our model of business management are the result of years of work and constant effort to exceed the expectations of ours clients and consumers.

The current architecture of our commercial brands displays a combination between the global Borges brand, the local brands and the specialized brands. As a global brand, Borges is present in most of the countries in which the Group operates and is identified as the leader in the sector for its quality and innovation. The

local brands bring proximity and knowledge to the local markets where they operate, adapting the value of the Mediterranean Life Style to the characteristics of each of them, in relation to consumption preferences as well as to aspects of cultural, economic and social character. The specialized brands are defined by the

characteristics of their product, by means of developing new categories with a view to their extension to different markets and the enlargement of our consumers’ base.



BORGES The Quality and the Mediterranean Life Style are the two most important assets on which this leading brand has built its renown on the global market. Present in most of the countries in which the Group operates, Borges is perceived nowadays as a “top of mind” brand in all its references.



STAR Since 1898 it has imported and commercialized Mediterranean products on high demanding markets such as the North American one. Its values of Mediterranean Life Style and Quality have consolidated it as the Nº 1 in sales of olive oil, vinegar and olives on its markets.



TRAMIER The brand leader in France on the olives market with a strong Mediterranean Personality. It enjoys an increasing market share for other Mediterranean products such as olive oil, composition oils and pickles.



ITLV It is mainly present in Russia and the eastern European countries and enjoys a large popularity. Its extensive range of references is adapted to the needs and tastes of the consumers, leading to their tables the Mediterranean Life Style by means of its products.



ALFERDOUS This is the brand of the Group specialized in the Arab countries, with a range of high quality products, packed in Tunisia in accordance with the tastes and specific requirements of these consumers.



POPITAS It is the leader on the Spanish market for microwave popcorn. In its range it incorporates the POPITAS ZERO, nonfat microwave popcorn, the only one on the market, as well as the new POPITAS EXPANSIONADAS, perfect to take away.



CAPRICO ANDALUZ It is the reference brand on the market for the oil and vinegar portion packs, principally in the Food Service channel . It is located in Córdoba under the Denomination of Origin BAENA, one of the main and most reputable productive areas of olive oil in Spain.



CARA MIA This brand that commercializes canned food and artichokes for the North American market, has reached the status of “premium” brand thanks to its quality and flavor, being leader in the United States in the segment of marinated artichokes with a unique recipe on the market.



PACIFIC CHOICE Since 1998 it has commercialized olives, maraschino cherries, peppers and other products on the Food Service channel . It is possible to find them in some hotels and casinos in Las Vegas and top food distributors from Texas up to Hawaii.

Borges international Group reinforces its brands by clearly investing on innovation and promotion and marketing campaigns around the world.

OUR PRODUCTS

In Borges we do not only sell oils, vinegars, olives, nuts, pasta and pickles but we also give the possibility to people around the world to enjoy quality as well as the Mediterranean Life Style with our products and services; we aim at being a reference of Mediterranean Life Style and Quality.

In Borges International Group we want to keep on obtaining leadership positions on the markets of the whole world. To achieve this goal we have a wide range of healthy and pleasant products. We also invest constantly in innovation and development in order to improve and extend our products. Our goal is that they bring sustained profitability and growth. Today we meet the requirements of the most demanding markets that, on one hand, ask for products adapted to a changeable life style and, on the other hand, are more and more concerned with health and well-being.

For all this, the Management of the Innovation is for us a key tool in the creation of value. In a clear bet on the future, we keep on making efforts for the development of products and processes that allow us to be pioneers in our sector.

Also our priority is always to reach the highest quality standards and supply to our clients and consumers



OILS

Our goal is to be the reference in Mediterranean Life Style & Quality around the world.



NUTS



MARINATED AND PASTA

products that cover their needs and fulfill their expectations on very different and complex markets.

Our clear bet for the innovation has led us to being pioneers in aspects such as the level reduction of sodium, sugar and fat in some of our products. This way we are being sensitive to the targets that NAOS Strategy aims at (Nutrition, physical Activity and prevention of the Obesity), impelled from the Ministry of Health and Consumption.

Our alliances are vital to reach our commitment to promote a healthy life style. We work with the research centers of major prestige in the country such as, for example, the Institute of Fat in Seville, the Spanish National Research Council (CSIC), the Technological Centre of Nutrition and Health (CTNS), the Center of Food and Agriculture Technology of Extremadura (CTAEX), the Institute of Food and Agriculture Research and Technology (IRTA), the Institute of Investigation and Agrarian and Fishing Formation (IFAPA), University ROVIRA I VIRGILI (URV), the University of Lleida (UDL), the National Center of Technology and Food Security (CNTA), the Centre of New Food Technology and Processes (CENTA) or the Technological Center (AINIA).



SAUCES



OUT OF HOME RANGE





BORGES INTERNATIONAL GROUP IS LEADER FOR:

- Olive oil with the brand Borges in 25 countries.
- Bottled olive oil export.
- Nuts in Spain with the brand Borges.
- Microwave popcorn in Spain with the brand POPITAS.
- Walnuts in Spain with the brands Borges and Pizarro.
- Modena vinegar and balsamic creams with the brand Borges in Spain.
- The portion packs on Spanish Food Service Sector with the brand CAPRICH0 ANDALUZ.
- Olives in France with the brand TRAMIER.
- The Food Service Sector in France with the brand Borges.
- The second position in vinegars in the United States with the brand STAR.
- Marinated artichokes in the United States with CARA MIA.
- Olive oil and vinegars on the west coast of the United States with the brand STAR.
- The second position in green olives on the west coast of the United States with the brand STAR.
- Olive oils in Russia with the brand Borges, and the second position with the brand ITLV.
- Being between the two first positions in Russia for table olives with the brand ITLV.
- Olive oils in India with the brand Borges.
- Exportation of olive oil from Tunisia.
- Grape seed oil in bulk in South Korea.
- Being among the five main almond operators in Europe.
- Nuts production in Spain.

AWARDS AND DISTINCTIONS

	AWARDS	CATEGORY	ORGANISMS
LAST YEAR	AWARD HEALTHY WORK ENVIRONMENT (2014)	Human resources	ORH-Observatorio de Recursos Humanos y Pysa
	AWARD ATLANTE (2014)	Integration of risk prevention	Foment del Treball Nacional
	AWARD FIDEM (2014)	Human resources	FIDEM
	AWARD FOOD SPAIN (2014)	Food Internationalization (Córdoba)	Ministerio de Agricultura, Alimentación y Medio Ambiente
	AWARD INTERNATIONALIZATION (2014)	Food Internationalization (Cámara Comercio Reus)	Ministerio de Agricultura, Alimentación y Medio Ambiente
OUTSTANDING	AWARD CCNIEC (2012)	Health, Nutrition and Healthy Life styles	Centre Català de la Nutrició
	DISTINCTIVE EQUALITY (2011)	Human resources	Ministerio de Sanidad, Política Social e Igualdad
	AWARD FOR FINANCIAL EXCELLENCE (2008)	International Excellency	ASSET
	PRÍNCIPE FELIPE AWARD TO BUSINESS EXCELLENCE EDITION X (2005)	Management of the Renamed brand - Internationalization	Ministerio Industria, Turismo y Comercio
	BEST SPANISH FOOD COMPANY (2001)	Export	Ministerio de Agricultura, Pesca y Alimentación

RESPONSIBLE MANAGEMENT



BORGES INTERNATIONAL GROUP COMMITMENT

Borges International Group works every day to generate confidence among its interest groups. With this end, we work to keep on being a reference in the Mediterranean Life Style, by innovating in the production and commercialization of products and value services. We also fulfill our commitments with the society and our clients by answering to their needs. We encourage the principles of sustainability in the supply chain and we also incorporate environmental and social variables in our products. For all this, we constantly update our management control instruments to favor the development of the people who are part of our organization.

The suitable relation with the environment is fundamental, it is also essential for the generation of value and for the sustainability of a long-term organization.

That's why we invest in skills, training, health, and in aspects of social and management development that give rise to economic and sustainable benefits for the environment in which we operate. The protection and the maintenance of natural environment is also our priority.

We work so that Borges International Group is profitable and viable, in order to attend our personnel, to satisfy the needs of our clients and of the society in general, to take care of the environment that surrounds us and to manage the company with criteria of ethics and commitment.

GENERAL GOALS OF SOCIAL RESPONSIBILITY IN BORGES INTERNATIONAL GROUP

- Maintain a leadership position in economic profitability.
- Obtain the recognition of the society in terms of transparency and social commitment.
- Manage appropriately the natural resources resulting from business development by fulfilling the legislation and the current regulation in environmental issues.
- Meet the expectations of our interest groups.



.....

ENVIRONMENT

The base of our environmental policy is to make the economic development compatible with the preservation.

