

# **CSR**

## **Corporate Social Responsibility**

### **2014/2015**







**CSR**  
**Corporate**  
**Social**  
**Responsibility**  
**2014/2015**

EDITED BY GRUPO COSENTINO  
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# 2014-2015 Cosentino Group Annual Report

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## 1.1. About this Report

This third edition of the Cosentino Group Corporate Social Responsibility Report (CSR) has two objectives:

-To make public the continuous efforts we have made in 2014 and 2015 to express, through real strategies, our active commitment to the social, economic and environmental improvement of the communities in which we operate.

- To respond to the commitment acquired by our Group to regularly give an account of the actions taken by the company and their impact on the community. This document covers all the Group's activities and includes the most relevant aspects for our different stakeholders.

In this report, our ethical principals for operating as a responsible company as well as a description of the actions and projects we are carrying out to apply these principles are presented in a transparent and honest way. To create this document we have taken into account the results of a materiality assessment which has enabled us to identify the most relevant topics of interest for our different stakeholders. Thanks to this, we have been able to confirm that the health and safety of our employees and the quality and innovation of our products live up to the expectations of all of our stakeholders.

The present report has led to significant changes with respect to the 2013 report, as it aims to incorporate these material issues, in addition to being drafted in accor-

dance with the Global Reporting Initiative criteria. Furthermore, we have assumed the commitment to perform an external audit on the contents of our Annual Report in forthcoming editions.

One by one, the chapters of this document clearly set out the policies on which Cosentino Group bases its relationship with its clients, suppliers employees, environment and define the community support programmes in the regions where our main manufacturing facilities are located. Because each of the areas in which the development of our business activity can bring growth, value or well-being is important to us.

As a result of this commitment, in 2015, our Group became a member of the Global Pact, a UN initiative that promotes Corporate Social Responsibility. The subscribing of this commitment implies incorporating into our activity Ten Principles related to Human Rights, Employment Standards, the Environment and Preventing Corruption in the activities and business strategy of our company.

It would not be possible to continue to add value without an important investment in innovation and development, and this has given rise to a series of initiatives set up by the company which are also described in the Report. A commitment that is also marked by effort in product diversification, with new Silestone®, Sensa® and Dekton® launches and new applications such as façades, as well as diversification in our in-

ternational presence, through centre new openings and the use of new channels and digital transformation to reach out to our customers. We are aware that the people who work in our company are key to our development.

All those of us who work in the company hope that this document will prove useful in illustrating Cosentino Group's commitment to citizens, to the environment, and to the fundamental mission of doing our bit to build a better, fairer society.

For more information on the company, please contact:

Email: [rsc@cosentino.com](mailto:rsc@cosentino.com)

Tel.: +34 950 444 175

And the company website:

[www.cosentino.com](http://www.cosentino.com)



HUMAN RIGHTS



LABORAL



ENVIRONMENT



ANTI-CORRUPTION

### 1.1.1. Materiality and Stakeholders

One of the main novelties included in this report is a materiality assessment which has allowed us to consult our main stakeholders on their expectations and perceptions regarding the strategy and conduct developed in Cosentino Group.

For the first time, we have designed an on-line survey with a view to allowing all our stakeholders to participate in the task of defining the material aspects that affect their perception of the Group and have an impact on our strategy. More than 1,700 people from all corners of the world participated in the assessment, including distributors, customers, employees and other agents such as public.

These internal and external analyses have allowed us to identify the following material aspects that are set out in this document.

#### Economic Affairs

1. Product and service quality.
2. Product and service safety.
3. Product and service innovation.

#### Social Affairs

4. Occupational health and safety.
5. Staff training commitment.
6. Social benefits, conciliation and quality of life for our employees.
7. Purchasing systems that respond to fair trade principles.

#### Environmental Affairs

8. Control over environmental impacts.
9. Development of sustainable and innovative products.
10. Efficient use of resources.
11. Waste management and recycling.
12. Sustainability control in supplier facilities.

