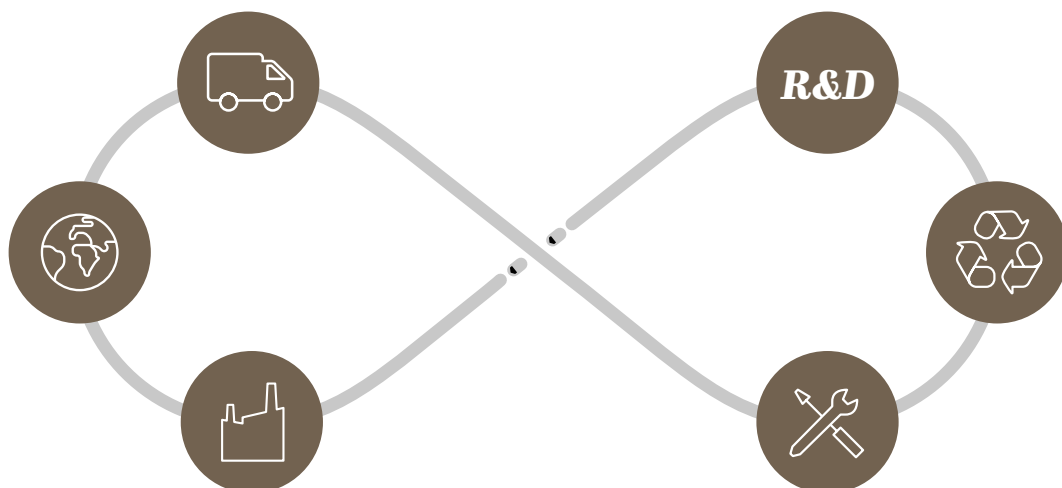


Commitment to the Environment

Environmental sustainability: Towards a true circular economy

For the Cosentino Group, sustainable development is an essential pillar of its strategy, and protecting the environment is one of its most important commitments. Through this commitment, we aim to minimise the impact of Cosentino's industrial and manufacturing activity on the natural environment in which it operates. Fundamentally, it addresses aspects related to efficiency in the use of resources, proper management of waste, emissions into the atmosphere, discharges and other potential negative impacts. In addition, the Cosentino Group's environmental management strategy promotes the sustainable use of natural resources and the protection of biodiversity and ecosystems in the environments where it operates.

With this objective in mind, we encourage innovation and continuous improvement to move towards a circular economy model that promotes a shift towards efficient economy in the use of resources, using the best available technologies, and the minimisation and recovery of waste. To this end, we reuse water in our processes, reduce the waste we generate and lengthen product life cycles by promoting repairs, reuse and recycling.



Commitment to the environment

25

We promote sustainability
Products with up to 25 years warranty.

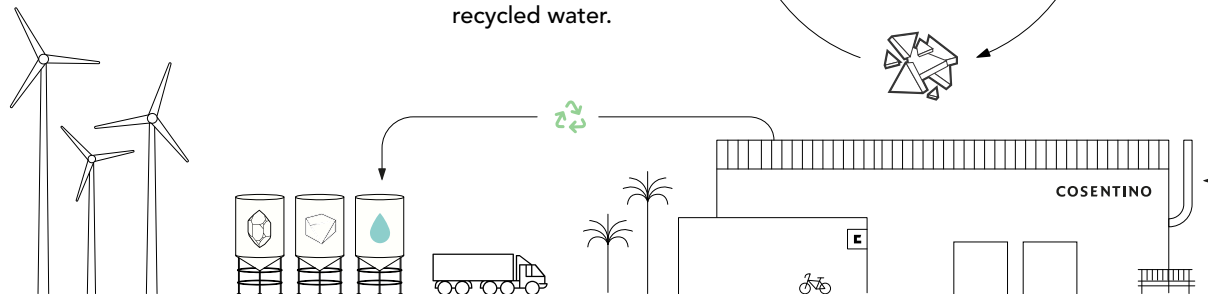
Investment of €5 million in environmental assets in Spain.



Use of 53% more recycled water.

We produce 1.5 million m² of products containing recovered or recycled materials.

Recovery of 30.53% of the waste generated.



100% of the electrical energy is certified with a renewable origin guarantee.

Data related to our Cantoria Industrial Park (Almería, Spain).



Our **sustainable mobility** strategy avoided the equivalent of 230 tons per year of CO₂ emissions in 2018.

Dekton® products represents the emission of **16.18 kg of CO₂ per m²**, **7% less** than in 2017.

The agreements signed **with the shipping companies** have avoided the emission of 625 tons of CO₂.



We renewed the **ISO 14001:2015**.

We have **Environmental Product Declaration (EPD) certification** for Silestone®.



Data related to our Cantoria Industrial Park (Almería, Spain).

Our commitment

The company seeks to progress along the road to excellence and assume the maximum standards of quality and respect for the environment. However, this commitment aims to go further towards identifying and correcting the main direct or indirect impacts that are generated by Cosentino's activity.

With this objective in mind, it makes significant investments in assets related to the environment and projects in order to implement the best available technology. A highlight of 2018 was the roll-out in Spain of investments in environmental assets worth €5 million, and expenditure on environmental control and improvement in the amount of €8.1 million. In addition, in the United States, an investment in the environmental assets of \$2.8 million was made in 2018, along with environmental spending on waste management of \$788.8 thousand.

Evolution of investment and environmental spending in the Cantoria Industrial Estate (Spain)

	2016	2017	2018
Investment in environmental assets (€)	113,000	13,200,000	5,049,000
Spending on environmental control and improvement (€)	6,328,303	7,364,559	8,127,819

In addition, as a symbol of this real and voluntary commitment, the Cosentino Group is firmly aligned with the 2030 Agenda promoted by the United Nations and the Local Action Plan promoted by the Government of Spain. The company, aware of its leadership, assumes its particular role of signposting the path towards sustainability. And it does so, adding strategic objectives to its performance goals such as innovation (Sustainable Development Goal 9) or sustainable production (Sustainable Development Goal 12).