We have developed the Environmental Sustainability Plan for the Group to reduce and minimize our environmental impact in which the following initiatives among others are included:

IRRIGATION AREA OF THE SEGARRA-GARRIGUES CANAL Borges promotes the conversion to irrigation of the area of the SEGARRA-GARRIGUES canal, investing in a development of 50 hectares of pistachio nuts in TÁRREGA. We want this orchards to be a reference in the area and to contribute to the technological transfer of this culture to those who are interested in planting it. This way we help to revitalize the area and improve agricultural incomes. We will share knowledge and experience with the producers of the area who are willing to start the culture of this fruit, and will commercialize their productions.

STRATEGIC PLAN FOR ROAD SAFETY 2014-2017
In order to improve the daily road safety of our collaborators and to promote a more sustainable mobility, the 2014-2017 Strategic Plan for Road Safety of the Group has been created.

CALCULATION OF THE CARBON FOOTPRINT
The carbon footprint of the production of Pizarro’s walnuts and pistachios in all the phases of our productive process has been calculated. We have identified the most influential phases in the emission of greenhouse gases, as well as the areas capable of progress by means of measurements and plans of reduction to contribute, in a significant way, to the improvement of the climate change prevention.

SAVING OF ENERGY, WATER AND PAPER
The traditional polluting light system has been replaced by LEDs and incorporates systems of presence detection in walking areas. Also, a “practical Guide for a green office” has been created with some advice for energy, water and paper saving, among other measures implemented in our offices.

Our main production centers have obtained the strictest certifications in environmental issues, like the ISO 14001.

.....

HUMAN TEAM

The people who are employed at Borges International Group are the main assets of the Company. This year we have maintained our commitment with the personnel by helping with their continuous development, their professionalization as well as their motivation. The main performance axes are:

- The creation of stable and quality employment.
- The protection of labor health and safety.
- The social dialogue.
- The formation and the professional development.
- The equality of opportunity.
- The conciliation between work and personal life.
- The promotion of Social Responsibility actions among the staff.



PROMOTION AND RECONCILIATION OF WORK, PERSONAL AND FAMILY LIFE

Borges International Group takes on a series of behaviors in order to promote measures that favor well-being at work and facilitate the conciliation of personal and family life with work beyond the current legislation, like the possibility of accumulating hours of leave for breast-feeding to be added to the period for maternity leave, the enlargement of maternity leave, the part-time maternity leave or shorter workday every Friday all year long.

PROMOTION OF ACTIONS AMONG THE STAFF

“Borges takes care of you” action for Nutrition and Health in Borges group.
This initiative is about moving values, encouraging healthy habits and generating commitment for the company so that it is sustainable, healthy and united.

EQUALITY OF OPPORTUNITY AND NO DISCRIMINATION

Our commitment with the effective equality between women and men is evident with the advance in our targets in this matter. The 2nd Plan of Equality for 2012-2015 has given continuity to the development of the Plan of Equal opportunity between women and men initiated in 2007. During this period, 41% of the staff were females. Borges International Group participates in the Distinctive Network of Equality from the Ministry of Health, Social Services and Equality, which promotes the exchange of good practices among the companies possessing the Distinctive of Equality by means of technical days and forums.

COMPETITIONS FOR BORGES KIDS:

Children’s literary and drawing contests and kitchen workshop for “Borges kids”. These competitions are realized annually for the festivity of Saint George’s day.

The Group defines its staff from a sustainable point of view: Once analyzed the needs for new staff, the incorporation of new workers is carried out with the vocation of permanence and with indefinite character.



41,7

AVERAGE AGE OF THE STAFF



88%

OF THE WORKERS HAVE INDEFINITE CONTRACTS



88.116

EUROS INVESTED IN TRAININGS



8.881

HOURS OF TRAININGS

CONSUMERS AND CLIENTS

QUALITY COMMITMENT

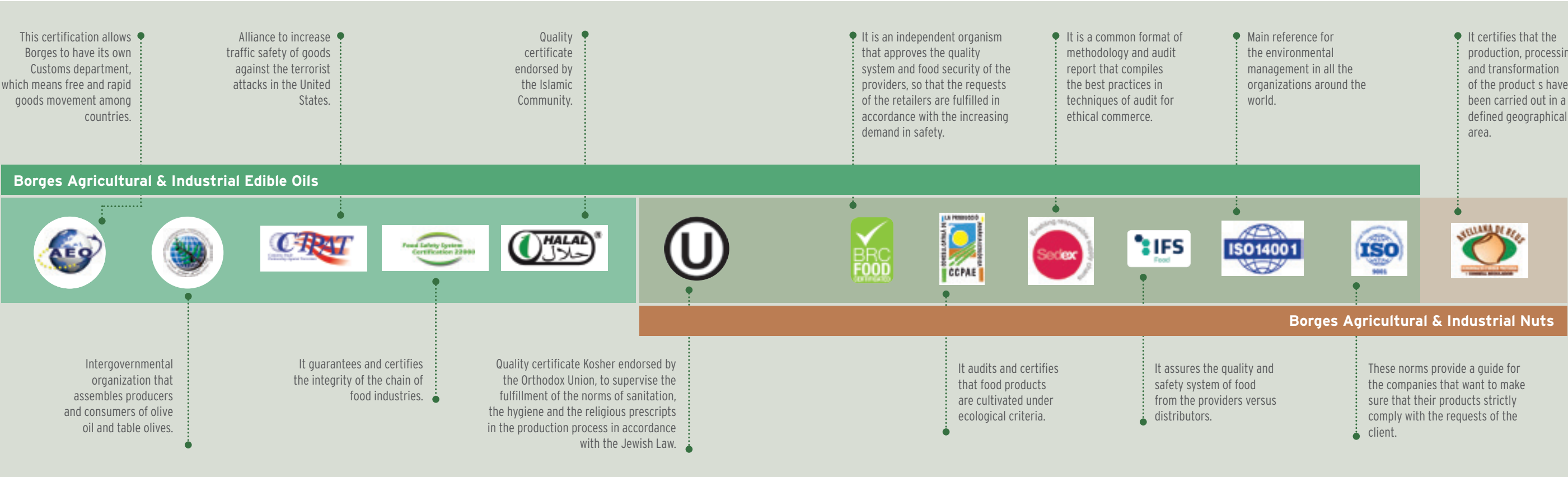
We consider quality as a commitment to our clients beyond the fulfillment of the legal regulation of the markets in which we operate. Our quality departments are formed by professionals specially prepared for the oil and nuts sector. We take care of the quality in its widest sense, from the selection of the best sources and available products at any time, up to its processing and packaging.

We comply with the strictest quality standards, so that it is possible to both preserve the intrinsic qualities of the product and guarantee its safety and traceability at all times. We have received the main certificates of quality in the sector. We are also subject to frequent internal audits, from clients and administrations.

QUALITY OF LIFE

We improve the consumers’ quality of life with healthy products that guarantee a balanced nutrition. We promote the Strategy NAOS (Nutrition, Physical activity and Prevention of obesity) by means of:

- > **Products that are part of a healthy and balanced diet.** The current products of our portfolio do not contain Trans or polyunsaturated fats and the proportion of fat acids predominates over the saturated ones.
- > **Promotion of the physical activity.** We promote sports initiatives in the areas where we operate and we believe that sport is an integration element. For this, we sponsor the Reus Football Club and collaborate in sports events of different kinds: school races, group walks, excursionists’ unions, diverse associations, etc.



SUPPLY CHAIN

We articulate a responsible supply chain by the establishment of sustainability criteria among our suppliers. We identify and locate the main ones, so we can determine those who are critical for the right development of the company, and by doing so improve its management and control.

MAIN INITIATIVES

-  Promotion of local suppliers contracting
-  Stimulation of relations for mutual communication and knowledge with our providers, by means of the progress of communication channels, continuous dealing and the diffusion of our ethical principles and formation.
-  Progress of our management systems and risks analysis to guarantee transparency in the contracting processes.
-  Behavior code for suppliers.
-  Approval of Ethical Principles for providers and collaborators.
-  Questionnaire of self-assessment about social responsibility and sustainability in the supply chain.

ETHICS AND INTEGRITY

Borges International Group has corporate regulations that gather applicable performance rules to the Company in an environment of ethics and integrity.

BEHAVIOR CODE

It has been applied since 2011 and updated regularly, it gathers values that must guide the behavior of all the people who are part of Borges International Group.

Borges International Group has formed a monitoring commission for Ethical Code. It is an organism that watches for its fulfillment and also disposes of an Ethical Channel that allows to report irregular conducts related with the Code. Also as a complement, a Mechanism of Complaints has been established. It gathers a series of steps for a process of identification, and whenever it is possible, it deals with workers' concerns in an anonymous way and without fear of countermeasures.