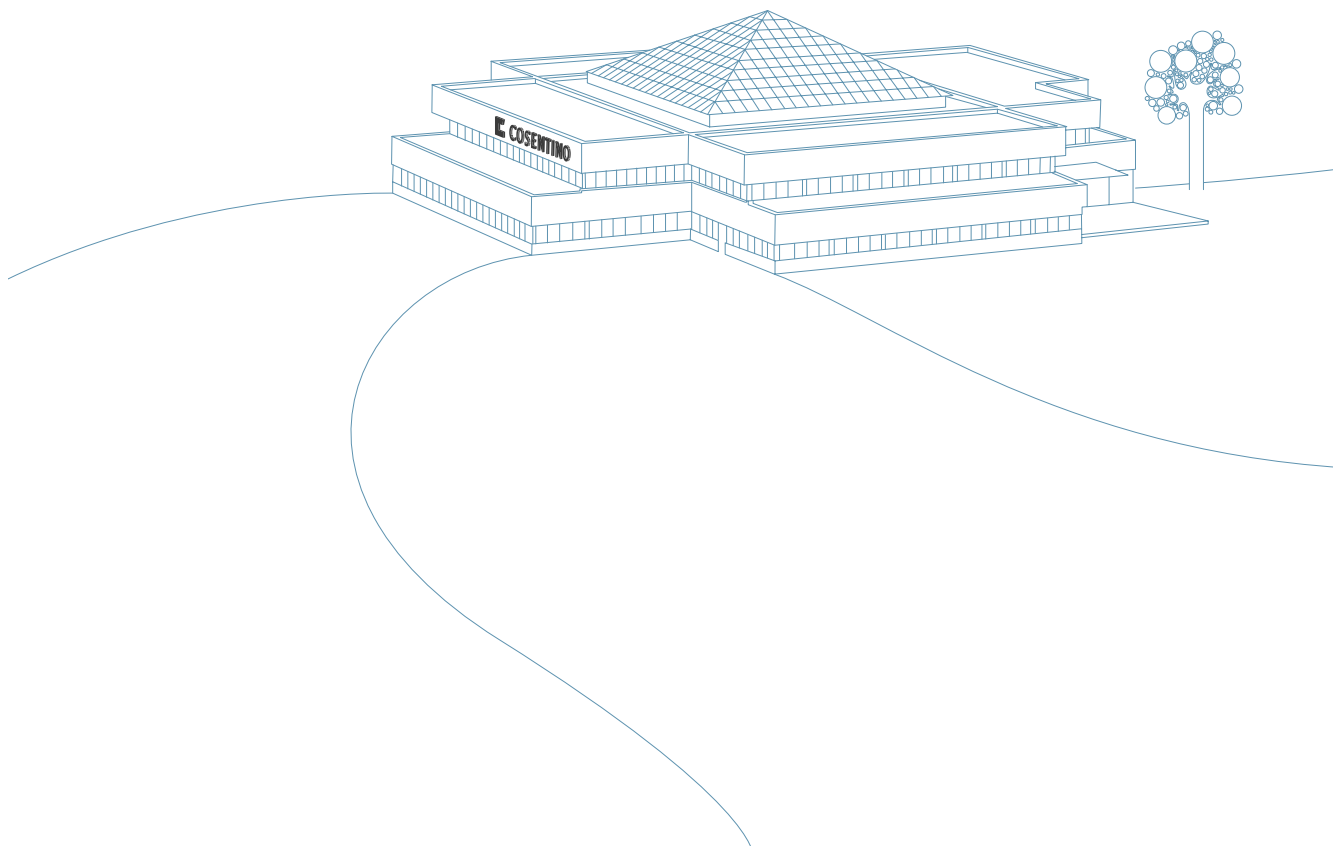
The topics highlighted by the persons interviewed are summarised in the following charts. In turn, these were the topics considered most relevant in this report.

SUPPLIERS	1-5
Suppliers should may fair wages, not use slave labour.	4,6
Purchasing systems must respond effectively to fair trade guidelines	4,4
Supplier facilities must be sustainable	4,2
Explicitly ask for supply chain liability	4,1
A significant percentage of suppliers are located within a 322 Km (200 miles) radius of where their products are needed	3,7
A percentage of suppliers are companies owned by individuals belonging to a minority group	3,4

ACTIVITY	1-5
Product and service quality.	4,7
Customer relations and satisfaction	4,7
Product and service safety	4,6
Product and service innovation	4,6
Supplier collaboration and dialogue	4,4
Transparency	4,3
Sustainable economic and financial performance	4,1
Commitment to job creation and local development	4,1
International expansion	4,1

PEOPLE	1-5
Employee Health and Safety	4,6
Talent attraction and retention	4,5
Commitment to training	4,5
Dialogue with employees, ideas management and improvement proposals	4,4
Social benefits, conciliation and quality of life	4,4
Development of human capital	4,3
Equality and diversity	4,3
Internal code of conduct	4,2
Promotion of corporate volunteer schemes	3,8

PLANET	1-5
Control of environmental impacts and environmental protection	4,6
Development of sustainable and innovative products.	4,6
Efficient and rational use of resources: water, energy, raw material	4,6
Waste management and encouragement of recycling	4,6
Facilities must be sustainable	4,4
Commitment to value chain health and safety	4,4
Contribution to and promotion of sustainable architecture	4,3
Social action: Commitment to education and young talent	4,2
Social action: Commitment to culture and sport	3,6



## 1.2. Letter from the Chairman

It is an honour for me to present the Annual Sustainability Report of Cosentino Group. This report responds to our commitment regarding information and transparency in relation to the different stakeholders with which the company maintains relations.

The sustainability strategy adopted by Cosentino Group enables us to efficiently manage the impact caused by the company's economic, environmental and social development.

2015 was a year of many challenges and we have successfully overcome them thanks to the commitment and cooperation of our employees, customers and suppliers. We are celebrating the 25th anniversary of an event that revolutionised the home and interior design sector: the creation of Silestone®.