The Environmental Management System

The Cosentino Group's environmental management model is our framework for action in this area and the maximum guarantee of our commitment to the environment. We work every day to adapt it to the needs of a demanding environment in a spirit of continuous improvement, promoting excellence in environmental management and going beyond the requirements established in environmental legislation.

This system allows us to act in accordance with the requirements set forth in the different regulations applicable to the industrial activity carried out by Cosentino. To this end, a series of internal audits was carried out in 2018 to verify compliance with the ISO 14001:2015 standard. In addition, an external audit was carried out of this Environmental Management System to check performance against the ISO standard, resulting in some actions that have made it possible to continue making progress in terms of respect for the environment and improvement.

Likewise, these actions have allowed several areas of the company to be unified and integrated with the common objective of evaluating and rating suppliers and actions that may cause environmental damage in the Cosentino industrial park. Within the framework of the environmental management system, a series of improvements to the environmental compliance of contractors was introduced in 2018. In this sense, the digital management system has been developed to require contractors to provide environmental documentation, through the Sercae application, in order to carry out their activity within the Cosentino facilities, therefore ensuring their correct performance and, specifically, the controlled management of the waste they produce in the course of their activities. This is accompanied by environmental inspections that check any incident that may occur within the environment through audits with Gensuite®. All this is orientated towards obtaining environmental indicators to allow contractors to be evaluated and improvement actions to be proposed.

Environmental risk management

At the Cosentino Group, we identify any environmental risks that may result from our activity, both from an internal and external perspective. The analysis allows the System's weaknesses, threats, strengths and opportunities for improvement to be established and developed to guarantee an early response to any possible risks.

In 2018, an improved environmental incident management system (Gensuite®) was implemented worldwide with the aim of achieving our commitment to excellence in safety, health and the environment. This new tool has made it possible to keep track of all environmental aspects and incidents that affect the company's daily life, as well as creating a collaborative environment that involves both production and maintenance staff, and the occupational risk prevention team. 10 Gensuite® environmental incidents were registered in Spain in 2018 and none in the United States.

Application of the Precautionary Principle

To protect the environment, we apply the precautionary principle, as we are aware of the importance of preventing negative environmental situations in our productive environments.

Therefore, during 2018, an audit was conducted by the insurance company FM GLOBAL. This audit made it possible to identify measures to apply the precautionary principle, including some of an environmental nature. As a result, internal work groups have been created to implement the measures which have the greatest impact for the company.

In addition, it is worth highlighting the actions carried out in the high volume chemical loading/unloading systems (resins), where the automation and adaptation of the systems has been prioritised for better control over operation.

Another of the measures implemented during 2018 is the sectorisation of the industrial units. Access to the different productive environments is generated according to previously defined privileges. This minimises the risk of sabotage or environmental incidents due to irregular activity.

Environmental R&D

Sustainable innovation towards a circular economy

Cosentino continues to promote innovation (SDG 9) as an essential lever for sustainable development. Much of this work on innovation focuses on promoting sustainable production and the circular economy, faithful to its strategic commitment to Sustainable Development Goal 12 "Sustainable Consumption and Production". Environmentally sustainable products, which use waste from the productive process or recycled materials in their composition, are a good example of this. In 2018, Cosentino produced 1.5 million square metres of surfaces with recovered materials, representing 19.72% of the total production.

1.5 million
m² of recovered material,
representing 19.72%
of total production

In this sense, one of Cosentino's major milestones in 2018 was the start-up of its own Waste Management Plant (WMP), which involved an initial investment of more than €2 million. The purpose of this facility is to treat, dispose of and recover the waste generated by the company in its production processes.

Creation of innovative and sustainable products

The Cosentino Group maintains a firm commitment to sustainable innovation, and aspires to all its products offering the best environmental protection qualities. Therefore, it continues to invest time and resources to ensure that increasing numbers of colours within its product range contain recycled and/or recovered materials. In addition, in recent years, various innovation projects have been undertaken, which have allowed it to launch materials that are increasingly sustainable.

Likewise, we are developing projects to reduce the possible negative impact that the consumption of our raw and/or auxiliary materials may have on health and the environment, taking into account the entire value chain.

Production of "ecological" materials as a percentage of total production

Product lines	Eco Produced 2018 (m ²)	Total produced 2018 (m ²)	M ² Eco Vs Total (%)
Dekton®	1,145,241	1,861,313	61.53
Silestone®	319,195	5,564,614	5.74
TOTAL	1,464,436	7,425,927	19.72

**Use of recovered or recycled raw materials
by product line in 2018**

Product lines	Total Recycled/Recovered Raw Materials (Tons)	Total Raw Materials (Tons) Consumed 2018	% Recovered/ Recycled Vs Total
Dekton®	21,365.37	112,209.17	19.04 %
Silestone®	15,281.85	440,604.14	3.47 %
TOTAL	36,647.24	552,813.31	6.63 %

Change in recovered/recycled raw materials (tons)

Dekton®



Silestone®



6.63% of the raw materials used in our Cantoria Industrial Park (Almería, Spain) are reused or recycled. During 2018, the total quantity of recycled and/or recovered raw material with respect to 2017 increased by 64%, as a result of the increase in formulations placed on the market with this composition. By product, Dekton® represented a 95% increase and Silestone® 34%.

In addition, the percentage of recycled materials in the total raw materials used to manufacture the products was 3.46% in 2018.

Our Eco products

Silestone®

The Silestone® Eco Line® Series, made up of at least 50% recycled material, was the first step along our path to increasing the proportion of ecological materials.