GLOBAL COMPACT

Since we joined Global Compact in 2010, every year we ratify our social commitment to the ten principles of the United Nations World Agreement.

FOOD DEFENSE

Annual formation in Food Defense in our main centers to raise the awareness of the staff for increasing company safety before possible threats or deliberate sabotages.



COMMUNITY AND ALLIANCES

Participation in initiatives with entities and causes related to supporting groups with scarce resources. Support to initiatives related to culture, health and sport



FOOD BANK



CÁRITAS



RED CROSS



INVEST FOR CHILDREN



TISSUE AND BLOOD BANK



SPANISH ASSOCIATION OF TRANSPLANT PATIENTS



TV3 MARATHON




DIABETICS ASSOCIATION OF CATALONIA



DIABETICS ASSOCIATION OF CATALONIA


We are part of international initiatives and main managerial and sectorial organizations in the countries in which we operate. Also, we are members of organizations committed to social and environmental progress.




UNITED NATIONS GLOBAL COMPACT



SUPPLIER ETHICAL DATA EXCHANGE



DIVERSITY CHARTER



GOLDEN MEDAL IN THE MAIN CENTERS FOR OUR SUSTAINABLE DEVELOPMENT



MEMBER OF AECOC AND ADHESION TO THE PROJECT "DON'T WASTE FOOD - MAKE GOOD USE OF IT"





ADHESION TO THE PROGRAM "COMPANIES FOR A SOCIETY FREE OF GENDER VIOLENCE" INITIATIVE OF THE MINISTRY OF HEALTH, SOCIAL SERVICES AND EQUALITY.



ORGANIZATION

CORPORATE GOVERNANCE

From its foundation, Borges International Group has belonged to the Pont family. We are a family company which, without losing its true identity marks, has been able to adapt to both changes and professionalization, by extending its managerial project to more than one hundred and ten countries on five continents.

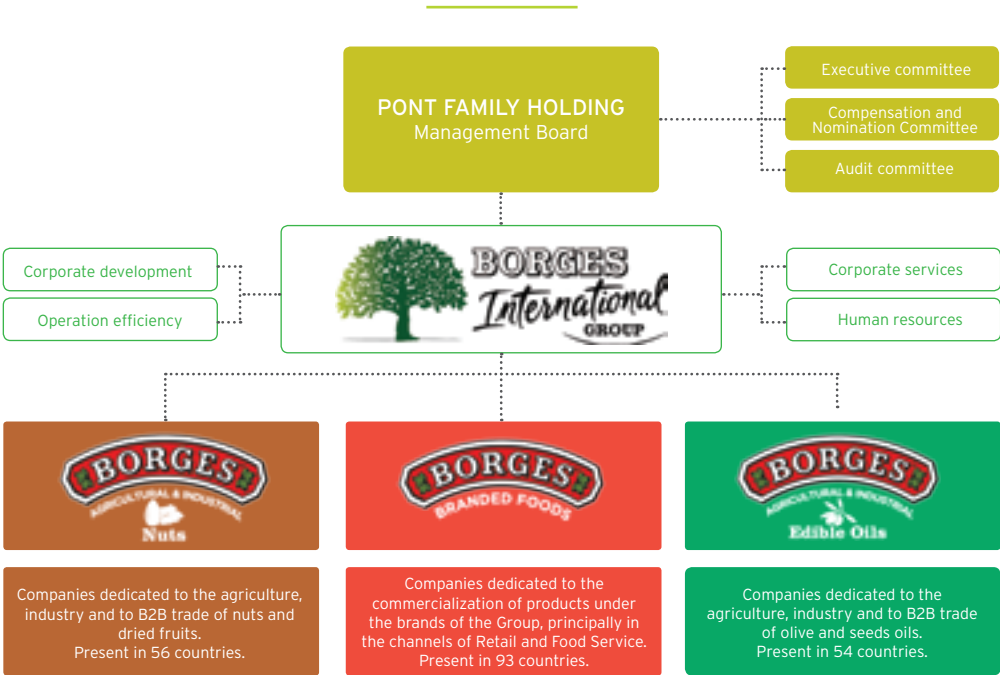
At present four families of the third family generation share the property of the Group in equal parts, making Borges International Group a company where tradition, innovation and quality come together to offer the best products of the Mediterranean Diet.

The Group has a solid and efficient structure in relation to decision making and daily management.

Pont Family Holding S.L. is the society in which the Pont family concentrate their participation in Borges International Group, SLU.

The Pont family exercise the control and direction by means of governmental bodies (Management Board and Representative Commissions), and the Managing Director , Josep Pont Amenós , establishes the guidelines stem for the Executive Team led by David Prats , CEO of the group headed by Borges International Group.

This year, a restructuring has been carried out. It separates the different business units of our activities, with the target of organizing business and teams as well as promoting the specialization and the approach of every unit.



BUSINESS MODEL



The business model of Borges International Group is highly integrated by all the phases of the value chain. The experience and professional capacity of our personnel allow us to offer the highest quality and traceability standards to our clients and consumers. We have our own teams in the main origins of our products, like Spain, the United States, Tunisia, as well as on our strategic markets, like the United States, France, Russia, Brazil, India and China.

In our farms we produce some of the products that we commercialize. It allows us to possess a large knowledge of the evolution of both harvests and markets. Our agricultural activity together with the relations of confidence with our providers, based on our long experience in the sector, allow us to be expert and capable of fulfilling any demand and request of our most demanding clients by being an active part of their value chain.

Our production processes are complex and they need our experience and continuous investment to incorporate

the last advances in food security. There is a high technological component, critical to obtain a high quality product and optimize processing capacity in terms of cost and time. Also, our strict range of controls assures quality and safety in all the phases of the production process by collecting samples in every phase so that both traceability and full food safety are guaranteed.

All our products are a fundamental part of the Mediterranean Diet, especially olive oil and nuts, which have been acknowledged by nutritionists around the world to have positive effects on the levels of cholesterol and to have a part in the prevention of certain illnesses. Our sales network has the support of close to 1.000 professionals in purchases, logistics, commercial administration, finance, computer science and benefits from a full technical and legal support so that any contact with Borges is always satisfactory.



AGRICULTURAL

- > WALNUTS
- > ALMONDS
- > PISTACHIOS



INDUSTRIAL

- > SELECTION
- > CRACKING
- > PRESSING
- > SEED OIL EXTRACTING
- > REFINING
- > PACKING



COMMERCIAL

- > FAST MOVING CONSUMER MARKETS
- > WHOLESALERS
- > FOOD SERVICE
- > BAKERY
- > FOOD INDUSTRY
- > COMMUNITIES AND MILITARY



BORGES INTERNATIONAL GROUP

It centralizes the corporate services of the whole Group: General Management, Finance, Accountancy, Controlling, Internal Audit, Administration, Human Resources, Tax System, Legal Matters, Corporate Development, Information Systems, Operative Efficiency and Relations with the Administration. It is the head of the three business units of the Group: Borges Branded Foods, Borges Agricultural and Industrial Edible Oils and Borges Agricultural and Industrial nuts.



