

CSR

Corporate Social Responsibility

2018



Corporate Social Responsibility 2018

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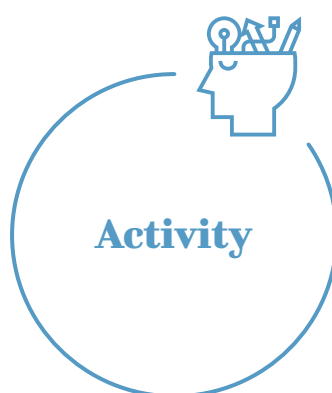
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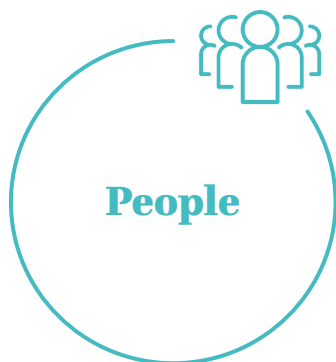
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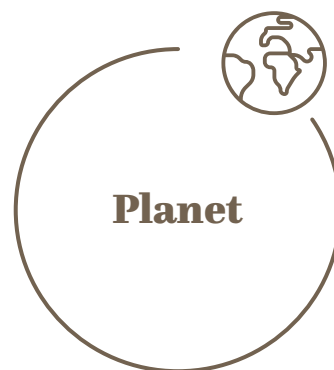
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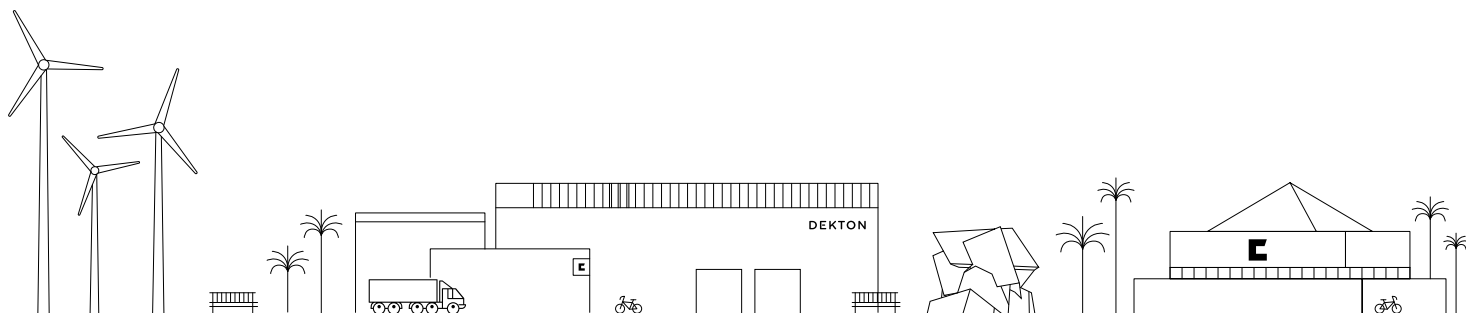
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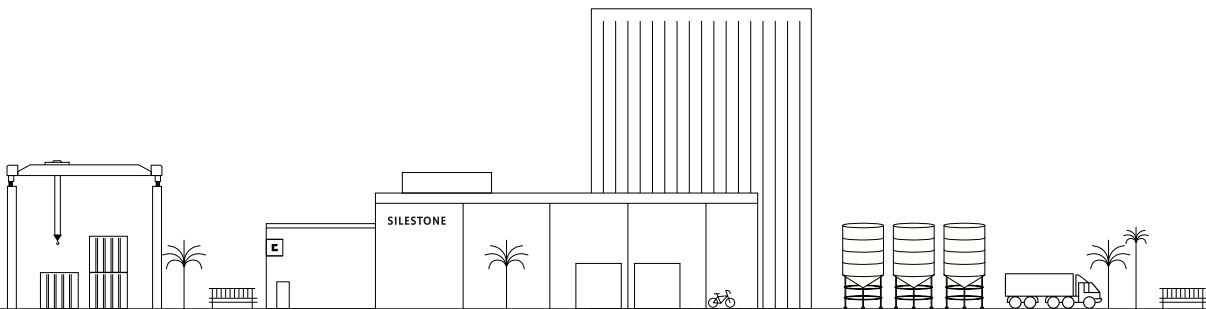
Landmarks and figures for 2018

Evolution and results of business

Awards and distinctions
received in 2018



Hello!



Letter from the Chairman

The commitment to innovation and ongoing improvement: the keys of our value proposals

Once again this year, I am honoured to present the Cosentino Corporate Social Responsibility Report, thus fulfilling our commitment to transparency with regard to economic, social, environmental and ethical sustainability. We present our CSR report with the purpose of communicating to our stakeholders how we have contributed to society wherever we have become established. In doing so, we confirm our commitment to sustainability, which involves achieving the best possible balance between financial results, environmental protection and community engagement.

We are striving to be more transparent and for the first time this year we are publishing our non-financial and diversity information statement, including it in the annex of our Management Report and thereby upholding the same quality standards as our financial information.

We end the year having grown as a business and, more importantly, with more employees around the world. Our family now consists of over 4,300 people, all linked by strong ties and working tirelessly to realise our goal of inspiring people through innovative spaces.

Thanks to our hard work, teamwork and talent we have succeeded in creating an appealing, inspirational and successful working environment. We have consolidated the concept of People as a philosophy that offers a comprehensive vision of each and every employee. Within this framework for action, we work on a daily basis to become a benchmark for occupational health and safety. We understand that this commitment goes far beyond our own employees and facilities, extending to all of our clients, suppliers and stakeholders. For this reason, we work incessantly to reduce accident rates and we have managed to maintain a clear downward trend in this respect, reaching very low levels in recent years.

In 2018, our turnover reached €984.5 million, a growth of 9.3% with respect to 2017. In turn, our EBITDA increased by 11%, at a faster rate than sales. Our financial power enables the company to continue expanding into international markets and to diversify our product range and distribution channels.

Likewise, we have continued to make progress in our internationalisation strategy, becoming a company with an ever-increasing global presence in 40 countries and with commercial activity in 116 countries around the world. By opening our innovative facilities, we are penetrating new markets and consolidating our presence in existing ones. This year, we have made a commitment to the United States, Italy, United Kingdom, France, Sweden and Poland. We are extremely proud of our new Cosentino City in Miami, which brings us even closer to our stakeholders, enabling us to build closer, trusting relationships with them.

We want to make a difference with everything we do and to continue imagining and anticipating the future. For this reason, creating value for our company is inconceivable without innovation, an investment in which reached €25.3 million during the 2018 financial year. In 2017 we took the initial steps towards carrying out an ambitious digital transformation process with a view to leading the digitization of the sector and our internal procedures, in order to inspire and retain our customers by offering them a first-class experience. In 2018 we have continued this task with determination.

Innovation is an integral part of our DNA and is enshrined in our corporate values. Consequently, each and every person that makes up the Cosentino Group innovates responsibly, being proactive in the pursuit of new ideas, and identifying and generating opportunities.

We are fully aware that innovation in our value promise means even more to our clients and stakeholders. That's why, over the last 365 days we have released new products, remaining true to our commitment to excellence and continuous improvement. For many years, our clients have chosen Dekton® due to its unbeatable properties. We knew that our clients trusted this product thanks to its technical characteristics but we wanted them to be captivated by its appearance. The technology used in the new series such as Dekton® Stonika enables us to create materials with the remarkable features of a revolutionary surface. We are striving to offer products that play an important role in the well-being and progress of society in an efficient, sustainable and safe way.

We understand that the environmental balance is an important issue in the public agenda and, in turn, is one that presents a major challenge for the business sector. We want to take on this challenge through commitment to innovation and continuous improvement to progress towards a circular economic model. We are allocating a significant amount of human and financial resources to promote this change. In 2018, we set up our own waste management plant. We are thereby taking significant steps with waste revaluation strategy, focusing on closed-loop recycling as a linchpin of our business activity. Thanks to the lines of research we are performing with our Reborn Project it will be possible to turn waste into a resource, thus promoting the large-scale, comprehensive revaluation of the whole value chain.

Finally, I would like to thank you for trusting us and invite you to learn more about the work we do in the following chapters of this Corporate Social Responsibility Report.



**Francisco
Martínez-Cosentino Justo**
Chairman of Cosentino Group

Who we are

The Cosentino Group is a Spanish, family-owned company with a global reach that is dedicated to the design, manufacture, production, distribution and marketing of innovative, high value surfaces for the world of architecture and design.

Goal

*To inspire people through
innovative spaces.*



Mission

Market-leading company that works responsibly with its clients to devise and create innovative, added-value products for the world of architecture and design.

Vision

To lead the global surfaces market through the activity of our brands with innovative architectural solutions that provide the lives of our clients with design, value and inspiration.

Our DNA

Every individual that works for Cosentino Group shares the same DNA, made up of the following traits:

Innovation

We act proactively, seeking and implementing creative ideas and solutions, identifying and generating opportunities in a variety of settings. The value of responsible innovation.

Global Vision

We understand corporate strategy and focus our action on achieving the goals of the Cosentino Group, knowing and assessing at all times the impact of our actions on processes and people. We plan our actions to reach our objectives.

Client partner

We know and understand how our work contributes to customer satisfaction (external and internal) and our actions revolve around their needs. Committed to customer satisfaction.

Team Building

We achieve common goals by aligning our contributions with the overall objectives, actively promoting collaboration and eliminating barriers between the different departments and members of Cosentino Group. Our organisation consists of a single team. Cosentino People, much more than human resources.

Inspiring Action

We transmit enthusiasm and positivity, encouraging others to make the most of their abilities. We motivate the team to achieve our goals. Be the best version of yourself in Cosentino.

Passion for change

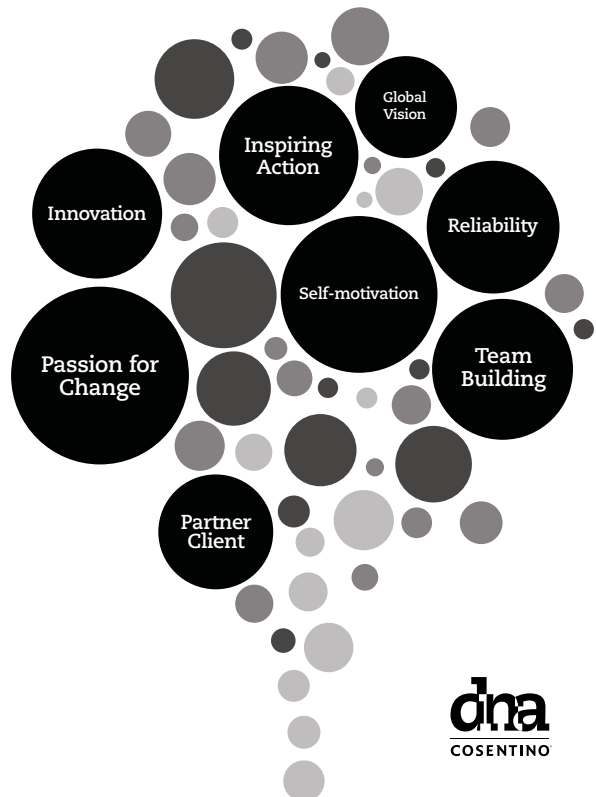
We easily adapt to new or changing situations, whether planned or unexpected, and we question the established order from a constructive standpoint to propose and implement actions that will bring progress. We mark out our future path together.

Reliability

We conduct our work with rigour and honesty to achieve the established objectives. We persevere in the face of obstacles and difficulties. Effort, work and dedication make us better.

Self-motivation

We set our own goals with determination and ambition without settling for the required outcome but seeking to exceed expectations. Make steady progress without settling for mediocrity to improve every day.



What we do

The main activity of the Cosentino Group is the design, production and distribution of architectural and decorative solutions for the world of design and architecture. We create brands and devise market-leading products that provide innovative and functional solutions for the home and public spaces, including kitchen and bathroom countertops, interior and exterior cladding and crafted items, all produced taking into consideration meticulous design, innovation and respect for the environment.

As a leading company, it innovates and anticipates, together with its clients and partners, solutions that offer design and value, and inspire the lives of many people. This goal is made possible by pioneering leading brands in their respective segments such as Silestone®, Dekton® and Sensa by Cosentino®, innovative surfaces that create unique spaces and designs.

Our main brands

SILESTONE® DEKTON® SENSA



Description

- World leader in the quartz surfaces category.
- Composed on average of 90% natural quartz.
- Launched in 1990.

Manufacturing process

It includes the innovative N-BOOST technology patented by Cosentino, which features technological advancements that improve the functionality, quality and beauty of the surface. It makes daily cleaning and maintenance easier, and gives it a rich colour and extraordinary brightness.

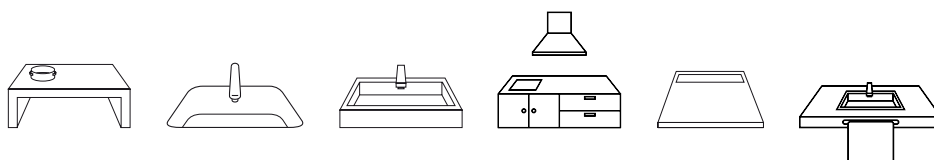
Characteristics

- Highly resistant to stains, impacts and scratches; and a low liquid absorption rate, adaptability and easy cleaning.
- Extraordinary durability and resistance.
- It comes with a 25-year warranty.
- Manufactured in 75 colours, four textures and a range of formats.
- Option to use large slabs without joints.



Uses

World benchmark for kitchen and bathroom countertops, one-piece sinks (Integrity line by Cosentino), washbasins, shower trays, walls, flooring, stairs or thin cladding.



Certifications

In addition to its physical-mechanical characteristics that make it a benchmark product, Silestone® has been awarded a large number of certificates and has undergone testing in external laboratories that accredit its quality:

UL Greenguard & UL Greenguard Gold

Certificates awarded by the international safety and certification company, Underwriter Laboratories, headquartered in the United States.

NSF

The NSF logo attests to the fact that it is safe for Dekton® to come into contact with any kind of food. The certification is awarded by NSF, the independent international organisation. With regard to European regulations, its compliance has been tested at Intertek, the external laboratory based in Germany.

Eurofins

It obtained a higher-level rating in tests of compliance with international and French legislation with regard to low VOC emissions carried out by the Eurofins independent external laboratory.

DAP

In December 2018, it was awarded the Environmental Product Declaration (EPD) certificate by The International EPD® System.

ECO Line by Silestone®

This series is manufactured using at least 50% recycled materials. It blends design and high-performance features with sustainability.

Certification: Cradle to Cradle, promoting complete recycling and sustainability; LEED, Greenguard and EPD.



www.silestone.com



Description

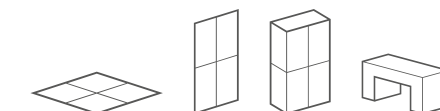
Ultra-compact surface that brought a revolutionary new category of surface to the market when it was launched in 2013.

Manufacturing process

Manufactured with the exclusive Sinterized Particle Technology (SPT) developed by the Cosentino Group company dedicated to R&D. It involves an ultra-compaction system that imitates the way stone is produced by nature.

Characteristics

- It possesses advanced technical properties such as exceptional resistance to ultraviolet rays, scratches, stains and thermal impact, and has a very low water absorption rate.
- Produced in large formats and different thicknesses.
- Customisable using inkjet printing.
- It comes with a 25-year guarantee.
- Over 50 different colour references in nine collections: Solid, Industrial, Tech, Natural, Wild, XGloss Solid, XGloss Natural, XGloss Basiq and XGloss Stonika.



Certifications

UL Greenguard & UL Greenguard Gold

UL Greenguard: Dekton® has been granted the UL Greenguard and UL Greenguard Gold certification. The Greenguard Certification programme identifies those products that have been tested to guarantee that their chemical and particle emissions are in line with the strict guidelines for indoor contaminants..

NSF

Dekton® has been tested and certified by NSF in accordance with the NSF/ANSI 51 standard. Obtaining the NSF certificate involves a toxicological evaluation of all the product's ingredients to ensure that it meets the requirements for materials in contact with food, the performance of proficiency tests and that it passes audits every year at all manufacturing sites.

BBA

British Board of Agreement (BBA) Certification for ventilated façade insulation. This certification analyses factors such as the durability of the products, their compliance with local regulations or design considerations.

ETA

European Technical Assessment (ETA) certification: Dekton® has been awarded the ETA 14/0413 certificate and the CE marking for exterior cladding of façades. The performance of exterior cladding for ventilated façades with the CE marking has been assessed by a third party and it presents proven performance characteristics in compliance with European methods.

QB UPEC (Francia)

Awarded by the Scientific and Technical Centre for Building (CSTB), this certification attests to the durability of floor cladding against transit, its perforation resistance due to being in contact with furniture and/or other objects and its resistance to water and chemical agents.

IMO

In 2018, Dekton® obtained the IMO certification from Bureau Veritas, the independent certification agency, allowing it to be used as flooring on ships sailing under a European flag. It underwent external testing and an exhaustive audit of the manufacturing site and can be marked for use in ships with the internationally recognised WHEELMARK.

DAP

Since 2016, it has been certified by the Environmental Product Declaration (EPD). Awarded by The International EPD® System, this certification accredits Cosentino Group's policy of commitment to sustainability, and endorses its involvement in improving efficiency in the consumption of raw materials and energy, reducing the generation of waste.

SENSA

by COSENTINO®

Description

Cosentino's range of exclusive high-quality quartzite and granite surfaces that feature the innovative Senguard NK anti-stain protection.

Uses

An excellent choice for kitchen worktops and other household surfaces, interior vertical cladding, floor cladding and façades.

Certifications

NSF-certified (issued by NSF, the Public Health and Safety Organisation), therefore offering maximum safety when in contact with food products.

Greenguard and Greenguard Gold, which guarantee that VOC (Volatile Organic Compounds) emissions are below the limits established by international regulations.

Characteristics

- Undergoes a revolutionary protective treatment making it highly resistant to stains. This treatment comes with a 15-year warranty.
- Ensures a long-lasting and durable surface without the need for special maintenance.
- The surface is unaffected by sunlight and UV radiation, guaranteeing it for use in both interiors and exteriors.
- Available in a wide range of colours for use in any decorative and architectural project.
- It comes with a 15-year warranty.
- Exclusive designs created by nature.



Welcome

2018 Launches



Silestone® Loft Series

A sophisticated new collection of colours. Available in two tones: Brooklyn and Silver Lake.

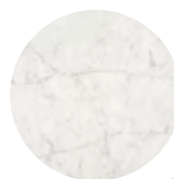


Additions to Silestone® Eternal

Pearl Jasmine, Eternal Marble and Desert Silver join the five successful tones that started the series in 2017.



Pearl Jasmine



Eternal Marfil

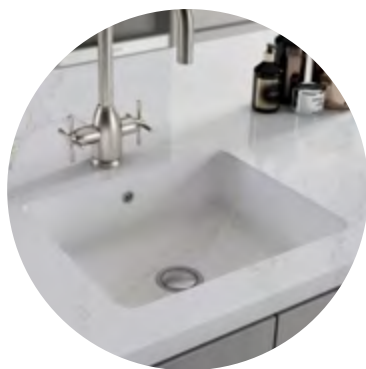


Desert Silver



Integrity Q Sink by Silestone®

The Q model of the Integrity by Silestone® sink range offers a more appealing format thanks to the small, rounded corners.



Marie Washbasin by Silestone®

One of the latest trends in bathrooms: countertop washbasins.





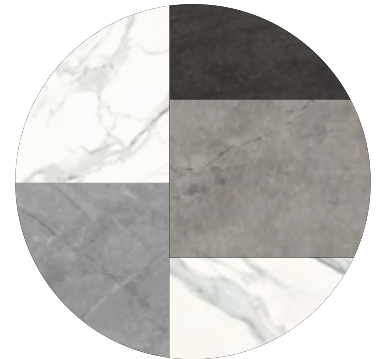
Dekton® Slim

The new thickness of 4 mm. Thin and lightweight (10 kg/m²), Dekton® Slim has a format and weight that make it the ideal choice for projects that require high performance and lightweight materials.



Dekton® Stonika

Launch of the new Stonika colour series with six tones: Olimpo, Bergen, Arga, Taga, Sogne and Korso.



New Launches

Launch of new tones: Bromo and Milar; Vera and Kira.

New colours for Dekton® Industrial: Laos, Soke, Kreta and Lunar, with an attractive, soothing appearance.

Opera and Natura 18: two colour creations joining the Natural and XGloss Natural series, respectively.

SENSA by COSENTINO®

New Launches



Sant Angelo

Indian granite with bold grey veins that burst with personality over a light background. The Suede finish further enhances its aesthetic appeal, making it, without a doubt, the star of any architectural space.



White Macaubas

Brazilian quartzite with a light background, marked by fine linear grey veins. White Macaubas, with a Polished texture, is able to create clear, homogeneous spaces with a distinctive and elegant touch.



Taj Mahal

Brazilian quartzite with a soft ivory-coloured background and a warm brown veining, lends any space a sophisticated and harmonious style.

Where to find us

More and more global

Our decidedly global business outlook has led us to establish a presence on all five continents.



Countries

Distribution

116

Implementation

40

Subsidiaries or assets

30

Business units

Factories

8

- SPAIN
- 3 Silestone factories
 - 1 raw material preparation plant
 - 1 special finishes plant
 - 1 sample factory
 - 1 Dekton factory

- BRAZIL
- 1 granite factory

Cutting workshops

13

- 12 workshops for cutting kitchen and bathroom countertops in USA
- 1 production plant in Spain



Logistics platform

1

Smart logistics platform (Spain)

Business and commercial units

131

- 117 Cosentino Center
- 11 Cosentino City
- 3 Logistics hubs: two in USA and one in Australia.

Logistics operators

5

Opening of a new logistics operator in New Zealand.

Central warehouse

2

- Over 24,000 m² for storing display slabs in our corporate head office.
- One logistics centre that includes a smart warehouse capable of storing up to 300,000 Silestone® and Dekton® slabs and preparing over 6,600 surfaces every 9 hours on shipping frames (sea or land).

Our vision

Corporate goal

*"Inspire people
through innovative spaces"*

Cosentino wants to take its commitment to society a little further and we have defined our corporate goal together with our employees from all over the world in order to establish guidelines for the future of the company.

The corporate aim is part of our long-term business plan and guides the company's approach to sustainability. It involves going a step further in our value proposal for our partners, clients and stakeholders, and is intended to transcend the needs of the company to convey in one sentence how we want to impact and contribute to society.

Inspiration is not an abstract entity: it can be seized and unleashed to give our actions meaning. Cosentino does not only inspire through innovative surfaces, but we also apply our inspirational approach to all the elements that shape our brand and our contribution of "values". We are aware that launching innovative materials is not enough to inspire people; we also need to create products based on proximity and trust. In Cosentino, we try to apply this philosophy to everything we do, not only through our products.



Business model

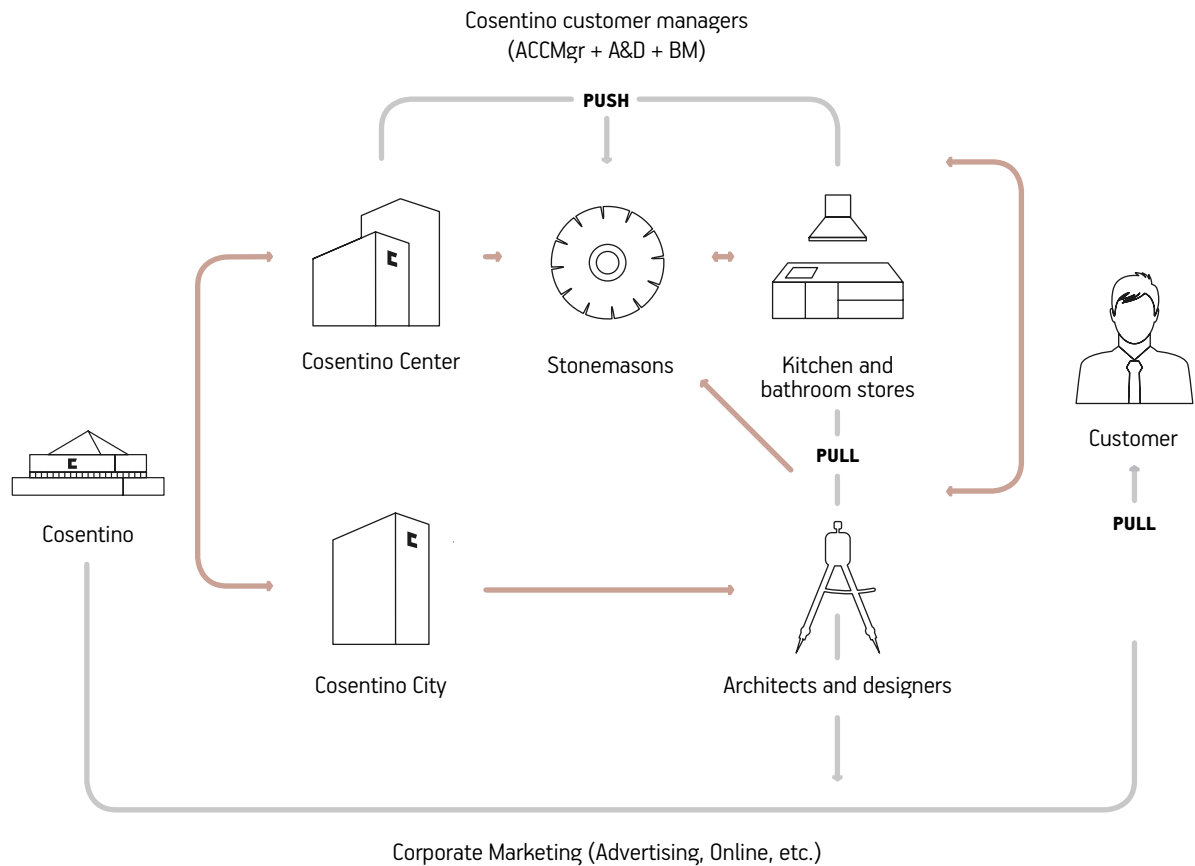
We are aware that the success of our business model, based on a push and pull strategy, lies in establishing close relations with our clients and partners.

We work hard and we are strongly focused on our clients: marble masons, kitchen and bathroom shops, architects and designers from around the world. They are the main players that allow us to know about and respond to the needs of our end users, taking our products to our customer's homes. These ties are channelled through our business units around the world: the Cosentino Centres and Cosentino Cities.

We express it thanks to a solid strategy of multi-channel communication and marketing that enables us to reach families directly while continuously strengthening our brand positioning for our stakeholders.

We seek to go a step further in our collaboration with our clients and partners, working together on our value chain through open innovation processes, the promotion of health and safety, respecting the environment and 360-degree quality.

**Business model:
Cosentino
Value Chain**



Vision of Corporate Social Responsibility

In keeping with its strategic position, Cosentino has put corporate social responsibility at the forefront of its business culture. The company understands commitment to environmental, financial and social sustainability as an opportunity to imagine the future and make a commitment to it. Therefore, we work to create value within and outside the company, being one step ahead

through innovation, improving the environment and making people the focus of our business activity.

In accordance with this framework of action, in 2018, the company continued working to fulfil the commitments made with regard to the UN Sustainable Development Goals consisting of 17 Goals and 169 targets that make up the 2030 Global Agenda.

This requires the involvement of governments, companies, third sector entities and society in general to successfully tackle the crucial social and environmental challenges faced by the world. In particular, a public commitment has been made to make a specific contribution to 5 of the 17 Sustainable Development Goals:

"Spain has tabled an ambitious project that calls for all the people and institutions to play a part. In Cosentino, we are aware that our leadership role also means that we have to lead the way towards sustainability. Therefore, we drive this agenda forward in addition to fulfilling strategic goals for our business such as health (SDG 3), quality education (SDG 4), decent work (SDG 8), innovation (SDG 9) or sustainable production (SDG 12)".



Santiago Alfonso
Cosentino Group's Vice President
of marketing and communication.



SDG 3 - Health

The health and well-being of our employees and all the workers in our value chain is of fundamental importance to the company. In 2018, the countries managed to reduce the accident rates in all the workplaces in Iberia, in addition to the workshops in the United States. Cosentino has invested over €4.7 million in safety measures for its facilities in the United States in addition to other investments, mainly in measures applied in its production and processing plants in Almería, Brazil and USA.



SDG 4 - Quality Education

Cosentino's commitment to quality education comes mainly in the shape of the Eduarda Justo Foundation, established in 2006 to promote the economic, social, educational and cultural development of Cosentino's immediate environment. Cosentino is also committed to the potential of art and culture to develop people's talent. In 2018 as part of its commitment to enhance well-being in the societies where it has a presence, Cosentino increased its donations to social projects in Spain, Brazil and USA by 1%.



SDG 8 - Decent work

Cosentino continues to support the ongoing growth in employment that it has targeted in recent years. In 2018 the company employed 4,314 people. In addition, Cosentino continues to make progress with regard to the diversity and equality of its workforce; the number of women in management positions rose to 18.07% in 2018, thus strengthening the commitment to gender equality.



SDG 9 - Innovation and infrastructure

We are committed to R&D&I to transform our industrial model and we promote innovation in the communities in which we operate.



SDG 12 - Responsible consumption and production

We never cease to innovate and develop more sustainable products, in addition to improving our production systems in order to progress towards a circular economy. Environmentally sustainable products, produced with a reduced use of resources, are a good example of this commitment. In 2018, Cosentino produced 1.5 million square metres of surfaces with recovered materials, representing 19.72% of the total production.

Risk management

Cosentino manages the risks it is exposed to by applying systems to identify, control and manage them. Accordingly, the different kinds of financial and non-financial risks faced by the company are taken into consideration.

We use different tools to anticipate possible risks:

- We have developed a management programme for the Group's global risk that takes into account financial market risk, credit risk and liquidity risk. This programme is defined by the uncertainty of the financial markets and aims to mitigate the potential adverse effects on our financial profitability.
- Every year we update our SWOT analysis, analysing Cosentino Group's strengths, weaknesses, opportunities and threats. It is a comprehensive analysis that considers the perspective of different departments in the company: Finance, Innovation, Internal Auditing, Purchasing, People, Sales Process, Logistics, Quality and Environment. The SWOT matrix is part of our Annual Strategy Plan and is reviewed by the Board.
- We establish corrective or preventive action for each of the situations of risk identified in our annual review.

We update the company's risk map every 2 years. For the 2017 and 2018 financial years, we identified 11 critical risks, 17 risks to monitor and 6 risks to keep track of. To identify and prioritise these risks, the Senior Management of Cosentino Group assessed a series of parameters. The 11 critical risks have been assigned people to monitor them and risk sheets have been drawn up that include: indicators to measure risks; the company's internal guidelines that regulate the processes affected by these risks; and the action plan being carried out to mitigate them. These risk sheets are presented in the audit and control commissions that take place every three months.

Proximity to our clients and stakeholders

Cosentino maintains continual interaction with its stakeholders. We acquire a sound knowledge of their needs and expectations by means of communication channels and procedures. We regularly update information about the requirements of our clients and our legal and statutory obligations. This information is incorporated into the annual review conducted by the Board.

During 2018 we maintained an ongoing dialogue with our stakeholders through a variety of communication channels:



Employees

Corporate intranet, Chatter – internal social network, newsletters, YouTube TV Channel, Cosentino Ideas and face-to-face gatherings such as Breakfasts with the Management or the Cosentino Family Day.



Clients and partners

Visits to our facilities including direct communication with those in charge, information and ongoing training in matters of interest, regional meetings, newsletters, satisfaction surveys, communication by e-mail, social networks, websites or Cosentino TV on YouTube.



Social and environmental organisations

In the regions in which we operate. In 2018, we donated over one million euros to different NGO initiatives and local authorities.



Media

We have 21 press offices serving 26 countries, paying special attention to the general media and those that specialise in architecture, design, kitchens and bathrooms.



Public Administrations

Direct communication, visits to our plants, participation in initiatives organised together with the local authorities in the Almansora region of Almería (Spain).