Now, 25 years later, the essence of Cosentino Groups remains true to a firm commitment to excellence and continuous improvement. This has prompted us to become a leader in the sector, consolidating the attraction of talent and collaborative work, with the fundamental objective of causing a positive impact on the development of society and on environmental protection, through improving our processes and creating increasingly sustainable products.

Our constant vocation to improve has led us to promote diversification and innovation. Continuous growth and expansion and penetration in new markets have allowed us to transfer innovation, growth and of course, our values to every continent, especially in key markets such as the United States, Canada, Brazil, Europe and Australia.

Within this strategy, we should mention the importance of the effort and care put into extending and renovating our plant and distribution facilities, which has allowed us to improve our product offering and our proximity to customers day by day. In 2015 the investment plan proposed in 2010 was completed with a total investment of €281 M., of which with €151 M. correspond to production investments (90% of them made in the industrial park of Cantoria, Almería). Both the commercial and production investments have helped us double our sales during the same period, reaching a turnover of €730 M. in 2015.

However, above all, we consider that the key to success is people. Each of the initiatives we have set up is aimed at improving the quality of life and well-being of the people who are directly or indirectly involved in our activity, both from the standpoint of their health or safety and that of their professional development. Ever since the company was first established, it has continuously promoted the creation and maintaining of employment, which has allowed Cosentino to have a total workforce 3,350 direct employees throughout the world, from 52 different nationalities. During the 2014-2015 period alone, 776 new jobs were created, half of them in Spain.

As for our economic impact, let me say that Cosentino Group has always been true to its leadership policies in a bid for constant innovation, through the implementation of new production, logistics and financial processes or involving deeply in the development of the communities in which it operates. The Group considers that it is impossible to measure the value of a company based simply on quantitative parameters. Successful ventures such as the creation and development of the Dekton® plant generate direct and indirect jobs that guarantee sustainability for more than 1,500 families.

This effort to improve people's lives is also evident in our bid to ensure the quality of our products, to which we have dedicated years of research in innovation in order to increase their sustainability, functionality and appeal for our customers. Innovation in R+D+i has allowed us to continue diversifying our product offering. Today, the company has sold more than 50,000 square metres of paving and façade products and it has many future projects under way during the forthcoming years.

Our commitment to excellence also encourages us to continue to grow and learn day by day. Our company is facing an even more important challenge, that of continuing to generate value in each new market we explore. We rise to the future with the utmost enthusiasm and three main premises: a passion for our work, a quest for excellence and the real and firm integration of each person who forms a part of the large Cosentino family, without distinction as regards gender, race, condition or religion.

We hope these pages will serve to allow you to learn more about what we are and what we do based on a spirit of humbleness and enthusiasm for our work.



**Francisco Martínez Cosentino**  
*Chairman Cosentino Group*





LEADING / BY / EXAMPLE

COSENTINO

# Activity

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## 2.1. Welcome To Cosentino Group

### 2.1.1 Who are we? Mission, Vision and Corporate Principles

#### Mission

Cosentino Group's mission is to be a leading company that responsibly imagines and anticipates high value and innovative surfaces for the architectural and design world.

#### Vision

Lead the global surfacing market by branding innovative architectural solutions that provide design, value and inspiration to our customers' lives.

#### Corporate and Ethical Principles

##### United

Cosentino Group is ONE: one company, one project and one family that continues to share the same mission, vision and key aims and values.

##### Committed

To quality, safety, the environment, society, enthusiasm, professionalism and to personal effort in dealing with customers and partners.

##### Accessible

To customers, partners, suppliers and citizens.

##### Enterprising Innovative and Pioneering

We have a dream that is based on a family and is extended to a district, a region, a country and a global world.

##### Self-motivated

We are in favour of continuous improvement and innovation. We aim to excel and be perceived as outstanding, and for this reason, we aim to contribute value. We are firm and unwavering in reaching our objectives and continuing to grow.

##### Sensitive

We admire and recognise the work of the best. We know how to listen and seek to promote dialogue with our partners, colleagues, customers, suppliers, markets and other stakeholders. We adapt to the particularities of each market in order to grow and we have the ability to react and anticipate new needs that may arise.

##### International

We want to be present in all parts of the world.