PRESENT IN
111
COUNTRIES



12
FACTORIES
IN **5** COUNTRIES



14
COMMERCIAL OFFICES
IN **8** COUNTRIES



1,047
EMPLOYEES

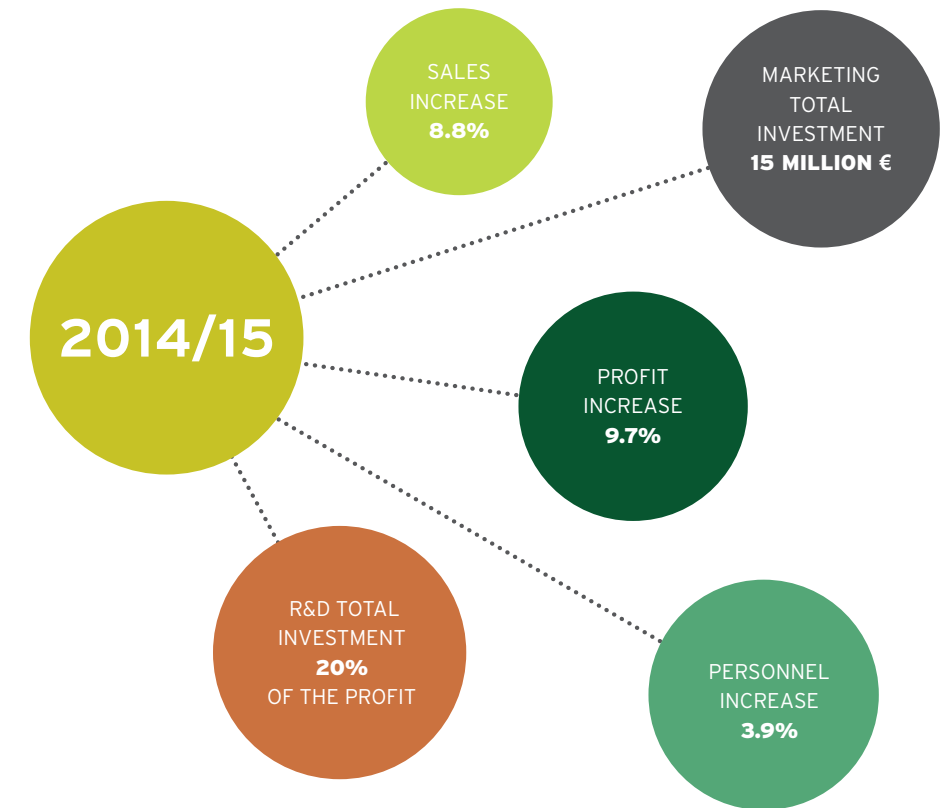


302
THOUSAND TONS
SOLD

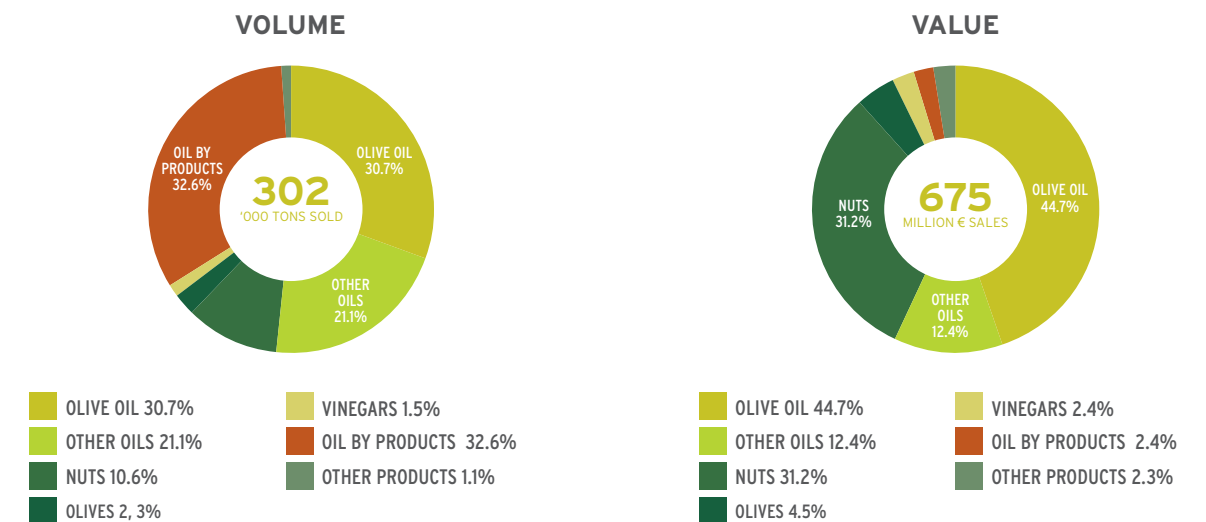


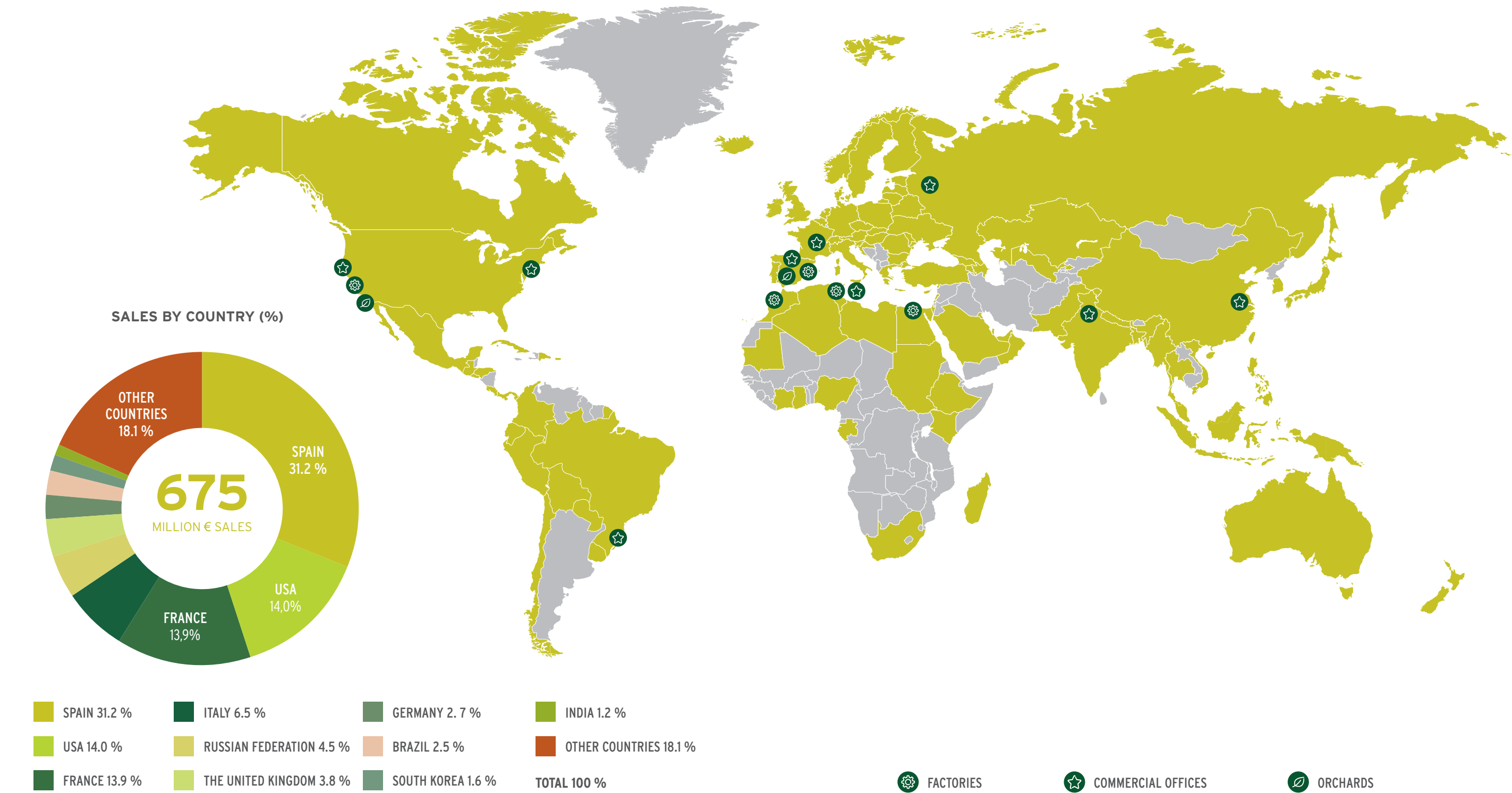
675
MILLION € SALES

MILESTONES OF THE YEAR



SALES BY PRODUCT





BORGES BRANDED FOODS

Business Unit for consumer markets. It integrates all the national and international subsidiaries which commercialize packed products under the brands of the Group, principally focused on the Retail and Food Service channels.