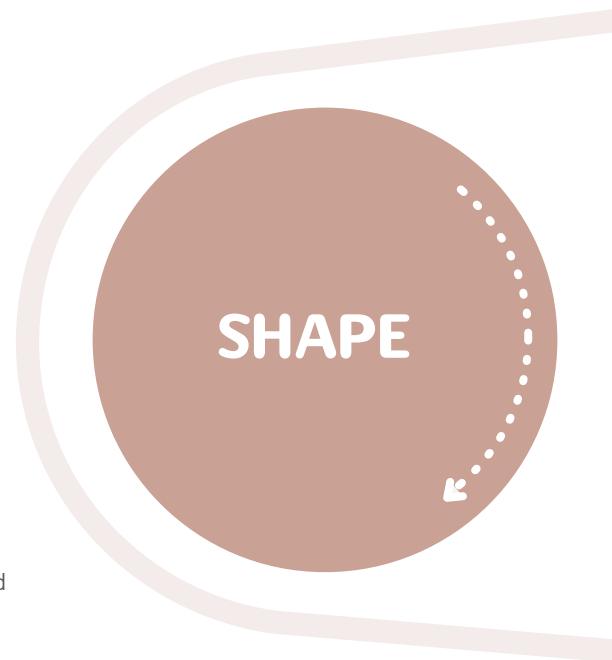
Suppliers

Visits to our facilities, audits and controls, attending forums and gatherings, and specific training.

Where we're headed

Cosentino has evolved since its beginning, setting itself exacting goals and challenges with the purpose of growing in every way to become a company that is increasingly sustainable and committed to health and safety as well as the environment.

The main driver ensuring that the transformation of the company is a success continues to be the development and implementation of initiatives defined in the Shape project. It is the road map that determines how we evolve as part of a continuous process of improvement towards becoming a company that is increasingly robust, responsible and sustainable. The corporate transformation project is built around the guidelines and courses of action for the next three years. The main progress made in 2018 is outlined below:



Sales

We have maintained double digit growth, diversifying our brands and distribution channels and developing new niche markets (such as façades). The price of our products increased in 2018 as a result, amongst other factors, of improved price management by the company.



Marketing

We have established a well-defined marketing strategy aimed at the return on our actions (campaigns, events, samples, etc.). We have also improved our loyalty programmes and the management of the Cosentino Cities, increasing product differentiation and product leadership. In turn, we have invested significantly more in 2018 in Digital Marketing.



Innovation

New colour series such as Stonika for Dekton® and Loft for Silestone® have been launched onto the market in 2018; likewise, successful collections such as Dekton® Industrial and Silestone® Eternal have been extended. We have redefined the end to end process, from the conception of new products to placing them on the market, improving *Time to Market* management.



Service

We have optimised logistics thanks to new agreements with ports and shipping companies worldwide, thus being able to improve the service given to our clients.



Efficiency

Partly thanks to the strong commitment to automation made by Cosentino, improvements have been made in critical matters such as accident rates and the profitability of certain plants.



Digitization

In 2018 we started to change the way in which we interact with our stakeholders, seeking to offer customers an excellent experience thanks to the ambitious digital transformation project that is being carried out and that we will consolidate in 2019.



People

2018 has seen a decrease in staff turnover; we not only manage to attract the top talent, but we also hold on to it and develop it.



Sustainability

The company's waste management improved significantly in 2018, drastically reducing the cost to the company per ton of waste treatment. Working every day to turn Cosentino into a sustainable company is a clear goal that will remain a guideline in 2019.

Landmarks & figures for 2018

Internationalisation

- We distribute our products to 116 countries.
- We opened a new Cosentino City in Miami (United States).
- We opened new Cosentino Centres in the United States, Italy, United Kingdom, France, Sweden and Poland.

Innovation

- We invested €25.3 million in R&D&I (11% more than in 2017).
- We launched Dekton® Slim, a revolutionary thickness for surfaces used in architecture and design.

Economic scale

Net turnover

€984,527,015

2017: €900,716,027

EBITDA

€142,996,194

2017: €128,425,277

Total assets / liabilities + net equity

€1,047,510,657

2017: €918,264,692

Net financial debt

€210,519,534

2017: €197,727,332

Annual investment

€88,167,065

2017: €91,912,020

Committed to our region:
Almería receives 73% of our
Investment Plan 2016-2020

Net equity

€329,116,952

2017: € 296,471,486

Main ratios

Net debt / EBITDA

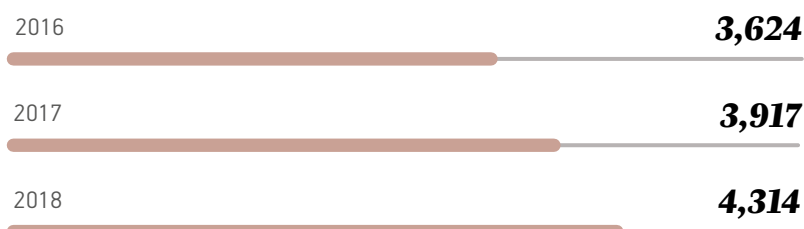
1.47

Net debt / net equity

0.64

People

**Show graph of
employee numbers**



Women

18.07%

The number of women in management positions has risen to 18.07% (14.45% in 2017)



Training

43,925 hours

(96,700 in 2017)



Employment

91.16%

of our employees have permanent contracts



Occupational health & safety

3.7

We have reduced the accident rate in our plants to 3.7 (4.1 in 2017).

Environment and circular economy

- We increased the amount of recycled / recovered raw material by 64% with regard to 2017.
- We allocated €5 million to launching assets related to environmental management and €8.1 million to environmental expenses.
- We launched our own waste management plant.

Community



Donations

€1.4 million

to social activities
(€1.3 million in 2017)

- We consolidated our commitment to the education of youngsters through the Eduarda Justo Foundation.
- We continue to support art and culture as sponsors of the Ibañez Cosentino Art Foundation.

Evolution and results of business

During 2018, Cosentino has consolidated and strengthened its position as the market leader around the globe. The key to our success is remaining true to our commitment to excellence and continuous improvement. During this year we have based our business activity on increasing R&D, investment in new products and sales channels, international growth, respect for the environment, sustainability and contributing to society. The constant investment in new production processes, internationalisation, our product differentiation, our vision of the future and economic strength have enabled us to stay ahead of our competitors.

In 2018, the Group increased its profitability, growing its EBITDA at a faster rate than sales. The turnover at the end of the year was €984,527,015, which represents an increase of 9% compared to the previous year. Growth in comparable terms (by standardising the exchange rate of the 2017 financial year) reached 13%.

The EBITDA of the Group increased by 11% (€142,996,194 in 2018 versus €128,425,277 in 2017), and was also strongly affected by the exchange rate. Therefore, by standardising the exchange rate with regard to 2017, comparable growth in relation to that year was 21%.

In addition, the Group's net profit has risen to €50,512,711.

Cosentino's financial strength has enabled us to continue with our Strategic Expansion Plan into international markets and develop our production capacity and our goal to diversify our range of products and distribution channels.

€50,512,711

Group's net profit
in 2018

Economic scale (€)	2016	2017	2018
Net revenues	834,016,250	900,716,027	984,527,015
Net income	844,443,569	909,866,357	999,196,524
Net equity	270,542,655	296,471,486	329,116,952
Net financial debt	213,871,968	197,727,332	210,519,534

Details of pre-tax profits*

Country	Pre-tax profit (€)
Spain	61,476,957
Netherlands	302,369
Germany	388,643
United Kingdom	3,329,703
Italy	531,474
Portugal	524,020
Sweden	-151,035
Belgium	189,336
France	337,893
Switzerland	259,920
Brazil	-499,203
Austria	87,254
Ireland	606,907
Norway	120,154
Singapore	17,779
Turkey	-1,784,541
Israel	-2,379,269
Mexico	-464,193
Australia	-911,857
Japan	101,779
Spain	182,334
Denmark	447,696
Finland	32,664
New Zealand	21,672
South Africa	-395,084
Poland	25,165
Malaysia	-190,967
USA	7,868,576
Canada	-115,326
Puerto Rico	-2,023

*Details of pre-tax profits by country as of 31 December 2018

Welcome



COSENTINO SAP Quality Awards



Awards for the best international business model 2018



Corporate Social Responsibility Award. Almería Provincial Council 2018

Awards and distinctions received in 2018

Cosentino

- Awards for the best international business model 2018. "Development Systems" and Association for the Progress of Management (APD). (Spain).
- Francisco Martínez-Cosentino Justo, "Best Entrepreneur" Award. Andalucía Inmobiliaria Magazine V Awards. (Spain).
- Special Mention at the 9th Icaro Awards of the University of Almería. (Spain).
- Cosentino Group, named as one of the award-winning companies of the 3rd Edition of the Mutua Universal Innovation and Health Awards. (Spain).
- Cosentino Group, "Corporate Social Responsibility Award. Almería Provincial Council 2018", large companies category. (Spain).
- Cosentino, "Frank Memelsdorff Design and Business" awards at the 6th Biennial Iberoamericana of Design (BID'18), an initiative organised by the Association of Designers of Madrid (DIMAD) (Spain).
- The Cosentino Purchasing department received two awards in 2018: One: The Spanish Association of Purchasing, Recruitment and Supply Professionals (AERCE) recognised Cosentino in a new edition of its "El Diamante de la Compra" awards. Two: SAP, the market leader in software applications for business recognised Cosentino in its "SAP Quality Awards" in the "Innovation" category for a Strategic Sourcing project intended to optimise its purchasing management.
- Cosentino and "Silestone® USA", "Best of Houzz – Design" award at Houzz®, the leading platform in design and home improvement. (United States).
- Enterprise Florida presents Cosentino with the "Job Creator" award. (United States).

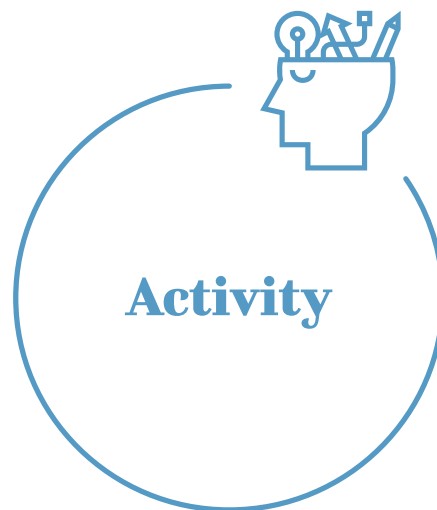
Silestone®

- Silestone® received the industry gold seal at the BKU Awards 2018 for the Best Work Surface Brand. (United Kingdom).
- Kitchen & Bath Business Readers' Choice Award (United States).

Dekton®

- DeKauri: a creation developed with Dekton® in collaboration with Daniel Germani: Silver Award for "The Best of KBIS", Best Bath category. (United States).
- "DeKauri" by Daniel Germani: winner of the "Bath" category at the NYCxDesign Awards, which annually recognise the best designs on display during "NYCxDESIGN 2018" (United States).
- Dekton® Industrial: "Popular Choice" award at the Architizer A + 2018 Awards in the interior surfaces and materials category. (United States).
- Dekton® Orix was awarded the Architectural Digest Grand Design Award 2018 (United States).
- DeKauri: German Design Award 2019 in the "Bath and Wellness" category, presented by the German Design Board.
- Award for innovation from the "Maison et Travaux" magazine for Dekton® Radium (France).







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Committed to good governance and transparency

Corporate Governance

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Ethics, Conduct and Regulatory Compliance

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Regulatory Compliance Body

Complaints Channel

Anti-corruption mechanisms and conflicts of interest

Human Rights

Associations and other initiatives

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Fiscal Transparency

Public subsidies received

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Commitment to innovation

Innovation at Cosentino Group

Alliances for innovation

Digitization and automation

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Commitment to health and safety

Commitment to our value chain

We collaborate with the CTM to develop a nationwide health and safety training programme

We collaborate with the National Institute for Occupational Safety and Health of the United States

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Committed to our customers

Close to our customers

Excellence in quality and service

Customer health and safety

Constant dialogue with our customers

Page 102

Commitment to our suppliers

Our purchasing procedures

We promote our values and policies

Supplier health and safety

Dialogue with our suppliers



Committed to good governance and transparency

Corporate Governance

Our commitment to corporate governance is ongoing improvement, seeking the highest degree of transparency, efficacy and rigour. This is a decisive factor in the generation of trust and long-term commitment between Cosentino and our stakeholders.

The structure of the Corporate Governance of Cosentino Group, consisting of the General Board of Shareholders, the Board of Directors, the Delegated Committees and the Family Assembly, blends purpose, mission, vision and values with the tradition that characterises our beginnings as a family company with the aim of offering the highest levels of rigor, efficacy and transparency in our decision-making process.

Board of Directors

The Board of Directors is the highest management and representative body. Given our family tradition, it largely consists of members of the Cosentino family, who ensure continuity of our family and business values. It consists of a group of professionals of both sexes with differing knowledge and experience, whose aim is to bring real value to the company by working on a daily basis to manage company affairs with integrity and transparency in an efficient and effective way.

Their mission is to promote social interest, represent the company in the administration of its assets, manage the business and direct the organisation of the company.

Four of the eight members of the Board of Directors are women, in other words 50% of the total.

Chairman / CEO

Francisco Martínez-Cosentino Justo

Members of the Board

Eduardo Martínez-Cosentino Alfonso

Pilar Martínez-Cosentino Alfonso

Isabel Martínez-Cosentino Ramos

Eduardo Martínez-Cosentino Ramos

María del Mar Martínez-Cosentino Ramos

Eduardo Martínez-Cosentino Rosado

Isabel Martínez-Cosentino Rosado

Secretary

Álvaro de la Haza de Lara

External Consultants

Carlos González

Fuencisla Clemares

Santiago Seage

Tony Gennaoui



Delegated Committees

The Delegated Committees are advisory bodies consisting of independent consultants and advisers with renowned prestige and experience in listed companies. Their role is to inform and make proposals to the Board of Directors.

Appointments and Remuneration Committee

Advises and supports the Board of Directors regarding its own composition and those of the Delegated Committees. It proposes, reviews and regularly updates the remuneration policy and recommends improvements in appraisal and gender diversity policies.

This body is also responsible for establishing the criteria related to the selection, qualifications and experience required of directors and independent advisers, and different positions in Cosentino Group.

Audit and Control Committee

The Audit and Control Committee proposes the appointment, re-election or replacement of account auditors and monitors the independence and efficacy of the Internal Audit function, the process for preparing and supervising financial information, the efficacy of the internal control system of Cosentino Group and its systems for managing risk, including fiscal risks, and the review and efficacy of the Code of Ethics and Conduct, and Regulatory Compliance.

Innovation Committee

The Innovation Committee advises the Board of Directors on the implementation of the R&D&I work plan, promoting this activity and fostering an innovation model based on the following premises:

- Multidisciplinary teams.
- Specialisation and versatility.
- Innovation as a transversal competency in the company.
- A system approach to continuous innovation.
- Market orientation.
- Focus on developing differential attributes of products.
- Global alliances and strategic partners.
- Dynamism and the quest for excellence.

Corporate Social Responsibility (CSR) Committee

The goal of the Corporate Social Responsibility Committee is to identify and guide the policy, aims, best practices, sustainability and corporate social responsibility programmes of the Cosentino Group in line with its business strategy. In addition, it prepares the CSR report and monitors the philanthropic initiatives and the contributions to Public Administrations through the payment of taxes.

Executive Committee

The Executive Committee comprises 19 professionals with extensive experience in multidisciplinary and international environments. This Committee is a nexus between the Board of Directors and the rest of the company.



Cosentino Group's Executive Management committee

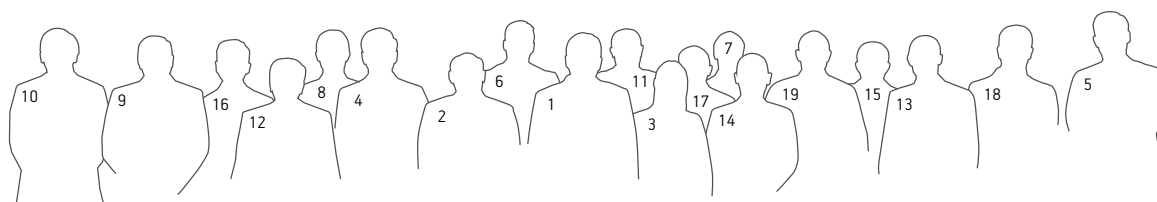
Executive Committee

As of 31 December 2018, the Executive Committee has the following members:

1. Francisco Martínez-Cosentino Justo,
President Cosentino Group
2. José Martínez-Cosentino Justo,
VP General Treasurer
3. Pilar Martínez-Cosentino Alfonso,
EVP Deputy Chairman
4. Eduardo Martínez-Cosentino Alfonso,
EVP Global Sales and CEO
Cosentino North America
5. Álvaro de la Haza de Lara,
EVP Corporate Functions
& General Secretary
6. Julian Edwards,
VP CFO

7. Valentín Tijeras García,
VP Global Product and R&D
8. Julio Martín Mancera,
VP Global Purchasing
9. Ángel Madariaga Álvarez,
VP Engineering & Projects
10. Alberto Quevedo González,
VP Global Production
11. José Antonio Fernández Pérez,
VP Global Logistics & Planning
12. Santiago Alfonso Rodríguez,
VP Global Marketing & Communication
13. Pedro Parra Uribe,
VP Sales Europe

14. Eduardo Martínez-Cosentino Ramos,
VP Sales Iberia
15. David Benavente Pérez,
VP Sales LATAM
16. Ginés Navarro Rubio,
VP Sales ROW
17. Christophe Gontier,
VP sales Oceania & Asia
18. Francisco Carrillo Quilez,
VP Pricing & Technical Unit
of Commercial Projects
19. Brandon Calvo,
Chief Operations Officer
Cosentino North America





1. Francisco Martínez-Cosentino Justo, President of Cosentino Group

Francisco Martínez-Cosentino Justo holds a degree in Education from the University of Almería, and spent a year working as a teacher. A few years later, he graduated from an Executive Management for Leading Companies (ADEL) programme at the Instituto de San Telmo. He began his career in business in 1972, and in 1979 he founded the Cosentino Marble company together with his brothers. He currently holds the position of President of Cosentino Group. He has received various prizes for excellence in business, including the Silver Medal of Andalusia, awarded by the Andalusia Regional Government; the Gold Medal for Merit at Work, awarded by the Ministry for Work and Social Security; the Gold Medal of the Province, awarded by the Provincial Council of Almería; the Accreditation of Honorary Ambassador for the Spain Brand, awarded by the Spanish Forum of Leading Brands; the Gold Medal of the High Council of the National Chamber of Commerce and the Medal of the Chamber of Commerce of Almería.

He was Chairman of the Marble Entrepreneurs Association from 1983 to 1988 and Chairman of the Chamber of Commerce, Industry and Shipping of Almería from 1999 to 2003.

2. José Martínez-Cosentino Justo, VP General Treasurer

He graduated from the University of Barcelona with a degree in Economic Science (1969-1975). He was one of the founders of Cosentino in 1979 and currently holds the position of General Treasurer.

He previously worked for other companies such as Henkel Ibérica, Banco Popular and Torras Hostench.

3. Pilar Martínez-Cosentino Alfonso, EVP Deputy Chairman

Pilar Martínez-Cosentino Alfonso holds a degree in Law and Legal Business Consulting from the Pontifical University of Comillas (ICADE) in Madrid. She went on to complete an MBA at the Instituto de Empresa.

She started her career at KMPG, later moving to Cosentino Group as Strategy Manager. She currently holds the position of Deputy Chairman at Cosentino Group. She combines her professional role with that of Chairwoman of the Almería Foundation for Excellence in Business, and she is a member of the General Assembly of the Almería Chamber of Commerce. She is also a member of the Board of Trustees for the Eduarda Justo Foundation, dedicated to training and leadership for young people.

4. Eduardo Martínez-Cosentino Alfonso, EVP Global Sales and CEO Cosentino North America

Eduardo Martínez-Cosentino Alfonso studied Business Management and Administration, specialising in Marketing at ESIC Madrid until 2002. At the age of 35, he has already built up a solid career at Cosentino Group, where he has worked his way up through Sales, gradually taking on more responsibility until reaching management level. In 2010, Eduardo was appointed Chairman and CEO of Cosentino North America, as well as EVP for Corporate Sales worldwide, supervising the growth of the company and taking responsibility for national and international business units.

5. Álvaro de la Haza de Lara, EVP Corporate Functions & General Secretary

Álvaro de la Haza holds a degree in Law from ICADE (Catholic Institute of Business Administration and Management), he also has a MBA for Professionals through the 'Instituto de Empresa'. He completed executive training at the London School of Economics.

After his time as a lawyer in the Garrigues office, he joined Cosentino in 2004, where he has increased his scope of action and executive responsibility.

He is the company's representative in CEOE and is also Vice President of the Almería employers, Asempal. Álvaro de la Haza is a trustee of the United States-Spain Council Foundation. He was President of the World Stone Engineering Association, ASTA Worldwide. Furthermore, he is a regular lecturer at universities, master's degrees and business organizations, his areas of expertise being family business, and estate planning and management.

6. Julian Edwards, VP CFO

Julian Edwards holds a degree in Economics and Business Management (London School of Economics and Political Science) and a master's degree in Economic Financial Management (EFM).

Before joining Cosentino he worked for eleven years at Ferrovial Group, where for the last three years he held the position of Internal Audit Manager for North America.

7. Valentín Tijeras García, VP Global Product and R&D

Valentín Tijeras García holds postgraduate studies in business management, power electronics, an MSc in Electronic Engineering and a BSc in Physics. He previously worked as a researcher in the department of Electronics and Computer Technology at the University of Granada. He was Project Manager at SEPSA, developing high power electronic equipment (2001-2003) and worked from 2003 to 2006 as the Technical Director of the Andalusian Technology Centre for Stone (CTAP).

He has worked for Cosentino since 2006 as Product Manager. Since then he has been in charge of developing new products and defining innovation policy. Over the years he has also run the Technical Office, the Project Service unit and the Pricing department. Since 2017, he has been in charge of Research and Development in Cosentino Group.



8. Julio Martín Mancera, VP Global Purchasing

Julio Martín Mancera is a graduate in Mine Engineering, and holds a Masters in Operations and Services from ESADE Business and Law School. Before joining Grupo Cosentino he worked in Industrial Engineering and Mining, managing projects involving the opening of new mines and industrial plants, as well as running technical management and mining operations.

He is currently Vice President of Global Purchasing at Cosentino Group. He began his career at Cosentino in the Mining department and a year later joined the Purchasing department, which he has helped to develop from a number of different positions.

9. Ángel Madariaga Álvarez, VP Engineering & Projects

Ángel Madariaga Álvarez is a Senior Industrial Engineer. She started out as Internal Audit Manager after joining Cosentino in 2005 and three years later she was appointed Assistant Director of Operations and Services. She was in charge of the Projects department between 2008 and February 2015, when she accepted her current role. She previously worked for five years for Arthur Andersen as an Accounts Auditor.

10. Alberto Quevedo González, VP Global Production

Alberto Quevedo González studied Industrial Engineering, Business Management and Administration, and has an Executive Master from IE. He was a CIO before taking up his current position. Before joining Cosentino Group, he worked for Ernst & Young and Deloitte.

11. José Antonio Fernández Pérez, VP Global Logistics & Planning & Distribution Operation

José Antonio Fernández Pérez studied Telecommunications Engineering at the Polytechnical University of Jaén. He has an Executive Masters in Marketing and Commerce from the Institut de Empresa (IE), a master's in Shipping Business Administration and Logistics from the Spanish Maritime Institute (IME) and a Certificate in Planning, Production and Stock Management (BSCM-DRP-DSP) from APICS. He joined Cosentino in 1998 and after working at the Technical Office, USC, where he created the Pricing Department, he is currently the Director of Planning, Logistics and Distribution Operations.

12. Santiago Alfonso Rodríguez, VP Global Marketing & Communication

Santiago Alfonso Rodríguez is a Law Graduate and holds an AD1 Diploma from the San Telmo Institute. He also completed business administration studies at the European University of Brussels. He joined Cosentino in 1990, and after working in the Sales department in both the Spanish and international market, he created the Marketing department in 2000.

He represents the company in a number of associations and federations within the field of architecture, design and marketing.

13. Pedro Parra Uribe, VP Sales Europe

Pedro Parra Uribe is a graduate in Telecommunications Engineering (Polytechnic University of Catalonia) and has an MBA from The Wharton School (University of Pennsylvania). Before joining Cosentino he worked for British Telecom, Morgan Stanley and McKinsey & Co.

14. Eduardo Martínez-Cosentino Ramos, VP Sales Iberia

Eduardo Martínez-Cosentino Ramos holds a degree in Fine Art from the University of Barcelona. He graduated from EADA in 2005. He has worked for Cosentino since 1985, beginning with sales work in Barcelona. In 1987, he opened the Madrid Center with Pedro Expósito. Since 2004, he has been the manager of the Centres in Spain and since 2007, those in Portugal.

15. David Benavente Pérez, VP Sales LATAM

David Benavente Pérez holds a degree in Finance and Accounting from the University of Houston. He also has an MBA in International Business from Saint Thomas University. He has worked at Cosentino for 18 years, moving through different positions, such as Administration and Accounts Director for Cosentino USA, Sales Director for Europe and finally Sales Director for LATAM.

16. Ginés Navarro Rubio, VP Sales ROW

Ginés Navarro Rubio holds a degree in Business Science, an MBA from IEDE and a Senior Management Degree from the San Telmo International Institute. After two years as an Economic and Tax Advisor, he has spent the rest of his career at Cosentino, first as Economics Director, before becoming involved in the Group's international expansion process.

17. Christophe Gontier, VP sales Oceania & Asia

Cristophe Gontier holds a degree in Business Sciences and an MBA in Business (UD, Texas). He worked for Steelcase and Fagor before joining Cosentino in 2007. Since then, he has held several posts in Sales within the company, such as Area Manager for the European market. In 2017, he took up the post of VP Sales Oceania & Asia.

18. Francisco Carrillo Quilez, Pricing VP

Francisco Carrillo Quilez is a graduate in Telecommunications Engineering and has a master's degree in Marketing and Commercial Management. He has held a number of different commercial management positions at Cosentino in Iberia and Europe, and for the past three years he has been Director of Pricing and Cosentino Group's Technical Project Service Unit.

19. Brandon Calvo, Chief Operations Officer Cosentino North America

Brandon graduated from McCombs Business School at the University of Texas with a major in International Business. He is one of the original Cosentino North America employees and founders since 1998. During his career he has worked in both Distribution and Fabrication segments, holding the Chief Operations Officer title for Cosentino North America since 2008.

Family Assembly

The Assembly is attended every year by all family members over the age of 16 to share information about the progress of Cosentino Group and to reinforce the family and business principles and values.

The Assembly has the following tasks and functions:

- It meets once or twice a year to inform the family of the company's progress and of any developments deemed appropriate.
- It constitutes a forum that defines the family's objectives for the Group.
- It detects problems that affect the Family and the Group.
- It promotes education and training programmes for family members.



Ethics, Conduct & Regulatory Compliance

Cosentino Group is fully committed to compliance with ethical standards and principles and current legislation, both internally and in our external relations. We want to build a relationship of complete trust with our team members, shareholders, customers, suppliers and partners.

With this objective in mind, we continually update and promote our Code of Ethics, Conduct and Regulatory Compliance. This code is our main tool for establishing ethical conduct, built on integrity and going beyond the legal minimum. It obliges our directors, managers and employees to perform their duties and develop relations with our stakeholders in an honest fashion. A conduct based on the principles of:

- **Respect for legality.** Our activities take place in strict compliance with current legislation at every location where we have a presence.
- **Ethical integrity.** The business activity of Cosentino Group and its employees are founded on integrity and developed in accordance with the principles of honesty, the avoidance of any kind of corruption and respect for the circumstances and particular needs of all stakeholders.
- **Respect for Human Rights.** All our activity shall fully respect the Human Rights and Civil Liberties included in the Universal Declaration of Human Rights.

The values of our Code of Ethics are part of the culture that we share with all Cosentino Group employees, who must be familiar with this document.

To ensure compliance with these basic principles of conduct, Cosentino Group has set up tools such as our Ethics Committee, the Regulatory Compliance Body and the Complaints Channel.

Ethics Committee

Its role is:

- To safeguard compliance with the Code of Ethics, Conduct and Regulatory Compliance.
- To safeguard compliance with the ten principles of the Global Compact.
- To process complaints regarding ethical matters received through the Complaints Channel and launch the appropriate investigation.
- To resolve conflicts of interest arising from the course of business activity.

The Committee reports directly to the Chairman. It is fully independent and meets regularly.

Composition

EVP Deputy Chairman

Pilar Martínez-Cosentino Alfonso

EVP Corporate Functions & General Secretary

Álvaro de la Haza de Lara

Internal Audit Director

Guillermo José Vicente Saúco

Regulatory Compliance Body

Its role is:

- To safeguard regulatory compliance.
- To control, supervise and act as the body responsible for complaints relating to regulatory compliance received through the Complaints Channel.

Composition

EVP Corporate Functions & General Secretary

Álvaro de la Haza de Lara

Director of Legal Consulting

Jorge Cuervo Vela



Complaints Channel

Our Complaints Channel is a means of communicating in total confidence any improper conduct regarding alleged non-compliance or breach in conduct set out in the Code of Ethics, Conduct and Regulatory Compliance.

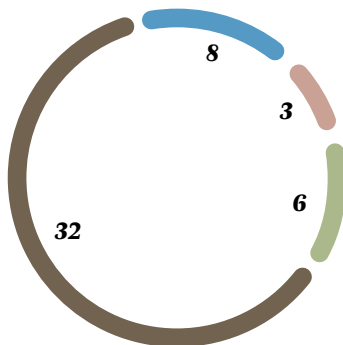
The Channel is available to all Cosentino employees via the corporate intranet channel. Non-employees can communicate with the company and make complaints via our website or by email.

The complaints and communications received are processed by the Ethics Committee or the Regulatory Compliance Body, depending on their content. We are committed to responding within ten days.

In 2018 a total of 49 reports of widely different character were received via the complaints channel.

Amongst the total of 49 communications, 11 were received from non-employees (mainly customers) and 38 from company staff.

Number of communications received



- Defamation / harassment
- Discrimination
- Others ⁽¹⁾
- Unrelated ⁽²⁾

(1) Includes communications concerning complaints of different kinds such as health and safety, non-compliance with internal procedures, etc.

(2) Includes the communication of complaints related to customer attention, GDPR, etc.

Anti-corruption mechanisms and conflicts of interest

The commitment of the Cosentino Group to deal with corruption and bribery is embodied by establishing anti-corruption measures in the Code of Ethics, Conduct and Regulatory Compliance and via the Anti-Corruption Policy that covers our maximum commitment to lawfulness, ethical values and maximum transparency.

Our Anti-Corruption Policy was approved in 2017 and is applicable to the main companies of Cosentino Group: Grupo Cosentino, S.L., Cosentino, S.A. and Cosentino R&D.

Cosentino Group Anti-Corruption Regulations

The company expressly prohibits offering or giving:

- Gifts of any kind in direct return for a deed performed either in the past or in the future. Gifts should be given, offered or accepted without anything in return.
- Cash, unless this takes place as part of Cosentino's official loyalty schemes.
- Gifts of any kind if there is a risk that due to its frequency or value (individually or jointly) this giving or offering may not be considered to be sporadic or reasonable.

In 2018, the company implemented its Annual Training Plan and Communication on matters concerning *compliance* including monthly training in which issues related with corruption are emphasised.

Our Annual Auditing Plan includes action to assess any conflict of interest in the company and compliance with internal rules such as our Purchasing Standards, which thoroughly regulate the existence of any conflicts of interest from a purchasing perspective.

The regulations regarding money laundering are included in the Code of Ethics, Conduct and Regulatory Compliance. Cosentino Group is committed to complying with money laundering laws of any competent jurisdiction. We have procedures to control payments through third parties or tax havens, and we implement measures such as a centralised treasury, payments reflected in SAP, verification procedures, posting of invoices, etc.



Human Rights

Via our Code of Ethics, Conduct and Regulatory Compliance, we agree to respect the human rights and civil liberties included in the United Nations Universal Declaration of Human Rights. The responsibility for respecting human rights lies with all the people and bodies to which the aforementioned Code is applicable. We follow basic guidelines for conduct including ILO's Declaration of Fundamental Principles and Rights at Work and Conventions, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact.

In this Code, Cosentino expressly agrees to abolish child labour, requiring all employees, partners and suppliers to comply strictly with this principle.

With regard to our supply chain, Cosentino requires its suppliers and sub-contractors to agree to the Code of Ethics, Conduct and Regulatory Compliance and accept the principles of respect towards human rights, amongst others.