Colours Silestone® that use recycled or recovered material

2017



2018

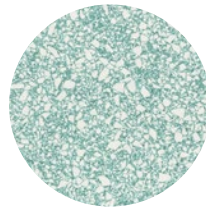


Silestone®, Serie Etching

Cooked tiles Dekton® - Vitrified
Recycled material 50-75%



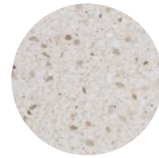
Ink



Aquatint

Silestone®, Eco Line

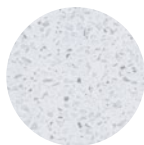
Cooked tiles Dekton® - Vitrified
Recycled material 50-75%



Luna 50-75 %

Silestone® Eco Line Colour Series

Porcelain - glass - mirrors - vitrified ash
Recycled material 50-75%



White Diamond



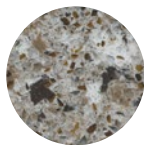
Cream Stone



Crystal Sand



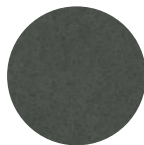
Red Pine



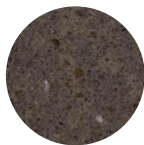
Forest Snow



Riverbed



Grey Moss



Iron Ore



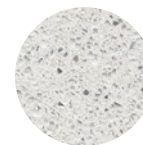
Terra



Starlight

Silestone® Serie Stellar

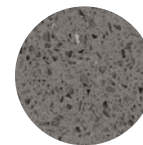
Recycled material 30-50%



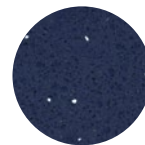
Blanco Stellar 13



Stellar Cream



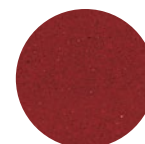
Stellar Grey



Stellar Marina



Stellar Negro



Eros Stellar

Dekton®

At Dekton® we continue to make great efforts, not only to maintain the amount of waste we recover from that generated during the production process, but to increase it.

This waste is reintroduced at the beginning of the production process to be used as new raw material. Thanks to these measures, we are able to give the waste another life, as well as reduce

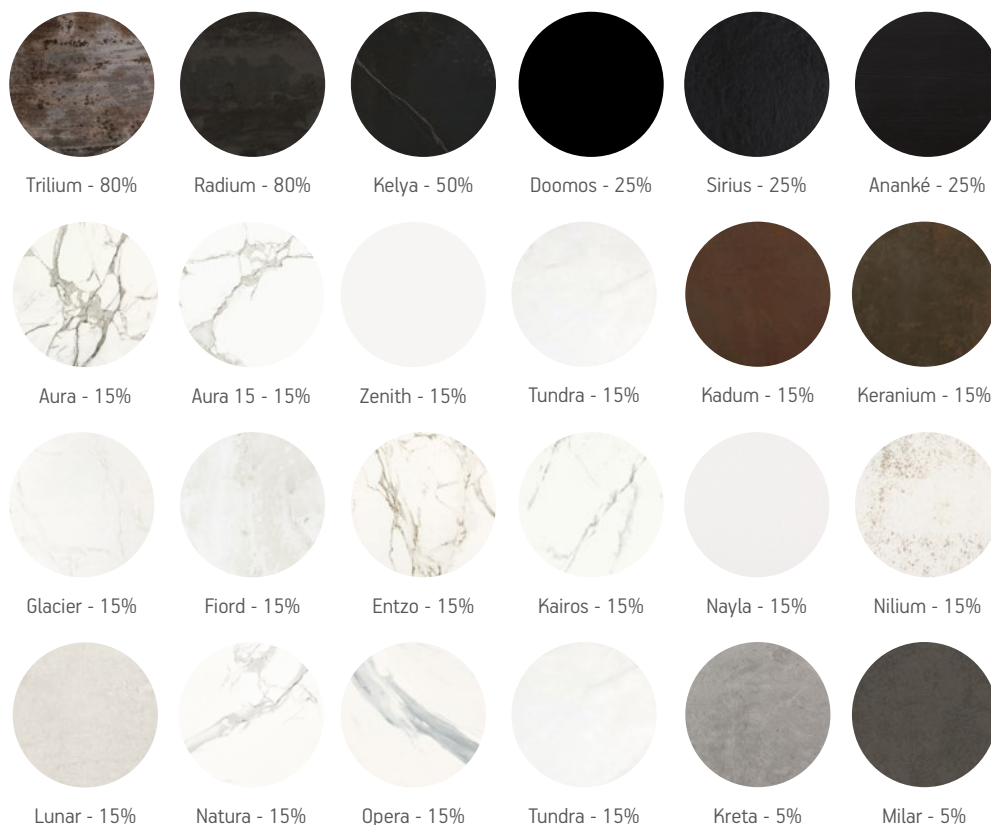
consumption of the raw materials used in our processes and their associated environmental impacts.

The number of Dekton® colours containing recovered material was increased from 13 in 2017 to 24 in 2018.