PRESENT IN

93

COUNTRIES



12

COMMERCIAL OFFICES IN
8 COUNTRIES



252

EMPLOYEES



69

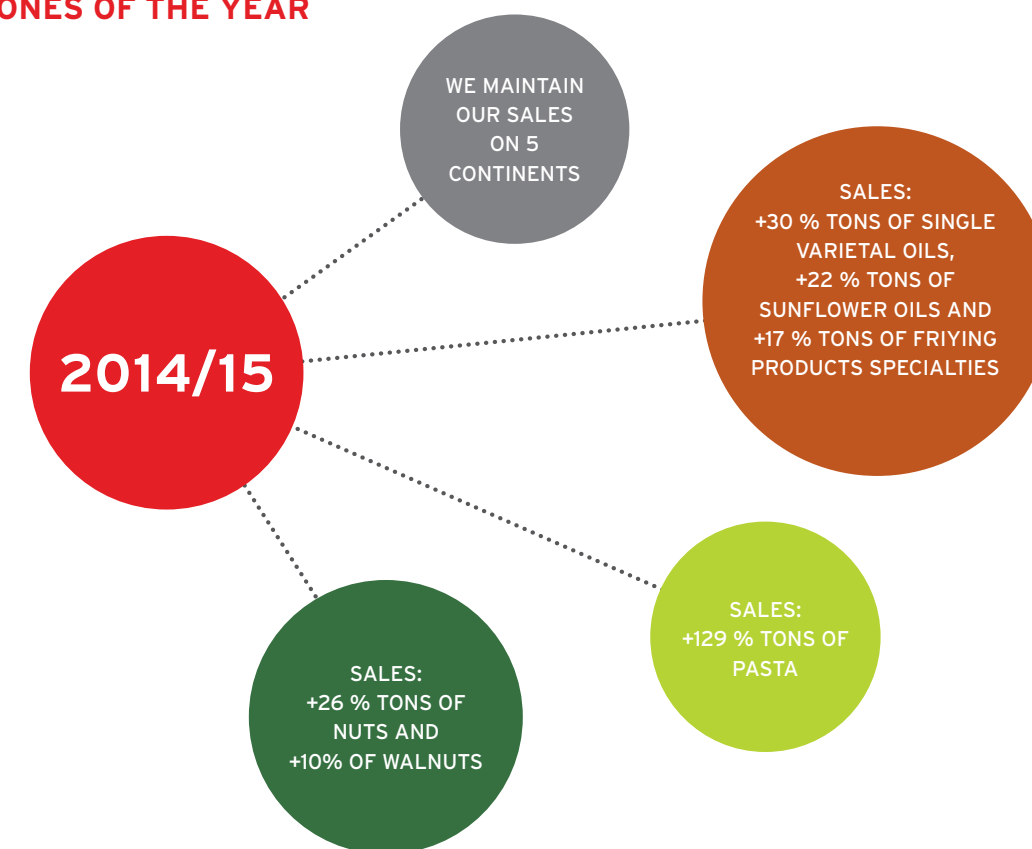
THOUSAND TONS SOLD



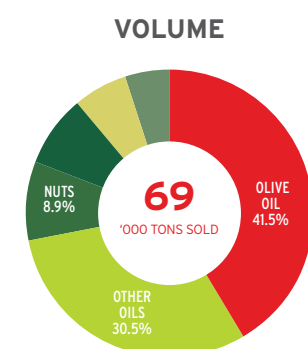
236

MILLION € SALES

MILESTONES OF THE YEAR

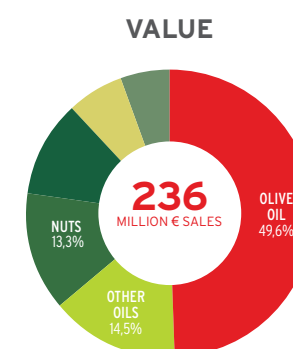


SALES BY PRODUCT



OLIVE OIL 41.5%
OTHER OILS 30.5%
NUTS 8.9%

OLIVES 8.0%
VINEGARS 6.2%
OTHER PRODUCTS 4.9%



OLIVE OIL 49.6%
OTHER OILS 14.5%
NUTS 13.3%

OLIVES 10.8%
VINEGARS 6.4%
OTHER PRODUCTS 5.4%

- A

★

BRAZIL (São Paulo)
BORGES DO BRASIL ALIMENTOS LTDA.
Commercialization in the Retail and Food Service channel. Participation: 100 %
- B

★

CHINA (Shangai)
BMG Foods Shangai, Co. Ltd.
Commercialization in the Retail and Food Service channel. Participation: 100 %
- C

★

FRANCE (Vitrolles)
Borges Tramier, S.A.S.U.
Commercialization in the Retail channel
Participation: 100%
- D

★

FRANCE (Nanterre)
Catering Distribution Services, S.A.S.
Commercialization in the Food Service channel
Participation: 10 %
- E

★

INDIA (Delhi)
Borges India Private Ltd.
Commercialization in the Retail and Food Service channel. Participation: 100 %
- F

★

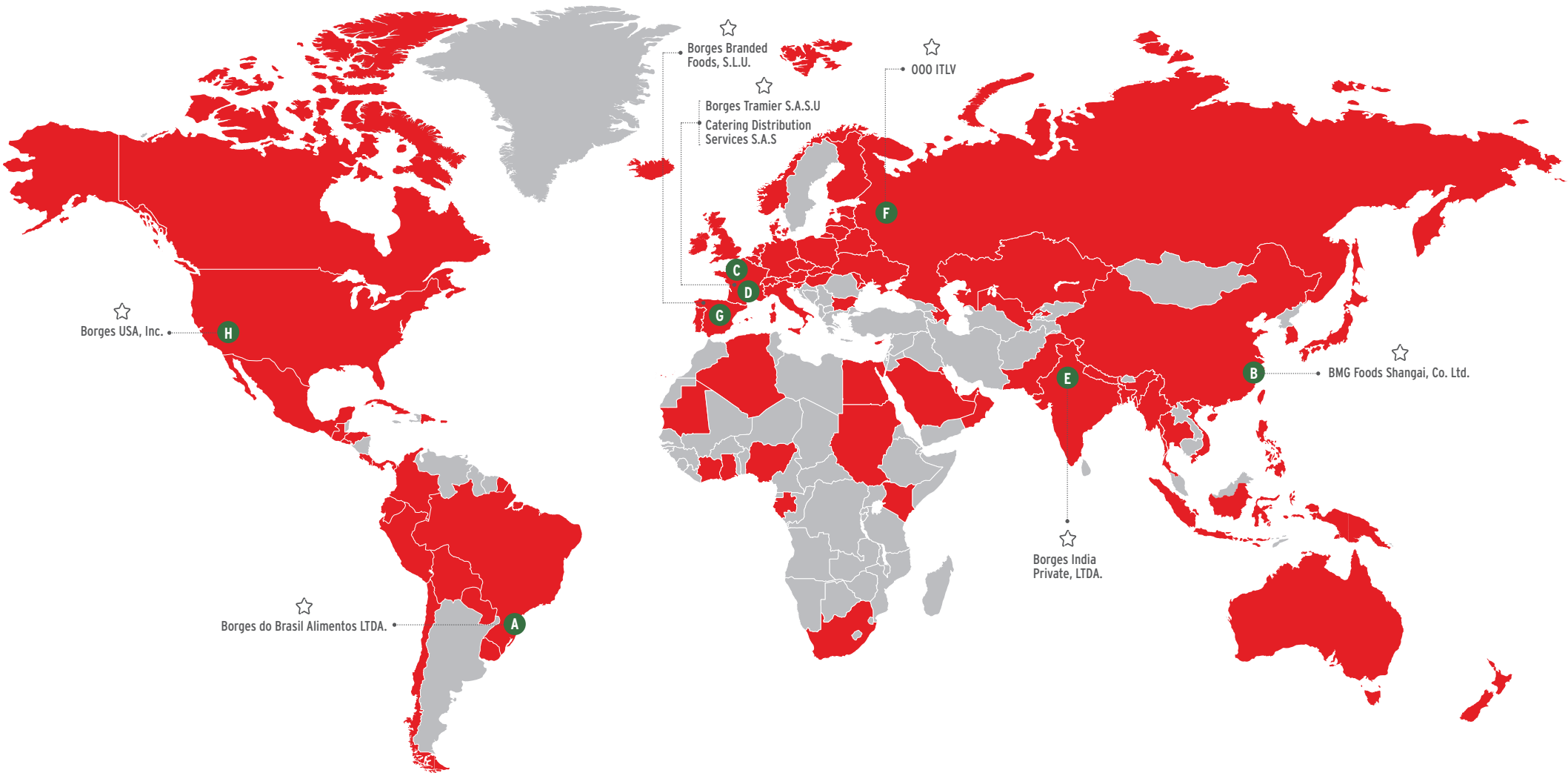
RUSSIA (San Petesburgo)
000 ITLV
Commercialization in the Retail and Food Service channel. Participation: 100 %
- G

★

SPAIN (Tárrega, Lleida)
Borges Branded Foods, S.L.U.
Commercialization in the Retail and Food Service channel. Participation: 100 %
- H

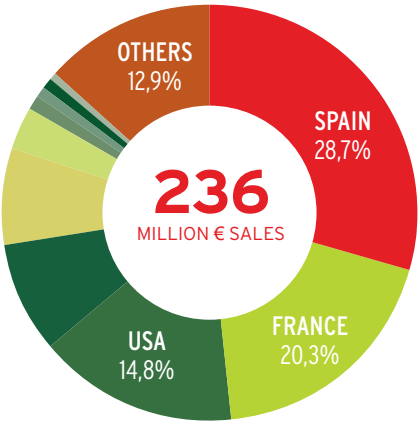
★

USA (Fresno, California)
Borges USA, Inc.
Commercialization in the Retail and Food Service channel. Participation: 100 %



SALES BY COUNTRY (%)

SPAIN 28,7%	CHINA 1,0%
FRANCE 20,3%	MEXICO 0,8%
USA 14,8%	SINGAPORE 0,8%
RUSSIAN FEDERATION 9,6%	POLAND 0,7%
BRAZIL 7,1%	OTHER COUNTRIES 12,9%
INDIA 3,3%	TOTAL 100%



MARKETING ACTIONS



NEW LAUNCHES

- > The Duo Cap has been introduced on all the markets. It is one of the last innovations of the Group. It allows the consumers to optimize the quantity of oil that they use according to their needs.
- > In the United States the Golden Edition Modena Vinegar has been released. It is a Premium version which should reinforce our leadership in vinegars.
- > In Spain the new range of dried fruits 'BORGES DE TEMPORADA' has been launched as well as new flavors of "POPITAS to take away".
- > The pasta is a business line in which we are also growing around the world by presenting the new range of pasta Borges in several countries.
- > We keep on releasing the Butter oil which is olive oil with extract of butter on new markets. It is a healthy alternative for the consumers who are less familiar with olive oil.
- > Balsamic creams have been also released in Russia.