Finally, the Cosentino Complaints Channel may be used to communicate any cases of non-compliance or breach in the conduct included in the aforementioned Code, including matters of human rights.

Associations and other initiatives

Cosentino plays an active role in a number of organisations related to our activity, promoting dialogue with our stakeholders and reaffirming our commitment to sustainable development:

- SERES Foundation: A Spanish foundation promoting business commitment and actions to reinforce corporate responsibility and generate shared value.
- The Sustainable Stone Programme of the TFT (The Forest Trust): a non-profit-making organisation that helps companies in the private sector to transform their supply chains in a way that benefits people and nature.

The annual payment to these associations is not considered important as it only involves the payment of a membership quota.

We are also involved in a number of external initiatives that our ethical rules and procedures are based on:

- Sustainable Development Goals.
- OECD Guidelines.
- ITO Tripartite Declaration.
- Universal Declaration on Human Rights.
- ISO 9001 & 14001.
- European Purchasing Standard UNE 15896.

Fiscal Transparency

In line with Cosentino's commitment to fiscal management, since 2015, we have voluntarily published details of the tax payments made in the countries where we operate, thus demonstrating our commitment to fiscal transparency.

Cosentino Group's fiscal policy is based on all our companies complying with their tax obligations, their relationship with the tax authorities being governed by our corporate principles: integrity, honesty, transparency and professionalism.

Therefore, the fiscal activity of Cosentino Group is determined by the following principles of action:

- To comply with general regulations and particularly with the tax laws in the different countries and regions that the Group operates in, paying the applicable taxes according to the legal system of each country.
- To encourage mutually cooperative relations with the tax authorities.
- To collaborate in the fight against tax evasion, rejecting the use of contrived structures unrelated to the activities of the Society in the different countries with the sole purpose of lightening the tax burden. To this

end, Cosentino Group has established a Transfer Pricing Policy for operations between related parties that is governed by the principles of free concurrence, the creation of value and assuming risks and rewards.

Our activity implies a significant financial and social contribution to the economies in which we have a presence. We not only make a significant direct contribution to the public administration via the payment of taxes, but also a substantial contribution via the collection of taxes from third parties as a result of the company's activity.

In 2018, the financial and social contribution through the net payment of taxes (sum of taxes paid plus rebates) and through the taxes collected by Cosentino on behalf of the public administrations, had an increase of 5% on the previous year, reaching €149,654,800.42, of which €21,075,335.38 corresponded to the net payment of direct taxes and €128,579,465.05 to taxes collected.

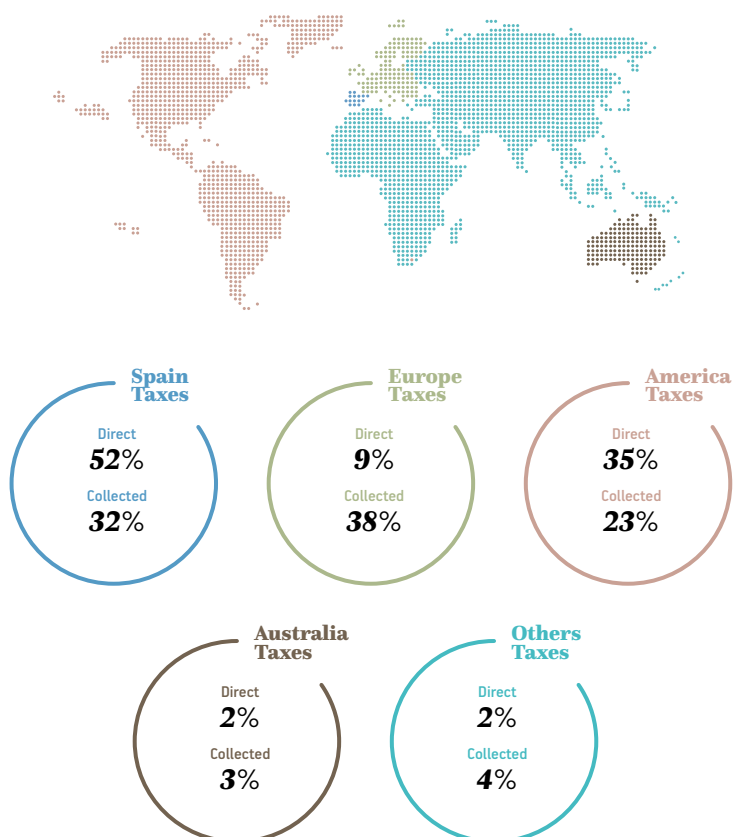
Thus, in 2018 we paid €12,848,460 in taxes on profits.

Evolution of tax contributions

	2016	2017	2018
Direct tax payments (€)	15,130,899	29,352,857	21,075,335.38
Tax collection (€)	98,151,256	112,962,346	128,579,465.05
TOTAL	113,282,155	142,315,203.42	149,654,800.42

Contribution by region

By region, Spain is the country where we contribute the most in direct taxes because it is the country where the Group's main activities take place (including manufacturing, research, development, purchases and marketing), followed by other European countries and the USA.



€ 149,654,800

Total tax payment

Public subsidies received

The movement of non-repayable subsidies, donations and legacies received is as follows:

Balance on 1 January	€ 28,429,621.09
Subsidies awarded during the year	€ 1,983,639.76
Reduction of subsidies received in previous years	€ -837,933.67
Transfers to the profit and loss account	€ -4,591,310.31
Balance on 31 December	€ 24,984,016.88

Activity





Commitment to innovation

Innovation at Cosentino Group

Cosentino Group's strong commitment to innovation has enabled us to differentiate our products and become leaders in the sector. We offer products and services that contribute to well-being and progress in society in an efficient, sustainable and safe way.

Innovation forms part of our corporate culture and our corporate goal. Innovation is an integral part of our work and an essential tool for gaining a competitive edge. We focus on ensuring sustainability and on giving added value to our current and future products and services.

Cosentino Group as a whole is involved in creating value through innovation. Innovation is the order of the day for everyone in Cosentino Group, to imagine and

anticipate future needs. Innovation in our products and services is one of Cosentino's strategic functions to guarantee future growth, and is reflected in our corporate goal to "inspire people through innovative spaces".

We consider continuous investment in R&D&I to be an essential lever for sustainable development. In 2018 we invested 11% more in R&D&I than in 2017 with investments reaching €25.3 million both for R&D&I projects and for related assets.

Cosentino Research and Development is a company belonging to the Group where most of our R&D&I activity takes place. It boasts a multidisciplinary research and development team. It also actively implements a policy of collaboration with prominent external consultants and institutions belonging to the field of design, engineering and technology.

Innovation (€)*	2016	2017	2018
Investment in R&D&I projects	8,984,665	10,825,575	14,435,338.96
Investment in R&D&I assets	6,864,907	11,734,753	10,849,610.60
Total investment in R&D&I	15,849,572	22,560,328	25,284,949.56

* Investment by Cosentino S.A. and Cosentino R&D

We have an Integral Management System and our own centre in Almería (Sapin). We have also established a number of collaboration agreements and alliances with third parties to promote innovation and development.

Main developments and launches in 2018

With a presence in over 110 countries, the development and launch of a new product becomes a worldwide activity that must be perfectly synchronised and in line with the strategy of each market. Because every consumer is unique, with their own preferences, and every market is special and has its own trends and regulations.

Dekton® by Cosentino

Dekton® Slim

Cosentino Group presents Dekton® Slim, the new thickness of 4 mm for the innovative ultra-compact surface, Dekton®.

Dekton® Slim is a revolutionary new surface for architecture and building projects. It combines the amazing technical and mechanical features that Dekton® is known for, with a new, thinner and lighter format that is easy to handle and install.





"Slim is the latest step towards making Dekton® totally versatile, and consequently a revolution for us and the company. Thanks to its properties and design, we had always considered Dekton® to be a material capable of providing the solution to any situation, but we were limited by its weight. With a thickness of only 4 mm, Dekton® Slim has opened even more doors to the world of architecture and design, making new applications in furniture, doors and cladding possible. It is a fresh challenge for the company, involving new customers, new applications and a generation of new knowledge; it's a challenge we are looking forward to taking on."



Paula Albendín
Product Manager Dekton® by Cosentino



Furniture cladding Dekton® Slim - Kreta / Countertop Dekton Opera / Wall Dekton Sirius

Dekton® Stonika

Dekton® by Cosentino presents the new Stonika series of colours. With six surprising tones, Dekton® Stonika draws inspiration from the most prized characteristics of natural stone: its stunning sheen and unbeatable durability.

The R&D work behind the manufacture of Stonika brings a perfection to the final design that is expressed in an ultra-realistic appearance. As a series of the Dekton® ultra-compact surfaces, Stonika boasts such important qualities as being highly resistant to thermal shock or impacts. Stonika is the result of Cosentino's ongoing commitment to remain at the cutting edge of design and durability through R&D, for which it leads the sector.

The six tones of Dekton® Stonika are Olimpo, Bergen, Arga, Taga, Sogne and Korso.



Olimpo



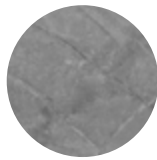
Bergen



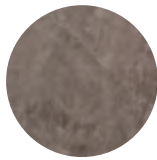
Arga



Taga



Sogne



Korso

"Dekton® Stonika is at the top of the range of our renowned Dekton® XGloss Natural collection. At Cosentino we want to keep improving, to find ways of surmounting the insurmountable to promote our brand and the sector, and we want to continue inspiring those who have to include our surfaces in their projects and designs".



Valentín Tijeras

Vice President of Product and Innovation at Cosentino Group



Sogne Dekton® Stonika



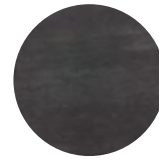
Taga Dekton® Stonika

Bromo and Milar

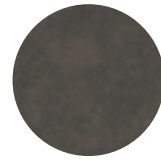
Dekton® by Cosentino launches Bromo and Milar onto the market: two new dark, matte tones with a soothing elegance that imbue interior and exterior decor with personality for more daring and ambitious customers.

Bromo, with its natural and organic appearance, and Milar, with an aesthetic that evokes old industrial ships located in the outskirts of cities, were born to play a role in original and creative spaces and projects, where a vintage, rustic or aged look can feature highly in a room, or fuse gracefully with more current or avant-garde elements.

Both of the dark, understated and mellow bases unveil a harmonious and organised visual result, and they exude beauty and functionality due to the design and the quality delivered by a surface like Dekton® by Cosentino. The excellent features of Dekton® guarantees lasting and unique technical and aesthetic performances for both Bromo and Milar.



Bromo



Milar



Milar Dekton®

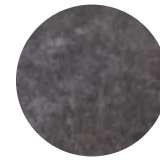


New colours for Dekton® Industrial

Cosentino has developed four new matte colours that expand the successful Industrial collection of the Dekton® ultra-compact surface. In collaboration with the Argentinian designer and architect Daniel Germani, Cosentino continues to bring its innovation and research into line with trends from around the world and achieve new references of the highest aesthetic quality.

Laos, Soke, Kreta and Lunar are the names of the new tones of Dekton® Industrial with an attractive, serene appearance.

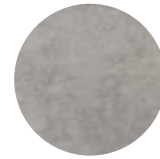
With the launch of Laos, Soke, Kreta and Lunar, the Dekton® Industrial collection now boasts a range consisting of eight innovative colour options. Dekton® Industrial was launched in 2017 with the Trilium, Radium, Nilium and Orix tones, making it the most casual and groundbreaking Dekton® colour collection thanks to its urban look.



Laos



Soke



Kreta



Lunar



Soke Dekton® Industrial

Opera and Natura 18

Inspired by the aesthetics and purity of marble, Opera and Natura 18 are two colour creations that will become part of Natural and XGloss Natural, respectively, two colour series that reflect Cosentino's desire to emulate the best that nature has to offer.

Opera: the new colour for the Natural Collection. Opera, inspired by the elegant Italian Carrara marble, conveys a design with simple, light grey veins that provide depth to the white surface resulting in a wonderfully classic solution.

Natura 18: new colour for the XGloss Natural Collection Natura combines the quintessential marble look of soft grey veins on a pure, classic white surface with an extraordinarily shiny finish. This crystalline finish is possible thanks to the advanced nano-technological treatment used to manufacture Dekton® and an advanced mechanical polishing process. This technological union gives the Dekton® XGloss collection (ultra-bright surfaces), in addition to incredible brightness, water-repellent properties that make it incredibly resistant to stains.

Opera and Natura 18 have been devised to respond to a decoration trend that never goes out of fashion: the look of marble, one of the most popular natural stones in the world.



Opera



Natura 18



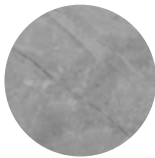
Opera Dekton®



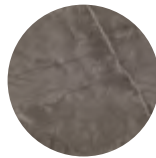
Vera and Kira

Christened Vera and Kira, these two new tones have become a sure bet thanks to the graphic perfection only provided by the purity and naturalness of natural stone and to the functional and mechanical perfection that only the ultra-compact surface Dekton® can bestow.

Vera and Kira emerge to join the Dekton® Natural Collection, a series that reflects Cosentino's desire to emulate the best things in nature. They are true-to-life copies of the whims outlined by millions of years of geological action.



Vera



Kira



Vera Dekton®

Silestone® by Cosentino

Silestone® Loft

Silestone® by Cosentino presents the Silestone® Loft Series, a sophisticated new collection of colours offering a fresh, contemporary take on the concept of the industrial and construction concept of concrete and cement. With the Silestone® Loft Series, Cosentino has once again paid heed to professional designers and end customers, innovating and improving on the market trends.

The significant amount of innovation behind the Silestone® Loft Series is the result of months of hard work by Cosentino's R&D department. As a result, a new texture has emerged with the Loft Series for Silestone®. It is called raw and follows the industrial theme defined by the collection itself. Raw has the evident unevenness of building materials such as cement and concrete, producing a textured surface with an elegant matte finish full of nuances.

Silestone® Loft Series comes in two initial tones: Brooklyn and Silver Lake.

L O F T

SERIES



1 Brooklyn 2 Silver Lake Silestone®



Additions to Silestone® Eternal

In 2018, Silestone® by Cosentino extended the successful Silestone® Eternal series that pays faithful homage to the most popular marble that nature has to offer. Pearl Jasmine, Eternal Marfil and Desert Silver are the names of three new tones that boast an authentic marble appearance together with the technology, innovation, quality and functionality that only a product like Silestone® can offer.

Silestone® Eternal responds to a current trend in the world of decoration and interior design that is evidenced in the latest developments seen in the most important design events in the world. This trend can be defined as reflecting the timeless beauty of all that is natural, pure, authentic and historic. Silestone® Eternal brings the timeless beauty of marble back to life.

With this launch, the Silestone® Eternal collection now offers a total of 8 colours for the Iberian market. Pearl Jasmine, Eternal Marble and Desert Silver join the five successful tones that started the series in 2017: Eternal Calacatta Gold, Eternal Statuario, Eternal Charcoal Soapstone, Eternal Serena and Eternal Marquina.

"Cosentino's investment in R&D to develop the complex designs of the Silestone® Eternal collection has been widely acknowledged by consumers, architects and designers alike. We are proud to present these new Eternal tones and hope that 2018 brings them the same levels of success as their predecessors have enjoyed".



Valentín Tijeras
Vice President of Product and
Innovation at Cosentino Group



Eternal Marfil Silestone®

Integrity Q by Silestone® kitchen sink

Silestone® by Cosentino develops Integrity Q, the new minimalist kitchen sink.

A key aspect is its monolithic design: a single 3D element manufactured from one piece of Silestone®, which brings a feeling of unity and harmony to the other architectural elements.

Like all the Integrity sinks, the Q model guarantees the highest levels of hygiene and cleanliness in one of the most important areas of the kitchen. Silestone® is the ideal surface for guaranteeing hygiene thanks to the material's advanced properties, such as high stain-resistance, low absorption of liquids and how easy it is to clean. What's more, Silestone® is highly-resistant to the daily bumps and scratches that are common in a private or professional kitchen.

Marie by Silestone® washbasin

Silestone® by Cosentino launches Marie, an elegant countertop washbasin that will provide a wealth of aesthetic and decorative options for the bathroom.

With the launch of Marie by Silestone®, Cosentino provides the market with further options for one of the latest bathroom trends: the countertop washbasin. These washbasins are being featured prominently in specialist trade fairs held across the world and are increasingly included in new bathroom design projects.

Synonymous with pure inspiration, Marie by Silestone®, with its simple lines and rounded corners, was created for those who appreciate the most sophisticated and stylish designs. With a honed finish and made from a single piece of Silestone®, without visible joints, the sink both looks and feels attractive.



Integrity Q by Silestone® kitchen sink



Marie by Silestone® washbasin

Sensa by Cosentino®

Sant Angelo

Indian granite with bold grey veins that burst with personality over a light background. The Suede finish further enhances its aesthetic appeal, making it, without a doubt, the star of any architectural space.

White Macaubas

Brazilian quartzite with a light background, marked by fine linear grey veins. White Macaubas, with a Polished texture, is able to create clear, homogeneous spaces with a distinctive and elegant touch.

Taj Mahal

Brazilian quartzite with a soft ivory-coloured background and a warm brown veining, lends any space a sophisticated and harmonious style.



Taj Mahal Sensa by Cosentino®



Sant Angelo Sensa by Cosentino®



White Macaubas Sensa by Cosentino®

Our lines of action

The challenge provided by our innovation strategy is to develop products that reflect the preferences of markets and consumers in over 116 countries where we distribute Cosentino's products and to anticipate their needs and expectations. The continual improvement in the features of these products and their applications while maintaining an efficient, sustainable production and distribution system are the key areas of our work in this context.

One of our greatest challenges is to encourage ancillary industries and our cluster to develop and incorporate new technology that enables us to create new products aimed at ever more demanding consumers and uses. In essence, innovation that requires an increasingly global perspective of the product and the processes associated with it.

Main innovation pathways:

- Colours, textures, and finishes adapted to international market trends.
- New formats and applications.
- Continuous improvement in the properties of our surfaces: cleaning, durability, brightness, slipperiness, conductivity, protection, etc.
- User interaction.
- Customised complementary products.

Process innovation:

- More efficient and sustainable raw materials.
- Efficient production.
- New technologies ensuring continuous improvement in the properties of our materials and their quality control.
- New tailored production models.
- Upgrading of waste and by-products.

Business model and service innovation:

- Product sales and their use calls for an exhaustive study of our business strategy. Business model and service innovation is an increasingly essential requirement for the correct sale of the products we sell.
- New installation and maintenance tools.
- New sales and logistics systems.

Integrated R&D&I Management System

2018 saw the company continuing to use our R&D&I Management System, which continually monitors activities taking place by means of regular review meetings and management indicators based on procedures for strategy, operations, monitoring and improvement. Internal and external audits have optimized the system, contributing to the successful achievement of the innovation aims outlined by Cosentino Group.

Implemented in 2004, this system has progressively incorporated new departments with a philosophy of continuous improvement:

- Technology observatory which detects new emerging technologies in the sector.
- Idea and project management allowing the company to gather ideas from any source, whether they be universities, clients, suppliers or employees.
- Project portfolio management, which aims to execute projects effectively.



Alliances for innovation

One of the key factors in Cosentino's innovation model is forming successful alliances with collaborators from different sectors in order to investigate and innovate, following the multidisciplinary approach that our products demand.

Our R&D&I department works continuously along with multidisciplinary teams including professionals from partner companies, technological centres, research institutes and public and private organisations involved in R&D&I.

These strategic alliances are formed on a national and international level and belong to the stone and materials sectors, as well as ancillary and complimentary industries in the fields of machinery, chemicals, plastics, nanotechnology and energy, etc. Their progress becomes a key factor in the elaboration of surfaces with increasingly demanding features.

Confidentiality and a shared vision of the goal is key to our innovation model. Sharing risk and results with our partners makes us increasingly demanding of ourselves and our partners.

In 2018, we signed 116 confidentiality agreements related to Cosentino's R&D&I activity. Furthermore, with the aim of boosting innovation in Cosentino, we created 36 new collaboration agreements with universities, research centres and collaborating companies, in particular:

- Furniture, Wood, Packaging and Related Industries Technology Institute (AIDIMA)
- Plastic Technology Centre (ANDALTEC)
- Ceramics Technology Institute (ITC)
- Materials Technology Institute (ITM) at the Technical University of Valencia
- Chemical Technology Institute (ITM) at the Technical University of Valencia
- National Renewable Energy Centre (CENER)
- Navarra Industrial Association (AIN)
- Centre for Advanced Scientific Research (CSIC) - Arid Zones Station
- Catalanian Institute of Energy Research (IREC)
- Universities of Alicante, Malaga and Granada

Furthermore, Cosentino Group belongs to the Technological Corporation of Andalusia (CTA), established in 2005 to encourage more R&D&I alliances between universities, companies and the public sector.

116

Confidentiality agreements
related to R&D&I activity in 2018

36

Collaboration agreements with
universities, research centres and
new partner companies in 2018

We receive the support of the Centre for Technological Development (CDTI)

As part of the Operational Program for Intelligent Growth 2014-2020, the CDTI has used FEDER funds to co-finance the following research and development projects by Cosentino Group:

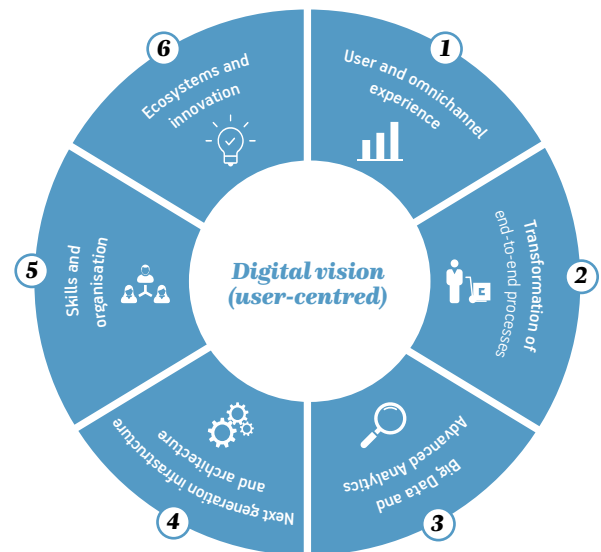
- Silestone® Mixing and Shaping.
- Dekton® advanced decoration systems.
- New properties in materials using technology to generate, apply and integrate functionalised surface layers.

As part of the Technology Fund 2007-2013 programme for promoting business RGDGI, FEDER/CDTI joint financing has allocated funds to the following projects to be carried out between 2017-2023:

- Silestone® Simulation System.
- Development of advanced technical performance and special Dekton® applications.
- New investment to develop and transform quartz agglomerates.
- Research and development of new technology for digital transformation in innovative surfaces.

Digitization & automation

At Cosentino, we are keen to accept the challenge of adapting to new technology and take advantage of the opportunities that it provides. Two strategic plans of SHAPE, our corporate transformation project, are leading us in this direction:



Digital transformation

Digital transformation is the process whereby an organisation becomes fully engaged with the digital ecosystem. We are implementing a comprehensive digital transformation project aiming to digitize the organisation at every level, in order to become more competitive as a company. To this end, we are making progress with the digital transformation of every process and we are helping our employees to acquire the digital skills required for the work of the future.

Successful digital transformation involves six key factors that we divide into three blocks: Digital Vision, Processes and Enablers.

Our digital transformation was born with the aim of transforming our commercial value chain. This project hinges on the construction of a platform that connects all our collaborators, providing added functionality and improving their experience.

The highlights of the digital transformation project in 2018 are:

- Our Strategic Sourcing project aimed at optimizing purchasing management. This project is based on the introduction of the SAP Ariba technology.
- The leadership programme "Safety By Routines, Leading by example", which aims to integrate health and safety through a series of routines tracked by an app (Gensuite®) that allows users to timetable, report and monitor activities.

Efficiency

We continue to reach production efficiency by means of automation and investment in our technological capacity to meet the needs of the market. Our Investment Plan 2016-2020 provides for an investment of €460 million for progress to be made in this regard and to increase our industrial capacity.





Commitment to health and safety

Commitment to our value chain

At Cosentino Group, we want to be the benchmark in health and safety and we make every effort to carry out our activity in strict compliance with occupational health and safety standards. Our commitment to health and safety goes far beyond our own employees, also looking to involve our customers and partners, conscious of our ability to inspire best practice throughout our value chain.

To this end, we work on two main lines:

- Ongoing, quality training into occupational risks and preventive measures for the whole value chain: marble masons, architects, designers, institutions, suppliers and workers.
- Adopting a more holistic, integrated approach to encouraging a preventive culture.

This commitment to occupational health and safety is reflected in the investment we make in developing and leading active policies within this field. In the last five years alone, Cosentino has invested €26.5 million in projects related to occupational health and safety, mainly measures applied to our production and processing plants in Almería, Brazil and USA. This figure reaches a total of €100 million invested in health and safety over the last two decades.

We work along three main lines in order to reach our goal of “Zero Accidents” amongst all our collaborators:

- A more proactive management system thanks to digitization and leadership by means of control and communications routines.
- A business model based on happiness that promotes the overall health of all our collaborators, including healthy lifestyle and eating, exercise and emotional well-being.
- The continuous improvement of our management system beyond legal requirements.



Employees

We continue to reduce the accident rates in our workplaces.



Total accident rate



Accident rate without sick leave

compared with 2017

Investment workshops

€ 4.7 million

to improve the safety conditions in our workshops in the United States.

Health and safety training

424 training sessions

12,660 hours

424 training sessions into health and safety totalling over 12,660 hours



Customers

Training

Specific training in health and safety in Spain and the United States

Newsletter

Safety newsletter sent out to over 27,507 contacts.

Best practice

Best Practice Guide and Safety Datasheet.



Suppliers

Health and safety

Standardisation of suppliers in health and safety issues.

Information and specific proposals regarding best practice to improve health and safety conditions.



We collaborate with the CTM to develop a nationwide health and safety training programme

During 2018, Cosentino worked with the Technological Centre for Marble, Stone and Materials (CTM) to develop a nationwide occupational health and safety training programme for companies involved in the transformation and production of natural stone and compact quartz.

This intensive programme was promoted by the Stone Cluster, a group of Spanish companies in the stone industry (extraction, production and subsidiaries) and is accredited by the Secretary of State for Energy of the Ministry of Industry, Tourism and Digital Agenda (MINETAD), the body financing the project.

The programme took place across Spain and involved over 30 days of training in almost every province in the country. Aimed at encouraging correct health and safety procedures amongst workers exposed to chemical substances in stone production workshops, these free training sessions included both theoretical and practical elements and were open to employers and employees of stone and compact quartz cutting workshops around Spain.

The trainees received an official diploma issued by the Natural Stone Cluster and the Secretary of State for Energy. Furthermore, the training was supervised by the Government Delegation of each corresponding Autonomous Community or Government Sub-delegation.

This initiative was aimed at promoting the comprehensive, specialised training of workers from this sector in order to comply with obligations under current law. In particular, to comply with requirements regarding providing information about exposure to chemical substances and potentially carcinogenic agents set out in the current occupational health and safety regulations. The programme also focused on the appropriate preventive measures against exposure to dust and

breathable crystalline silica. The ultimate common goal was to improve the competitiveness of the sector through cooperation and adherence to best practices.

Cosentino offered to hold most of the training days at its 18 centres around Spain, and our main offices in Cantoria (Almería) hosted the inaugural sessions. In addition, we provided our own methodology from our Training Classes project for marble masons that is conducted both in Spain and abroad.

We collaborate with the National Institute for Occupational Safety and Health of the United States

The National Institute for Occupational Safety and Health (NIOSH) is a US federal agency whose mission is to develop new knowledge in the field of occupational health and safety, and to put this knowledge into practice.

Cosentino has worked with this agency since 2016 as part of our activity to prevent exposure to the silica dust. In 2018, Cosentino carried out preventive action with NIOSH in the Stone Systems workshops to prevent exposure to silica dust, using the facilities of the Houston workshop to assess their impact on health. To this end, Cosentino has confirmed its commitment to continue cooperating with the agency to carry on with the research into improvements in occupational health and safety, mainly concerning the prevention of exposure to silica dust in the stone sector.



Cosentino City's showroom



Commitment to our customers

At Cosentino we put our customers at the heart of our business model and meeting their needs and expectations is therefore one of our main goals. Our customers from every corner of the globe, trust Cosentino Group because every day we uphold our commitment to offering them the most cutting-edge brands and best quality products. Our marble mason customers and partners from the world of architecture, design, kitchens and bathrooms are our best ambassadors for taking our brands to the end users. Our challenge is to do so in a way that is entirely customer-oriented, gaining their trust with a business model that centres around proximity, excellence, constant dialogue and support.

Close to our customers

Cosentino Group remains strongly committed to international expansion and geographical diversification based on our own assets and has achieved quick and in-depth market penetration in recent years. Our ongoing growth allows us to be increasingly closer to our clients and partners, consolidating our deployment and innovating in our model of international expansion. Our sustained effort to reinvest resources in production, distribution, innovation and technology means we have a presence around the globe. We closed the 2018 financial year with over 130 business and sales units in 30 countries.

Each of these is a space for bringing our products and brands closer to our clients and partners, and we provide them with an exclusive information and advisory service in addition to transferring our know-how as added value.

+130
business units
around the globe

Close to our customers

Cosentino City
11

Cosentino Center
117

Excellence in quality and service

Integrated audits
11 to check our standards for continuous improvement, quality, environment and safety.

ISO 9001 & 14001: 2015
ISO Updated ISO 9001 & 14001 quality certification: 2015.

We care for your health and safety

Best Practice

Best Practice Guide and Safety Datasheet.

Health and safety.

Specific training in health and safety.

An open dialogue

Loyalty programmes



We speak your language

Press offices
21

Websites
140

Social media
48



Opening of Cosentino City in Miami

Covering over 300 m², this new Cosentino showroom is located in the heart of the Miami Design District, the strategic centre of the city that brings together the main companies and brands linked with the world of design and trends.

This 'City' represents a total investment of more than €1.1 million and will offer all the usual state-of-the-art resources found in these Cosentino spaces. There are exhibition and work rooms and the latest technology in sample displays or computer applications so that devotees and interested professionals can perform any kind of project with the products of the brand.

What's more, Miami will be the first Cosentino City to have a façade made of a Cosentino material. Made using Dekton® in the colours Trilium and Domoos, the façade is an integral part of the design of the showroom and part of it can be used as a medium for graffiti and other samples of urban art.

Kinds of events held in 2018

- | | | | |
|---|--------------------------|---|-----------------------|
| 3 | Cosentino sales team | 4 | Culinary art |
| 9 | Architects and Designers | 2 | Fashion and jewellery |
| 2 | Kitchen retailers | 3 | Visual art |
| 2 | Press and media | 2 | Lifestyle |

"Miami is the city that Cosentino Group chose to open the fifth Cosentino City in North America and the first to serve the Latin American market.

Its strategic location, the nerve centre between the Design District, Midtown, Edgewater and Miami Beach, has enabled it to become a meeting point for interior designers, architects, kitchen and bathroom retailers, marble masons, the press and anyone interested in lifestyle.

In just six months, over 2,200 people have passed through its doors to attend 27 events connected with the world of design, architecture, culinary art, visual art, fashion, jewellery and magazines, amongst others.

The quality of our staff, together with the tools and state-of-the art space covering over 300 m², are an extension of the workplaces of designers and architects. Week after week, end customers and professionals from the sector come to discover more about our products and trends".



Carolina Almeida
General Manager Cosentino City Miami

Activity



New opening: Cosentino City Miami



New opening: Cosentino Center Warsaw

Cosentino Centre

Cosentino Centres are innovative platforms for distributing, displaying and promoting our brands that operate in 30 countries in Europe, North America, Latin America and Oceania. Their purpose is to provide clients with exclusive, high-quality service. In addition to being at the heart of our distribution network, our Cosentino Centres double as storerooms and showrooms for our products and brands. These facilities also host a dynamic, never-ending training programme, tailor-made to suit the different professionals in attendance: marble masons, architects, interior designers, and kitchen and bathroom retailers. Cosentino Group has made a considerable effort to put into place new spaces that enable us to get closer to our customers.

We closed 2018 with 117 Cosentino Centres around the world with the opening of:

Europe:

- Italy: Cosentino TURIN, Cosentino LAZIO
- United Kingdom: Cosentino BELFAST, Cosentino NEWMARKET
- France: Cosentino MARSEILLE
- Sweden: Cosentino Stockholm
- Poland: Cosentino WARSAW

United States

- Cosentino SALT LAKE CITY

In addition, during the year the Cosentino Centres in Belo Horizonte (Brazil) and Westchester (USA) closed.