Colours Dekton® that use recycled or recovered material

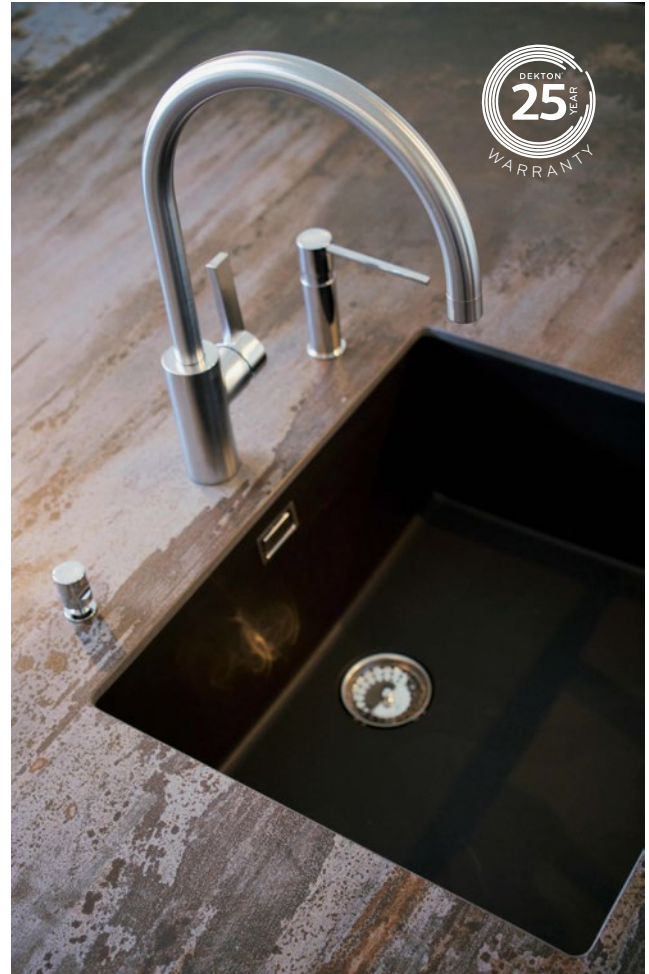


Process losses Dekton®





Trilium Dekton®



Trilium Dekton®

Durability and warranty of Cosentino products and brands

Silestone® and Dekton® offer up to 25 years warranty in use, which certifies the durability of these products, extending their useful life. This fact, linked to the use of recycled or reused materials in the manufacturing process, is an important added value asset for our stakeholders and has great relevance as a financial measure within the sector. Cosentino develops products that improve efficiency, reducing the use of energy and closed circuit.

Waste management

Efficient waste management is key to both our sustainability strategy and achieving the objectives of a circular economy and zero waste. Year on year, we make an impact on the development and application of new waste management strategies throughout the production chain, always following the principles of "R"educe, "R"euse and "R"ecycling of waste. All this has been reflected in a gradual increase in efficiency in the set of processes and the reduction of waste generation ratios.

In 2018, through our subsidiary "Soluciones Ambientales CoMA", we started operating our own treatment and recovery facility for non-hazardous waste, which has allowed us to integrate a new, more efficient waste management system, oriented towards the future recovery of all non-hazardous waste generated in the production process. This new management model highlights the commitment of the Cosentino Group to achieving the future objectives of zero waste and a circular economy, and also allows us to continue to invest and research in a sustainable manner in new fields and projects for the recovery of materials and energy from waste.

Regarding the management of hazardous waste, we continue to research waste management alternatives that prioritise material recovery over landfill disposal, as well as new commercial products that progressively replace the hazardous products used in production with non-hazardous products, which contribute the same final properties to the product and whose waste is preferably classified as recyclable and/or biodegradable.



Waste management plant in the Cosentino Industrial Park in Cantoria (Almería, Spain)

Our performance

● Cantoria Industrial Park (Almería, Spain)

- We managed around 280,000 tons of waste.
- We recovered 30.53% of the waste generated.
- We increased the recovery ratio by 52% compared to 2017, which was

more than 6 times higher than in 2016, despite the annual increase in production that translates into an increase in waste generation.

- We increased the waste recycling rate by 83% compared to 2017.

30,53 %
recovery of
generated waste

Change in waste recovery (Tons)

		2016	2017	2018
Non-hazardous	Reuse	23,016	42,818	77,458
	Recycling	2,362	2,864	5,254
	Landfilling	169,932	187,298	191,902
Hazardous	Recovery	1,487	1,717	2,107
	Landfilling	391	644	1,115
Total disposal		170,323	187,942	193,017
Total recovery		9,707	47,400	84,819
Total		197,188	235,342	277,835
Recovery rate (%)		4.92%	20.14 %	30.53%

Regarding the management of Non-Hazardous Waste, we exceed 30% of its recovery. This model is based on internal management (through our subsidiary "Soluciones Ambientales CoMA") with the installation of the treatment and recovery plant for non-hazardous waste generated in the production process, and the constant research into new types of waste recovery (Reborn Project).

64.9% of all Non-Hazardous Waste recovered by Cosentino in Cantoria (Almería, Spain) does not represent any management cost. 90.2% of this material is directly reused in the production chain for the manufacture of new products, increasing this indicator by 39% compared to 2017.

Regarding Hazardous Waste, the recovery rate represents 65% of waste management (50% recovery without cost), highlighting the effort made by the hazardous waste managers that adds value to our efficient waste management philosophy.

● **Latina Vitória
factory (Brazil)**

- We have managers authorised by the administration for 100% of the waste generated, thus promoting responsible waste management.
- We reduced waste generation by more than 4% compared to 2017.
- We recovered the stone remains generated in the sawing process, maintaining a recovery rate of up to 23%, with respect to the total.

**Change in waste
recovery (Tons)**

		2016	2017	2018
Non-hazardous	Reuse	-	-	-
	Recycling	6,668	5,979	5,693
	Landfilling	24,117	19,734	18,985
Hazardous	Recovery	-	-	-
	Landfilling	15.39	65.55	39.48
Total disposal		24,133	19,799	19,024
Total recovery		6,668	5,979	5,693
Total		30,801	25,778	24,717
Recovery rate (%)		21.61%	23.19%	23.03%

● **Other notable
initiatives in 2018**

- 5,613 tons of waste from recovered stone remains.
- Construction of appropriate, covered areas for chemical waste containers.
- Classification of the abrasive mud generated according to NBR 10004/2004, carried out in certified laboratories.
- Availability of 9 environmental kits in factory sectors with a likelihood of spillage of chemical products.
- Assessment visits to waste managers, analysing good practices and proposals for improvement for management.