COLLABORATIONS

- > Borges Branded Foods collaborates with well-known chefs and kitchen programs in some of its main markets, among which there are Spain, France, Russia and Mexico.
- > In USA we have collaborated in the struggle against breast cancer with the Susan G Komen foundation.
- > - The Pizarro nuts were the first content of the show "FABRICANDO MADE IN SPAIN" of the TV channel TVE.
- > In Indonesia our oils have been recognized as the Best Choice by the magazines Men's Health and Women's Health.
- > We have sponsored and carried out actions with sports teams like for example the All Blacks from New Zealand.

CAMPAIGNS

The presence of our Brands in the media is constant, combining the different mass media so that we can reach all our potential consumers and reinforce the image of our brands.

This year we have carried out on-line, television, radio and press as well as sponsorship and posters campaigns around the world. The Spanish campaign "The way of the good things" should especially be underlined. It is designed to reinforce the values on which Borges has grown along its history.

SALES OUTLETS ACTIONS

We have carried out actions in the point of sales to support our customers and increase the visibility of our brands among consumers. In many cases it has become a very special presence and a unique contribution to the positioning of our brands. Some of these actions include events such as olive oils, olives and pasta tasting, allowing consumers to discover the quality of our products.

Borges Branded Foods supports the positioning of its brands by investing over 15 million euros in promotion and marketing campaigns around the world.

BORGES AGRICULTURAL & INDUSTRIAL EDIBLE OILS

Business Unit for Edible Oils activities. It integrates national and international subsidiaries that perform industrial activities related to production of both olive and vegetable oils, refining, processing and packaging, as well as commercializing on the B2B channel.



PRESENT IN
54
COUNTRIES



06
FACTORIES IN **4**
COUNTRIES



330
EMPLOYEES

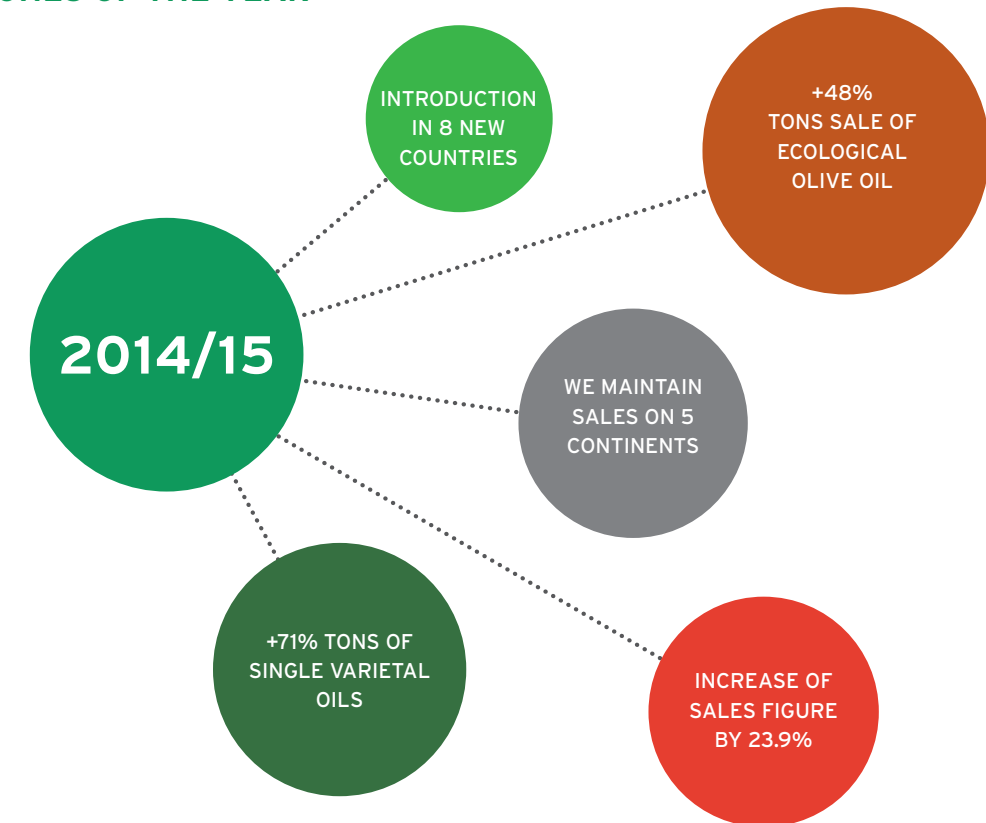


204
'000 TONS
COMMERCIALIZED TO
THIRD PARTIES

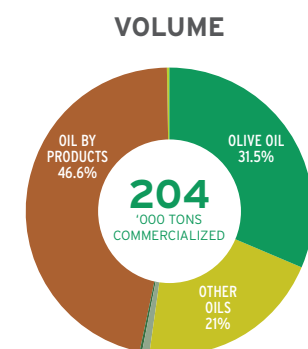


258
MILLION € SOLD TO
THIRD PARTIES

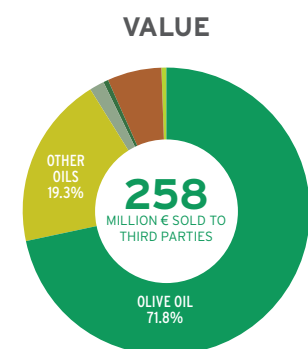
MILESTONES OF THE YEAR



SALES BY PRODUCT



OLIVE OIL 31.5%
OTHER OILS 21%
OLIVES 0.7%
VINEGARS 0.2%
OIL BY PRODUCTS 46.6%
OTHER PRODUCTS 0.1%



OLIVE OIL 71.8%
OTHER OILS 19.3%
OLIVES 1.8%
VINEGARS 0.4%
OIL BY PRODUCTS 6.1%
OTHER PRODUCTS 0.5%

- A

EGYPT (Cairo)

BORGES FOR FOOD INDUSTRIES EGYPT

Supplying and pressing activities

Participation: 99.18%
- B

MOROCCO (Marrakesh)

Framaco

Processing facilities and packaging of olives.

Participation: 10.00%
- C

SPAIN (Tárrega, Lleida)

Aceites Borges Pont S.A.U

Extraction, refining, bottling and commercialization of olive oil and seed oils.

Participation: 100.00%
- D

SPAIN (Tárrega, Lleida)

Urgell Energia S.A.U

Electricity cogeneration

Participation: 100.00%
- E

SPAIN (Cabra-Córdoba)

Capricho Andaluz, S.L.

Pressing, bottling and olive oil commercialization.

Participation: 60.00%
- F

TUNISIA (Sfax)

Société des Huiles Borges Tunisie

Olive oil bottling.

Participation: 51.00%
- G

TUNISIA (Sfax)

Société BorgesTunisie Export

Olive oil commercialization.