<https://www.cosentino.com/en-gb/cosentino-center/>

Cosentino City

Cosentino City is a new concept in exhibition space located in the heart of the world's largest cities. These showrooms seek to bring the Cosentino experience closer to architects, planners, interior decorators, designers and end users, thus becoming a more intimate experience for clients. As well as boosting the relationship between Cosentino and our clients in a dynamic, social area where everyone speaks the same language, these spaces are designed for visitors to interact with the materials and discover the latest market trends with their five senses.

These centres offer complete personalised information, help and attention to both professionals and end users, allowing them the chance to discover all the company's products first hand through an interactive experience. What's more, visitors are immersed in a sensory experience where they can interact with their project, define it and visualise it in digital format using the computer equipment available.

Since first committing to this kind of space in 2013, we have opened 11 Cosentino Cities in Sydney (Australia), Singapore (Singapore), New York (USA), San Francisco (USA), Toronto (Canada), Montreal (Canada), Milan (Italy), London (UK), Madrid (Spain), Dubai (United Arab Emirates) and, in 2018, Miami (USA).

We aim to continue expanding our network by opening more centres in other cities around the world.

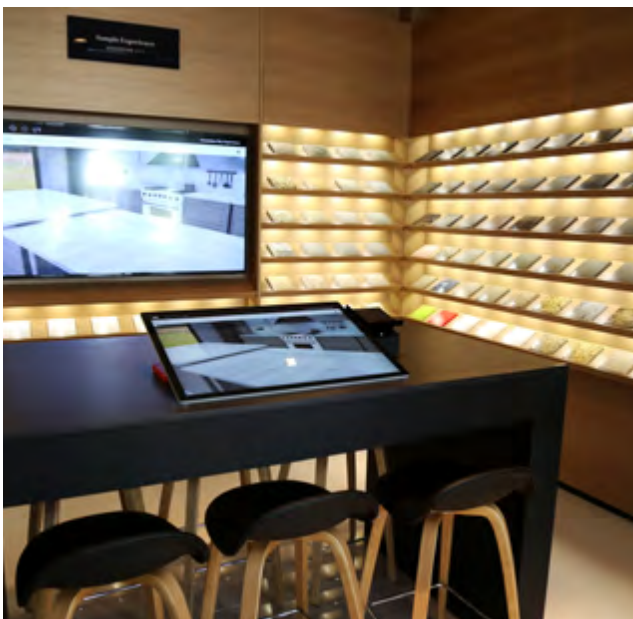
<http://www.cosentino.com/en-gb/city/>

Other facilities

In regions where our network of Cosentino Cities and Cosentino Centres is yet to reach, we have a presence through logistics operators. In 2018, Cosentino opened a new logistics operator in Christchurch (New Zealand) and boasts other facilities of this kind in Tokyo (Japan), Cape Town in South Africa, Dubai and Puerto Rico. We also have 3 Hubs, or logistics centres, two in the United States and one in Australia. In those countries where we do not have our own assets, our sales activity is based on exclusive agreements with local distributors and partners.



New opening: Cosentino Center Salt Lake City



Excellence in quality and service

Cosentino establishes as guidelines of its business activity, the quest for quality in its products and services, environmental protection and safety.

We want our products to inspire our customers and partners to create innovative spaces. We are aware that this challenge involves meeting the expectations of increasingly demanding users that do not only request high-quality, beautiful and functional products, but also want them to be environmentally friendly and meet the highest safety standards with regard to their production and manipulation.

These action guidelines are included in the Quality and Environmental Management Policy implemented in Cosentino S.A. by the Senior Management and diffused amongst employees and other interested parties. Therefore, the principles that guides Cosentino's actions are:

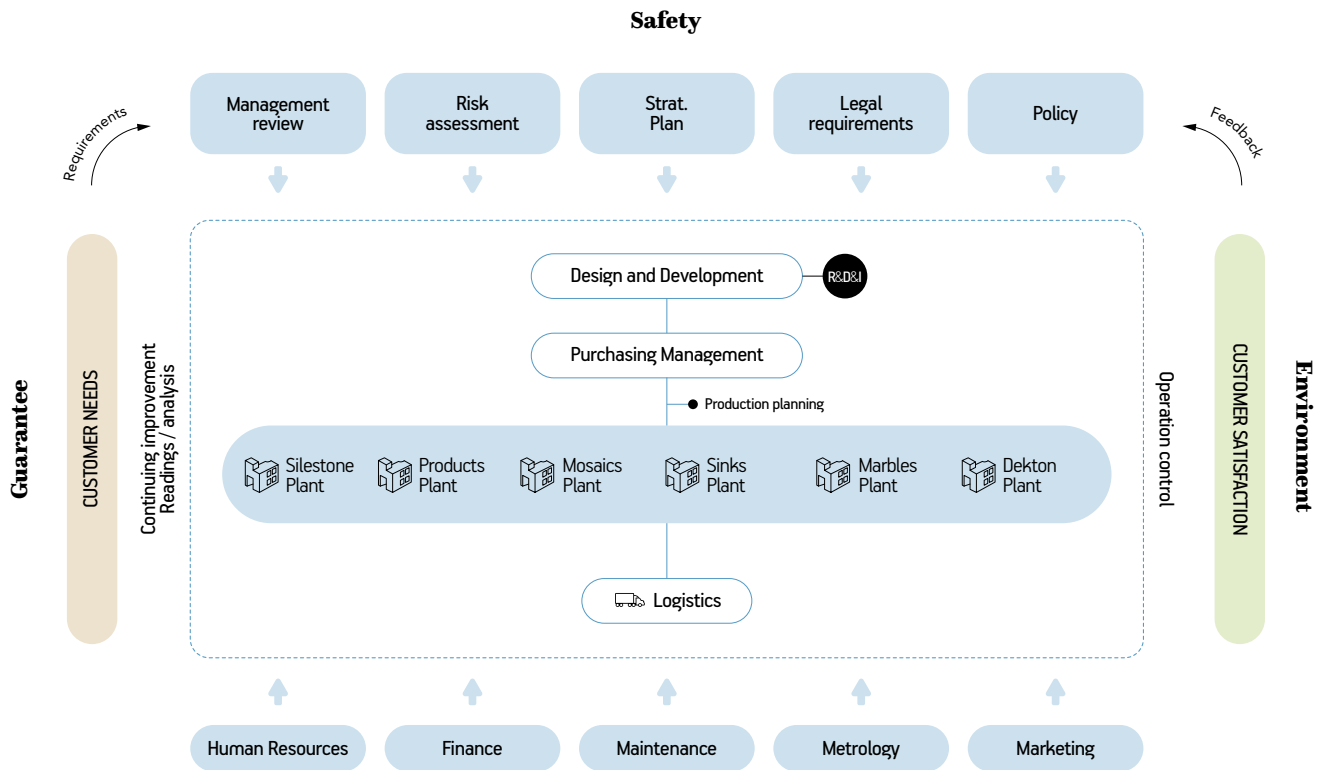
- The complete satisfaction of clients as a guarantee of continuity, growth and sustainable development.
- The continuous improvement of our processes and products without compromising our sustainable development.
- Opening new markets and expanding our presence where we are established, enabling us to get closer to clients.
- Meeting the needs of our clients to earn their loyalty and satisfaction.
- Improvement in the legal requirements applicable to our activity and the improvement in the requirements of the market and society.
- The integration of environmental variables into the planning and execution of our activity, continually improving how we interact with our surroundings and promoting the efficient and rational use of resources.
- The pursuit of continual improvement in our environmental behaviour, setting goals through environmental programmes.
- Performing our operations in a sustainable, environmentally-friendly way.
- Raising awareness amongst our workers and involving them in protecting and taking care of the environment.
- Boosting knowledge and competence in our design and development activities, incorporating the innovation and technological changes demanded by the market.
- The promotion of our corporate image through our research, development and innovation activities.



Renewal of our ISO 9001 & 14001 quality certification

In November 2018 Cosentino S.A again obtained the ISO 9001 and ISO 14001 Integrated Management System (IMS) certification with the adaptation of the 2015 version from BUREAU VERITAS, corresponding to the design, manufacturing, production, distribution and sale of quartz, ultra-compact, natural stone and recycled surfaces.

This system certifies the company's capacity to provide products that satisfy the requirement of its clients and that they comply with quality and environmental regulations. The main aim of the IMS is to pursue and achieve continuous improvement in our end-to-end design, manufacturing, processing, distribution and sales processes, placing particular emphasis on the processes directly involving clients.



Integrated auditing

In 2018, in order to offer a product with the very best quality guarantees in terms of environment and safety, we included the audits in the Continuous Improvement, Quality, Environment and Safety departments.

Eleven audits have been completed this year following an independent, multidisciplinary approach. They covered all the production processes for Silestone®, Dekton® and marble, including their quality laboratories.

Integrated audits take into consideration aspects such as the maintenance of equipment, defined safety measures, the correct separation of waste and the measures taken to prevent leakage or spillage. These audits are part of the processes set out under the Annual Quality Auditing Plan.

The increase in procedures to control our products and processes has led to improvements in quality from a global perspective. In 2018, 83.48% of the Silestone® surfaces manufactured were delivered with marketable quality without the need for reprocessing; and in the case of Dekton®, 95.29%.

11

integrated audits
in Spain

83.48%

Silestone® surfaces

95.29%

Dekton® surfaces

had an acceptable end quality
after production, without
the need for reprocessing.

Customer health and safety

At Cosentino Group we want to be a benchmark in health and safety and we expand the scope of this aim to our customers and partners. This commitment is set out in our Health and Safety Policy. We work on a daily basis to perform our activities in a safe and healthy way and we safeguard the well-being of the people in our own facilities and in all our areas of influence.

To this end, we provide continuous, high-quality training into occupational safety and preventive measures, giving our customers and partners information and advice via collaborative partnerships with entities from the sector and training workshops. In addition, we maintain constant communication about information and best practices in order to encourage a culture of prevention following a holistic, integrated approach.



Health and safety training

As part of our commitment to the health and safety of stone industry professionals, during 2018, we continued to consolidate our Training Classes Project for marble masons. These training sessions for marble masons are a differentiating project involving face-to-face sessions that include training in health and safety in order to encourage a culture of prevention to prevent exposure to silica dust and to identify the hazards involved in working with our products. Their aim is to safeguard the occupational health of our marble masons, clients and their employees.

The technical training sessions for marble masons began in 2009 in Spain and Portugal with great success. They are now available for any interested parties and in other countries where our products are sold, including Italy, France, Israel, Norway, Sweden, Finland, Denmark and Switzerland. During 2018, we provided this training in Spain and the United States.

The goals of this project are:

- To transfer to all the companies and professionals involved in the production of Cosentino Group products, the specific knowledge regarding health and safety that must be implemented in the workshops on a daily basis.
- To establish a more direct flow of communication with our clients.
- To share the best practices implemented in our plants and workshops with our customers and partners.
- To make them a part of Cosentino Group's commitment to the health of both our workers and our partners.
- To promote the culture of health and safety as a core value, in order to be able to work in a healthy way.
- To respond directly and personally to technical and legal doubts and queries affecting our clients' day to day.
- Detecting other needs.

We want to take advantage of the potential of new technology to extend best practices to more users. In 2018, we released a regular newsletter on the topic of health and safety that has enabled us to reach 27,507 contacts in Spain, English-speaking countries and Israel. The two key messages in 2018 were about measures to prevent exposure to silica dust and specific prevention measures concerning the cleaning of workshops.

Furthermore, we continue to engage in active listening with our clients in order to be able to respond quickly and flexibly to their needs for specific help.

Labelling

Cosentino Group takes the necessary action to communicate and inform our clients about possible hazards and preventive measures to take with our products.

The information in the labelling of our main brands includes:

- Safety data for the safe handling of these products.
- Reference to appropriated procedures for product disposal.
- Indications on possible health issues arising from prolonged exposure to dust resulting from cutting and handling materials without recommended safety measures.

In addition, we provide our customers with a Best Practice Guide for the elaboration of all our products: Silestone®, Dekton®, ECO Line, Sensa by Cosentino®, Scalea, Integrity and Prexury by Cosentino®.

With regards to the treatment and labelling of chemical products, we comply with the following international standards:

- REACH standards for the protection of human health and the environment against risks from chemical products.
- CLP labelling regulation, which seeks to harmonise label information on a global level.

Customer data privacy and loss of data

Cosentino has created the post of Data Protection Delegate, who, with legal and technical support, oversees that we comply with the General Data Protection Regulations and the new Organic Data Protection Law. Likewise, a Data Protection Committee (DPC) was created to check that the actions carried out by the office of the Data Protection Delegate are correct.

This office deals with requests to exercise rights, performs the Data Protection Impact Assessment when necessary for new projects and processes new data in the Register of Data Processing Activities.

In 2018 the company has no knowledge of claims being made for breaches in the law or voluntary codes concerning client privacy and the loss of data.



Constant dialogue with our customers

Dialogue with our clients and partners from around the world is a key factor in achieving excellence in the positioning of our brands. Thanks to this dialogue we establish the best loyalty programmes, improve the experience of our clients and partners and respond to their needs and expectations. Innovation in our communication tools allows us to reach clients and stakeholders locally, directly and in their own language, providing them with interesting content and adapting to the market, its needs and its preferences.

Loyalty programmes

Progress in the evolution of the Cosentino Group loyalty programme. During 2018 we focused our efforts on aligning the input received in every country where workshops took place in 2017, with other company departments.

This has resulted in improvements to the Cosentino loyalty programmes, which were developed as part of the company's digital transformation project. The first initiative was to create a digital platform while the sixth was Cosentino's loyalty programme.

Four countries have been chosen to pilot the digital transformation project and the new loyalty programmes. The countries, in launch order, were: Dubai, Brazil, Sweden and Singapore.

The project is based on a new digital environment for our clients in which the loyalty scheme plays a key part. It is presented as part of an ambitious

deployment plan that will allow for improved contact with our partners and a better experience. In turn, it will allow us to offer new benefits; not only online services, but also offline operations that will result in a comprehensive service.

We are also branching out into two new areas, with architects and interior designers joining the marble masons and kitchen and bathroom retailers. Although these two new segments share common ground, they must be treated differently, as they have very specific motives and needs.

We are a company that targets professionals. We are a corporate brand that offers comprehensive solutions with global coverage. We are the outcome of all the relationships we have built up and we are also the customers that recommend us. For this reason, we have created a new global concept for our loyalty programme: "We by Cosentino".

An appeal to always use "we" instead of "I", a direct and simple way of saying that what we do and what we achieve is through teamwork. "We by Cosentino" also simplifies the levels for all our segments. These new levels are "Pro", "Elite", "Premium" y "Platinum". In addition to creating these new levels, we are expanding our offer to countries such as Dubai, Turkey and South Africa.



"Since starting out, Cosentino has always searched for the perfect formula to shape the world. Not only through its great potential for developing new surfaces for architecture, but also through society. The recently launched "We by Cosentino" loyalty platform reveals a thorough understanding of the dynamics that connect all the parties involved in the process of shaping our cities. Giving me the chance to express my opinion about this powerful new tool makes me feel like I belong to the project and am committed to its growth. The launch of a platform that connects all the parties involved will ensure we have the opportunity to build a solid, coherent relationship that will lead towards improvements in our ever-changing lifestyle".



Frederico Cruz
Wilson Associates

Satisfaction survey of the benefits of the loyalty programmes

To ensure that the initiatives we launch are relevant, in 2018 we carried out a survey of Elite kitchen retailers in ten countries: Canada, United States, United Kingdom, Ireland, Sweden, Germany, France, Italy, Spain and Portugal.

The aim of the survey was to obtain a rating of the benefits of the Elite loyalty programme, and how it is perceived in terms of service, commitment and improvements. We obtained completed surveys from 19% of all our Elite account holders. Spain and Portugal were the countries with the highest response rates. The research topics included relevant items of knowledge to enable us to reach a better understanding of how the programme is perceived via actively listening to the most committed professionals from kitchen and bathrooms retailers.

This survey for assessing benefits was established as best practice to be repeated every year and extended to other sectors of interest.

Dialogue channels with our clients

We innovate in our external communication tools in pursuit of excellence in our brand positioning. To this end, we take advantage of the potential of new technology to expand our online community. We make use of digital resources without forgetting personal communication, which makes it possible to develop bonds and establish strong, dynamic relationships.

Personal communication

- Direct relationship with the Account Manager and General Manager.
- Communication by email.
- Visits to our facilities around the world.

Social Networks



•	•	•	•	•	•	Corporate / Spain
•						Germany
•		•				Asia
•	•	•				Australia
•		•				Belgium
•	•	•				Brazil
•	•	•				Canada
•		•				Scandinavia
•	•	•	•			USA
•	•	•				France
•		•				Israel
•	•					Italy
•	•	•				Mexico
•		•				Middle East
•						Netherlands
•	•					Portugal
•	•					United Kingdom / Ireland
•		•				Switzerland
•	•	•				Turkey

Brand websites

Over 140 websites
Over 9.05 million total visits

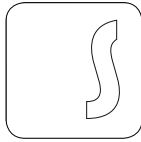


Regional websites

80	Europe	12	North America
8	Iberia	32	Rest of the world
8	Latin America		



Apps



Silestone



Dekton



Home Design



Online Visualizer



Kitchen 3D



Silestone 25



Cosentino TV

Webs Apps



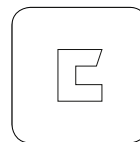
Live Showroom



Home VR

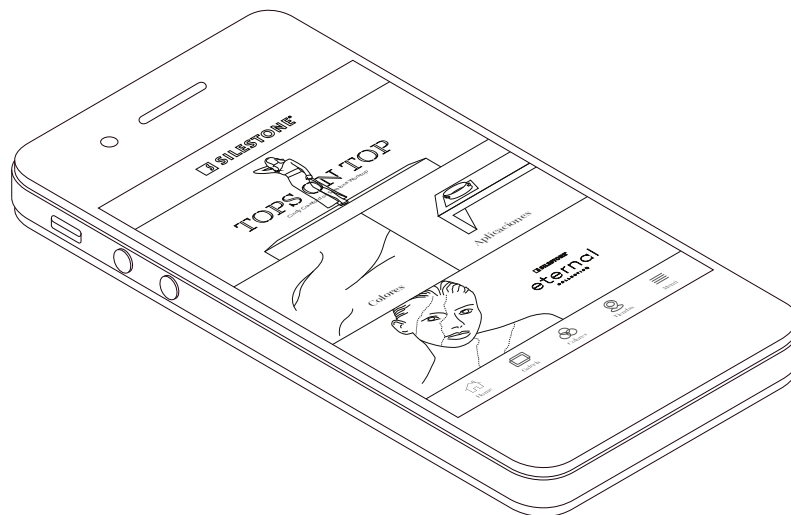


Designer



Cosentino

Internal Apps



Press offices



21 offices covering 26 countries.
10,880 news clippings
(+19% on 2017).
5,339,531,111 impressions
(+49% on 2017).
Strategic relationships
with influencers.

News blog



www.cosentino.com/blogs-news/
21 versions
for different markets
439,840 page views
(+30% on 2017)

Graphic marketing campaigns



Tops On Top: alliances with
famous personalities from around
the world such as the chef David
Muñoz, the model Cindy Crawford
or the sportsman Rafa Nadal.
Product launches.

Launch of the C-Top magazine



30,000 copies
Articles and interviews about
fashion, design, architecture,
culture, travel and cuisine
Available on the Cosentino website

Cosentino TV



youtube.com/user/CosentinoTV
Our television channel on YouTube.
635 videos uploaded
to the channel since its inception.
In 2018, **25 videos** were
uploaded that show a short
summary of Cosentino's news.
745,645 views in 2018
1,474,166 minutes played in 2018

News- letters



News, events, advice and promotions.
Global developments and specific
ones for each market.
Available for over **20 markets**.
Online version.
2,000 e-mail campaigns sent to
3 million recipients



An essential part of Cosentino Group's annual agenda is the generation of spaces for meetings and training with clients and partners from around the world. We share knowledge and experience with them in all the markets where we have a presence.

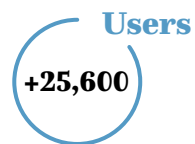
In 2018 we conducted over 2,000 training sessions involving over 25,600 participants.

Region	Number of Training Sessions
Europe	211
North America	1,317
Latin America	347
Asia	117
Oceania	28

These meetings enable us to:

- Establish a personal communication flow and to share best practices with our clients and partners.
- Share our commitment to health and safety and promote the prevention-based culture as a fundamental value.
- Identify customers' needs and respond directly to their doubts and concerns.

The topics covered in these meetings in 2018 were: product news, health and safety, quality, how to work with the materials, loyalty programmes and promotions.



Commitment to our suppliers

The pursuit of excellence in all our brands and products would not be possible without a network of suppliers chosen for their ability to work as a team alongside Cosentino Group. Cosentino Group aims to set up medium- and long-term relationships that enable us to develop links with suppliers that know our business and needs, and work with us to provide the highest quality to our customers. Our policy concerning these partners involves working as a team to offer excellence in all our products. With this in mind we select suppliers that share our vision of the business and understand the needs of our brands. Furthermore, we work hand in hand, conducting audits and training to ensure that they comply with our requirements and expectations. A stable, high-quality relationship with our partners around the world is essential for ensuring the success of Cosentino Group and for progressing towards a sustainable business model that includes financial, social and environmental commitment in the whole value chain.

Supply of raw materials

Spain	33%
Turkey	23%
Belgium	10%
UAE	10%
China	9%
Italy	3%
Germany	2%
Netherlands	2%
India	2%
United Kingdom	2%
Portugal	1%
France	1%
USA	1%
Brazil	1%

15,441

Total number of suppliers

3,409

are Spanish

983

Almería, Andalusia (Spain)

29%

Expenditure

Almería, Andalusia (Spain)*

19%

to local suppliers of raw materials*

*Data refers to Cosentino S.A and Cosentino R&D, the principal companies operating in Spain



Main suppliers 2018

Cosentino S.A. (Spain)

Sacmi
Ashland
Omar
Endesa
Polynt
Sibelco

USA & Canada

Element Fleet
Total Quality Logistics LLC
Freight Quote SCAC
LG Hausys
Danesi USA

Rest of the world

Arval
Total Raffinage Marketing
Stefanelli
Volvo
Worldwide Stones

Brazil

Boart Wire do Brasil
Tenax
Incostone Granitos
Espirito Santo Centrais Electricas
Thor

Australia & New Zealand

Fleet Partners
Metricon Homes
Courtsean
Henning Harders
Clemenger Int. Freigh
Toll New Zealand
Shackell Transport
Kingcorp Australia

Our purchasing procedures

Cosentino's purchasing procedures seek to adapt to the needs of a developing reality to attend to all the Group's needs with the highest possible quality and guarantee.

With this aim in mind, we have worked in recent years to enhance our purchasing function. After a definition and consolidation process in 2018, we have been able to approach Digital Transformation by introducing the SAP Ariba platform for Strategic Purchasing, Accreditation and Evaluation of Suppliers and Contract Management. Furthermore, we have renewed the European Purchasing Standard UNE15896:2015 Certification as a commitment to the pursuit of excellence in purchasing and to carrying out this function in line with the market's best practices.

The main pillars of our purchasing procedure are:

- Compliance with the Purchasing Procedures and their ongoing adaption to the needs of Cosentino Group.
- Implementation of best practice to purchasing.
- Elaboration of an Annual Strategic Purchasing Plan.
- Monthly supervision activities by the Purchasing Committees.
- Develop and introduce the Suppliers Portal and integrate the SAP Ariba purchasing platform.

In addition, it should be noted that in 2018 we took on somebody in the Purchasing Department to be responsible for the Supplier Master Record, with the aim of centralising the management of suppliers, and supervising and checking of information. Our scope is currently Spain and France, with the aim of expanding further in the European Union in 2019.



**Winner of
the IFPSM**

Garner Thémoin Award
– Advancement of the
Profession Award



"For Stratesys, Cosentino Group is a key strategic partner in the context of our eProcurement practices and is also one of our company's main reference customers. The digital transformation of the purchasing function in Cosentino Group using Ariba was approached as a project to optimise processes based on value propositions. This approach is one of the main factors in reaching the initial goals proposed. At Stratesys, we feel very proud to see that our collaboration with Cosentino Group has favoured both the consolidation of a 360° perspective of their strategic suppliers and the generation of significant savings thanks to more efficient negotiation processes and improvements in the management and signing of their commercial contracts. We hope to continue working with Cosentino Group and continue to contribute our best practices and assets on their journey towards excellence."



Rony Toussaint Mateos
Director, Stratesys

European Purchasing Standard Certification

In 2018, we renewed our European Purchasing Standard Certification, UNE 15896: 2015. This standard certifies that our Purchasing Management System responds to the principles of efficacy, efficiency and communication. It also establishes links with other departments of the company to bring purchasing into line with quality and environmental regulations, amongst others.

Management of supply chain risks

At Cosentino Group, we identify the risk in our supply chain from both an internal and external perspective. We have defined a Risks Checklist that includes the identification of internal and external risks, establishing action to mitigate them. This checklist is applied to our main suppliers.

We promote our values and policies

The Purchasing Department is responsible for promoting our corporate values and policies amongst partners and stakeholders. Meeting the needs of our business involves the sharing of values and commitments with all our value chain. In this regard, by agreeing to our General Purchasing Conditions our suppliers commit to complying with a series of sustainability requirements, the most important being:

- Measures to prevent corruption and money laundering.
- Respect for human rights and liberties, at least in accordance with the International Bill of Human Rights and the principles of the International Labour Organisation (ILO).
- Occupation health and safety standards.
- Action against child labour.
- Compliance with environmental measures according to current law.

Furthermore, we apply an accreditation process to our main suppliers using the SAP Ariba tool. The process requires them to accept our General Purchasing Conditions, Cosentino's Code of Ethics and Conduct, and our Quality and Environment Policy.

Assessment and Audits

Within the context of Cosentino Group's purchasing process, an assessment is made of our suppliers' commitment and compliance. This assessment takes into account aspects of sustainability such as whether the supplier follows Corporate Social Responsibility standards or has obtained an Environmental Management System certificate.

Our responsibility to products begins with how we choose and obtain raw materials. Cosentino Group's supplier audit plan is committed to on-site checks of the conditions of all our suppliers of raw materials before agreeing to any important cooperation. These audits not only enable us to guarantee the quality of the products, but also to analyse other factors such as compliance with Human Rights, not using child labour and that the working conditions are in line with Cosentino Group policies.



Collaboration with TFT (The Forest Trust)

For Grupo Cosentino, a key priority is to ensure that the raw materials used in its products are extracted according to the most rigorous quality standards, while also respecting human rights and the environment. We began the Natural Stone Commitment by Cosentino with this objective in 2016.

In the same year, Cosentino Group joined the responsible stone programme of The Forest Trust (TFT), which guides and supports us in monitoring our supply chain. TFT (Earthworm Foundation from 2019): non-profit-making organisation that helps companies in the private sector to transform their supply chains for the benefit of people and nature.

Working closely with TFT and the Cosentino supply chain, the company inspects the plants and quarries of its natural stone suppliers to ensure that the objectives of the Natural Stone Commitment by Cosentino and the

Responsible Stone Programme (RSP) of The Forest Trust (TFT) are met.

In 2018 the Cosentino Latina industrial estate in Vitória, (Brazil), achieved level one status in the TFT Responsible Stone Programme (RSP).

In the same year, and thanks to the support of Cosentino Group, the natural stone supplier Rainbow Stone Ltd achieved level one of the TFT Responsible Stone Programme (RSP).

Cosentino is implementing its Natural Stone Commitment project in partnership with TFT to guarantee that the following criteria are met by all of the quarries and plants in its supply chain:

- No child labour is used.
- There is no forced labour or bonded labour.
- Ethical criteria are included in all hiring practices.
- Workers' health and safety is protected.
- All workers receive an employment contract.
- Wages adhere to national regulations and meet the inter-professional minimum wage.
- Working hours are not excessive and meet the legal requirements.
- Diversity within the workforce is respected.
- There is zero tolerance of harassment and abuse.
- All workers have access to legal resources.
- Any accommodation provided for workers is safe and sanitary.
- The principles of freedom of association and collective bargaining are upheld.



Visit of Rainbow Stone Ltd. to Central Cosentino

Activity

"Since 2016, when Cosentino launched its NSC (Natural Stone Commitment) by Cosentino project, significant progress has been made, all with a common cause: that the extraction and manufacture of natural stone supplied by Cosentino is performed in an environmentally-friendly way and improves the living standards of those who work in quarries and natural stone plants. These achievements have been possible thanks to the commitment to this project of our suppliers, to the help and support of The Forest Trust and, above all, to the involvement of the Cosentino team. Carrying out this kind of initiative is essential for keeping in check the social and environmental impact of our whole business process, and I believe that the leading companies in the sector, like Cosentino, are responsible for setting precedents and encouraging them."



Manuela Marín Martín
Natural Stone product manager

Supplier health and safety

Cosentino works to encourage a culture of prevention and health and safety. To extend these values to our partner companies, we focus on the continuous improvement of health and safety systems and on checks and action that seek to guarantee compliance with legal principles.



Dialogue with our suppliers

We have several communication channels with our suppliers that enable us to strengthen our relationship. Fluid communication with our suppliers is the best guarantee for sharing our commitment, identifying expectations and needs, and working together to obtain the best possible final product. In 2018 we reinforced the channels of communication with the extension of our Suppliers Portal and the implementation of the management tool SAP Ariba that makes it possible to encourage transparency, traceability and fair play amongst those participating in our tenders.

Suppliers Portal

The purpose of the portal, established in 2016, is to streamline the management of orders and the supply chain with suppliers of raw materials and industrial supplies. The platform was used by 3,161 suppliers in 2018, 2,749 more than the previous year. It is a strong commitment by Cosentino to include our suppliers in our processes.

In 2018 we consolidated the integration of the SAP Ariba tool. The SAP platform provides our suppliers with a management and communication tool for use in tenders and contract dealings. It improves strategic purchasing processes and the assessment of suppliers.

Other communication channels



Gatherings of different industrial and service sectors.



Participation in professional seminars and conferences.

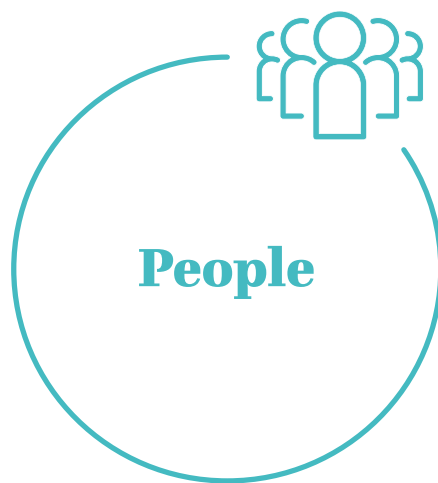


Attendance at events organised by suppliers.



Technological development sessions with suppliers and partners.