##### Modesty

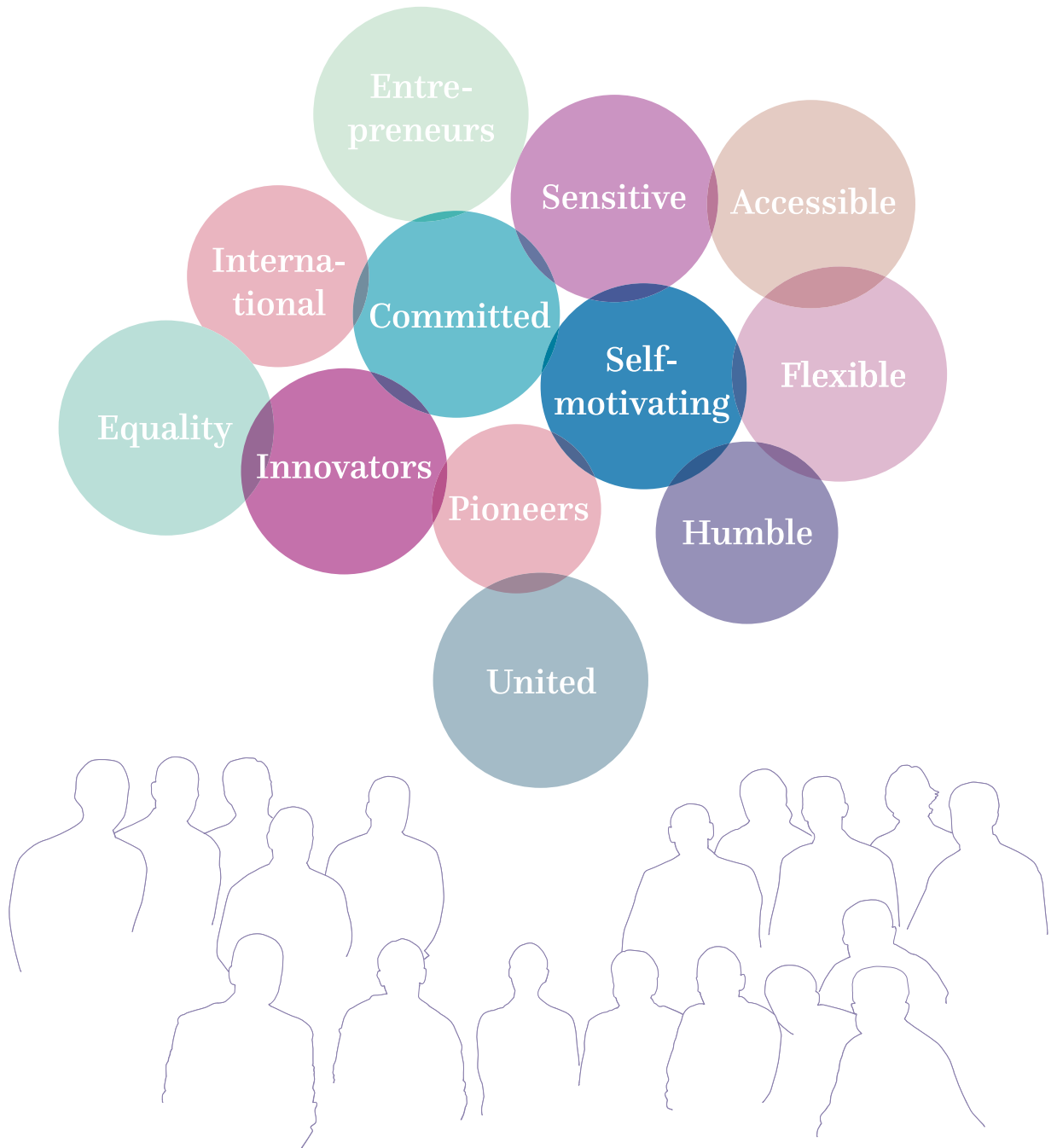
Everything we do must be guided by a sense of humility, avoiding conceit and vanity.

##### Guided by equality

Our conduct must be based on the virtue of modesty, with no room for vanity or conceit.

##### Adaptable to Change

We are able to face new challenges and adapt to new situations and different cultures, permanently searching for ongoing improvement in our processes.



### Code of Ethics

In its strategy of converting people into the focus of our activity, Cosentino Group has re-written its Code of Ethics in order to re-affirm our basic values, strengthening the principles that guide our daily activities. This document sets out the principles of action of all the Group's employees and constitutes a solid commitment to our customers, suppliers, stakeholders and partners.

The Code of Ethics sets forth our undertakings with respect to personal conduct and working environment, the integrity of the company's financial statements and records, conflicts of interest and personal honesty, gifts and other business courtesies or dealings with others.

Furthermore, Cosentino has an Ethics Committee that ensures the honouring of this code, and a Whistle-blowing and Consultations Channel through which employees can voice their queries and communications on facts or circumstances that imply a legal breach, an infringement of the Code of Ethics or an activity considered inappropriate in complete anonymity. The company also undertakes to provide a response within no more than ten days.

### 2.1.2. Where to find us?

Cosentino Group currently distributes its products and brands in more than 80 countries, directly controlling and managing its own facilities in more than 30 of these countries from its headquarters in Almería, Spain. The multinational has 7 manufacturing plants (6 in Spain and 1 in Brazil), 13 kitchen and bathroom surface production centres (12 in the United States and 1 in Spain), 1 intelligent logistics centre (in Spain), 2 distribution hubs (in the United States) and more than 120 commercial establishments scattered throughout the world. *no he hecho el cambio*

Cosentino Group's commitment to internationalisation has enabled the company to be present in 5 continents. In the last year alone, we have opened 25 new business facilities in cities such as Tel Aviv and Los Angeles, and Cosentino Cities in New York and Milan.

This internationalisation effort has won us many prizes and distinctions.