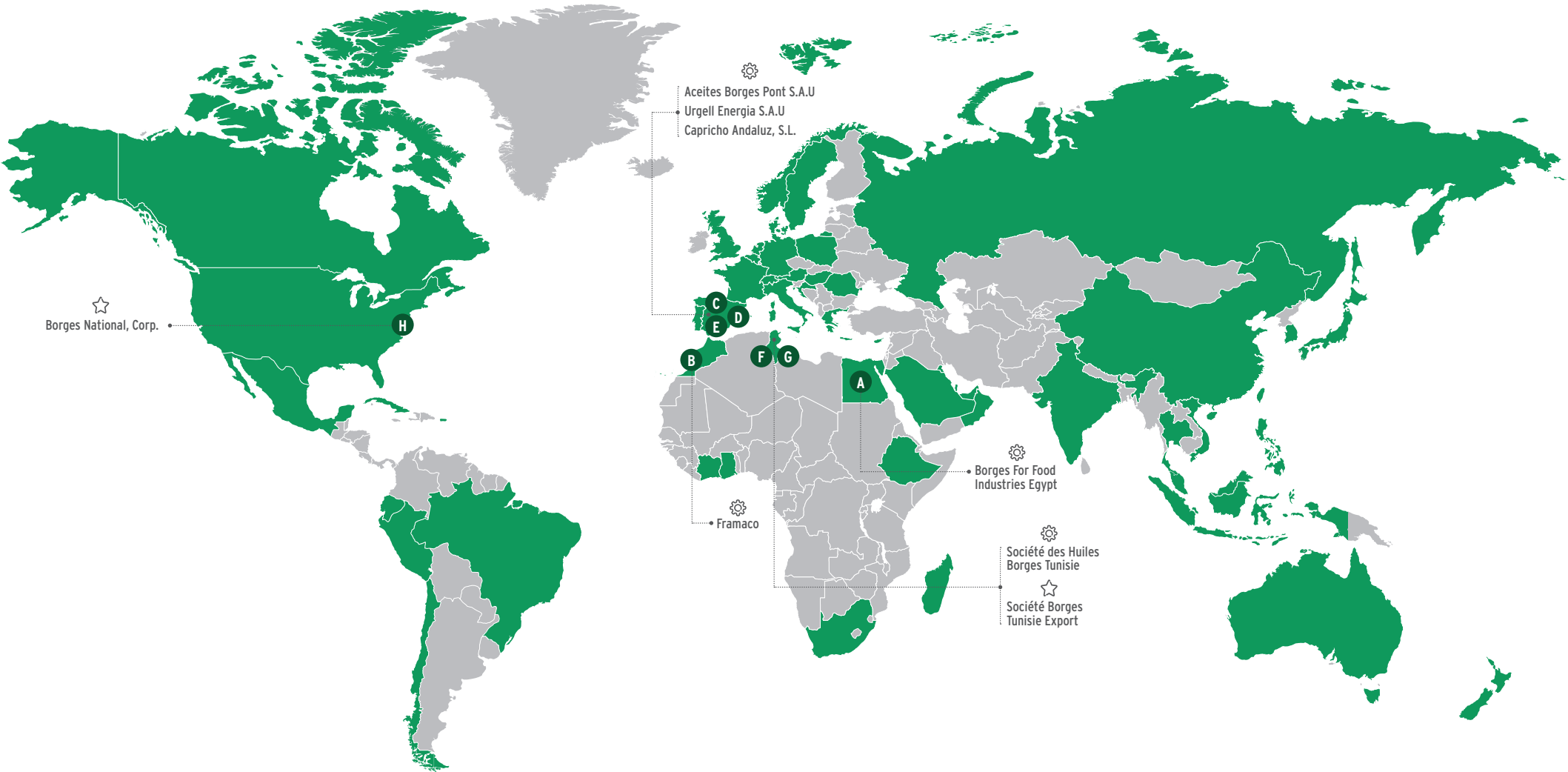
Participation: 99.97%
- H

USA (Lewes, New Jersey)

Borges National USA, Corp.

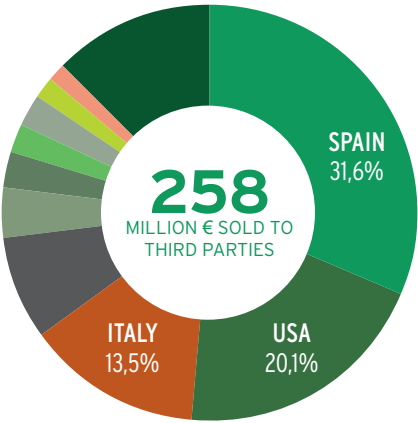
Olive oil commercialization.

Participation: 70.00%



SALES BY COUNTRY (%)

SPAIN 31,6%	RUSSIAN FEDERATION 2,3%
USA 20,1%	SEYCHELLES 2,3%
ITALY 13,5%	UK 1,6%
FRANCE 8%	CANADA 1,4%
SOUTH KOREA 4%	OTHER COUNTRIES 12,5%
MOROCCO 2,8%	TOTAL 100%



BORGES
AGRICULTURAL &
INDUSTRIAL NUTS

Business Unit for nuts, dried fruit and snacks. It integrates national and international subsidiaries that perform agricultural developments, industrial processing and packaging, and commercializing on the B2B channel.



PRESENT IN
56
COUNTRIES



1.281
HECTARES



07
FACTORIES
IN **2** COUNTRIES



377
EMPLOYEES

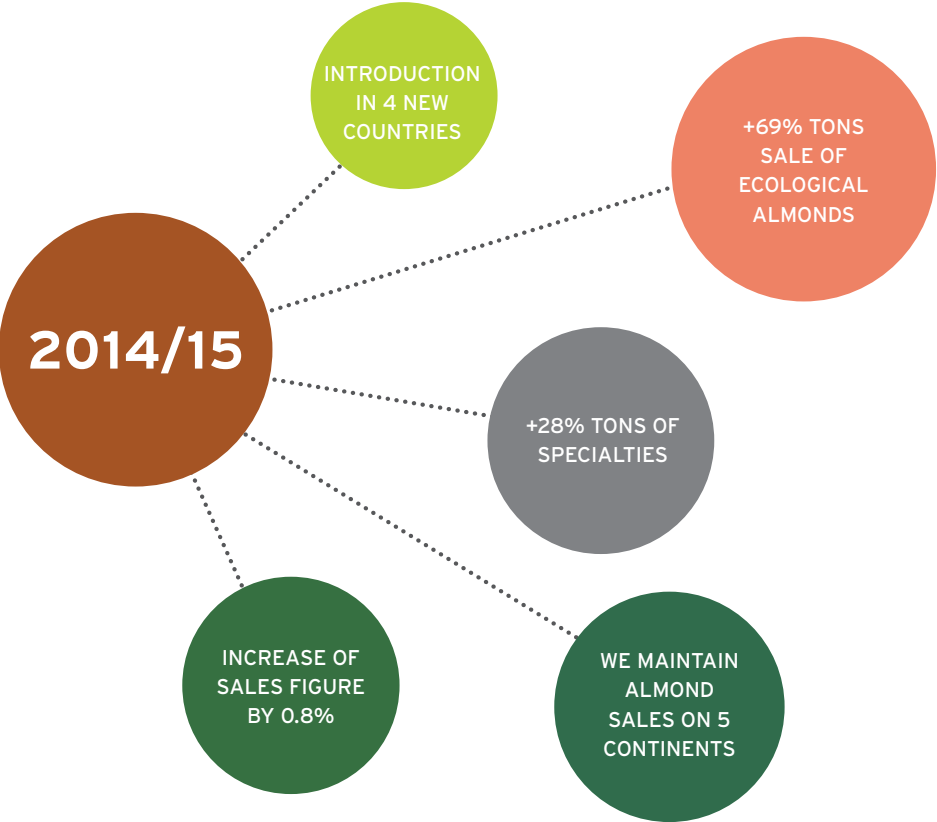


29
'000 TONS
COMMERCIALIZED
TO THIRD PARTIES

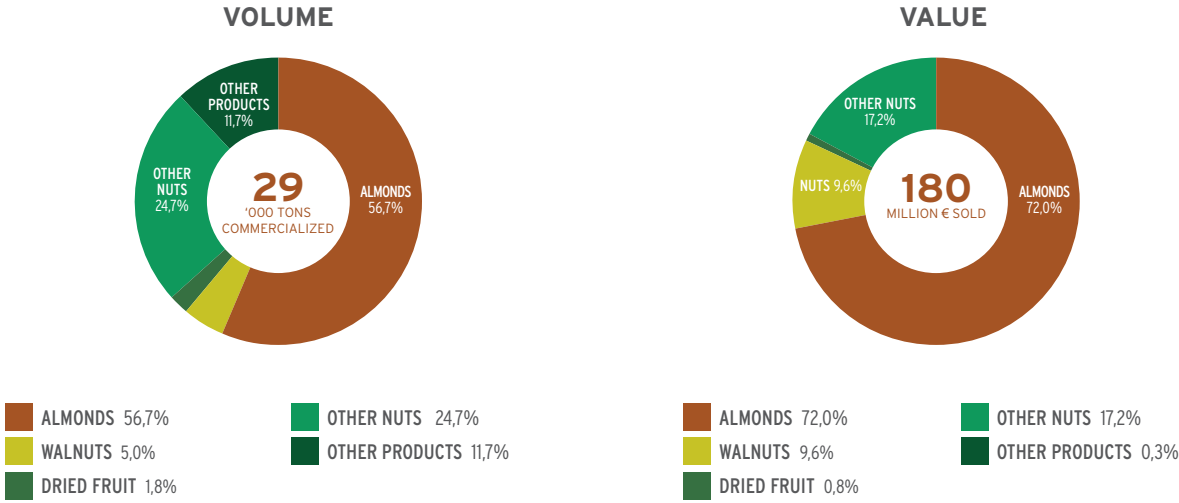


180
MILLION € SOLD TO
THIRD PARTIES

MILESTONES OF THE YEAR



SALES BY PRODUCT



- 

SPAIN (Reus, Tarragona)
Borges S.A.U.
Processing, packaging and commercialization of almonds and other nuts
Participation: 100%
- 