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Other communication tools



Our people

4,314*
Employees

**New
recruits**

+1,300

Over 1,300 new recruits
around the world

**Permanent
contract**

91.16%

**Turnover
rate**

17.41%

**Average
age**

39.24

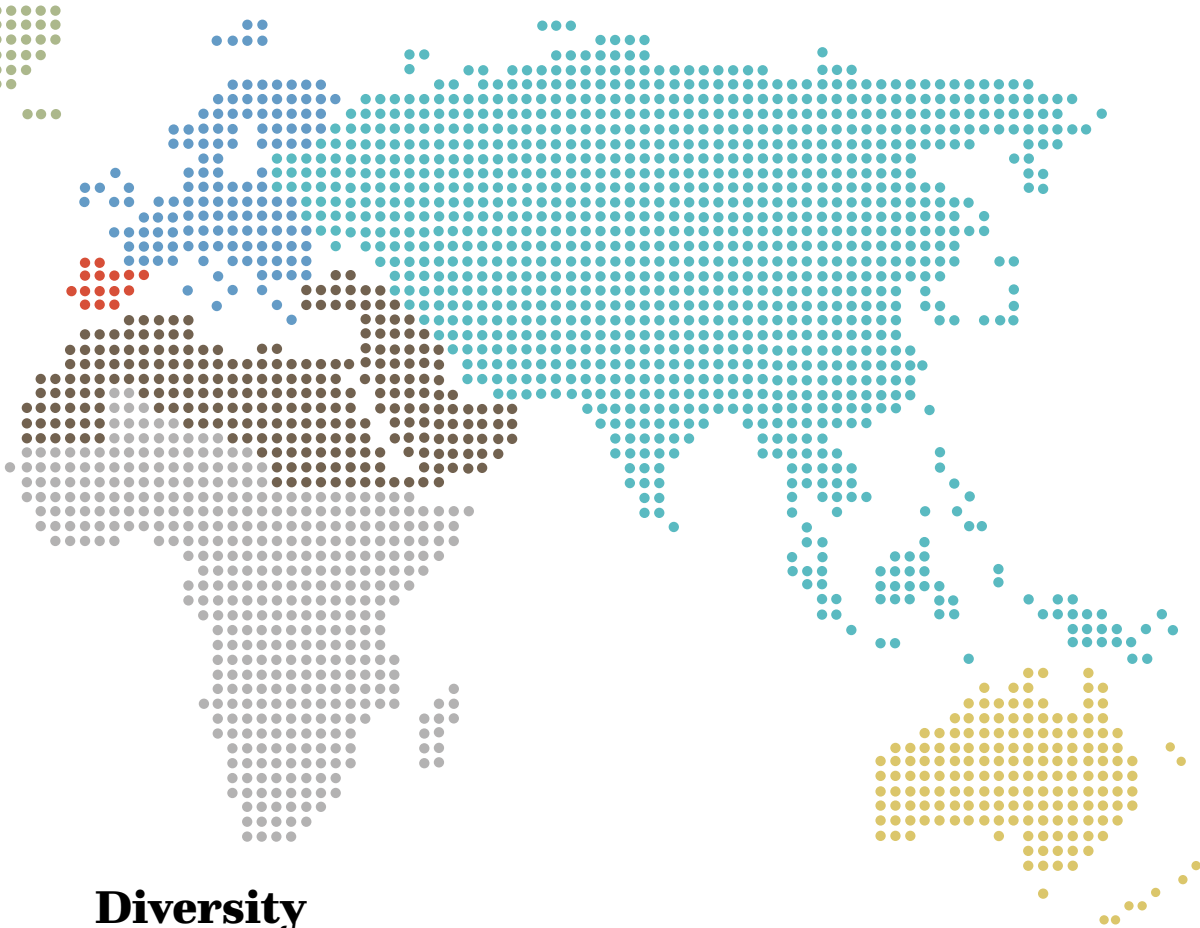
(*) Date corresponding to 31
December 2018, not including staff
on work experience contracts



Employees by employment contract

	Employees	Permanent	Turnover rate
Iberia	2,289	83.09%	10.46%
Europe	416	99.50%	21.83%
North America	1,158	100%	29.34%
LATAM	254	100%	17.58%
Oceania	93	100%	18.66%
Asia	36	100%	15.00%
MENA	55	100%	18.82%
Africa	13	100%	7.45%

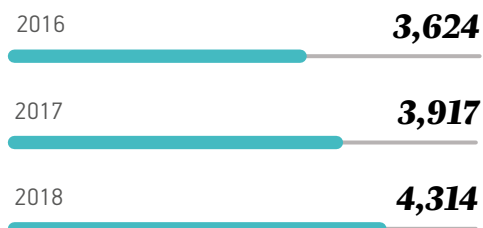
MENA (Middle East and North Africa)



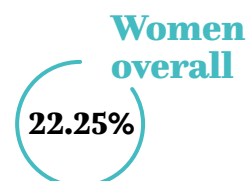
Diversity



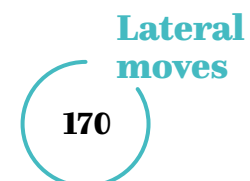
Constant growth



Gender equality



Mobility



Committed to our people

At Cosentino, we have consolidated the concept of People as a philosophy to refer to the people that make up our group around the world. This global and holistic approach involved, not only considers our employees from a professional perspective, but also from a personal, family and motivational one. People is also the name given to the department that integrates the aforementioned dimensions and whose objective it is to offer a global view of employees, adapting our way of doing things to this view.

We are aware that our workers constitute a cornerstone of our activity. Our objective is to spearhead the creation of an appealing, inspiring and successful workplace. To make this possible, we develop initiatives oriented towards our employees that serve to increase their satisfaction, improve recruitment, foster internal promotion and talent retention. We place particular emphasis on what is important to our staff: their health and safety, training and professional development, providing them with quality employment that is adapted to their needs.

We ended 2018 with a workforce of 4,314 people across the globe, made up of professionals from 75 different nationalities and with 18.07% of our management positions held by women. This diversity enriches our vision when making decisions and paves the way for our leadership.

What's more, as a result of our commitment to quality employment, this year we have increased the number of people on permanent contracts to 91.16% around the globe.

Changes in the number of employees broken down by geographical region

	2016	2017	2018
Iberia	1,857	1,984	2,289
Europe	359	365	416
North America	1,082	1,128	1,158
Latin America	259	280	254
Oceania	-	74	93
Asia	15	20	36
MENA	43	51	55
Africa	9	15	13
TOTAL	3,624	3,917	4,314



***Distribution of staff by age bracket
and professional category***

Organisational level	from 25 to 35	from 35 to 45	from 45 to 55	over 55	Under 25	Overall total
Director	0	13	6	2	0	21
Management	80	214	132	29	0	455
Professional	487	443	200	82	29	1,241
Clerical worker	120	108	40	20	17	305
Operator	664	789	524	197	118	2,292
Overall total	1,351	1,567	902	330	164	4,314



Distribution of staff by geographical region, age bracket and gender

Market	Age bracket	Women	Men	Overall total
Africa	from 25 to 35	2	2	4
	from 35 to 45	3	1	4
	from 45 to 55	2	1	3
	over 55	0	2	2
Total Africa		7	6	13
Asia	from 25 to 35	7	7	14
	from 35 to 45	6	12	18
	from 45 to 55	0	3	3
	over 55	0	1	1
Total Asia		13	23	36
Europe	from 25 to 35	40	76	116
	from 35 to 45	42	113	155
	from 45 to 55	16	88	104
	over 55	2	27	29
	Under 25	4	8	12
Total Europe		104	312	416
Iberia (Spain and Portugal)	from 25 to 35	134	614	748
	from 35 to 45	161	680	841
	from 45 to 55	47	424	471
	over 55	5	134	139
	Under 25	10	80	90
Total Iberia		357	1,932	2,289



Market	Age bracket	Women	Men	Overall total
Latin America	from 25 to 35	26	77	103
	from 35 to 45	23	86	109
	from 45 to 55	2	17	19
	over 55	0	6	6
	Under 25	7	10	17
Total Latin America		58	196	254
Middle East-North Africa	from 25 to 35	3	13	16
	from 35 to 45	6	23	29
	from 45 to 55	1	9	10
Middle East-North Africa		10	45	55
North America	from 25 to 35	134	187	321
	from 35 to 45	115	261	376
	from 45 to 55	76	198	274
	over 55	47	98	145
	Under 25	8	34	42
Total North America		380	778	1,158
Oceania	from 25 to 35	12	17	29
	from 35 to 45	8	27	35
	from 45 to 55	7	11	18
	over 55	3	5	8
	Under 25	1	2	3
Total Oceania		31	62	93
Overall total		960	3,354	4,314

Percentage of employees by geographical region, age bracket, professional category, type of contract and gender (*)

			Women		Total Women	Men		Total Men
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary	
Africa	from 25 to 35 year of age	Clerical worker	100%	0%	100%	0%	0%	0%
		Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	100%	0%	0%	0%
	Total aged between 25 and 35		100%	0%	52%	100%	0%	48%
	from 35 to 45 years of age	Clerical worker	100%	0%	100%	0%	0%	0%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	100%	0%	0%	0%
	Total aged between 35 and 45		100%	0%	73%	100%	0%	27%
	from 45 to 55 years of age	Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	100%	0%	0%	0%
	Total aged between 45 and 55		100%	0%	67%	100%	0%	33%
	over 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
	Total over 55 years of age		0%	0%	0%	100%	0%	100%
Total Africa			100%	0%	54%	100%	0%	46%
Asia	from 25 to 35 years of age	Clerical worker	100%	0%	100%	0%	0%	0%
		Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	59%	100%	0%	41%
	Total aged between 25 and 35		100%	0%	47%	100%	0%	53%
	from 35 to 45 years old	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	49%	100%	0%	51%
	Total aged between 35 and 45		100%	0%	34%	100%	0%	66%



			Women		Total Women	Men		Total Men
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary	
	from 45 to 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Professional	0%	0%	0%	100%	0%	100%
	Total aged between 45 and 55		0%	0%	0%	100%	0%	100%
	over 55 years of age	Management	0%	0%	0%	100%	0%	100%
	Total over 55 years of age		0%	0%	0%	100%	0%	100%
Total Asia			100%	0%	34%	100%	0%	66%
Europe	from 25 to 35 years of age	Clerical worker	100%	0%	85%	100%	0%	15%
		Management	100%	0%	22%	100%	0%	78%
		Operator	100%	0%	1%	100%	0%	99%
		Professional	96%	4%	46%	100%	0%	54%
	Total aged between 25 and 35		97%	3%	36%	100%	0%	64%
	from 35 to 45 years old	Clerical worker	100%	0%	58%	100%	0%	42%
		Management	100%	0%	6%	100%	0%	94%
		Operator	100%	0%	9%	100%	0%	91%
		Professional	100%	0%	37%	100%	0%	63%
	Total aged between 35 and 45		100%	0%	28%	100%	0%	72%
	from 45 to 55 years of age	Clerical worker	100%	0%	77%	100%	0%	23%
		Management	100%	0%	11%	100%	0%	89%
		Operator	0%	0%	0%	98%	2%	100%
		Professional	100%	0%	30%	100%	0%	70%
	Total aged between 45 and 55		100%	0%	16%	99%	1%	84%
	over 55 years of age	Clerical worker	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	30%	100%	0%	70%
	Total over 55 years of age		100%	0%	7%	100%	0%	93%

			Women		Total Women	Men		Total Men	
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary		
	Under 25 years of age	Clerical worker	100%	0%	100%	0%	0%	0%	
		Operator			0%	100%	0%	100%	
		Professional	100%	0%	100%	0%	0%	0%	
	Total under 25 years of age		100%	0%	36%	100%	0%	64%	
	Total Europe		99%	1%	25%	100%	0%	75%	
	Iberia	from 25 to 35 years of age	Clerical worker	86%	14%	60%	80%	20%	40%
			Management	100%	0%	23%	100%	0%	77%
			Operator	47%	53%	5%	70%	30%	95%
			Professional	80%	20%	36%	75%	25%	64%
	Total aged between 25 and 35		77%	23%	18%	73%	27%	82%	
		from 35 to 45 years of age	Clerical worker	100%	0%	74%	100%	0%	26%
			Director	100%	0%	23%	100%	0%	77%
			Management	100%	0%	23%	100%	0%	77%
			Operator	82%	18%	8%	85%	15%	92%
			Professional	95%	5%	36%	97%	3%	64%
Total aged between 35 and 45		93%	7%	19%	89%	11%	81%		
	from 45 to 55 years of age	Clerical worker	95%	5%	84%	83%	17%	16%	
		Director	100%	0%	15%	100%	0%	85%	
		Management	100%	0%	14%	100%	0%	86%	
		Operator	83%	17%	5%	92%	8%	95%	
		Professional	100%	0%	29%	100%	0%	71%	
Total aged between 45 and 55		93%	7%	10%	94%	6%	90%		
	over 55 years of age	Clerical worker	100%	0%	67%	100%	0%	33%	
		Director	0%	0%	0%	100%	0%	100%	
		Management	0%	0%	0%	81%	19%	100%	
		Operator	100%	0%	2%	90%	10%	98%	
		Professional	100%	0%	14%	83%	17%	86%	



			Women		Total Women	Men		Total Men
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary	
	Total over 55 years of age		100%	0%	4%	89%	11%	96%
	Under 25 years of age	Clerical worker	0%	100%	100%	0%	0%	0%
		Operator	0%	100%	6%	21%	79%	94%
		Professional	34%	66%	18%	10%	90%	82%
		Total under 25 years of age		15%	85%	10%	18%	82%
Total Iberia			86%	14%	15%	83%	17%	85%
Latin America	from 25 to 35 years of age	Clerical worker	100%	0%	68%	100%	0%	32%
		Management	0%	0%	0%	100%	0%	100%
		Operator	100%	0%	2%	100%	0%	98%
		Professional	100%	0%	57%	100%	0%	43%
	Total aged between 25 and 35		100%	0%	23%	100%	0%	77%
	from 35 to 45 years of age	Clerical worker	100%	0%	14%	100%	0%	86%
		Management	100%	0%	8%	100%	0%	92%
		Operator	100%	0%	1%	100%	0%	99%
		Professional	100%	0%	66%	100%	0%	34%
	Total aged between 35 and 45		100%	0%	19%	100%	0%	81%
	from 45 to 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	57%	100%	0%	43%
	Total aged between 45 and 55		100%	0%	11%	100%	0%	89%
	over 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	0%	0%	0%	100%	0%	100%
	Total over 55 years of age		0%	0%	0%	100%	0%	100%
	Under 25 years of age	Clerical worker	100%	0%	81%	100%	0%	19%
		Operator			0%	100%	0%	100%

			Women		Total Women	Men		Total Men
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary	
	Total under 25 years of age	Professional	100%	0%	100%	0%	0%	0%
			100%	0%	40%	100%	0%	60%
			100%	0%	21%	100%	0%	79%
Total Latin America	from 25 to 35 years of age	Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	26%	100%	0%	74%
			100%	0%	19%	100%	0%	81%
Middle East-North Africa	from 25 to 35 years of age	Clerical worker	0%	0%	0%	100%	0%	100%
		Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
	Total from 25 to 35 years of age	Professional	100%	0%	37%	100%	0%	63%
			100%	0%	19%	100%	0%	81%
	from 35 to 45 years of age	Clerical worker	0%	0%	0%	100%	0%	100%
		Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
	Total aged between 35 and 45	Professional	100%	0%	4%	100%	0%	96%
			100%	0%	1%	100%	0%	99%
	from 45 to 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	4%	100%	0%	96%
	Total aged between 45 and 55		100%	0%	1%	100%	0%	99%
			100%	0%	16%	100%	0%	84%
Total Middle East - North Africa	from 25 to 35 years of age	Clerical worker	100%	0%	82%	100%	0%	18%
		Management	100%	0%	22%	100%	0%	78%
		Operator	100%	0%	3%	100%	0%	97%
	Total aged between 25 and 35	Professional	100%	0%	56%	100%	0%	44%
			100%	0%	40%	100%	0%	60%
North America	from 25 to 35 years of age	Clerical worker	100%	0%	80%	100%	0%	20%
		Management	100%	0%	29%	100%	0%	71%
		Operator	100%	0%	2%	100%	0%	98%
	from 35 to 45 years of age	Professional	100%	0%	51%	100%	0%	49%
			100%	0%				
			100%	0%				



Market	Age bracket	Professional Category	Women		Total Women	Men		Total Men
			Permanent	Temporary		Permanent	Temporary	
	Total aged between 35 and 45		100%	0%	31%	100%	0%	69%
	from 45 to 55 years of age	Clerical worker	100%	0%	90%	100%	0%	10%
		Management	100%	0%	14%	100%	0%	86%
		Operator	100%	0%	2%	100%	0%	98%
		Professional	100%	0%	48%	100%	0%	52%
	Total aged between 45 and 55		100%	0%	28%	100%	0%	72%
	over 55 years of age	Clerical worker	100%	0%	93%	100%	0%	7%
		Management	100%	0%	43%	100%	0%	57%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	41%	100%	0%	59%
	Total over 55 years of age		100%	0%	32%	100%	0%	68%
	Under 25 years of age	Clerical worker	100%	0%	83%	100%	0%	17%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	39%	100%	0%	61%
	Total under 25 years of age		100%	0%	22%	100%	0%	78%
Total North America			100%	0%	32%	100%	0%	68%
Oceania	from 25 to 35 years of age	Clerical worker	100%	0%	41%	100%	0%	59%
		Management	0%	0%	0%	100%	0%	100%
		Operator	100%	0%	24%	100%	0%	76%
		Professional	100%	0%	50%	100%	0%	50%
	Total aged between 25 and 35		100%	0%	42%	100%	0%	58%
	from 35 to 45 years of age	Clerical worker	100%	0%	100%	0%	0%	0%
		Management	0%	0%	0%	100%	0%	100%
		Operator	100%	0%	10%	100%	0%	90%
		Professional	100%	0%	27%	100%	0%	73%
	Total aged between 35 and 45		100%	0%	17%	100%	0%	83%

People

			Women		Total Women	Men		Total Men
Market	Age bracket	Professional Category	Permanent	Temporary		Permanent	Temporary	
	from 45 to 55 years of age	Clerical worker	100%	0%	100%	0%	0%	0%
		Management	100%	0%	100%	0%	0%	0%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	60%	100%	0%	40%
	Total aged between 45 and 55		100%	0%	41%	100%	0%	59%
	over 55 years of age	Management	0%	0%	0%	100%	0%	100%
		Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	75%	100%	0%	25%
	Total over 55 years of age		100%	0%	43%	100%	0%	57%
	Under 25 years of age	Operator	0%	0%	0%	100%	0%	100%
		Professional	100%	0%	100%	0%	0%	0%
	Total under 25 years of age		100%	0%	61%	100%	0%	39%
Total Oceania			100%	0%	33%	100%	0%	67%
Overall total			95%	5%	22%	90%	10%	78%

(*) Data corresponding to 94.89% of the population

Distribution of workforce by country and working pattern

Country	Working pattern	Women	Men	Total
Spain	Full time	332	1,896	2,228
	Part time	19	27	46
Italy	Full time	16	41	57
	Part time	1	1	2
Belgium	Full time	5	13	18
	Part time	1	-	1
Netherlands	Full time	4	12	16
	Part time	1	-	1
Portugal	Full time	6	16	22
	Part time	1	-	1



Quality employment

The consolidation of the People philosophy entails a comprehensive vision of our employees that encompasses the professional, personal, family and reward environment. This is possible thanks to quality employment that suits your needs to inspire your maximum potential. In this sense, we develop different work-life balance actions and company benefits that are adapted to the needs of each geographical area and are independent of the duration of the employment contract.

Work-life balance

The balance between work and family life is key to employee well-being. In 2018 we maintain our flexible working hours for all corporate positions at the Cantoria plant (Almería, España). This work schedule is adapted to the needs of each employee and job with a reduction of the lunch break to adapt to European working hours.

Rate of return to employment after taking parental leave

Country	No. of employees taking leave	No. of departures after leave	Rate of return
Australia	2	1	50%
Belgium	1	0	100%
Germany	1	0	100%
Spain	99	2	98%
Singapore	1	0	100%
France	2	0	100%

Health insurance

We continue to be concerned about improving conditions for our employees, especially in locations where the socioeconomic reality hinders access to health and social security benefits. During 2018, in addition to continuing the health insurance that we had already implemented,

we have incorporated health insurance for employees and relatives in Turkey. Likewise, implementation has been approved in Malaysia and Indonesia, where it is in the contracting phase.

Flexible Remuneration

In 2018 Cosentino continued to offer its employees the option of flexible remuneration. This compensation system allows each employee to decide, voluntarily, how to receive part of their monetary remuneration so that it best adapts to their personal and family needs at all times, making the most of the tax advantages of certain products and services. This plan is currently offered in Spain and Portugal.

Employees signed up to a collective agreement

61.91% of our employees worldwide are signed up to a collective agreement. In Spain, where more than 50% of our workforce is located, 100% of our employees are signed up to one of the 22 established agreements.

Employee Club

The Employee Club allows access to discounts and exclusive promotions on travel, restaurants, technology and other products or services. The platform takes into account employees' interests in order to adapt the offers to their needs. Currently it is only available in Spain, but one of our objectives is to implement this policy in all our international headquarters.

Equality of opportunities

The growth of the Cosentino team means the incorporation of increasingly diverse talent. Cosentino's commitment to effective equality of opportunities is included in the Equality and Diversity Plan that integrates this commitment into all recruitment, selection, communication and training processes. Likewise, Cosentino is committed to diversity amongst its employees, considering that diversity enriches the company and represents an important capital.

This internal policy places special emphasis on the promotion of women, both within the company and in partner companies and society in general. Cosentino makes the following commitments:

- To promote women's access to positions of responsibility.
- To proactively incorporate equality in people management and in advertising and marketing policies.
- To partner with organisations that promote the labour insertion of women. To name jobs neutrally.
- To incorporate equality into the selection processes of partner companies.
- To raise awareness of people responsible for the selection of personnel regarding equality and non-discrimination.
- To promote applications by women for those positions in which women are underrepresented.
- To promote the balanced assumption of family responsibilities.
- To promote a positive balance between the work and family life of our employees.
- To avoid or resolve any situation of harassment or discrimination based on gender.

Throughout 2018, the Workers' Legal Representation negotiated the 2nd Cosentino Equality Plan, which will be published in 2019, in which we promote improvement and continuous progress in terms of equal opportunities and non-discrimination. This 2nd Cosentino Equality Plan reflects the company's commitment to promoting a business culture based on the principle of equal opportunities and non-discrimination, and implementing the necessary measures to achieve this.



***Distribution of workforce
by country and gender***

Country	Female	Male	Overall total
Germany	16	36	52
Australia	27	55	82
Austria	5	8	13
Belgium	6	13	19
Brazil	52	187	239
Canada	36	38	74
Denmark	3	4	7
Dubai	3	5	8
Spain	350	1,916	2,266
Finland	5	6	11
France	13	45	58
Netherlands	5	12	17
Indonesia	3	2	5
Ireland	0	13	13
Israel	4	16	20
Italy	17	42	59
Japan	0	5	5
Malaysia	4	5	9
Mexico	6	9	15
Norway	2	12	14
New Zealand	4	7	11
Poland	1	10	11
Portugal	7	16	23
United Kingdom	21	83	104
Russia	1	1	2
Singapore	6	11	17
South Africa	7	6	13
Sweden	7	13	20
Switzerland	2	14	16
Turkey	3	24	27
United States	344	740	1,084
Overall total	960	3,354	4,314

Cosentino's remuneration policy does not differentiate by gender and seeks objectification when reviewing individual remuneration, so that the remuneration is equitable based on the level of responsibility and the contribution to the Group's results.





Integration

Cosentino's Code of Ethics, Conduct and Regulatory Compliance is the guide that must underpin the conduct of all companies in the group with regard to non-discrimination against people with disabilities or social and labour exclusion. The Code promotes effective equality, a term that in practice consists of promoting gender diversity as well as the professional and personal development of all employees, ensuring equal opportunities. In the same way, no type of discrimination in the professional field is tolerated for reasons of age, race, colour, sex, religion, political opinion, national ancestry, sexual orientation, social origin or disability.

Cosentino diversifies support for the employment of people with disabilities in two ways, through direct hiring and projects in which services are contracted from companies which employ people with disabilities.

Breakdown of the number of employees with a reported disability, by gender

Company	Female	Male	Overall total
Cosentino Latina LTDA.	1	3	4
Cosentino S.A.	3	11	14
Overall total	4	14	18

Discrimination & prevention of harassment

As part of our commitment to the welfare of our employees and non-discrimination, whether by reason of birth, race, sex, religion, opinion or any other condition or personal or social circumstance, we have a clear commitment to prevent and eradicate harassing behaviour in the workplace.

At Cosentino, we consider harassment to be a workplace risk, so we strive to maintain an organisational structure that avoids it; we commit to assigning the necessary human and material resources to prevent and act against any possible cases, and we work on training programmes. Our Harassment Prevention Protocol is available to all employees on the corporate intranet. Through this protocol, Cosentino documents its intention to adopt as many measures as necessary to promote a work environment which is free from harassment, without allowing or consenting to conduct of this nature.

All employees can access the Cosentino Reporting Channel anonymously to report or make inquiries about issues related to discrimination. In 2018, we received three complaints referring to cases of discrimination through this portal. After conducting the relevant internal investigation, with a thorough study of the circumstances and complying with the impartiality standards, the Ethics Committee has closed all three cases.





Digital downtime

Organic Law 3/2018, of 5 December on the Protection of Personal Data and the guarantee of digital rights, in Article 88, Right to Digital Downtime in the Workplace, includes the obligation for the Group, after hearing from worker representatives, to develop an internal policy for workers, including those in management positions, which will define procedures for exercising the right to disconnection and training and staff awareness raising actions on reasonable use of technological tools that avoids the risk of computer fatigue.

In particular, according to the Law, the right to digital downtime must be preserved in cases of total or partial remote working, or home working linked to the use of technological tools for work purposes.

Cosentino is currently working to establish this policy.





Health & safety

For Cosentino, the safety and welfare of its employees is a priority. At Cosentino Group we work every day to be a leader in the areas of risk prevention and occupational health. With the objective of creating a safe working environment and achieve the goal of "Zero Accidents".



Rate of accidents without sick leave with respect to 2017

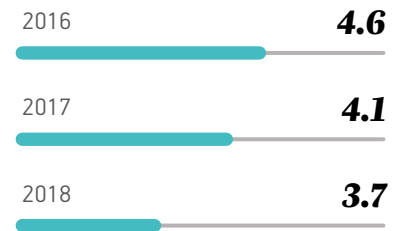


Total accident rate with respect to 2017

All the work and effort by Cosentino in the area of occupational health and safety has resulted in the consolidation of the trend of the accident rate decreasing in 2018 compared to previous years.

Therefore, the total accident rate has been reduced by 12%, from 4.1 in 2017 to 3.7 in 2018. The rate of accidents with sick leave was 1.6 compared to 1.3 in 2017, 18% higher, and the rate of accidents without sick leave has reduced by 27.2%, to 2.06 in 2018 compared to 2.83 in 2017. As for the number of accidents, the year ended with 63 accidents with sick leave, compared to 41 accidents in 2017. In 2018, 145 accidents were registered compared to 141 the previous year. The number of days lost was 3,011 in 2018 compared to 2,344 the previous year. Therefore, in 2018 there was a lower number of accidents in relation to hours worked, although these resulted in more days of sick leave as reflected in the severity rate.

Evolution in the accident-severity ratio (TCIR)



Investment in facilities

€ 6.8 million

of which

€ 4.7 million

were invested in workshops in the USA

Health and safety training and promotion

Routines Safety Programme

Promotion of healthy life habits

Health and safety training;
12,661 hours of training

Commitment

to the entire value chain:
employees, partners,
customers and suppliers

Objective

Zero Accidents

Principal accident figures

These results are due to work and daily effort and to the constant labour of promoting a culture of prevention amongst our employees.

	2016	2017	2018
Accident with Sick Leave Rate (LTIR)	1.60	1.30	1.60
Severity Rate	57.70	66.30	76.60
Total Accident Rate (TCIR)	4.60	4.10	3.70
Days lost	1,400	2,344	3,011
Total number of accidents	140	141	145
Occupational Illnesses Rate	0,03	0	0
Absenteeism figures	1.49	1.70	1.80

TCIR = (Total no. accidents/hours worked)*200,000

LTIR = (Number accidents with sick leave/hours worked)*200,000

Severity rate = (Number of days lost due to accident/hours worked)*200,000

Occupational illnesses rate = (Number declared OI incidents/hours worked)*200,000

The absenteeism figures are limited to employees in Spain: (Days lost / (Number of workers x calendar days)) x 100 where days lost are the total number of days of leave, within the period of the total cases in the period.
Total Cases: These are cases that are on leave during the period, whether or not they began within the period.



Main lines of action

Within the framework of Cosentino's occupational health and safety strategy, we have worked on several initiatives aimed at guaranteeing the health and safety of the people who work within the Group. These measures include, firstly, preventive actions such as the leadership and digitisation programme, action plans to improve working conditions, as well as programmes to promote health and well-being; and, secondly, innovative actions in terms of training, communication and awareness of safety based on behaviour, amongst other things.

Leadership and digitisation programme

Cosentino continues with the leadership and digitisation programme initiated in 2016 in the field of health and safety. In 2018, the following measures were implemented:

- Incident report: Near Misses.
- Safety meetings.
- BBS: Observations on safe behaviour.
- Management Control: Inspections through the Gensuite® tool.

This enables an improvement on the monitoring of what is happening at all times, in real time, facilitating the work of each manager.

The implementation of phase 1 has been completed in the Cantoria industrial centre (Almería, Spain) and has begun in Australia and Latin America.

Continuing with action plans to improve working conditions

Within the framework of the investment plan for the improvement of working conditions, investments were made in the area of safety in 2018 to the value of €6.8 million, including notably investments worth €4.7 million in workshops in the United States, in relation to preventing dust exposure.

The main lines of action for improvements carried out in 2018 were:

- Completing the adaptation of machinery for the Silestone® lines.
- Completing the project to adapt workshops in the United States to prevent dust exposure.

Health and Well-Being Programmes

Cosentino's responsibility to its workers is translated into strategies that invite them to incorporate healthy diet and exercise habits, and to reduce the incidence of diseases associated with a sedentary lifestyle.

In keeping with these aims, the Health Promotion Program was launched in 2018, based on:

- Raising awareness of healthy nutrition. To this end, information sessions were delivered by nutrition specialists and advisors from the Regional Government of Andalusia to workers from the Cantoria work centre (Almería, Spain). This action has been supplemented with the Healthy Canteen, introducing healthy dishes, and health and well-being messages.
- Promotion of Physical Activity. The Activate project has been started, with a monitoring pilot of the physical activity programmes through the New Me smartphone app, carried out over 3 months.

Health and safety training and promotion

The reduction in the accident rate is possible thanks to the constant work in informing and training our employees. Our work plan includes tools such as the Safety by Routines programme, specific training and awareness-raising for our employees.

Safety by Routines

The "Safety By Routines, Leading By Example" programme aims to integrate health and safety through a series of routines tracked by an app (Gensuite®) that allows users to timetable, report and monitor activities. This participatory system consolidates the preventive culture, and reinforces the leadership in this matter throughout all levels of the organisation.

In 2018 Cosentino was acknowledged for this programme at the 3rd Edition of the Mutua Universal Innovation and Health Awards, as a finalist in the "Large Company" category. The aim of these awards is to recognise the work of companies that have demonstrated, through innovative projects, a high commitment to the development and promotion of safe and healthy work environments.

Health and safety training

In 2018, we carried out 424 training actions related to the prevention of occupational risks. In total, 12,661 hours of training were delivered, 3% more than in 2017, attended by 2,824 people.

The training actions focus on reducing accidents, especially in productive and logistics work. The 2017 training programme offers a wide range of courses, including:

- Machine safety.
- Workplace risks and preventive measures.
- Qualifications. Training on machinery or specific conditions, such as wheelbarrows, overhead cranes, working at height or in confined spaces.
- Specific training on construction or handling chemical products.
- Use and maintenance of Personal Protection Equipment (PPE).

424

Training actions

12,661

Hours of training

2,824

People

- Safety Champion.
- First aid.
- Gensuite®.
- Notable awareness raising actions carried out in 2018 include:
 - **The "Committed to People" campaign:** on World Day for Safety and Health at Work, Cosentino promotes healthy and safe workplaces for all our stakeholders: employees, customers, suppliers and collaborators.
 - **Internal accident prevention week (SIPAT):** From 26 June to 29 June, a week of conferences and activities took place at the Cosentino Latina factory (Brazil), where employees discussed important issues that affect motivation and safety at work. The theme of the SIPAT was: "Value your life! Work safely".



Employee engagement

Listening to employees to understand their needs and demands is essential for the management of health and safety in our work centres. Cosentino employees have participation bodies that comply with local legal requirements, such as the Health and Safety Committees, whose function is to channel consultations and the involvement of workers in the prevention of occupational hazards.

The Health and Safety Committees meet monthly and are composed of the head of labour relations and five prevention delegates in the case of the Cantoria work centre (Almería, Spain), and by the quarries manager and a prevention delegate in the case of the quarries.

In Spain, which represents more than 50% of our workforce, 78.73% of employees are represented through Health and Safety Committees. The consultation and involvement of Cosentino Group workers unions in Spain in matters of health and safety at work, is carried out through the prevention delegates.