Climate Action

To make our activity more sustainable and more respectful of the environment, we seek maximum efficiency in the use of resources and we promote clean technologies to reduce our environmental impact. We progress alongside the international propulsion towards a low carbon economy promoting energy efficiency, reduction of emissions and sustainable mobility. This approach promotes our innovative character and allows us to improve processes with a vision of the future.

Energy efficiency

Energy efficiency is a priority objective for Cosentino, reducing energy consumption both in the production process and in the general group activity, by optimizing processes. In this way, it moves forward with new projects and investments, promoting technologies which have a smaller environmental impact, working towards a low carbon economy.

Actions

- Projects relating to compressors and motors/optimization drives.
- Improvement in energy efficiency due to the replacement of machinery with the best available technology, decreasing the consumption of raw materials, and reworking of the calibration and polishing optimization processes.
- The project to replace the interior and exterior lighting at the Silestone® factories with minimum consumption LED technology has been approved.
- The heat recovery system project at the Dekton® plant to reduce gas consumption has been approved, with an expected saving of 12.45 GWh/year.
- Development of multidisciplinary teams at all plants to study the implementation of new improvement actions in energy matters.
- Intensive use of joint applications: frequency converter and electric induction motor to optimize and minimise operating costs.
- Development of the necessary infrastructures for the supply of natural gas to all the processes that require this type of energy.

Our achievements

- 100% of the electrical energy consumed in our Cantoria Industrial Plant (Almería, Spain) is certified with a renewable origin guarantee.
- In 2011 we attained Environmental Product Declaration for Silestone® Eco Line and for Dekton® in 2016. In 2018 we expanded the certification for the entire range of Silestone® products.

Below are the data relating
to the Cantoria Industrial Park:

Energy consumption 2018 (Kw/h)

	Factories	Offices	Ancillary installations
Electrical Energy	120,922,177	1,034,889	4,810,175
Natural Gas	191,285,095	-	-

100% of our energy requirements for both products and services are met through renewable energy sources with certified origin.

	From renewable sources	From non-renewable sources
Electricity consumption	126,767,240.51 kWh	0
Heating consumption	130,246 kWh	0
Refrigeration consumption	130,246 kWh	0
Steam consumption	NA	NA

We have reduced our energy intensity due to electricity consumption by m² produced from 2017 to 2018.

	2016	2017	2018
Total Consumption of Electrical Energy (kWh)	96,611,927	113,163,936	126,767,241
Total products produced (m ² /year)	7,151,008	8,308,892	9,402,545
Indicator (kWh/m ² produced)	13.51	13.62	13.48

Sustainable mobility

At the Cosentino Group, we are aware of the environmental impact of transport we use in our activity and, therefore, we carry out different initiatives to promote sustainable mobility. In 2010 with the expansion of the Cantoria Industrial Park (Almería, Spain), we developed our Sustainable Mobility Strategy, which takes into account both internal and external mobility. These initiatives have succeeded in improving our environmental impact, with the reduction of greenhouse gas emissions, as well as contributing to social welfare and improving the quality of life of our employees.

Actions

- We continue to develop the use of electric mobility methods inside the Industrial Park. In 2018 we acquired three new electric vehicles to make a total of 41, with their respective charging points. Our electric vehicles travel an average of eight to ten kilometres a day.

- We encourage the use of non-motorised vehicles within the Industrial Park. In 2018 we incorporated 20 new bicycles into this park, and the route network was expanded by 5%, improving access to the Brainstone area and the logistics warehouse, so it currently extends to almost two kilometres. All the urbanisation projects within our facilities have an exit corresponding to the construction of new bike lanes to allow safe travel within the industrial park.
- We offer a bus transportation service for our employees from the towns surrounding the industrial park. The service runs at the start and end of the working day, as well as offering transportation during the lunch break.
- We encourage car sharing. During 2018 more than 265 employees participated in the "Share your car" initiative.
- We continue working to make our employees aware of the importance of sustainable mobility. As a result of this effort, in 2018 some employees purchased hybrid and/or electric vehicles.

Our achievements

- We avoided the equivalent of 230 tons of CO₂ at our facilities in Almería compared to 2017, as well as the equivalent of 625 tons of CO₂ in December 2018 with the new logistical operations as a result of the new routes through the port of Almería
- We reduced our employees' driving hours, increasing their well-being and performance.
- We generated an economic benefit by saving fuel costs, estimated at €70k per year.



Sustainable cycling

Atmospheric control

The continuous implementation of the best technologies allows us to be more efficient in our processes and to reduce greenhouse gas emissions per square metre of our products, which has resulted in a reduction of 7% in the case of Dekton®. We also work to improve our air purification systems, to capture both particles and volatile organic compounds (VOCs) to allow us to control emission levels below the established environmental requirements.

Despite improvements in efficiency and control, the increase in our production has increased our total equivalent direct emissions of CO₂ to 30,125 tons in 2018; i.e. 14% more than in 2017. In addition, the changes that have occurred in some of the manufacturing processes mean that we must focus our efforts on reducing other pollutants that have been increased this year. The measurement refers to the Cantoria Industrial Park (Almería, Spain), where our emissions are mainly located.

Actions

- We evaluate scope 2 greenhouse gases (GHG) or those associated with the generation of electricity and energy.
- We develop and implement a control system for pressure differentials in particle filtering equipment to ensure early maintenance.
- We develop a performance optimization system for the Volatile Organic Compound (VOC) purification systems, with the aim of achieving excellent autothermality.
- We establish annual maintenance plans programmed in coordination with the inspection plans issued by the establishment collaborating with the administration (ECCMA).
- We control the emissions in new sources, linked to the expansion of the industrial park's facilities and those that are included in the Integrated Environmental Authorization (IEA).