- **Export and Internationalisation Award** at the European Business Awards 2013-2014.

- **Best entrepreneurial practice award** in the Internationalisation Category, at the





## Key Figures for the Group

- 1 Smart logistics platform in Almeria, Spain
  - 1 million m2 Total area of the Cosentino Group Industrial Park in Almeria (Spain)
  - 2 Logistics hubs in USA. (Houston, TX and Norfolk, VA)
  - 5 Cosentino City: Sydney, Singapore, Milan, New York and Toronto
  - 95 Cosentino Centers around the world
  - 6 Logistics operators: Dubai (UAE), Japan, Singapore, Cape Town, Puerto Rico and Johannesburg
  - 7 Production plants: 6 in the Industrial Park in Almeria, Spain and 1 in Vitoria, Brazil
  - 13 Transformation and surface production centres: 1 in Spain and 12 in USA
- 
- 5 Product brands: Dekton®, Silestone®, Sensa by Cosentino®, Prexury by Cosentino®, Scalea by Cosentino®
  - 27 Countries where the group has subsidiaries or fixed commercial assets
  - 32 Countries with business presence
  - Over 80 Countries around the world selling Group products
  - Over 90% group turnover from international markets
  - 564 mill. € consolidated turnover for the Group in 2014
  - 730 mill. € consolidated turnover for the Group in 2015
- 
- 3.350 Employees around the world

Second Edition of the KPMG and El Confidencial Entrepreneurial Awards.

- **Best Internationalisation Project Award** at the Tu Economía Awards organised by La Razón.

- **Internationalisation Crédito y Caución Award** in the Project of the Year Category, organised by Crédito y Caución, Expansión, IE Business School and Iberinform

- **Spanish Multinational of the Year Award** at the 10th Edition of the Entrepreneur Awards organised by the Emprendedores magazine

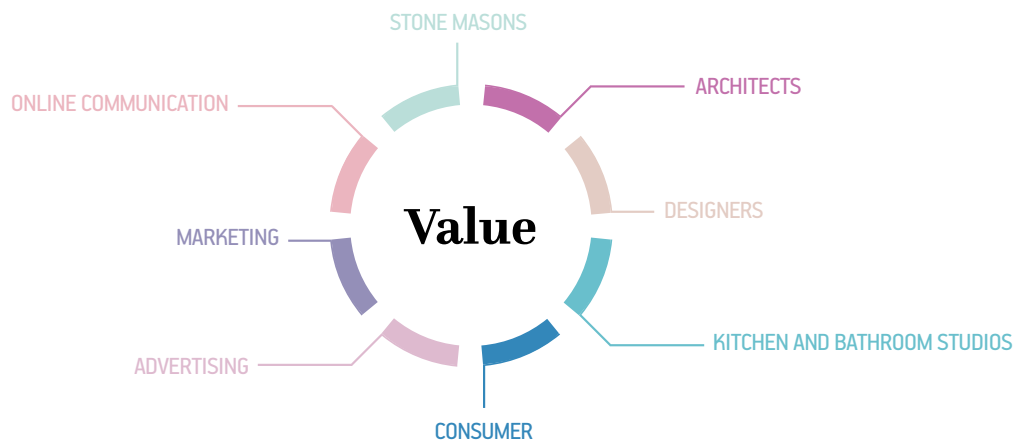
- **The city of Houston (USA)** has declared March 6th "Cosentino Center Day" on account of its "valuable contribution to employment and the economy of the city".