The main agreements reached with employees regarding health and safety in 2018 were:

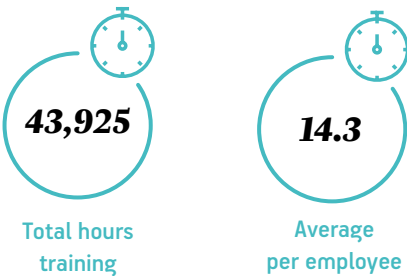
- Maintenance of a reduced working day in quarries from 1 July to 31 August to avoid the hottest hours and reduce or avoid the risk of heat stroke. For the same reason, in 2018, an agreement was reached to implement reduced working days for the gardening collective during the months of July and August, and reduced working days for the construction collective during the month of August.
- Speed limitation in use in *buggies* within the company's facilities in order to avoid accidents and risks for workers.
- Agreement on renewal of seats in forklifts.
- Annual training plan on occupational health and safety.
- Leadership training plan for managers.
- Training in occupational risk prevention for prevention delegates.
- Mobility plan.
- Preventive measures to reduce exposure to dust.

Talent Development

The talent of our employees is our main asset and one of our main competitive advantages. We promote the hiring of the best professionals and continuous learning to ensure the professional and personal growth of our employees. Beyond providing skills and knowledge, we want each person to be involved in their own development and to be able to place value upon their maximum potential.

In 2016, we created Talent Development, whose mission is to ensure that each and every person within the Cosentino Group has the necessary resources to continue learning and developing their skills. To this end, we ask for the involvement of our employees, who receive support from their manager and the Talent Business Partners.

Hours dedicated to training of employees



Objectives

- To consolidate our corporate culture and promote continuous learning for all our employees and collaborators.
- To develop our employees in the performance of their duties.
- To increase the operational efficiency of the organisation and ensure that it has the necessary skills and competences to face the challenges of the future.
- To enable all people to reach their maximum potential.
- To generate pride of belonging.
- To increase employee satisfaction with their work environment.

	Total hours	Average hours per employee
Staff	17,276	19.09
Sales	8,926	12.63
Production	12,663.5	11.26
Logistics	906.5	14.62
Other	4,153.5	15.27



Talent management

Our talent management model seeks to identify and develop people's potential. To achieve this, we involve our employees in their development and identify their demands and suggestions.

In 2018, we launched a new Talent Management tool. All our staff has access to this system that creates a meeting between the employee and their manager to get feedback and to jointly establish the objectives that the employee will pursue during the following year. In this way, they define which workplace aspects will allow the employees to fully develop their skills.

In addition, every year we analyse the organisation's talent map. This system allows us to identify and value talent. To do this, we create actions with the objectives of developing and building loyalty in our work teams and attracting the talent we need to address the expansion, change or diversification challenges that we will face in the future.

We defined all our attraction strategies (Proyecta Programme, Impulsa Graduate Program, Impulsa FP Programme, Leader Sales Programme) and talent retention (promotion decisions and individual professional development plans) on the basis of this exercise.

Throughout 2018, the number of periodic evaluations of professional performance and development amounted to a total of 3,438. This means that 85% of Cosentino's employees had an evaluation completed by their line manager, which evaluated their performance throughout 2018, their potential for growth and validated their professional concerns (training needs, language level and career trajectory).

85%
of employees
evaluated

Compensation

Objectivity, external competitiveness and internal fairness are the basic criteria on which Cosentino's compensation policies are designed and implemented. To this end, in 2018 we reviewed the Compensation Policy at a global level.

Training offer

Our approach to continuing education is based on the 70:20:10 model. This principle establishes that most of the learning occurs in daily work (70%) or through informal processes such as coaching or tutoring in the workplace (20%). Only 10% is generated in structured training processes. This model includes the Talent Review process and the procedures for detecting general training needs and detecting individual training needs. These processes are of vital importance since they can become the key for future learning.

The people who form part of the Cosentino Group have access to a wide variety of training programmes. In 2018 we allocated 43,925.5 hours to the training of our employees, in two lines of training:

- **Onboarding**

Initial training plans. Anyone who joins the Cosentino Group, anywhere in the world, is greeted with a welcome plan to facilitate their integration, help them deepen their knowledge of the company and speed up their full immersion in the position.

- **Continuous training**

Training programmes that include cross-cutting skills, training in industrial techniques, training in commercial techniques, product training, digital transformation or languages. In 2018 we carried out 216 training actions.

Amongst the programs carried out in 2018 to improve the skills of some of our employees are the Leading by Example programme, aimed at directors, and the Evolution and Pneumatics programmes, aimed at leaders and managers, and maintenance employees, respectively.

In our constant effort to integrate innovation and best practices, every year we incorporate new training methodologies. In 2018 we continued to promote digital training thanks to the implementation of a platform, which is accessible to all Cosentino employees. This effort to digitise our training content allows us to reach all employees, regardless of the geographical area in which they work.

216
employee
training actions



Attraction and development of talent

The talent development programs at Cosentino seek to increase the effectiveness of the selection process so that the attraction and talent management begins before our professionals join.

COSENTINO **impulsa**

Impulsa Graduate

Paid programme that includes training in different business areas, assignment of real work responsibilities and the possibility of working in an international location. Of the 19 young people who participated in the programme in the 2017/2018 cohort, 16 still work in the Cosentino Group.

COSENTINO **Proyecta** PROGRAM

Proyecta Programme

Two-month long comprehensive training programme. It is aimed at training operators to facilitate their full integration into the labour market. 47 people took part in the 2018 cohort, of which 37 have been employed by the Cosentino Group.

COSENTINO **impulsa** FP

Impulsa FP

This offers internships within different functional areas of the company. 24 of the 32 young people who joined the programme in 2017/18 are part of the Cosentino Group.

COSENTINO **Leader** SALES PROGRAM

Leader Sales

The objective of this programme is to train potential business leaders aligned with our culture and objectives through a learning process based on experience, tutoring and formal knowledge of the business. Each year we offer seven places with an approximate training duration of six months.

People

"The Impulsa program has been and continues to be a programme that allows you to develop within a company that has many human and material resources, etc., and that also makes them available to you so you can take advantage of them, take them, immerse yourself and have a very good professional career. Once you finish, your appreciation of the project is very positive and difficulties become mere challenges."



Sofía Uribe Alonso
Impulsa integrant in the Cosentino
Tax Advisory Department

Referral Programme

This initiative allows us to acquire the best talent and reward our employees for participating in the search for and attraction of new professionals.

It consists of rewarding workers who recommend professionals who are likely to be hired by the Cosentino Group. Anyone can participate with the exception of the Executive Committee, general and department managers, the position managers and the professionals that make up the People department.



Other training programmes



Professional training students visiting the Industrial Park of Cosentino in Cantoria (Almería, Spain)



Thanks to our partnership with the Juan Rubio Ortiz de Macael Institute of Higher Education (Almería, Spain), we opened our facilities to students from the following training courses:

- Upper-Level Training in Industrial Mechatronics (first and second year).
- Post-secondary Training in Electromechanical Maintenance (first and second year).

The possibility of delivering part of the training in our industrial park, allows students to experience the reality and needs of industrial plants. In addition, they can receive an official degree and opt for some of the regionally paid scholarships that are offered annually for recent graduates.

A high percentage of these students go on to be part of our workforce. In 2018, 11 students completed internships at Cosentino and participated in the Impulsa FP programme.

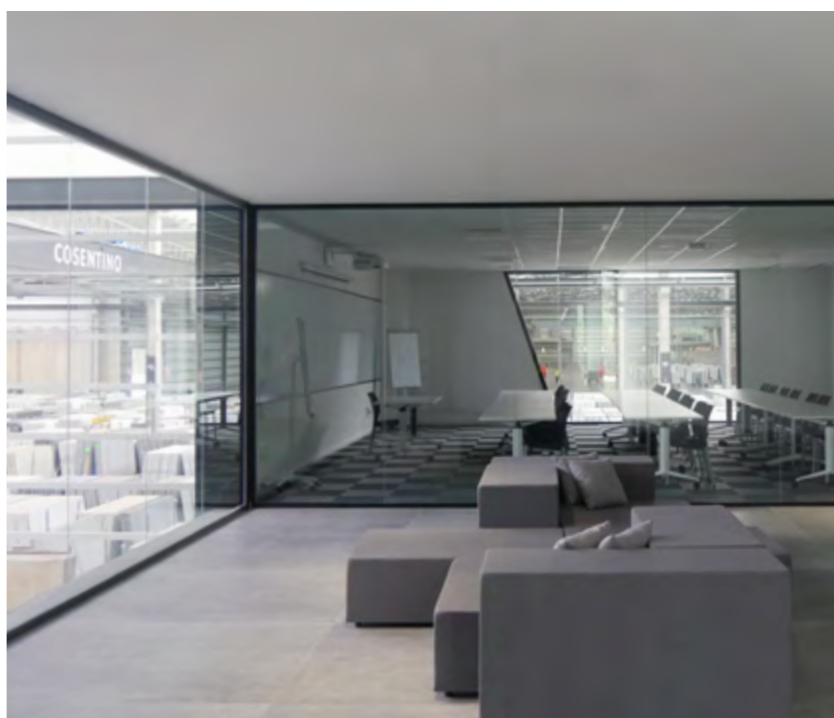
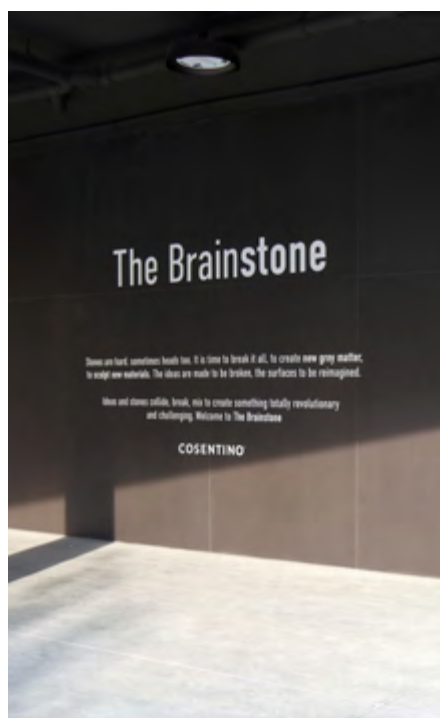
Employee-focused innovation

In September 2018 a new Talent Management tool was launched, which in addition to being accessible to all of the different Cosentino groups, since it can be accessed from any device at any time, represents an advance in the monitoring of employees' professional development.

In addition, as an innovative development, a new benchmark has been launched in the Talent Management process where feedback is requested from employees about the strengths and areas of improvement of managers who have teams under their charge. This represents added value since it allows the manager to carry out a more objective talent evaluation, besides creating an organisational culture with a more participatory climate and positive orientation towards change and the continuous development of its professionals.

In addition, in 2018 we held the 2nd Engineering and Industry Forum, where experts from different areas and companies came together to discuss and explain market trends and to promote innovation amongst our employees. More than 150 people took part.

Within the framework of Cosentino's commitment to innovation and professional training, the start-up of the new internal training centre known as Brainstone stands out. Located in Cosentino's industrial park in Cantoria (Almería, Spain), this centre has an area of 1,200 m² and is composed of five classrooms of different sizes that can hold a total of 140 people simultaneously. The centre is mainly aimed at Cosentino employees in Cantoria.



Brainstone concept in the Cosentino Industrial Park in Cantoria (Almería, Spain)



Dialogue with our employees

We innovate to create communication tools and develop initiatives that allow us to establish an open dialogue with all the people that are part of the Cosentino Group. Dialogue with our employees is key to discovering their interests and expectations, capturing the best ideas and continuing to innovate along the road to excellence.

Internal e-mail communications



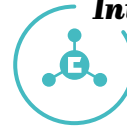
In 2018 more than 250 internal communications of the different areas of the organization were shared.

Cosentino Ideas



Platform to collect employees' ideas and suggestions. Enables voting for the best proposals. The best ideas are rewarded and implemented. Each year, more than 175 proposals are received.

Corporate Intranet



Digital portal for all employees. Enables the company to share notices and news.

Cosentino Family Day



Open day at the Cantoria Industrial Park (Almería, Spain). Open to employees and their relatives. It offers a visit to our offices, the showroom, the auditorium, the Dekton® and machining factories and the Industrial Park. In 2018 we held four open days attended by more than 200 family members and employees.

Chatter



Corporate social network. This allows all employees to share content and interact. Made up of groups, such as the product consultation group, which is one of the most successful and allows our commercial network to resolve queries about our products in real time.

Cosentino One magazine



Semi-annual global internal publication. It connects all employees from across the world. With a print run of 4,500 copies.

Cosentino Internews



Monthly newsletters. Summary of the month's highlights.

Breakfasts with Management



Monthly meetings between managers and employees. They deal with topics such as health and safety, strategy or new products. We held 22 talks with managers from different areas in 2018.

TV channel



Project implemented in our headquarters in Almería and Miami. It broadcasts content in real time.

People

Notice boards



Offers information to those employees who do not have a computer in their workplaces.

Informative talks



They allow to explain a topic in depth.

Other communication tools



Competitions: we organise a drawing contest for children of employees under 12 years of age. We also organise a photo contest for employees with the theme of "inspiring people through innovative spaces".

Raffles: we organise raffles for employees to win tickets to sporting events, such as the Mutua Madrid Open, or T-shirts signed by the Spanish singer Leiva.

Employee events

- **Health Caravan visits Cosentino:** on International Food Day on 16 October, the Health Caravan visited our facilities. During the day, workshops on nutrition and food safety in the kitchen were organised for employees.
- **Acoustic performance by Leiva:** Cosentino employees were able to enjoy an exclusive concert by the singer Leiva in the Cosentino pyramid headquarters.



Acoustic concert by Leiva at Cosentino headquarters





Employee social actions

- **Breast Cancer Awareness Day:** on Breast Cancer Awareness Day, our pyramid headquarters were lit up pink. Employees were also encouraged to come to work wearing a pink item of clothing as a sign of breast cancer awareness.
- **World Autism Awareness Day:** on World Autism Awareness Day, our pyramid headquarters were lit up blue. Employees were also encouraged to come to work wearing a blue item of clothing, as a sign of our commitment to creating a more accessible company.
- **ACOES Honduras Solidarity Campaign and Tijola Book Bank:** voluntary social action in which Cosentino employees helped to load a container bound for Honduras with materials for destitute children. They also provided a donation of toys and school supplies.

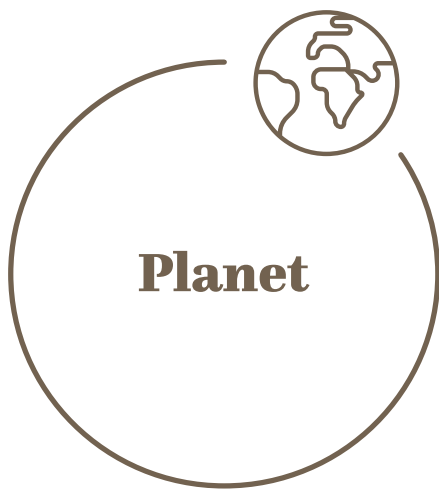
Sponsorship of employees' sporting activities

Cosentino supports employees who practice sports at a global level with sporting equipment. The major sports we have sponsored have been: running, swimming, basketball and soccer.



World Breast Cancer Day





Planet



Page 155

Commitment to the Environment

Environmental sustainability: Towards a true circular economy

Climate Action

Natural Capital

Training and investment in the environment

Page 185

Environmental fines and penalties

Page 187

Commitment to the community

Our commitment to Almería and Andalusia

Our commitment to education

Our commitment to architecture and design

Our commitment to cooking

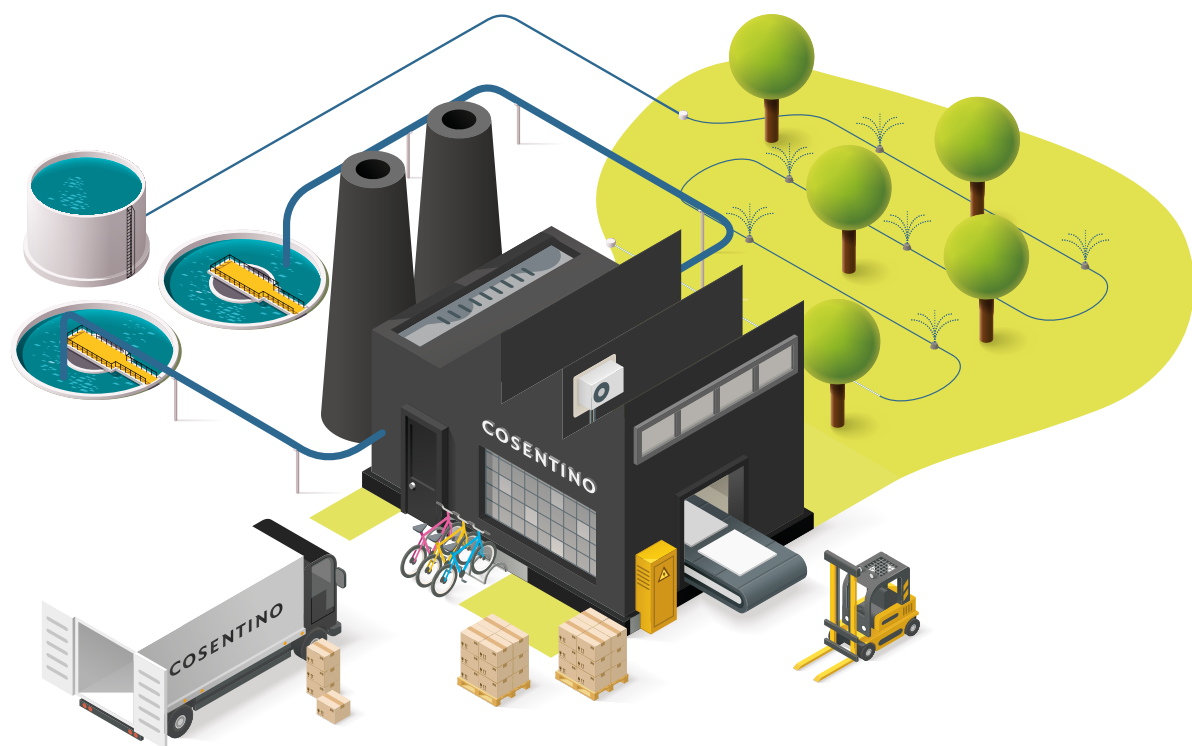
Our commitment to art and culture

Social commitment

Our commitment to sport

Dialogue with the community





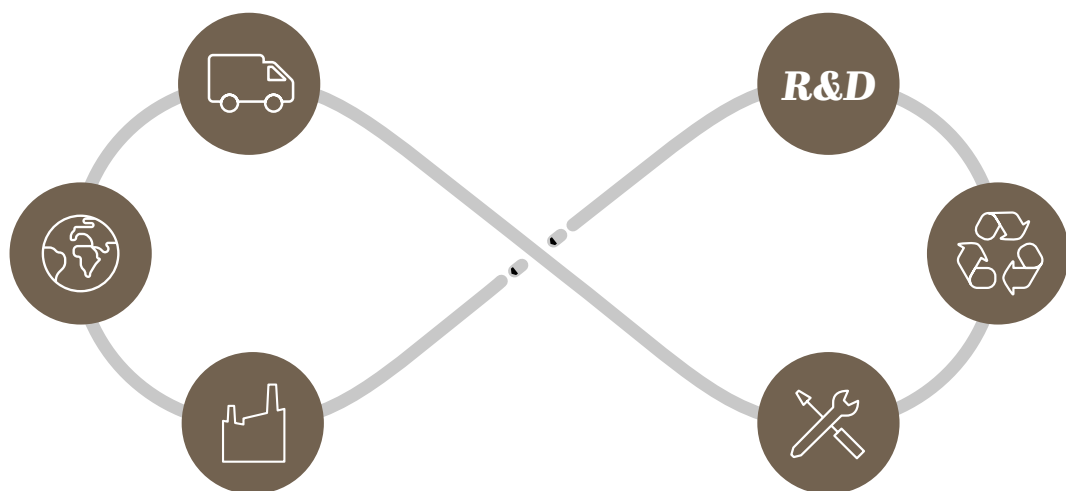


Commitment to the Environment

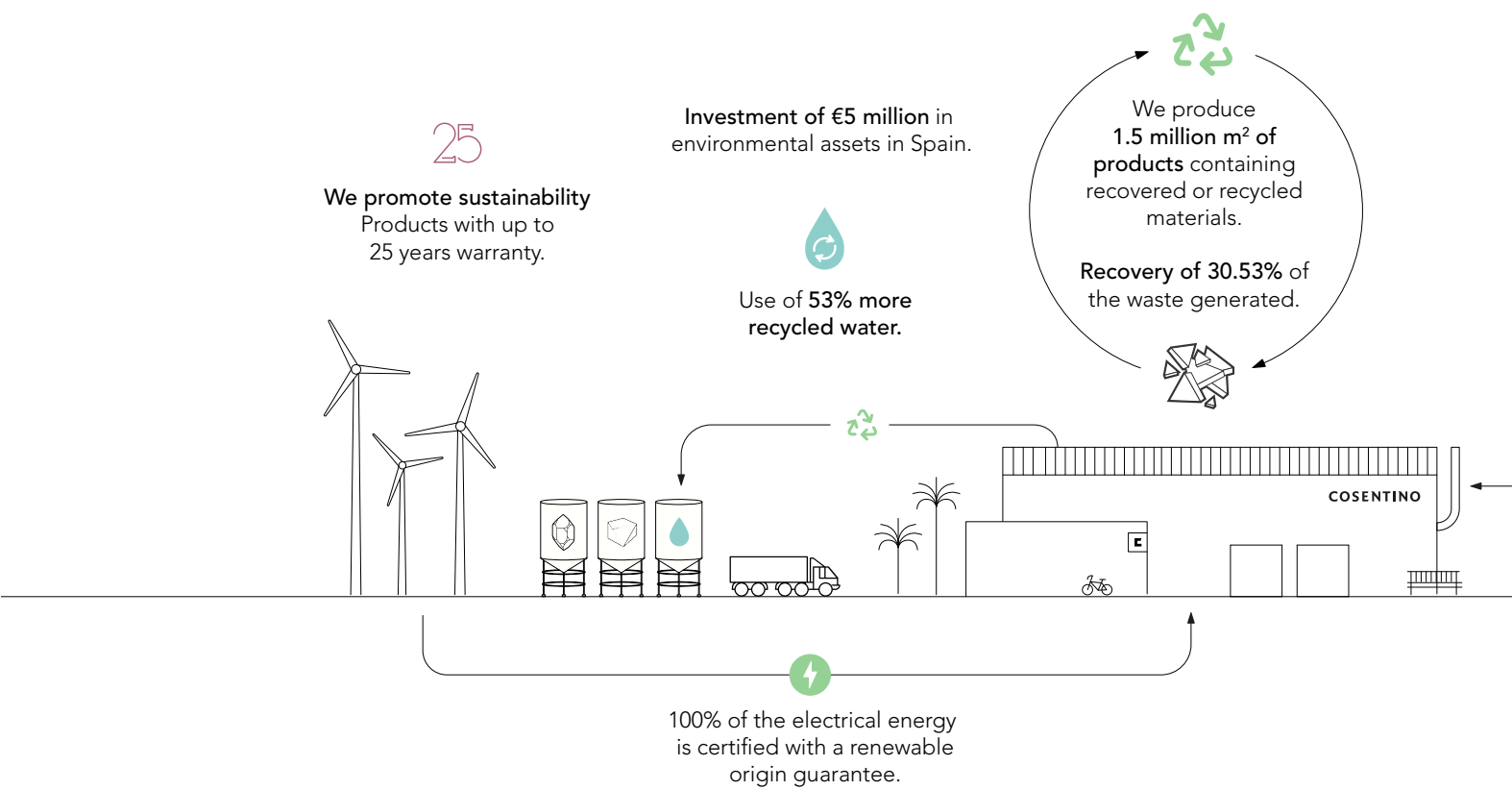
Environmental sustainability: Towards a true circular economy

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



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®.



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.

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

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

**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.

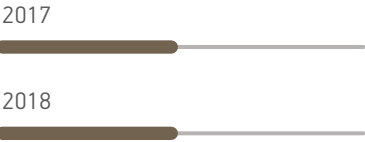


Our Eco products

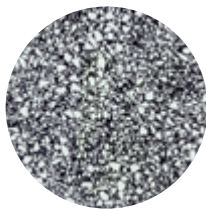
Silestone®

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.

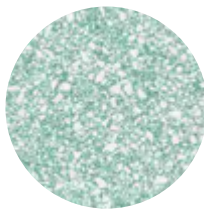
**Colours Silestone®
that use recycled or
recovered material**



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



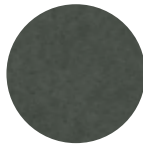
Red Pine



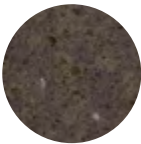
Forest Snow



Riverbed



Grey Moss



Iron Ore

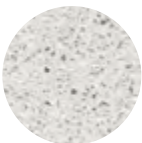


Terra

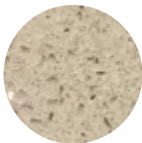


Starlight

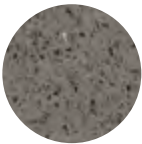
Silestone® Serie Stellar
Recycled material 30-50%



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

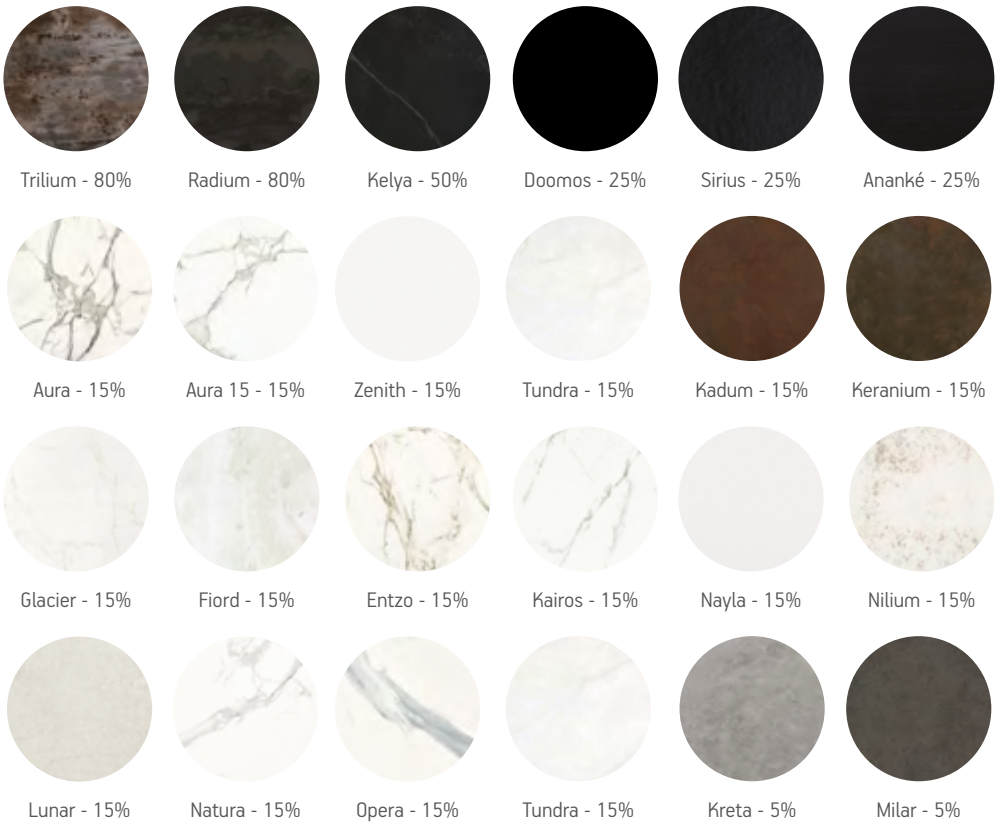
consumption of the raw materials used in our processes and their associated environmental impacts.

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.

Circularity in waste

We encourage innovation and continuous improvement to move towards a circular economy model that promotes the efficient use of resources, and the minimisation and recovery of waste. We focus on the waste generated as part of the raw material treatment processes and in the production of our surfaces. Thanks to the application of the best available technologies, we have managed to increase the efficiency of our processes and reduce the generation of waste per unit produced.

Reborn Project

At Cosentino, we work to ensure that our waste can be used, reused and recycled as new products for different external and internal applications. Our objective is to convert them into quality raw materials which can be reintroduced, with the maximum technical, economic, health and safety conditions. This is the objective of this ambitious R&D project that began in 2016 in response to the need to expand the research lines for waste treatment, especially in the case of Silestone®.

Within the framework of this project, different external lines have been researched to be able to reuse our waste in different applications, such as:

- **Civil Engineering and construction materials:** we conducted several laboratory studies to verify the technical feasibility of introducing our waste as substitutes for construction and civil engineering materials. Thanks to this, we have defined the maximum optimal percentages in which our waste can be used in the formulations of different products without altering their properties. These short and long-term laboratory studies were

carried out in partnership with various universities in Andalusia. Likewise, different pilot tests have been carried out that have allowed us to verify that the positive results are transferable on a real scale.

- **Technosol:** we are conducting short and long-term research on the development of a new technosol obtained from mixing our non-hazardous waste and different waste generated in the province of Almería, seeking synergies to resolve several problems with the same solution. The results obtained have been positive, with 100% of the species tested surviving, as well as in analytical tests carried out to evaluate technical viability. After these results in the laboratory, we carried out a pilot study on a larger scale. This research obtained positive results in its different phases. So much so, that Cosentino has applied for a patent for this invention.
- **Ceramic industry:** we have verified another case of success with the introduction of a typology of our waste products in the ceramic industry. Several analytical and external tests were carried out and, in view of the good results obtained, a specialist company

from the ceramic sector in Almería was contacted to carry out various tests in its factory. After carrying out different industrial tests on a real scale, it has been concluded that this particular waste is not only suitable for use in this application, but also adds value to the final product.

Currently, work is being done on the necessary processes and procedures for using waste in these applications that have already been demonstrated in the laboratory and in the pilot projects. To achieve this, Cosentino believes it is essential to comply with all the necessary regulations and administrative processes, as well as the health and safety requirements for individuals and the environment. We also continue to open up new lines of research to continue advancing along the path to recovery of all our waste.



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"educer, "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.