-37%

we reduce the emission of particles

-62%

of tons in carbon monoxide

-7%

we reduced greenhouse gas emissions in the manufacturing process of Dekton® by 7% compared to 2017

Our achievements

- We reduced greenhouse gas emissions in the manufacturing process of Dekton® by 7% compared to 2017, ending the year with 16.18 Kg of CO₂ per square metre produced. This represents a reduction of 20% compared to 2016.
- Obtaining 100% of electricity from renewable sources allows the Scope 2 greenhouse gases emitted in this regard to total 0 kg of CO₂.
- Approval of an investment of €2.8 million for the recovery of heat from kilns in the production of Dekton® to be used in drying rooms.
- Launch of a continuous monitoring system for the operation of Volatile Organic Compound (VOC) purification systems and non-systematic Dekton® sources to control the operation thereof.
- Despite the increase in production, we have managed to reduce the emission of particles by 37% and carbon monoxide (CO) by 62% of the total mass load, based on measurements made during external audits.

Reduction of greenhouse gas emissions and fight against climate change

Greenhouse Gas (GHG) emissions produced by industrial activity and human beings contribute to the global warming of the planet and are therefore one of the main causes of climate change. For this reason, Cosentino is committed to reducing these GHG emissions that are mainly generated by our ultra-compact Dekton® product through the development of clean industrial technologies, the consumption of renewable energies and process efficiency improvements.

Cosentino has always considered the correct use of natural resources, protecting its direct and indirect environmental surroundings and establishing the necessary bases to mitigate the effects of climate change and associated issues.

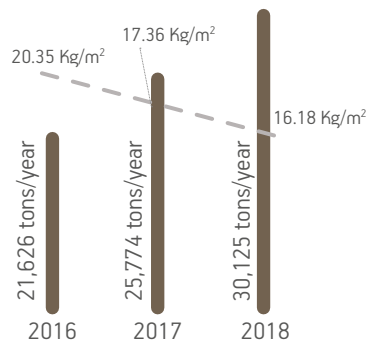
Due to its industrial and manufacturing nature, optimizing the management of these resources is fundamental for Cosentino, prioritising the use of clean and renewable energies, reducing emissions through use of the best available technological systems and ensuring that practically all the water used in its productive plants and industrial park is reused. In this way, the company aims to contribute effectively to mitigating the potential impacts of climate change on its environment and areas of influence.

Change in direct scope 1 emissions of Greenhouse Gases (GHG) associated with the production of Dekton®

Emissions	Type	2016	2017	2018
Direct emissions of GHG (scope 1)	Absolute GHG (Kg/year)	21,626.000	25,774,000	30,125,000
	Relative GHG (Kg/m ² product)	20.35	17.36	16.18

Despite improvements in efficiency and control, the increase in our production has increased our total equivalent Scope 1 emissions or direct emissions of CO₂ to 30,125 tons in 2018; i.e. 14% more than in 2017. However, with respect to the annual number of square metres produced, during this same year, we have managed to reduce greenhouse gases by 7%, obtaining a value of 16.18 kg of CO₂/m² product.

Annual evolution GHG



In addition, the following table shows other scope 1 emissions associated with the consumption of natural gas from other products and diesel for trucks.

Other direct scope 1 emissions of Greenhouse Gases (GHG)

Emissions	Type	2018
Indirect emissions of GHG*	Absolute GHG (kg/year)	6,805,051
	Relative GHG (kg/m ² product)	0.72

With respect to scope 2 emissions, it should be noted that no emissions are generated as a result of the agreement guaranteeing that the electricity supply in the industrial park is 100% renewable. .

*Indirect emissions have been calculated, taking into account the consumption of diesel and the consumption of natural gas (without adding those already calculated for Dekton® as direct emissions). The emission factors for the calculation have been obtained from values published by MITECO.

Emission factors:

- For natural gas (0.203 Kg de CO₂/kWh)
- For diesel (2.52 Kg of CO₂ eq/l)

Risks and opportunities associated with climate change

Cosentino has an interdepartmental area focused on the analysis of risks and new opportunities in different fields, including the environment. Changes in the raw materials industry, such as new sources of energy or emission control, generate various opportunities for the innovative spirit inherent in Cosentino's DNA to translate them into environmental protection, combating climate change and economic savings.

Faced with the consequences of climate change, Cosentino has launched actions that have a direct impact on its income statement.

New sustainable habits in the transportation of goods.

As a milestone in terms of mobility and logistics in 2018, Cosentino reached agreements with the two largest shipping companies in the world, MSC and Maersk, to commence maritime container transport operations through the Port of Almería. This achievement by the Cosentino logistics department has a significant impact in terms of sustainability and emission savings. In 2018 alone, and after the opening of the Port of Almería route, the emission of 625 tons of CO₂ was avoided.



Port of Almería (Spain)

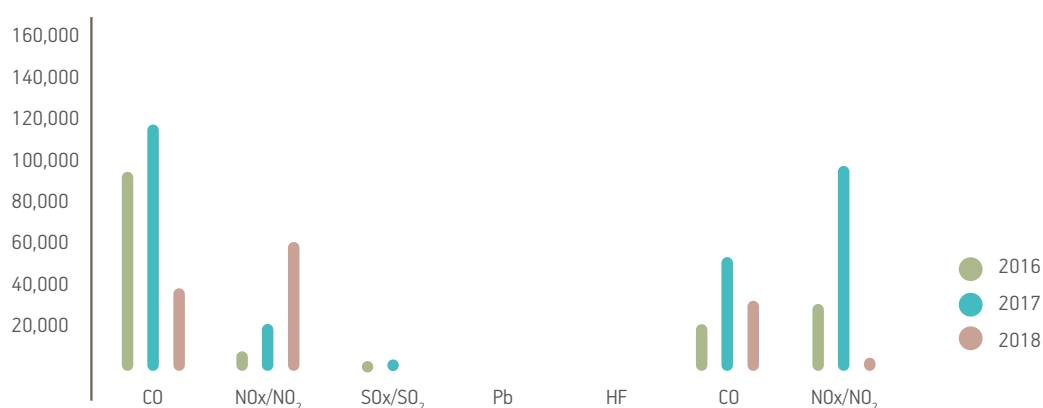
Emission of other substances

In order to promote respect and care for the environment, Cosentino performs a series of measurements in relation to approximately 60 sources that are distributed across the group of factories within the industrial park. In addition, this allows us to comply with the requirements set forth in the Integrated Environmental Authorisation (IEA) and comply with the emission limit values.