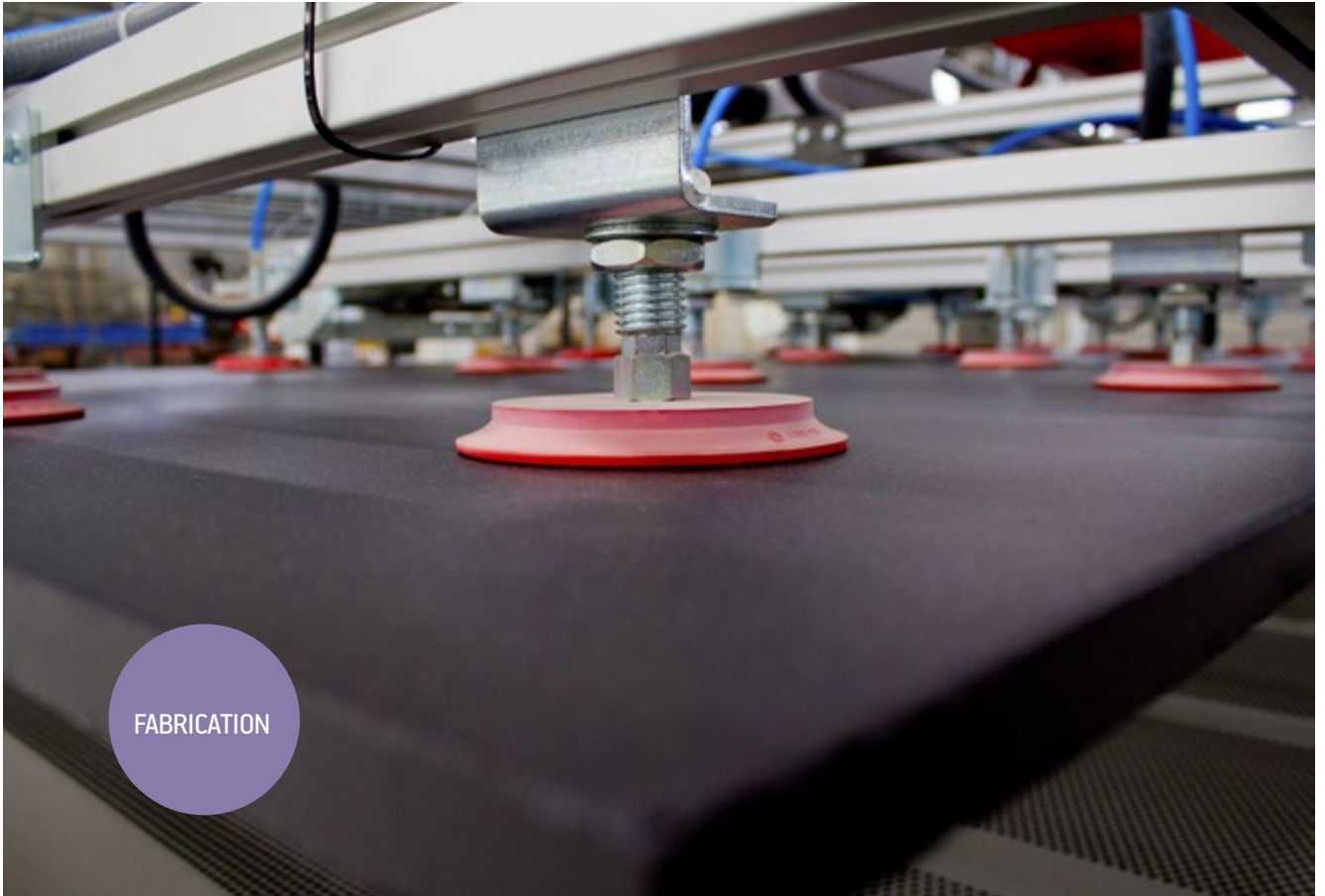
### 2.1.3. Contribution of Value

Cosentino Group has gone from a small family business engaging in the extraction of stone to an international company of reference in the stone sector, and the world's leading producer of quartz agglomerate.

We are aware that the success of our business model is based on a relationship of proximity with our customers. Marble supplies, architects, designers or bathroom and kitchen design studios have transferred the values of Cosentino to the end consumer, taking our products to their homes.

And all the above has been achieved along with on-line communication, marketing and advertising activities that give us direct access to households.





#### 2.1.4. Products and Brands. Continuous Innovation of Our Products

Cosentino Group's investment in innovation and development has given rise to an offering of renowned international brands in a wide range of colours and materials that are adapted to all our customers' needs. In 2015, we have continued to improve our products with the launch of 22 new Dekton® colours, 10 Silestone® colours and 8 Sensa® colours

##### Dekton®

Dekton® by Cosentino is an ultra-compact surface developed exclusively by Cosentino Group R&D department. Dekton® was launched simultaneously worldwide in 2013 and involved a total investment of 128 million Euros and 22,000 hours of research. Dekton® is manufactured using the unique Cosentino PST (Particle Sintering Technology), a manufacturing process that enables the high pressure and high temperature processes applied by Nature for thousands of years to produce natural stone to be carried out in just four hours.

This new material is extremely resistant to scratching and abrasion, in addition to absorbing practically no moisture and having high resistance to stains. It also has excellent colour stability due to its resistance to UV rays, thus allowing it to be used in any type of climate due to its excellence behaviour in the presence of heat and thermal shock, including conditions of freezing and

thawing.

Since 2014, Dekton® has won the following awards and distinctions:

- **"KBB 2014 for innovation in the kitchen"** at the KBB 2014 fair in Birmingham (UK).
- **ETA 14/0413** (European Technical Assessment) and 1220-CPR-1459 CE marking certificate as exterior cladding for ventilated façades.
- **NAN Architecture and Construction 2014 Award** as the best construction material in the paving and façades category.
- **Janus de l'Industrie award and quality seal** of the French Institute of Design in the components and materials category. These awards are sponsored and recognised by the French Ministry of Industry (2015).

##### Silestone®

A global brand leader in the area of quartz surfaces, this material is made of more than 90% silica. Silestone® surfaces are highly stain, impact and scratch resistant as well as having a low liquid absorption rate. This material also has an exclusive bacteriostatic property for certain colours, as well as different warranties and certifications.

The Silestone® Eco Line is composed of at least 50% recycled materials, including porcelain, glass, mirror and vitrified ash. Succeeded in creating a surface that incorporates both modern design and a set of

**SILESTONE®**

**DEKTON®**

**SENSA®**

**SCALEA®**

**PREXURY**



features and properties with a truly ecological and sustainable component. The series is patented due to the formulation of a resin with recycled components and the product derived from their use.