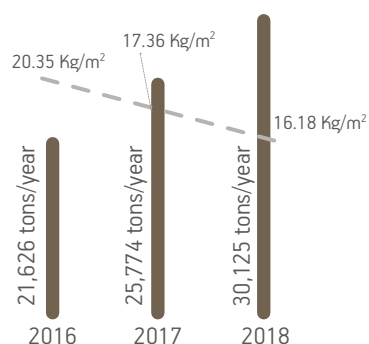
Change in direct scope 1 emissions of Greenhouse Gases (GHG) associated with the production of Dekton®

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/m² 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)

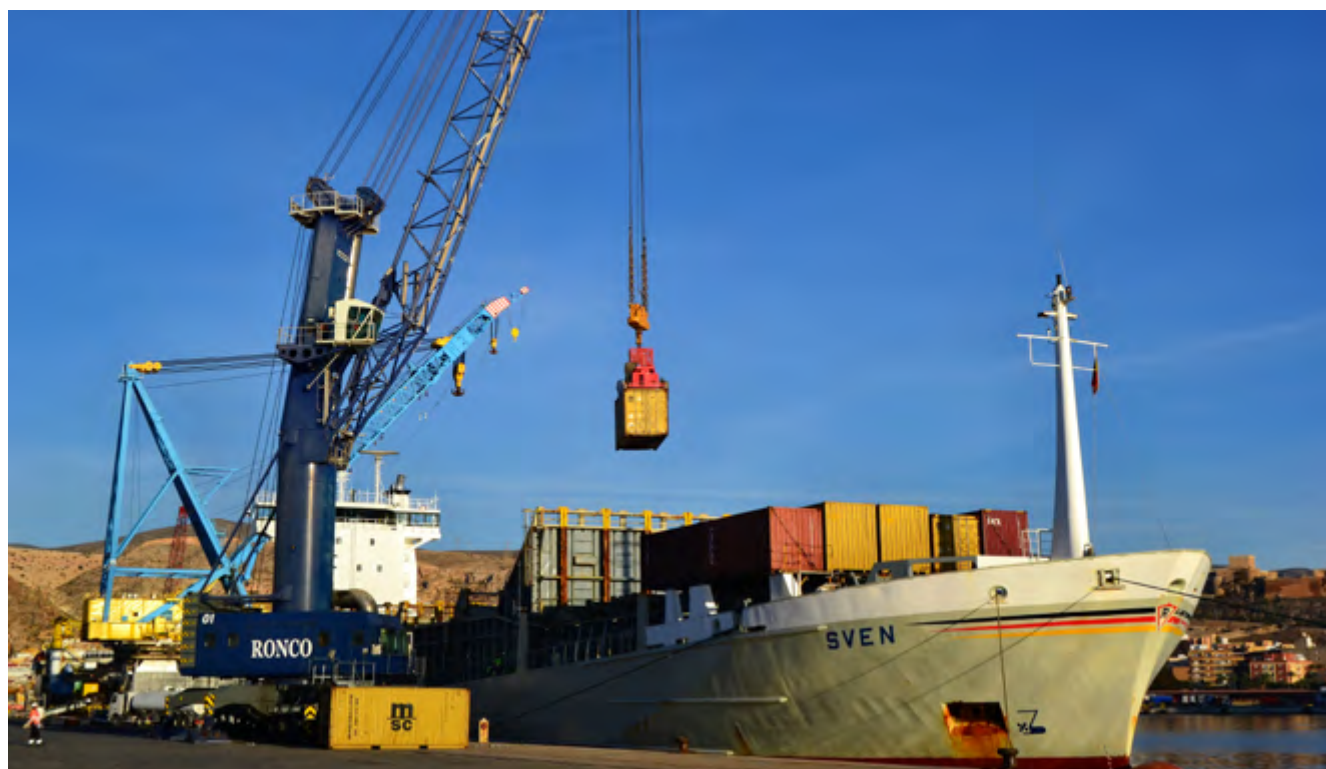
Risks and opportunities associated with climate change

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)



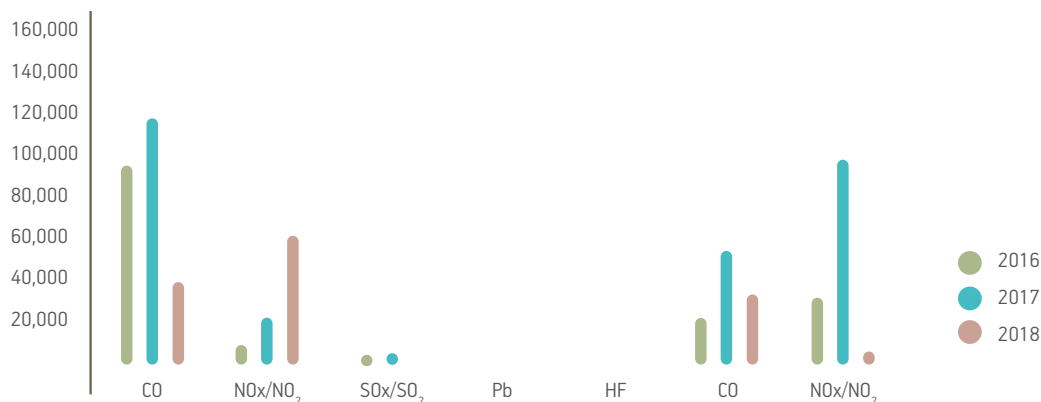
Emission of other substances

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.

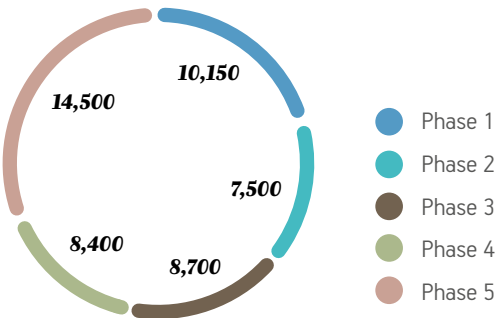
In addition, it allows the creation of a vegetation barrier that helps mitigate the effect of the wind, minimising the dust in suspension that could be extended to the park from nearby areas and improve the response to any possible fires.



130,000 m²

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

Green Belt Project (m²)





Green Belt	m²	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	m²	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.



Change in total volume of recycled water

	2017	2018
Total volume of water recycled by the organisation (m³)	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)



Environmental fines and penalties

During 2018 there were no fines or monetary sanctions for non-compliance with environmental laws or regulations.





Pérez Siquier Centre, Ibáñez-Cosentino Art Foundation



Commitment to the community

At the Cosentino Group, we actively participate in the economic, social and cultural development of the area where we carry out our activity, and we involve ourselves in the activities of education, culture, architecture, cuisine and sport, where our activity generates a greater contribution.

- **Commitment to education:** we promote various initiatives to support the personal and professional development of young people.
- **Social commitment:** we are actively involved in projects of a social nature with the aim of improving the quality of life of the people within our community.
- **Commitment to art and culture:** we have made a commitment to Andalusian culture and artists through the Ibáñez Cosentino Art Foundation, which supports several museums in the province of Almería.

Social innovation to generate a positive impact on individuals:



Eduarda Justo Foundation

Real social impact on young people in our region



Silestone Institute

Constant dialogue and support for bodies within the food preparation sector



Cosentino Design Challenge

We promote the talent of Architecture and Design students



Social Solidarity

More than one million euros allocated to social solidarity initiatives



Sport, Art & Fashion

Support for sport, art and fashion in Almería and Andalusia.

Our commitment to Almería and Andalusia

At the Cosentino Group, we acknowledge the need to work in partnership to improve quality of life by supporting the communities with which we interact, especially in Almería, where the heart of our company is located. And Cosentino's commitment to Almería goes far beyond a purely business relationship; in addition to generating wealth, we feel a responsibility to generate well-being for the citizens of the region.

A highlight of 2018, is Cosentino's role in the economic and social development of the port of Almería, with the signing of two important commercial agreements with the shipping companies Maersk and MSC (Mediterranean Shipping Company), which represents an important window of opportunity for companies in Almería and elsewhere in Andalusia. The inclusion of the port of Almería within the routes of the Danish shipping company Maersk, seeks to create new export possibilities for Spanish companies. In addition, the operations by MSC represent a significant boost to the logistical activity in the port of Almería.



MSC and Cosentino present the container line between Almería and Valencia



"This came about largely due to the commitment of Cosentino to both Almería and Andalusia. With the arrival of Maersk to the port, a horizon of opportunity opens up that a province like Almería, an export leader, should know how to take advantage of".



Susana Díaz
Former President of the
Regional Government of Andalusia



Shipping company Maersk in the port of Almería (Spain)



"Leaders of the Future" 11th seminar



Our commitment to education

At the Cosentino Group, we have always had a strong commitment to education. We invest in training the younger generations to support and promote their talent and offer them the tools to become the leaders of the future. We promote innovative initiatives that make us as a company one of the most committed to educating young people in the communities where we are based.

Eduarda Justo Foundation

Created in September 2006, the Eduarda Justo Foundation works to promote the social environment close to the Cosentino Group and, more specifically, to support the economic, social, educational and cultural development of the province of Almería, and therefore of Andalusia and Spain, with a special focus on people with limited economic resources. The Foundation's activities are aimed at identifying, training and empowering young locals with the potential to become future leaders to help them positively impact society.



The Foundation develops three main areas of activity:

Eduarda Justo Scholarships:

These were created with the aim of identifying and selecting young pre-university students from Almería who have great potential for the future and providing them with the necessary economic resources for them to undertake their International Baccalaureate studies within the United World Colleges network, for two years.

"Leaders of the Future" seminar:

Intensive specialist leadership training seminar that aims to identify, train and advise young professionals who show great potential and help them to become future social, economic and business leaders through encouraging their initiative, innovation, international vision, ambition and leadership skills.

Forums:

Forums for meeting and debating that aim to contribute to the creation of a stronger, more committed and more prepared civil society to face the challenges of the 21st century.

These include:

- Forum of the future: to analyse in detail the new technologies and trends that are shaping the world of the 21st century.
- "The value of healthy ambition" forum: aimed at high school students to guide them in their training and encourage ambition and nonconformity in their personal development.
- Education forum: meetings with experts and professionals from the world of education to analyse the major trends in education and facilitate the training of teachers and parents of students with the aim of promoting educational excellence.

Major projects carried out by the Eduarda Justo Foundation in 2018

- **Call for International Baccalaureate Scholarships at United World Colleges.**
The Foundation awarded three scholarships to young people from Almería. Similarly, the scholarship was maintained for the three scholars from the previous year to complete the second year of their baccalaureates. Additionally, three scholarships were awarded for the United World Colleges network's Action X Change (AxC) summer camp.
- **11th Edition of the Leaders of the Future Seminar.**
Held in September 2018, this became a meeting for more than 130 young people setting out on the path to leadership. The seminar encourages their initiative, innovation, international vision, ambition and leadership skills with presentations on social entrepreneurship, sports, education and business. The attendees rated the seminar at 9.73/10.
- **Sponsorship and support for the "First Lego League" robotics competition in Almería.**
It aims to promote innovation, creativity and entrepreneurship and awaken young people's interest in science and technology through the launch of a challenge based on a real-world problem. This year, the winning team was a regional team with extensive experience in this field: IES Cardenal Cisneros de Albox.

- **Education forum with Catherine L'Ecuyer: 10 keys to teaching children to pay attention.**
Educational researcher and speaker, Catherine L'Ecuyer, presented the main ideas behind teaching today's children, who are immersed in a frantic and hyper-expressive world, to pay attention.
- **Mini-companies in the marble region, with volunteers from Cosentino in partnership with the Junior Achievement Foundation.**
This pilot programme was carried out in 4 educational centres (Macaël, Cantoria, Tíjola and Albox) and included 99 students, 20 volunteers from the Cosentino Group and 15 mini-companies. Its objective is to promote education concerning values and entrepreneurial spirit to prepare and inspire young people in a global economy.
- **Technical Chats for teachers from the region.**
Delivered to 22 teachers from the region to illustrate cases of educational success and ideas for 21st century schools.
- **Social Education Forum "The value of healthy ambition".**
Attended by 250 young people from the marble region (from Macaël, Olula del Río, Tíjola and Albox) in order to encourage ambition and nonconformity in their future development.

18 scholarships

International Baccalaureate

20 scholarships

Postgraduate

14 scholarships

for Action X Change

11 years

of seminars

130

young participants in 2018

9.73

rated out of 10 by attendees



Donations made by the Foundation to social entities 2018

In addition to promoting the education and training of young people, the Eduarda Justo Foundation supports various social organisations working with children, young people, families and disadvantaged groups. Contributions made to social entities in 2018 amounted to €42,619, mainly to families and young people at risk of social exclusion.

€ 42,619

in support of
social entities

Other Partnerships

University of Granada

The Cosentino Group and the University of Granada have signed a partnership agreement relating to research, training and innovation. Amongst the provisions established in the partnership agreement is the commitment to set up a joint committee to analyse the opportunities for specific cooperation in areas such as: research and innovation projects, training aimed at the preparation of dissertation and master's projects, calls for proposals for research grants and the participation of Cosentino in university activities related to employment, entrepreneurship and leadership.

Other Educational Institutions

At the Cosentino Group, we maintain a constant partnership with the educational institutions around us. In 2018, we partnered with the following centres of learning:

Spain

- The universities of Almería, Jaén and Málaga, the Polytechnic University of Valencia, the Polytechnic University of Madrid and the Higher Technical School of Engineering of the University of Seville.
- ESIC Business School, in Madrid.
- The Granada School of Management.
- The Almería Chamber of Commerce.
- The Zaidín-Vergeles Institute of Secondary Education in Granada and the following in Almería: Juan Rubio Ortiz, Al Bujaira, Sol De Portocarrero, Alyanub, Alhamilla, Galileo, Acci, Politécnico Hermenegildo Lanz, Rosa Navarro, Cardenal Cisneros, Alto Almanzora, El Algar, Martín García Ramos y José Cavanilles, El Jaroso, Camponar.

United States

- Graduate Business University (Miami).
- School of Business Administration (Miami).
- University of Miami - Graduate.
- Miami Dade College.

Arab Emirates

- American University of Sharjah.

United Kingdom

- Bucks New University.

France

- l'Ecole Camondo.
- ESAM (École Supérieure des Arts Modernes) Design Paris.

Singapore

- Raffles Institution.
- Nanyang Poly.

Our commitment to architecture and design

We support, sponsor and partner with numerous initiatives that contribute to innovation in the worlds of architecture and design, and which are intimately linked to our business.



Cosentino Desing Challenge 12

Cosentino Design Challenge is an international competition promoted by Cosentino to foster the talent of architecture and design students from around the world. The aim of this competition is to encourage students from all over the world to create sustainable and innovative projects that boast outstanding conceptual and technical quality, with creative and technical emphasis on the suggested themes for each category.

In 2018, the twelfth edition of the contest received a total of 333 applications, 141 for the architecture category and 192 for the design category, which represents a 47% higher participation than in the previous year. The works delivered come from up to four continents: Europe, America, Asia and Oceania.

The deliberation of the jury of the Cosentino Design Challenge 12 took place in the Cosentino City in Madrid, an exhibition space that has become a benchmark for the world of architecture and design professionals. The members of the jury, made up of five teachers from schools that partner with the initiative, a guest architect and a representative of the Cosentino company, met inside the exhibition space. For each category, the jury selected three winners, who received €1,000 each, and three acknowledgements (accésits), who received a diploma.

In 2018 Cosentino launched the thirteenth edition.

12 editions

held

333 applicants

141 Architecture "Cosentino y las artes escénicas"

192 Design "Cosentino y la luz"

26 partners

Universities and
Schools partners.

1 media partner

web

www.cosentinodesignchallenge.org



Jury Decision of Cosentino Design Challenge 12



Jury Decision of Cosentino Design Challenge 12, led by the architect Carlos Rubio Carvajal

Collaborators of Desing Challenge 12

The Cosentino Design Challenge 12 boasted 26 partner schools, universities and institutions:

Spain

- Escuela Técnica Superior de Arquitectura de Madrid, ETSAM.
- Escuela de Arte número 10 de Madrid, ARTE10.
- Escuela Técnica Superior de Arquitectura de Sevilla, ETSAS.
- Escuela de Arte de Almería, EAA.
- Escuela de Arte Superior de Diseño de Alicante, EASDA.
- Universidad de Zaragoza, UNIZAR.
- Escuela Técnica Superior de Arquitectura de Barcelona, ETSAB.
- Escuela Técnica Superior de Arquitectura de Universidad de Navarra, ETSAN.
- Escuela Superior de Arte y Diseño de Andalucía, ESADA (Granada).
- Escuela de Arte de Zaragoza.
- Universidad Rey Juan Carlos I (Madrid).
- Universidad San Pablo CEU (Madrid).
- Escuela de Arte de Teruel.

- Escuela Universitaria de Diseño, Innovación y Tecnología, ESNE (Madrid).
- Escuela Técnica Superior de Ingeniería del Diseño. Universidad Politécnica de Valencia.
- ELISAVA Barcelona Design School and Engineering.

Others

- Istituto Europeo di Design Milano, IED (Italy).
- University of Technology Sydney, UTS (Australia).
- École Supérieure des Arts Modernes, ESAM (France).
- American Society of Interior Designers, ASID (United States).
- LASALLE College of the Arts, LASALLE (Singapore).
- Universidad Marista de Mérida (Mexico).
- Universidad de Lulea, LTU (Sweden).
- Faculdade de Arquitetura – Lisboa (Portugal).
- Universidad de Aveiro (Portugal).
- BAU International Berlin (Germany).

*"Cosentino's competitiveness reminds me of my work,
my creative process in the design approach:*

- The first step is the contact with the material, which inspires a form, to then work on a function.
- In addition, the theme gives a purpose, a context to develop a function (Eco, light, garden, work, bathroom, kitchen, etc.)

*After an imperative review of a large number of project
proposals from around the world in my Paris office,
I decided to refer to relevance and quality.*

*During the Cosentino evaluation in Madrid, the submitted
projects became physical thanks to exchanges with
professionals within the marble industry and school teachers.
Personally, I became very interested during the THINK-TANK,
when we all discussed the theme that will be presented
in 2019. It is very important to share our global, local and
critical ideas together in order to shape future life".*



Olivier Védrine, Architect/Designer
Tutor, ESAM Design & CAMONDO MAD (Paris)



C Magazine & Magaceen.com

The magazine "C - Architecture & Everything Else", which was founded in 2014, is a contribution by the Cosentino Group to the field of architecture, this time from the point of view of communication, and shares the best innovations, designs and projects that contribute to making the world more sustainable and beautiful. It is dedicated both to readers who work in construction and those who are alien to it, with the ultimate goal of promoting architecture and other related areas.

Sections

Architecture: a chapter dedicated to architecture that describes the most outstanding works from the recent international panorama.

Art: this section selects striking artistic or photographic projects, both from recognised and emerging artists.

Cosentino: a detailed study of the application of Dekton®, Silestone® or other Group materials in relevant works of art or architecture.

Innovation: study of the materials and systems that will shape the actions of the future.

Style: section dedicated to life and design that, viewed in direct or indirect relation with the architecture or the landscape, complements and improves it.

Interview: dialogue between two experts from the world of culture.

Travel: architectural visits take precedence, but gastronomic or festive interests are not forgotten.

In 2018, the eleventh and twelfth issues were published and the book "Conversations" was also published.

The digital version of the magazine, www.magaceen.com, launched in 2017, includes social networks channels to facilitate dialogue with our readers.

To move with the times, in 2018 we started an Instagram account, which has shown solid growth with more than 1,600 followers in a year.

Revista C 12 issues

since its launch in 2014

Quarterly

12,500 copies C-12

13,000 copies C-11

2,500 copies

print run "Conversations" book

website

www.magaceen.com



C 12 Magazine



"Conversations" book



Digital newsletter magaceen.com

Support for architecture bodies

We support different bodies related to the world of architecture that develop initiatives both nationally and internationally

Fundación Arquitectura Contemporánea

The Cosentino Group collaborates with the Fundación Arquitectura Contemporánea, which was founded in 2002 as an initiative by a number of professionals interested in the promotion of contemporary architecture. This Foundation is focused on research, dissemination and architectural creation.

In 2018 we supported the promotion of the sixth edition of the international conference series on Spanish architecture "MadeinSpain" that was held in Canada. Cosentino acted as the main sponsor for this initiative that took relevant national architects and design studios to major Canadian cities. The cycle was presented at the Cosentino City in Montreal.

"The international MadeinSpain conference cycles, promoted by the Fundación Arquitectura Contemporánea since 2010, have reached their sixth edition thanks to the support of Cosentino, with whom we share the objective of promoting the knowledge and recognition of worthwhile architecture in an international environment, as well as inviting exchanges and contributing to the enrichment of cultural debate beyond our borders".



Manuel A. González Fustegueras
President of the Fundación Arquitectura Contemporánea



Arquitectura y Sociedad Foundation

The Cosentino Group is a sponsor of the Fundación Arquitectura y Sociedad, a non-profit, cultural and private entity with public projection at a national and international level. It emerged in 2008, as an initiative by the architect Francisco Mangado Beloqui, whose interest is to promote architecture as a field which is inextricably linked to life in society.

In 2018 we sponsored the “Menos Arquitectura, Más Ciudad” international congress organised under the direction of renowned Spanish architects, Luis Fernández-Galiano and Francisco Mangado.



Arquitectura y Sociedad Foundation



Carme Pigem, RCR Architects

I+D+Art

The I+D+Art seal has been consolidated as a guarantee brand that recognises the commitment of companies to innovation and development through art. The I+D+Art team is made up of professionals with experience in the world of art and business, directed by Ricardo Santonja (Doctor of Architecture at the Madrid School of Architecture) who combines his work in the company with exhibitions and jobs in places like New York, Tokyo, Sicily and Tallinn, amongst many other cities.

In 2018, we actively partnered with the following initiatives:

- Dolmen Project, El Mirador de las Canteras
- Photography exhibition: "Cervantes los espacios vividos"
- Programme of gatherings at the Madrid Cosentino City, which brings together experts from the world of architecture on the first Tuesday of each month.
- Organisation of the presentation: "A vela, tras la estela de Juan Sebastián Elcano"
- MTG Sculpture Exhibition
- Acción Lego at the Madrid Cosentino City targeted at the children of Cosentino's friends and customers



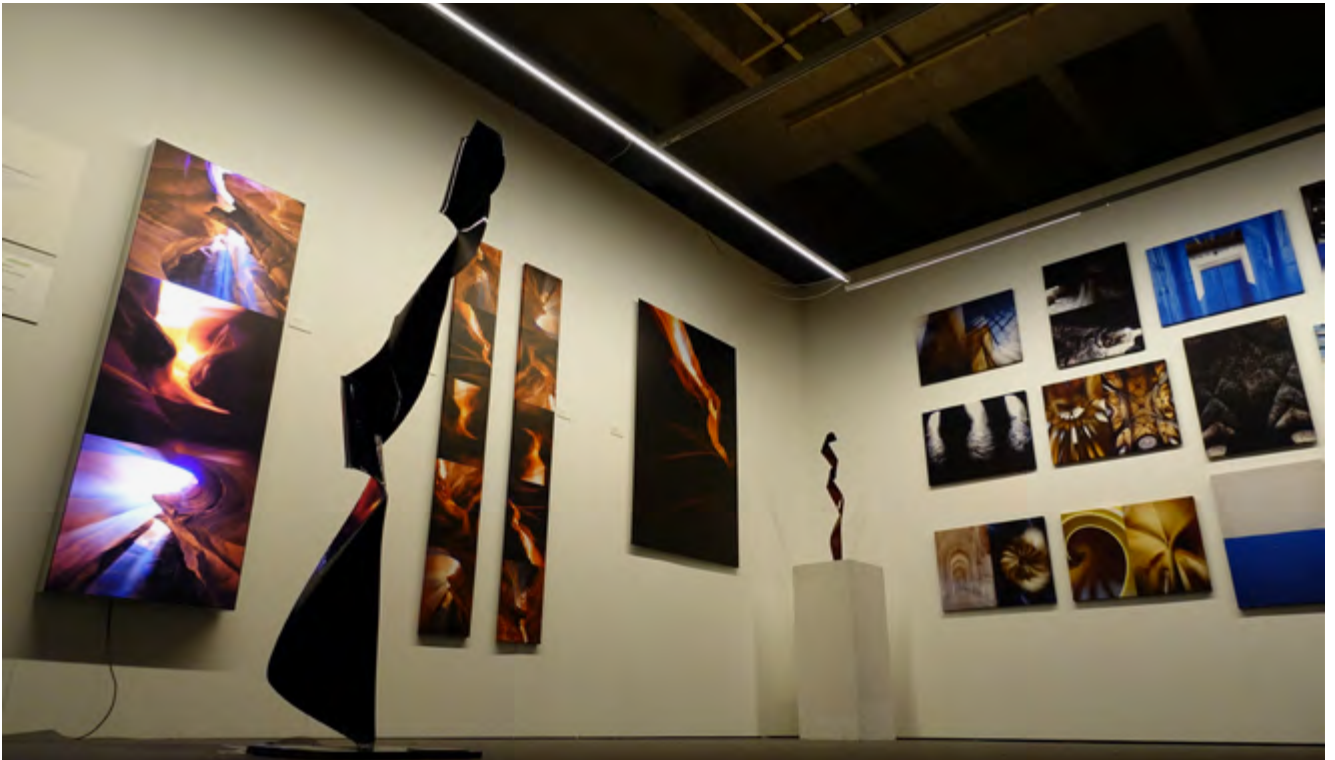
MTG Sculpture Exhibition



Action with Lego at Cosentino City in Madrid



Dolmen project, the overview of the quarries by Ricardo Santoja



Ricardo Santonja's exhibition at COAM. Series of sculptures and photographs "American Dreams" and exhibition "Cervantes: espacios vividos"



Málaga Architecture Awards Ceremony



CODIC Awards Ceremony



CSCAE Awards Ceremony in Wanda Metropolitano Stadium



Other partnerships and sponsorships

- **Scalae.** Agencia Documental de Arquitectura. Initiative promoted by architect and editor Félix Arranz to develop scientific ideology, create editorial content and develop an architectural documentary agency.
- **FAD & ARQUIN-FAD.** Fomento del Arte y el Diseño (FAD) is an association of companies and professionals from the world of design, architecture and other creative disciplines founded in 1903. We have been part of this organisation since 2005 and a sponsor since 2016.
- **Colegio Oficial de Diseñadores de Interiores y Decoradores de Cataluña (CODIC).** In 2018 Cosentino Barcelona Center hosted the 20th edition of the CODIC End of Course Awards.
- **Consejo Superior de los Colegios de Arquitectos de España (CSCAE).** In 2018 Cosentino partnered with the Spanish Architecture Awards (PAE) and the Spanish Urbanism Awards (PUE).
- **Málaga Architecture Awards 2018.** The Cosentino Group sponsored the Málaga Architecture Awards 2018. Organised by the Colegio Oficial de Arquitectos de Málaga, this award aims to recognise the sites and works within the province of Málaga which are of special architectural and urban interest.
- **Colegio Oficial de Arquitectos de Madrid (COAM).** We sponsored the 2018 Architecture Week and partnered with the issuance of the COAM and Luis Moreno Mansilla 2018 Awards, producing the statuettes for all the winners in Silestone® and in Piedra Natural.
- **Architect@Work Madrid.** Cosentino attends the first edition of this international event with the Dekton® ultra-compact surface Industrial collection.
- **Spain Green Building Council.** Cosentino as a company is associated with the Green Building Council of Spain.
- **AMC.** Cosentino is a company associated with the Asociación de Mobiliario de Cocina.
- **Face to Face con la Arquitectura.** Cosentino sponsors this private meeting that promotes contact between architects.
- **6th Bienal Iberoamericana de Diseño (BID'18).** Organised by the Asociación de Diseñadores de Madrid (DIMAD), Cosentino was awarded in the "Diseño y empresa Frank Memelsdorff" category.
- **Madrid Design Festival 2018.** Cosentino City Madrid turns into a "showroom partner" for this international festival.
- **Casa Decor 2018.** Cosentino had a presence at Casa Decor Madrid 2018 in a total of seven highlighted spaces.
- **Casacor Miami 2018.** Cosentino sponsors Casacor Miami, an international exhibition about architecture, interiors and landscape held at Brickell City Center.
- **Milan Design Week 2018.** Cosentino had an outstanding presence during the Milan Design Week, participating actively in the various events and activities.
- **Transferencias Design Málaga 2018.** Multidisciplinary event at which companies, institutions, teachers and design professionals discuss the relationship between design and contemporary society.
- **Reunión de Empresas de Diseño (RED).** Cosentino is a member of this multilateral platform on design and innovation.
- **Inspiración, Magia y Embrujo 2018.** Cosentino partners with the Arquiphilia toy library in the collective exhibition to commemorate the 30th anniversary of the death of Mexican architect Luis Barragán Morfín.
- **Hampton Designer Showhouse.** Cosentino, together with the US periodical Traditional Home Magazine, sponsors the 18th edition of this event (United States).
- **Jimmy Schöning.** Sponsorship of the interior designer and TV personality (Sweden).
- **Andrea Brodin.** Partnership with the interior designer (Sweden).
- **Stefan Nilsson.** Partnership with the Swedish trendsetter.
- **IKTG Awards.** Cosentino sponsors these awards in the United Kingdom. .
- **What House? Awards 2018.** Cosentino sponsors these awards in the United Kingdom.
- **Mixology Awards 2018.** Cosentino sponsors these awards, which are held at the London Cosentino City.

Our commitment to cooking

We are world leaders in the manufacture of countertops thanks to our commitment to the world of cooking. We consolidate this commitment by providing value and innovation to promote a healthy lifestyle.

Silestone Institute

The Silestone Institute is one of the most notable initiatives associated with the brand. This international platform is dedicated to the study and dissemination of knowledge about the kitchen space as a social and work environment.

Starting from the concept of the kitchen, and from a multidisciplinary viewpoint, the Silestone Institute promotes activities and projects both in the field of domestic and professional cookery, providing valuable knowledge for its target audience and for society in general.

In the domestic kitchen environment, the Silestone Institute promotes a healthy lifestyle by offering advice on good kitchen habits, as well as trends and evolution of uses and behaviours in this space, the use of materials and utensils, furniture and appliances, amongst other things. In the professional kitchen environment, its activity focuses on the fields of architecture and restaurant design, studying and contributing to generate opinion and debate in this field.

The most important initiatives that were carried out in 2018 were the following:



Silestone Institute

web

www.silestoneinstitute.com



Advice on good habits in the kitchen, in the "Saber Vivir" programme on TVE.



Express food safety workshops for Cosentino employees.

After travelling all over Spain, the Health Caravan, sponsored by Cosentino and Carrefour, travelled to Almería to give workshops on food safety to the employees of the Cosentino headquarters in Macael.

Advice on good habits in the kitchen, in the "Saber Vivir" programme on TVE.

Maite Pelayo, the food safety expert at the Silestone Institute, participated in the "Saber Vivir" programme on Spanish public television, offering advice on how to prepare salads safely and the best way to fill the dishwasher.

"Cocinando con Diversión" competition with Ferrán Adrià.

Cosentino sponsored the "Cocinando con Diversión" family recipe competition. Spanish chef Ferrán Adrià acted as the judge and our expert, Maite Pelayo, helped the participating families to cook their recipes in a safe way (Madrid).

Conversations on Gastronomy and Architecture.

The Silestone Institute organised two sessions of Conversations on Gastronomy and Architecture in Barcelona, to explain the symbiosis between the gastronomic concept and the process of designing a unique restaurant. The first of these was the Hostelco fair, featuring top chef Oriol Castro (Disfrutar restaurant)

and architect Oliver Franz Schmidt; the second took place at the CETT School of Tourism, Hospitality and Gastronomy with chef Carles Abellán (La Barra restaurant) and interior designer Cristy Campoy.

10 Trends for the Kitchen of the Future and 10 Healthy Habits in the kitchen with video mapping at the Cosentino offices in Cantoria (Almería, Spain).

On the 10th anniversary of the Silestone Institute, which took place in 2017, a video mapping panel was installed in the hall of the Cosentino headquarters, where the ten trends of the kitchen of the future and ten healthy habits in the kitchen are explained interactively.



Architecture and Gastronomy Dialogues in Hostelco.



"Cocinando con Diversión" competition with Ferrán Adrià.



Express food safety workshops for Cosentino employees. The Health Caravan.

Basque Culinary Center

Silestone® by Cosentino is a partner firm of the Basque Culinary Center Foundation (San Sebastián, Guipúzcoa), which was created in 2009 thanks to the Mondragon Unibertsitatea, Basque chefs and public institutions.

The Basque Culinary Center aims to ensure the continuity of cooking as a centre of innovation in the future, promote research and knowledge transfer, achieve international projection, promote technology transfer and innovation in companies within the sector and create new initiatives and business projects.

The spectacular building of the Basque Culinary Center has three spaces equipped with Cosentino products: the "Silestone® Classroom", with various Silestone® countertops, a restaurant kitchen with several Dekton® ultra-compact countertops and a classroom with paving and mobile kitchens, made using Dekton®.

Other partnerships in 2018

Madrid Fusión.

Silestone® sponsored the Madrid Fusión International Gastronomy Summit for the eleventh time.

"Sabores Almería" and "Costa de Almería".

Cosentino, together with the Diputación de Almería, promoted the province's tourism and gastronomy offering. Cosentino took part, amongst other initiatives, by offering its Cosentino Center and Cosentino City spaces worldwide.

Alimentaria and Hostelco.

The Silestone® quartz surface by Cosentino is present at Alimentaria and Hostelco, the two international shows held jointly at Fira Barcelona.

The World's 50 Best Restaurants.

Dekton® by Cosentino is the sponsor and official supplier of countertops for the World's 50 Best Restaurants 2018 and also sponsors the award for the Most Sustainable Restaurant 2018.

Top Foddie.

Cosentino launched Top Foodie in 2018, a new online section showcasing simple, creative and healthy recipes prepared on Silestone® and Dekton® countertops.

Gastronomy courses at the University of Almería.

Cosentino partners with summer courses that address issues such as tourism or popular Almeriense tapas cuisine.

Almería, Spanish Capital of Gastronomy 2019.

Cosentino and its brands supported this candidacy.

Degustho Almería 2018.

Partnership with the cookery contest Degustho Almería 2018. (Huercal Overa, Spain)



Cosentino Top Foddie



Santiago Alfonso and chef Eneko Atxa in The World's 50 Best Restaurants 2018



Cinco Jotas stand with Dekton® countertop in The World's 50 Best Restaurants 2018

"Having the support of a leading and internationally renowned firm such as Cosentino has been very important to achieving the goal of turning Almería into the Spanish Capital of Gastronomy 2019. This is a project that has grown bigger and bigger with the contributions of companies like yours, which is a benchmark in its sector. Now, we have started a partnership of long duration and, without a doubt, one which will provide many excellent results for Almería".