SPAIN (Altura, Castellón)
Almendras de Altura, S.A.
Almond shelling
Participation: 90.00%
- 

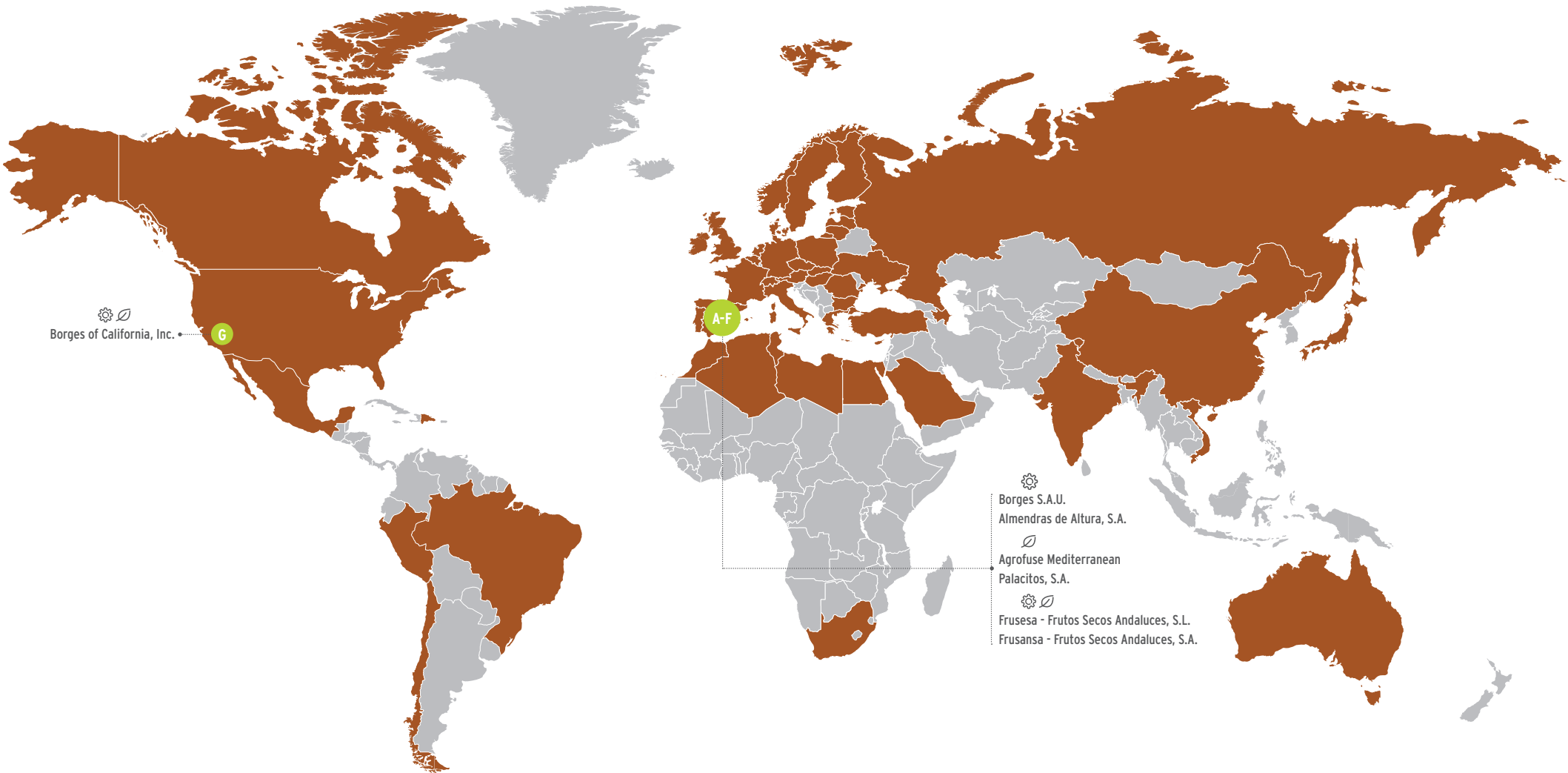
SPAIN (Reus, Tarragona)
Frusesa - Frutos Secos Andaluces, S.L.
Walnuts, almonds and pistachios orchards
Participation: 99.73%
- 

SPAIN (Tárrega, Lleida)
Agrofuse Mediterranean
Agricultural Group, S.A.
Walnuts, almonds and pistachios orchards
Participation: 77.64%
- 












SPAIN (Valle del Zalabí, Granada)
Frusansa - Frutos Secos Andaluces, S.A.
Walnuts, almonds and pistachios orchards
Participation: 64.18%
- 

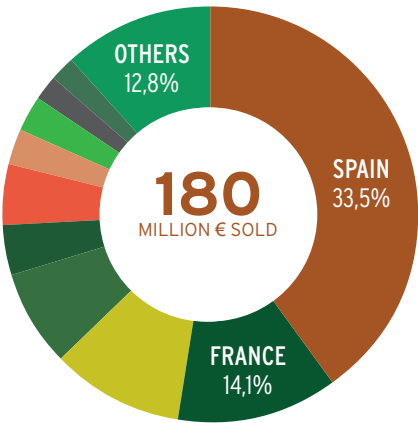
SPAIN (Tárrega, Lleida)
Palacitos, S.A.
Walnut orchards
Participation: 71.87%
- 

USA (Glenn, California)
Borges of California, Inc
Walnuts and almonds orchards
Participation: 82.00%



SALES BY COUNTRY (%)

 SPAIN 33,5%	 BELGIUM 3,0%
 FRANCE 14,1%	 POLAND 3,0%
 UK 11,2%	 NETHERLANDS 2,2%
 GERMANY 8,6%	 PORTUGAL 1,9%
 ITALIA 5,3%	 OTHER COUNTRIES 12,8%
 USA 4,3%	TOTAL 100%



RESULTS



CONSOLIDATED BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS FOR BORGES INTERNATIONAL

PROFIT AND LOSS	31.05.15	31.05.14
NET TURNOVER	675.281	620.856
Cost of goods sold	-525.169	-478.865
Labor costs	-37.010	-35.617
Other operating income	956	1.105
Other operating expenses	-80.015	-76.335
EBITDA	34.043	31.144
Depreciation and amortization	-5.687	-5.379
Excess of provisions	108	2
Change of value and Results of participations disposals	-59	-25
Other results	97	1.394
OPERATING PROFIT	28.502	27.136
Foreign exchange results	-651	-1.761
Financial expenses	-8.800	-8.291
Results of participations and disposals with equity	0	301
Results in companies with equity method	-3	1
RESULTS BEFORE TAXES	19.048	17.386
Income taxes	-4.849	-4.442
CONSOLIDATED NET PROFIT OF THE FISCAL	14.199	12.944

ASSETS

	31.05.15	31.05.14
NON-CURRENT ASSETS	140.256	137.979
Intangible Assets	15.137	14.676
Tangible Assets	106.574	106.181
Biological Assets	6.961	6.202
Real Estate	1.302	1.039
Long term investments in group companies and associates	0	3
Long term financial investments	3.466	4.073
Deferred tax	6.816	5.805
CURRENT ASSETS	364.354	233.241
Non-current assets held for sale	4.012	2.889
Inventories	259.529	148.323
Commercial debtors and other accounts to be received	77.666	62.626
Short term investments in group companies and associates	155	456
Short term financial investments	6.906	9.472
Short term accruals/deferrals	0	0
Cash and other equivalent assets	16.086	9.475
TOTAL ASSETS	504.610	371.220

EQUITY AND LIABILITIES

	31.05.15	31.05.14
NET EQUITY	121.117	106.226
Equity	98.387	91.468
- Registered capital and retained earnings	84.188	78.524
- Profits of the fiscal year	14.199	12.944
Adjustments for changes of value	22.730	14.758
NON CURRENT LIABILITIES	78.361	77.574
Long term provisions	733	704
Long term debts	63.462	60.612
Deferred taxliabilities	14.166	16.258
CURRENT LIABILITIES	305.132	187.420
Short term provisions	962	819
Short term debt	140.967	76.418
Trade creditors and other payables	163.203	110.183
TOTAL NET EQUITY AND LIABILITIES	504.610	371.220

	31.05.15	31.05.14
Net working capital (Current asset - Treasury - Trade creditors)	169.204	95.802
Net financial debt (Long term debts + Short term debt - Treasury)	188.343	127.555
OPERATIONAL NET WORKING CAPITAL	-19.139	-31.753