In 2015, coinciding with the celebration of the **25th anniversary of Silestone®**, our product won a new award, the **Best Worksurface Brand** prize, at the BKU Awards. Since its creation and to date, we have made great progress in making Silestone® the global leader it is today.

*"In recent years, Silestone has brought about an important change in trend... This product is very well developed in technical terms, in addition to being of the highest quality and with excellent consistency. It has marked a turning point in the way we design projects."*

**Sergi Quilez i Marin, Arc Línea Kitchen Designer.**

#### **Sensa by Cosentino®**

The Cosentino Group granite brand, with exclusive protection against stains. Sensa® granite incorporates a revolutionary protective treatment that makes it extremely resistant to stains, along with the known properties of granite; high scratching resistance, durability and low porosity. An innovative protective treatment is applied to each slab of Sensa by Cosentino® at Cosentino Group's modern facilities in the Brazilian plant, Cosentino Latina. Sensa® by Cosentino® granite repels fluids such as

water or oil, and the main common acids used in the kitchen and bathroom, adding increased protection against stains. The Sensa® by Cosentino® treatment is applied by means of a chemical bonding process, providing invisible protection that enables the granite to breathe. Sensa® by Cosentino® granite is an NSF-certified material, meaning it is suitable for contact with food. It is also Greenguard-certified, ensuring compliance with the American Environmental Institute interior air quality standards. The next-generation New Sensa® Premium line has been on the market since October 2015.

#### **Scalea®**

The brand that includes the Cosentino Group natural stone products. Scalea is a new way to understand and work with materials, based on a continuous commitment to innovation and creativity and to the most advanced design and improvements in features. Through Scalea, Cosentino Group upholds its commitment to traditional products such as marble, quartzite, granite and slate.

#### **Prexury®**

The Prexury series is made up of materials made from semiprecious stones and other natural materials. This exceptional collection combines the eternal beauty of natural semiprecious stones, petrified wood and unusual fossils to create solid, elegant surfaces and extraordinary designs.



**Sergi Quilez i Marin, Arc Línea Kitchen Designer**

**Integrity by Cosentino®**

3D quartz agglomerates. This is an innovative product manufactured worldwide for the first time. It maintains the excellent properties of Silestone® and also offers the possibility of creating voluminous products, such as the Integrity by Cosentino® sinks. The entire project was developed by the Cosentino R+D+i department, including the technology design for the manufacture

of 3D Quartz Agglomerate, the mould design, the production process, the agglomerate formation and new additives and polymers suitable for the new process, among others. As the final result, Cosentino Group has patented the production process of the first sink manufactured using vacuum vibrocompression and an exclusive technology.



### 2.1.5. Corporate Governance

Cosentino Group is a family business with a global projection that was set up in 1940. That same year, Eduarda Justo and Eduardo Martínez Cosentino, the parents of the current founders, started up their first quarry for the production of marble in Almería.

In 1979, the Group embarked on its business venture with only 17 workers, and today, it is still a family concern that combines its original values and tradition with innovation and the creation of employment and wealth throughout the world. This balance was achieved thanks to the commitment of all the family members, along with the company staff, with the support of prestigious external consultants who have helped us to take decisions and sit on the different Cosentino Group Delegated Committees.

#### 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 consolidate its family and business principles and values. The Assembly has the following tasks and functions:

1. It meets regularly once or twice a year to inform the family of the company's progress and of all events considered pertinent.
2. It constitutes a forum that defines the

Family's objectives in relation to the company.

3. It detects problems affecting the Family that could also affect the Business Group.

4. It promotes education and training programmes for the family members.

#### Board of Directors

Given its family tradition, the Board of Directors of Cosentino Group is made up mostly of Cosentino family members, to guarantee the continuity of family and business values .

#### Four Delegated Committees

These committees are consultative bodies formed by independent directors and consultants with great prestige and experience in listed companies. Their function is to report and submit proposals to the Board of Directors.

#### Appointments and Remuneration Committee

The 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

## Consejo de Administración

### CHAIRMAN

*Francisco Martínez Cosentino*

### SPEAKERS

*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*



directors and independent advisers, and different positions in the Group.

**Audit and Risk Committee**

The Audit and Risk 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 risk management systems, including tax management and the review and efficacy of the Code of Ethics.

**Innovation Committee**

The Innovation Committee advises the Board of Directors on monitoring the Group’s R+D+i work plan, promoting this activity and fostering an innovation model based on the following premises:

- Multidisciplinary teams
- Specialisation combined with versatility

- Innovation as a transversal competency in the company
- A systematic approach for continuous innovation
- Market orientation
- Focus on the development of differential attributes in products
- Global alliances and strategic partners
- Dynamism and a quest for excellence.

**Corporate Social Responsibility Policy Committee**

The Corporate Social Responsibility Committee has the mission of identifying and guiding the Sustainability and Corporate Social Responsibility policy, objectives, good practices and programmes of Cosentino Group, in keeping with the business strategy.