Ramón Fernández-Pacheco Monterreal
Mayor of Almería

Our commitment to art and culture

At the Cosentino Group, we are aware of the potential of the arts to generate knowledge in society. Both art and culture provide value and expand the vision of the world. To this end, our commitment begins with supporting artists from Almería and Andalusia.

Ibáñez Cosentino Art Foundation

The Ibáñez Cosentino Art Foundation was created in 2005 at the initiative of the Municipality of Olula del Río (Almería, Spain) with the main objective of managing the Casa Ibáñez Museum and its collection of paintings, photography and handicrafts, which focuses on artists from Almería. We have supported its work for more than seven years and we have been on the board since 2014.

The foundation carries out activities, exhibitions and collaborations both in its own headquarters and in other institutional spaces such as the Museo de Arte de Almería. In 2018, it organised around 10 temporary exhibitions, painting courses, workshops, book editions, catalogues and collaborations in external publications.



FUNDACIÓN DE ARTE
IBÁÑEZ COSENTINO



"Los Pinazos" Exhibition in the Museo Casa Ibáñez



Mujer del Almanzora, sculpture designed by Antonio López García

Exhibitions and activities in its own centres

During 2018, the Casa Ibáñez Museum in Olula del Río (Almería, Spain) hosted multiple activities and exhibitions, including:

- 7th realism and figuration course. Artists Antonio López and Andrés García Ibáñez trained a total of 36 artists of different nationalities.
- Presentation of the book "Fuego, destrucción, sangre y dejadez. El bombardeo nazi de Almería y otras desgracias" by its author, Antonio Gil Albaracín.
- Guided educational visits for school groups, painting workshops, associations and other collectives. Led by the Ibáñez Museum's educator, Pedro Jesús Simón López.

- The temporary exhibitions:
 - "Los pinazos de la Casa Pinazo"
 - "Ibáñez Museum. Latest works added to the collection"
 - "Francisco Zurbarán: Santa Casilda"
 - "Gustav Klimt: young woman with her hands behind her back"
 - Indalecio Pérez Entrena. Cinco Pilares"

Exhibitions in other spaces

One of the Foundation's main lines of action is the management of exhibitions and the development of cultural activities in other pictorial spaces that allow the work of artists from Almería to be made known. In 2018, 25 exhibitions were organised in different spaces, such as the photography exhibition "Pérez Siquier:

mi sombra y yo" at the Museo de Arte de Almería, and the collaboration with the temporary exhibition "Andrés García Ibáñez. Nouvelle poésie du réalisme", at the Perpignan Contemporary Art Centre (France).

Publication and co-publication of books

The publication and co-publication of books allows art to be carried beyond the doors of the Museum. Amongst other materials, in 2018 they co-published the book "Rafael Gadea (1953-2017)", and the book-catalogue about the Almeriense painter Ginés Cervantes "Ginés Cervantes, Pintor. La fuerza de la expresión", the book-catalogue "Venecia en el imaginario artístico. Colección Vida Muñoz".



7th Course on Realism and Figuration given by Antonio López and Andrés García Ibáñez



67th Granada International Music and Dance Festival

We supported the Granada International Music and Dance Festival for the third consecutive year. In 2018 we sponsored the violin concert of the Russian composer Valery Gergiev, accompanied by the Marlinsky Theatre Symphony Orchestra of Saint Petersburg and violinist Sergey Khachatryan. The concert took place at the Charles V Palace within the Alhambra complex.

"It is an honour for the Granada Festival, and for me personally, to have the support of the Cosentino Group, an exemplary Andalusian multinational company, with which we have shared artistic projects since 2014. I remember very warmly your support for the presentation of the Granada Festival in New York in the Manhattan Cosentino City shortly after my appointment. The visit from its President, Francisco Martínez-Cosentino, last February, has made us value the creative capacity of this company and its commitment to excellence in all possible fields even more".



Pablo Heras-Casado
Orchestra conductor, and director of the Granada International Music and Dance Festival



Sir Simon Rattle conducting the London Symphony Orchestra



Santiago Alfonso and Andrés Goteira at the 2018 FICAL



Mariquina Ramos' exhibition "Refugios" in Perceval Room



Ginés Cervantes Exhibition in Almería



Support for the fashion sector

The Cosentino brands are fully identified with the world of design, lifestyle and fashion. In 2018, we partnered with various activities in this field.

- Silestone® by Cosentino is a sponsor of the Miami Fashion Week.
- We partnered with the TELVA event, La Moda en la Calle by Silestone®. Prestigious firms such as Hilfiger Collection and Max Mara showed their designs on a catwalk made from Eternal Calacatta Gold coloured Silestone®.
- Cosentino City Madrid hosts the exhibition "Arte se convierte en Moda y Moda se hace con Arte" by Vikileria.

Other partnerships

- Sponsorship of the Award for Best Directorial Debut, awarded to Andrés Goteira for "Dhogs" at the XVII Almería International Film Festival (FICAL 2018) (Spain)
- The nominees for the Feroz 2019 Awards are announced at Cosentino City Madrid. (Spain)
- Partnership with the VII Jornadas Astronómicas Almería 2018 with the "Canteras de las Estrellas" photographic exhibition. (Spain)
- Sponsorship of the documentary Poema Sinfónico: Canteras De Las Estrellas.
- Collaboration with books publication: "Vehículos históricos de Almería y su provincia", by José Juan Soria.
- Cosentino has collaborated in the publishing of 4 books by writers from Almería.
- Grant for the book "Introspecciones. Retratos de Autor" by Rodrigo Valero González.
- Collaboration in the exhibition "Momentos Estelares" [Stellar Moments] in the history of Almería (Spain).
- Sponsorship of the Albox National Art Festival 2018. (Spain).
- Collaboration in the second edition of the historical re-enactment event "Stonemasons and Caciques in the Fight for Marble" (Macael, Spain).
- Sponsorship of the second edition of the Czech quarter painting and drawing contest (Almería, Spain).
- Partnership with the national pigeon racing contest held in Albox. (Spain).
- Partnership with the second edition of the Mojácar literary and cultural meetings. (Spain).

Social commitment

At Cosentino Group we are actively involved in solidarity projects that improve the living conditions of the communities where we have a presence.

Our support for the community is developed both through the donation of materials or monetary contributions, and by the involvement of our employees in corporate volunteering projects.

In 2018 the Cosentino Group made donations worth €1.4 million to projects and social initiatives in Spain, the United States and Brazil.

Donations and Partnerships in Spain

In Spain, we make donations and partner with social organisations that seek to contribute to improving the quality of life of the most disadvantaged, focusing on those entities whose purpose is the sustainable development of Almería and, by extension, of Andalusia.

In 2018 we made donations to the following entities:

Eduarda Justo Foundation.
The activities of the Eduarda Justo Foundation focus on supporting young people from Almería who show a lot of promise, especially those who have fewer opportunities.

Asociación A Toda Vela.
Almeriense association offers leisure and free time activities for children and young people with disabilities.

Los Carriles de Macael Foundation.
Dedicated to improving the quality of life of people with intellectual disabilities, of any type and severity.

Proyecto Hombre.
For the rehabilitation and social reintegration of drug addicts.

Bahía-Almeriport Foundation.
The purpose of this foundation is the promotion of logistical and port services in the ports of Almería and Carboneras.

Catalan cystic fibrosis association.
Works with all stakeholders to improve the quality of life of individuals affected by cystic fibrosis and their families, as well as combating the causes of this disease.

Corporación Tecnológica de Andalucía for the development of R+D+i in Andalusia.

Donations (€)

1,229,368.04

Spain

6,684.00

Brazil

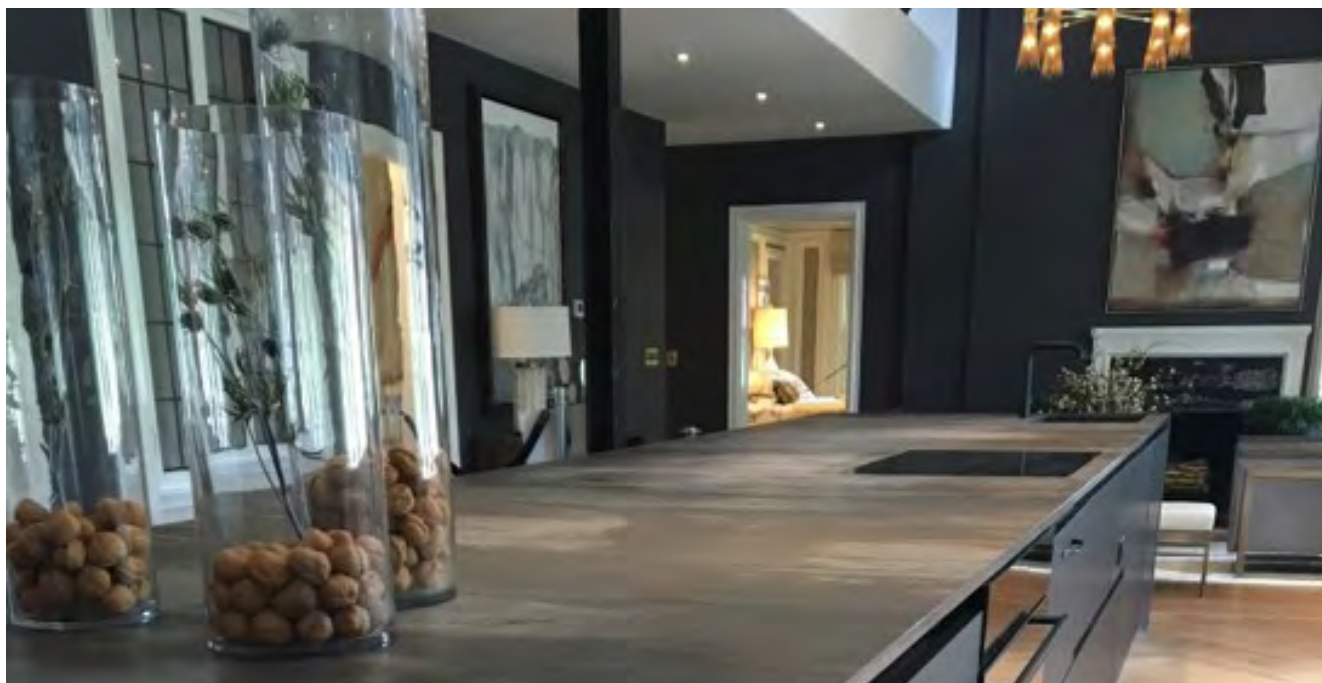
152,247.14

USA

1,388,299.18

Total





Detroit Designers Show House

In addition, in 2018 we partnered with the following initiatives:

- **Almeriense Guardianship Foundation:** for the protection and defence of disabled adults.
- **Seres Foundation:** promotes the commitment of companies to improve society with responsible actions to strengthen CSR and generate value for society.
- **Partnership with the publication of the ANDA magazine,** for the association of children with disabilities in Almería.
- Partnership with the charity disability-inclusive football match, to raise money for the **Ver de Olula association**, where veterans of Comarca del Mármol played against veterans of Real Madrid.
- **Partnership with the 5th edition of the rare diseases race** organised by the association of parents of students at San Juan Bautista de la Salle Virgen del Mar de Almería.
- Partnership with the charity race for the Spanish **Association Against Cancer** held in Cantoria (Almería, Spain).
- Solidarity campaign to collect toys and school supplies for the **NGO Acoes Honduras** and help in sending two containers of material for destitute children.
- **Partnership in the publishing of books** during the municipal celebrations of various City Councils within the province.



7th Charity Race



Donations and partnerships in the United States

Cosentino North America and its employees contribute to the development of the community through the Cosentino Cares programme.

Home for our Troops

We have a partnership agreement with this entity that builds and donates homes for military veterans with a serious disability. In 2018, we donated Silestone® surfaces worth €129,394.84.

Baker Ripley

Cosentino provided support by donating €16,927.63 to help Houston families rebuild their lives after Hurricane Harvey.

Other actions

- **Flavors of Fall.** To celebrate the launch of the expansion of the Dekton® Industrial collection and the Dekton® Stonika collection, Cosentino organised 30 events to raise funds in the Centers and the Cities, each contributing to a charity within the local market. One hundred percent of the funds raised went to non-profit organisations.
- Donation of material to the **Detroit Designers Show House**, project whose proceeds went to non-profit organisations.
- **Cosart:** fundraising event at the Cosentino City in Toronto for the benefit of the Children's Breakfast Club.

- **Casacor Miami.** Casacor ticket sales went to the entity Voices for Children, a non-profit foundation that supports and provides a better future for children in foster care in Miami.
- **Miami Rescue Mission & Broward Outreach Centers:** donation campaign for toys and school materials launched at the Cosentino headquarters in Miami.

Donations and partnerships in Brazil

In Brazil, we continue our contribution to the Ponte Institute's project to support children without resources, which aims to provide quality education to teenagers from low-income families.



"Home for our Troops" initiative



Mutua Madrid Open



7enTokio initiative by athlete José Manuel Ruiz Reyes



7enTokio initiative by athlete José Manuel Ruiz Reyes



Our commitment to sport

Sport improves people's quality of life. At the Cosentino Group, we support sport in the areas where we have a presence to facilitate access to sports and promote a healthy lifestyle.

In 2018 we supported the 7enTokio initiative by athlete José Manuel Ruiz Reyes. Cosentino partners with this Paralympic player and member of the Royal Spanish Table Tennis Federation, who has participated in the last six Paralympic games, and who was the standard-bearer for the Spanish team in Rio de Janeiro in 2016.

We also supported the tennis world by sponsoring the Miami Open 2018 and the Mutua Madrid Open 2018.

We partner with multiple activities and sports clubs in the Comarca del Almanzora and other regions of Spain:

- Sponsorship of the San Pablo de Burgos basketball club.
- Sponsorship of the Unión Deportiva de Almería football team.
- Partnership with the 41st edition of the Vicente Bonil Chess Club Championship, in Albox.
- Sponsorship of the Escudería del Mármol team in the subida del mármol 2018.
- Partnership with the 3rd Mármol Trail race.
- Partnership with Club Fútbol Sala de Fines, Club Deportivo de Cantoria, Club Deportivo Comarca Mármol and the Albox Tennis Club.

In the international arena, in 2018 we partnered with the peloton team in Turkey.

"I am very grateful to Cosentino for being one of the first companies to show their support on my journey to Tokyo 2020, where I hope to participate in my seventh consecutive Paralympic Games, which will be an unprecedented achievement for Spanish sport. Cosentino and I share the values of self-improvement, adaptability, resistance and leadership; and I hope our paths continue to be intertwined for a long time".



José Manuel Ruiz Reyes
Table tennis player,
World Paralympic Games
runner-up Rio de Janeiro 2016

Dialogue with the community

Beyond the support, sponsorship and partnerships with different social entities, at Cosentino we have a constant dialogue with the people within our environment and our doors are always open for all those people that want to get to know us.

In 2018, the Cosentino Visitor Centre served 3,340 people. The largest group was kitchen and bathroom stores (1,296), followed by marble workers (766) and students (600). The origin of these visits has been mainly from Spain (1,214), but they have also visited us from other countries in the world such as the United States (354), the United Kingdom (270) and Belgium (182).

3,340
at Cosentino Visitor Centre
in Almería, Spain

About this report

We present this document with the intention of communicating to our stakeholders our performance and contribution to the areas in which have a presence, but especially in the province of Almería (Spain) and for the world of architecture and design, gastronomy, art and culture, where our activity generates greater impact.

The activities referred to in this document refer to our activity during 2018. This report follows the one published in June 2017 and strengthens our commitment to report annually on our performance in non-financial matters. There has not been any significant change that has necessitated a re-writing of the information.

We drafted this document following the recommendations of the Global Reporting Initiative (GRI) Guide in its comprehensive format, as well as the principles of the United Nations Global Compact.

With this objective in mind, the analysis starts from a materiality exercise carried out in December 2018. For the external analysis, we conducted, for the second consecutive year, an online questionnaire. More than 1,600 people from around the world took part in the study, including customers, employees, kitchen and bathroom stores, architects and designers, suppliers, public institutions, media and third sector bodies.

The internal analysis was based on a documentary study, a panel of experts in Corporate Social Responsibility, and benchmarking against leading Spanish companies in terms of sustainability. In 2018, we updated this exercise based on a trend review and internal consultations with the CSR Committee and a focus group with the people responsible for providing information for the report.

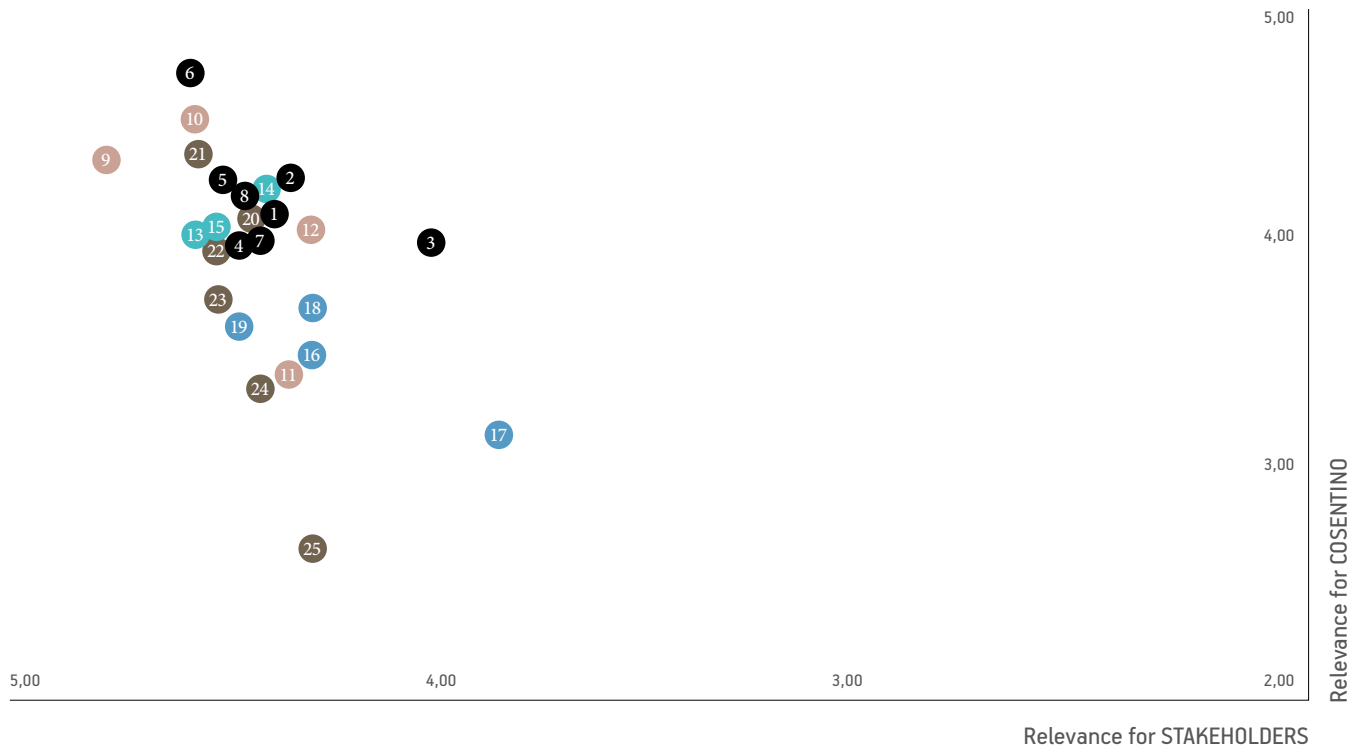
In total, we analysed 25 aspects that have undergone internal and external analysis to establish both their relevance in our strategy and the importance they have for the people who work with us day to day.

We have divided the material aspects resulting from this analysis into five key areas:

- Strategy.
- Products and Services.
- Employees.
- Social Responsibility.
- Environmental Responsibility.



**We divided the material aspects
which resulted from this analysis
into five key categories**



Cosentino Strategy

- 1. Sustainable economic-financial performance
- 2. Commitment to job creation and local development
- 3. International expansion
- 4. Responsible supply chain
- 5. Dialogue with stakeholders (employees, suppliers, customers, others)
- 6. Health and safety (products, employees and value chain)
- 7. Transparency
- 8. Ethics and anti-corruption

Products and Services

- 9. Quality of products and services
- 10. Innovation in products, services and business opportunities
- 11. Information and labelling
- 12. Circular economy: ecodesign and recovery of waste

Cosentino Employees

- 13. Human capital: attraction and retention of talent
- 14. Equality and diversity of employees
- 15. Social benefits, conciliation and quality of life

Social Responsibility

- 16. Contribution to and promotion of sustainable architecture
- 17. Social action: commitment to culture and sport
- 18. Social action: commitment to education and young talent
- 19. Human rights

Environmental Responsibility

- 20. Climate change and renewable energy
- 21. Control environmental impact and environmental protection
- 22. Efficient and rational use of resources: water, energy and raw materials
- 23. Waste management and promotion of recycling
- 24. Facilities must be sustainable
- 25. Promotion of sustainable mobility

Companies included in the report

This document refers to the following companies that make up the Cosentino Group:

- Cosentino S.A.
- Cerro el Rocil, S.L.
- Cosentino Research and Development
- Soluciones Ambientales Coma SL
- Cosentino The Netherlands, B.V.
- Cosentino Deutschland
- Cosentino U.K. LTD
- Cosentino Italia S.R.L.
- Cosentino Portugal Unipersonal, LTDA
- Cosentino Scandinavia
- Cosentino Belgium, SRL
- Stone Services of France, SARL
- Cosentino Swiss, AG
- Latina Vitória, LTDA
- Cosentino Austria GmbH
- Cosentino Ireland Limited
- Cosentino Norway
- Cosentino South East Asia
- Cosentino Turkey Yapi
- Cosentino Israel, LTD
- Superficies de Piedra Innovadoras S.R.L.C.V
- Cosentino Milano SRL
- Cosentino Australia PTY Limited
- Cosentino Japan
- Cosentino Finland Oy
- Cosentino Denmark ApS
- Cosentino New Zealand, LTD
- Cosentino Poland spółka
- Cosentino South Africa PTY LTD
- Cosentino Malaysia SDN. BHD
- Cosentino RUS LLC.
- C & C North America, Inc
- Stone Systems of South Fl
- Stone Systems of Orlando (*)
- Stone Systems of Raleigh
- Stone Suppliers México
- Cosentino Canada INC
- Stone Suppliers Inc
- Stone Systems of Arizona
- Stone Systems of CT
- Carrera Stone Systems of Chicago, LLC
- Stone Systems of Houston
- Stone Systems and Service
- Stone Systems of New Engl
- Stone Made Products
- Stone Systems of Atlanta
- Stone Systems of N Jersey
- Stone Systems of Colorado (*)
- Stone Systems of New Mexico
- Cosentino Puerto Rico, LLC
- EHS Stone, LLC
- Silestone de Belo Horizonte LTDA (*)
- Silestone de Santiago de Chile, LTDA (*)
- Cosentino do Brasil, Ltda (*)
- Latina del Valle de Mexico, S.A. de CV (*)
- Silestone Porto Alegre, Ltda (*)

(*) Inactive companies

More information

If you wish to receive further information or ask any questions about the content of this report, please contact:

rsc@cosentino.com

Ctra. A334 Baza-Huércal Overa km, 59; 04850 Cantoria (Almería).

External audit

The contents of Law 11/2018 on Non-Financial Information and Diversity included in this document have been verified by KPMG in the Consolidated Non-Financial Information Statement corresponding to the year ended 31 December 2018 of the Cosentino Group that belongs the Corporate Social Responsibility Report.

Non-financial information statement Index

General information

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Description of the business model	N/A	Chapter 1: Welcome to Cosentino	√	GRI 102-2 GRI 102-6
Geographical presence	N/A	Chapter 1: Welcome to Cosentino	√	GRI 102-3 GRI 102-4 GRI 102-6 GRI 102-7
Organisational objectives and strategy	N/A	Chapter 1: Welcome to Cosentino	√	GRI 102-14
Main factors and trends that may affect future development	N/A	Chapter 1: Welcome to Cosentino	√	GRI 102-15
Risk management	N/A	Chapter 1: Welcome to Cosentino	√	GRI 102-15
Reporting framework used	N/A	About this report	√	GRI 102-54
Materiality analysis	N/A	About this report	√	GRI 102-46 GRI 102-47 GRI 103-1

Environmental issues

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Management focus	Material	Chapter 4: Planet	√	GRI 103-2 GRI 103-3 GRI 102-15
Detailed general information				n.a
Environmental management	Material	Chapter 4: Planet	√	GRI 102-11 GRI 307-1 GRI 308-2
Contamination				
Measures to prevent contamination	Material	Chapter 4: Planet	√	GRI 305-6 GRI 305-7

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Circular economy and waste prevention and management				
Prevention, recycling, reuse, other forms of recovery and disposal of waste	Material	Chapter 4: Planet	√	GRI 301-2 GRI 301-3 GRI 306-1 GRI 306-2
Actions to combat food waste	No material	Chapter 4: Planet	√	n.a.
Sustainable use of resources				
Water consumption and supply of water according to local constraints	Material	Chapter 4: Planet	√	GRI 303-1 GRI 303-3
Consumption of raw materials and measures taken to improve efficiency of use	Material	Chapter 4: Planet	√	GRI 301-1
Direct and indirect energy consumption	Material	Chapter 4: Planet	√	GRI 302-1 GRI 302-2 GRI 302-3
Measures taken to improve energy efficiency	Material	Chapter 4: Planet	√	GRI 302-4 GRI 302-5
Use of renewable energies	Material	Chapter 4: Planet	√	GRI 302-1
Climate change				
Greenhouse gas emissions	Material	Chapter 4: Planet	√	GRI 201-2 GRI 305-1 GRI 305-2 GRI 305-3 GRI 305-4
Measures to adapt to climate change	Material	Chapter 4: Planet	√	GRI 201-2
Reduction goals to reduce greenhouse gas emissions	Material	Chapter 4: Planet	√	GRI 305-5
Protection of biodiversity				
Measures taken to protect or restore biodiversity	Material	Chapter 4: Planet	√	GRI 304-3
Impacts caused by activities or operations in protected areas	Material	Chapter 4: Planet	√	GRI 304-2 GRI 303-2 GRI 306-5

Social and staff issues

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Management focus	Material	Chapter 3: People	√	GRI 103-2 GRI 103-3 GRI 102-15
Employment				
Total number and distribution of employees by country, sex, age and professional classification	Material	Chapter 3: People	√	GRI 102-8 GRI 405-1
Distribution of types of employment contract and annual average by sex, age and professional classification	Material	Chapter 3: People	√	GRI 102-8
Number of dismissals by sex, age and professional classification	Material	Data reported in Chapter 3 People of the Cosentino Group's Consolidated Non-Financial Information Statement for the year ended 31 December 2018, which forms part of the Corporate Social Responsibility Report.	√	n.a.
Average salary by sex, age and professional classification	Material	Data reported in Chapter 3 People of the Cosentino Group's Consolidated Non-Financial Information Statement for the year ended 31 December 2018, which forms part of the Corporate Social Responsibility Report.	√	n.a.
Salary gap	Material	Data reported in Chapter 3 People of the Cosentino Group's Consolidated Non-Financial Information Statement for the year ended 31 December 2018, which forms part of the Corporate Social Responsibility Report.	√	GRI 405-2
Average remuneration of directors and managers disaggregated by sex	Material	Data reported in Chapter 3 People of the Cosentino Group's Consolidated Non-Financial Information Statement for the year ended 31 December 2018, which forms part of the Corporate Social Responsibility Report.	√	GRI 102-38
Payment to long-term pensions and savings schemes and any other benefits disaggregated by sex	Material	Chapter 3: People	√	GRI 201-3
Implementation of work-life balance policies	Material	Chapter 3: People	√	n.a.
Disabled employees	Material	Chapter 3: People	√	GRI 405-1
Organisation of work				
Organisation of working time	Material	Chapter 3: People	√	n.a.
Number of hours of absenteeism	Material	Chapter 3: People	√	GRI 403-2
Measures to facilitate conciliation	Material	Chapter 3: People	√	GRI 401-3

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Health and safety				
Occupational health and safety conditions	Material	Chapter 3: People	√	GRI 403-2 GRI 403-3
Occupational accidents and diseases indicators by sex	Material	Chapter 3: People	√	GRI 403-2
Corporate Relationships				
Organisation of corporate dialogue, including procedures for informing and consulting staff and negotiating with them	Material	Chapter 3: People	√	GRI 102-43 GRI 402-1 GRI 403-1
Percentage of employees covered by collective agreements by country	Material	Chapter 3: People	√	GRI 102-41
Overview of the collective agreements, particularly in the field of health and safety at work	Material	Chapter 3: People	√	GRI 403-4
Training				
Policies implemented in the field of training	Material	Chapter 3: People	√	GRI 404-2
Total quantity of training hours per professional category	Material	Chapter 3: People	√	GRI 404-1
Universal accessibility for people with disabilities				
Integration and universal accessibility for people with disabilities	Material	Chapter 3: People	√	GRI 405-1
Equality				
Measures taken to promote equal treatment and opportunities between women and men	Material	Chapter 3: People	√	n.a.
Equality plans (Chapter III of Organic Law 3/2007 of 22 March, for the effective equality of women and men), measures adopted to promote employment, protocols against sexual harassment and discrimination on the basis of sex	Material	Chapter 3: People	√	GRI 405-1
Policy against all types of discrimination and, where appropriate, management of diversity	Material	Chapter 3: People	√	GRI 406-1

Information on respect for human rights

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Management focus	Material	Chapter 2: Activity	√	GRI 103-2 GRI 103-3 GRI 102-15
Application of due diligence procedures in the field of human rights; prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and repair possible abuses	Material	Chapter 2: Activity	√	GRI 102-16 GRI 102-17 GRI 412-1 GRI 412-2 GRI 412-3 GRI 414-1
Complaints about cases of human rights violations	Material	Chapter 2: Activity	√	GRI 406-1 GRI 419-1
Promotion and compliance with the provisions of the fundamental Conventions of the International Labour Organisation related to respect for freedom of association and the right to collective bargaining; the elimination of discrimination in employment and the workplace; the elimination of forced or compulsory labour; the effective abolition of child labour	Material	Chapter 2: Activity	√	GRI 407-1 GRI 408-1 GRI 409-1 GRI 406-1

Information related to the fight against corruption and bribery

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Management focus	Material	Chapter 2: Activity	√	GRI 103-2 GRI 103-3 GRI 102-15
Information related to the fight against corruption and bribery				
Measures taken to prevent corruption and bribery	Material	Chapter 2: Activity	√	GRI 102-16 GRI 102-17 GRI 205-1
Measures to combat money laundering	Material	Chapter 2: Activity	√	GRI 205-2 GRI 205-3
Contributions to foundations and non-profit entities	Material	Chapter 4: Planet	√	GRI 201-1

Company information

Content Law 11/18	Materiality	Location in this report	Verification of the content of Law 11/2018	Indicative reporting criterion (GRI)
Management focus	Material	Chapter 4: Planet	√	GRI 103-2 GRI 103-3 GRI 102-15
Commitments of the company in respect of sustainable development				
Impact of the company's activity on employment and local development	Material	Chapter 4: Planet	√	GRI 413-1 GRI 201-1
Impact of the company's activity on local populations and on the territory	Material	Chapter 4: Planet	√	GRI 411-1 GRI 413-2
Relationships maintained with stakeholders in local communities and the types of dialogue to be held	Material	Chapter 4: Planet	√	GRI 102-43
Subcontracting and suppliers				
Inclusion in the purchasing policy of social, gender equality and environmental issues	Material	Chapter 2: Activity	√	GRI 308-1 GRI 414-1
Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	Material	Chapter 2: Activity	√	GRI 308-1 GRI 414-1
Supervision systems and audits and results.	Material	Chapter 2: Activity	√	GRI 308-2 GRI 407-1 GRI 414-2
Consumers				
Measures for the health and safety of consumers	Material	Chapter 2: Activity	√	GRI 416-1 GRI 417-1
Claims systems, complaints received and resolution	Material	Chapter 2: Activity	√	GRI 416-2 GRI 418-1
Tax information				
Benefits obtained country by country	Material	Chapter 1: Welcome to Cosentino	√	GRI 201-1
Taxes on benefits paid	Material	Chapter 2: Activity	√	GRI 201-1
Information on public grants received	Material	Chapter 2: Activity	√	GRI 201-4

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**Corporate
Social
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