In this case, the installation of new equipment and the increase of maintenance plans have allowed improvement in some of the analysed parameters compared to previous years. In addition, the changes that have occurred in some of the manufacturing processes mean that we must focus our efforts on reducing other pollutants that have been increased this year.

Change in significant atmospheric emissions

Emissions	Type	2016	2017	2018
NOx, SOx and other significant atmospheric emissions	Absolute Carbon Monoxide (CO) (Kg/year)	98,246	119,322	44,824
	Absolute Oxides of Nitrogen (NOx and SO ₂) (Kg/year)	12,071	32,033	69,045
	Absolute Lead and compounds (Pb) (Kg/year)	5.56	10	1
	Absolute Total Suspended Particles (TSP) (Kg/year)	21,407	46,311	28,953
	Absolute Total Organic Carbon (TOC) (Kg/year)	31,452	101,558	4,456



Natural Capital

We consider the use of water resources and the protection of biodiversity in the environments where we operate to be key factors for adapting to climatic variations.

Biodiversity and natural capital

At the Cosentino Group, we are committed to protecting biodiversity and flora to generate value for our workers and for all the communities where we operate. With this objective, we developed the Green Belt in our Cantoria Industrial Park (Almería, Spain): a landscape project that surrounds all of our facilities. The objective is to have a green perimeter around the entire industrial park and other areas, so as to preserve the native flora, and generate a natural barrier against dust emissions from outside or even against possible fires. The project has already completed phases 2 and 3, with at present approximately 130,000 m² having been restored or planted in total, with 94,000 m² having been completed in 2018. We have managed to execute 54% of the entire Green Belt Project, in addition to 28,900m² more in

common spaces. This Green Belt is a fundamental element of the integration of the industrial park into the region and the landscape.

We maintain three fundamental ground rules for restoration actions:

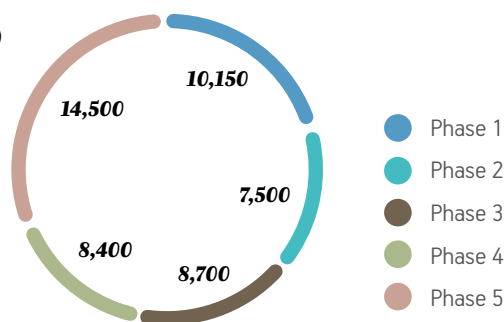
- Use of native species.
- Species with minimum water needs to reduce water consumption as much as possible.
- Low need for maintenance, to reduce the associated energy consumption, as well as replacement of species.

In addition, it allows the creation of a vegetation barrier that helps mitigate the effect of the wind, minimising the dust in suspension that could be extended to the park from nearby areas and improve the response to any possible fires.



130,000 m²
of restored areas,
with 94,000 m²
having been completed
in 2018

Green Belt Project (m²)



Green Belt	m ²	Year
Phase 1	10,150	2017
Phase 2	7,500	2018
Phase 3	8,700	-
Phase 4	8,400	2019
Phase 5	14,500	-
Estimated total	49,250	-

54%
Green Belt
Completed

Common Spaces	m ²	Year
Central Warehouse	3,100	2017
Outside Areas	25,800	2017
New Access Areas	14,000	2019

Protected or restored habitats

The Habitats Directive identifies a set of types of habitat and species of flora and fauna that must be represented in the Natura 2000 Network.

This regulation defines natural and semi-natural habitats that are of community interest, and all animal and plant species that are of community interest, for which it is necessary to designate Special Conservation Areas, such as those which:

- are threatened with disappearance in their natural area of distribution, or
- present a reduced natural distribution area because it is receding or because it is intrinsically restricted, or
- are representative examples of one or more of the biogeographical regions of the European Union.

Our Cantoria industrial estate (Almería, Spain) is located in an area where there are no nearby protected habitats or places of special environmental interest. This is because we are located in a historically industrial area.

Water footprint

The historical meaning of belonging to the Comarca del Almanzora (Almería, Spain) indicates that the activity of the Cosentino industrial park is located in an area which is classified climatologically as a Mediterranean sub-desert, characterised by its scarcity of water and long periods without rain. All this means that Cosentino is committed to developing actions that promote the reuse of water, and constant improvement in the efficiency of water usage in all production processes.

Regarding the sustainable water usage policy, the company continues to maximise its efficient use in guaranteed high-quality productive processes thanks to the use of the best available technology. Thanks to this, Cosentino reuses approximately 63,000 m³ per day to achieve a "0 Water Discharge", as well using reclaimed water in the various green spaces within the Cantoria Industrial Park (Almería, Spain).

In this sense, Cosentino practices a policy of using recycled water, which allows us to be increasingly efficient in our use of available water, and in 2018 we used 53% more recycled water than in 2017.



53%

We used 53% more recycled water than in 2017

Change in total volume of recycled water

	2017	2018
Total volume of water recycled by the organisation (m ³)	40,486	86,221



Water Treatment Plant in the Cosentino Industrial Park in Cantoria (Spain)

With a view to the integral water cycle, Cosentino is committed to controlling all processes that involve the use of water. For this reason, the analysis begins with controlling the source water, which encompasses both that collected from underground sources and the water delivered via the supply network. Due to the 13% increase in production compared to last year, this collected water has increased consistently by 7,455 m³.

In addition, the destination of the collected water that is divided between irrigation water and that needed in the manufacturing processes is also monitored. The latter has increased by 9% due to the increase in production. However, by optimizing the system for processing the surplus water used in the manufacturing processes and, after the appropriate purification treatments, it is possible to use a total of 31,781 m³ to irrigate the green spaces within the industrial park. This means the use of 100% of the recycled water for irrigation.

Finally, closing the cycle, the wastewater discharge is analysed and this discharge reduced by 18% during 2018.

Change in collection and discharge of water (m³)*

		2016	2017	2018
Discharge (m ³)	Discharge of faecal waste water (m ³)	85,050	129,568	106,122
Use of collected water (m ³)	Sanitary facilities (m ³)	60,495	80,000	36,187
	Irrigation (m ³)	50,000	48,500	31,781
	Industrial (m ³)	225,959	191,000	210,703
	Total	336,454	319,500	278,671
Total water collection by source (m ³)	Groundwater (well) (m³)	275,959	239,500	246,955
	Supply network (m³)	60,495	80,000	36,187
	Total	336,454	319,500	283,142

(*) Estimated according to the available information

Actions

- We installed a new treatment point in our marble factory to recover the water and therefore guarantee an increase in availability for the various industrial and irrigation processes.
- We improved system control with a closed supply circuit and treatment of industrial waters in order to reuse 30% of the water with respect to the total captured in 2018.
- In 2018, we have worked hard in order to obtain the concession permit, allowing us to reuse waste water from the Wastewater Treatment Plant (WWTP). A new wastewater reuse station is planned to be build in 2019.
- We modernised the water treatment systems in our US workshops. The priority for 2018 was the study and improvement of the design of the workshops to ensure they are equipped with the best available technologies to guarantee occupational safety and respect for the environment in our processes.

Our achievements

- We continue to achieve the objective of zero discharge of industrial water in the facilities of the industrial park.
- We continue to recycle 99% of water in industrial processes in the whole Cantoria Industrial Park (Almería, Spain).
- The increase in reuse facilities has allowed 30% of water to be reused with respect to the total collected.
- We managed to recover 86,221m³ of water, which represents 53% more than in 2017.
- The total m³ used to produce one square metre of product mix has decreased by 3% compared to the previous year.
- Greater efficiency in the use of irrigation facilities, achieved through the installation of automated systems, and the weather conditions in 2018 allowed the use of this water to be reduced by 16,719 m³. In addition, it allows 100% of the reused water to be used for irrigation.
- 18% reduction in wastewater discharge compared to 2017, which means 23,446 m³ less wastewater.

Training and investment in the environment

Cosentino assumes the commitment to promote responsibility and sustainability amongst all its employees and partners, with a comprehensive internal and external vision. In this regard, various training, awareness-raising and investment activities are carried out to convey the importance of the biodiversity of our area and the need to engage in responsible consumption.

During the past year, the company promoted and participated in different activities to promote the circular economy and respect for the environment.

● Cantoria Industrial Park (Almería, Spain)

In 2018, the following actions and collaborations were carried out:

Environmental training:

Environmental training is carried out for new employees who join Cosentino, representing 11% of the total volume of "Onboarding" training hours. We should also note the "Breakfasts with Management" which include participatory discussions on the themes of sustainability and circular economy.

Food collection campaign:

To combat food waste, once a year, specific food collection campaigns are carried out so that employees who wish to donate food to food banks can do so. Employees are also offered the possibility of voluntarily donating Christmas baskets. GoodFood is another initiative carried out at the Cantoria headquarters (Almería, Spain), which consists of integrating healthier dishes and more balanced portions into the catering.

Meeting "Oportunidades de la Economía Circular en Andalucía: La Economía de lo Evitable":

The speakers presented, from different perspectives and points of view, some of the challenges, opportunities and the future impact of environmental policies on business and industry, both regionally and nationally.

Conference on Environmental Management and Circular Economy (IFMA Spain):

The benefits that these policies have for the organisation from the perspective of environmental management in the field of Facilities Management were discussed using different business examples.

2018 Conference on rehabilitation and sustainability (ACP Granada):

Activity to introduce the companies in this sector and other stakeholders to the latest developments in the energy rehabilitation of existing buildings (PAREER II) or the Comprehensive Plan for Construction and Sustainable Rehabilitation in Andalusia.

"Circular economy and sustainability: an opportunity for the Andalusian company" conference (El Economista):

Conference on Circular Economy as an opportunity for Andalusian regional companies.

Waste Management and Circular Economy Conference Circuit (ECOEMBES / COAMBA):

Highlights the participation of Cosentino in the discussion on "Ecodesign, key to achieving a circular economy."

Circular Economy in Industry 4.0 (Observatory 4.0):

Forum for the exchange of ideas and experiences about Industry 4.0. It addressed the relevance of the circular economy from the perspective of new engineering and the latest systems and digitisation technologies.

Congreso Nacional de Medio Ambiente (CONAMA):

Highlights the active participation of Cosentino in the following work groups: energy, efficiency and climate change, water, waste, economy and society and environmental quality.

EsAgua: Cosentino is a member of the association, and participated in the "Use of the water footprint in the mining sector" Webinar.

● Latina Vitória factory (Brazil):

The following environmental partnerships stand out:

- Installation of six educational plaques in conservation areas.
- Donation of 50 native plants to the Secretary of the Environment of Serra.
- Environmental Conference with the contractor Marca Ambiental.



Latina Vitória factory (Brazil)