In addition, it prepares the CSR Report and monitors philanthropic and social contribution activities.

**Organisation Chart**



## Our Business in Figures 2013-2015

ECONOMIC SCALE	2015	2014	2013
Net Business Figure	730.367.895	563.793.370	482.468.001
EBITDA*	95.558.850	74.431.033	63.591.641
Total Assets/Liabilities + Net Equity	789.018.393	793.707.432	753.097.634
Annual Investment	63.999.898	34.809.967	64.931.933
Net equity	236.397.769	223.395.097	180.917.462
Net Financial Debt	192.879.230	182.509.742	153.406.839

- Amounts expressed in Euros.

\*EBITDA: Earnings Before Interest, Taxes, Depreciation, and Amortization.

INVESTMENT IN R&D&I	2015	2014	2013
Investment in R&D&I	5.995.128	7.041.598	5.500.635
Investments in R&D&I assets	5.632.699	311.900	4.083.510
Total investment in R&D&I*	11.627.827	7.353.499	9.584.145

- Amounts expressed in Euros

\*The R&D&I investment ratio to sales in the past 3 years has been 1.6%. However, if we bear in mind that production activity and R&D&I for the group is concentrated into Spanish companies, the above ratio reaches 3%.

MAIN RATIOS	2015	2014	2013
Net debt / EBITDA	2,02	2,45	2,41
Net debt / Net Equity	0,82	0,82	0,85

PEOPLE IN THE ORGANISATION	2015	2014	2013
Nº of employees	3.350	2.950	2.574
Women employees (%)	21%	21%	22%

### 2.1.6. Our Activity. 2014/2015 Figures.

Cosentino Group has based its activity on the implementation of an ambitious R+D programme, the creation of new products and sales channels, international expansion, respect for the environment, sustainability and social contribution.

Our ongoing investments in new production processes and internationalisation, the differentiation of our products with respect to those of competitors, our forward vision and the financial strength of our Group have allowed us to maintain and consolidate our leading position in the market. All the above in addition to our search for excellence and the dedication of an international workforce that now numbers 3,350 employees.

In 2015, Cosentino Group had a turnover of more than €730 M; More than 90% of our income was earned in international markets. This has led to an increase in turnover of 51% in only two years, considering the 2013 figures. Moreover, the Group's EBITDA has increased by 50% in 2014-2015 (€95M in 2015 compared to €63M in 2013).

Our financial strength has allowed us to continue to implement the Strategic Expansion Plan in international markets and in the diversification of our product portfolio. For investments financing, we keep a policy based on a balanced combination of self-funding sources (reinvestment of in-

come) and external sources, mainly banks, both national and international. Also, due to its activity and standards, the company has received many public funding from different bodies, mainly from the Centre for the Development of Industrial Technology, regional incentives from the Spanish Ministry of Finances and Public Administration and the Andalusian Agency for Innovation and Development. This policy has given the company a great financial solvency and a constant access to credit in the financial markets.

In 2015, Cosentino, S.A. Implemented a process for the reorganisation of its financial debt with banks, taking advantage of the excellent results we have had in recent years, and the momentum of the financial market, and this has allowed us to extend the maturity term of current operations and reduce their average cost.

Thanks to the global management of company, in 2014 it received the **Spanish Multinational of the Year award** granted by the specialised publication *Emprendedores*. That same year, we won the **European Business Awards 2013-2014**, in the Export and Internationalisation category, rating the company the best European company in terms of internationalisation. In 2015 we received the **Financial Excellence award** from Spanish Association of Business Financiers (ASSET).

These results were possible thanks to an important investment effort that has accumulated more than 98 million Euros

during the year 2014-2015, in which many investments were made in productivity and commercialisation. Over the past 5 years, Cosentino has made investments amounting to more than 300 million Euros, which has allowed the Group to grow in terms of both sales and profits.

For instance, in terms of production, the completion of the extension of the industrial park in Cantoria, Almería, executed for the purpose of manufacturing the new Dekton® product and globally improve internal logistics. We have also made production investments to incorporate countless process innovations and develop new commercial applications, which have allowed us to make new products line market launches with respect to Silestone® and Dekton®.

From the commercial standpoint, we continue to put our faith in opening our own new international points of sale and now have 120 of them distributed throughout 5 continents. In 2014-2015 we opened 19 new Centers (13 in the United States, 3 in Canada, 2 in Australia, 3 in Turkey and 1 in Israel), 3 new City Centers (1 in New York, 1 in Singapore and 1 in Milan), as well as 3 new logistics operators in South Africa, Cape Town and Puerto Rico.

R+D continues to be a cornerstone for the Group's evolution, leading to the development of new products with high added value and the implementation of important innovations in existing production processes. This has allowed us to stand out from

our direct competitors and maintain a leading position in the sector.

All the initiatives are aligned with one firm objective: to improve day by day and show greater respect for the society and natural environment in which we live.

In terms of the environment, we continue to implement and develop the most advanced environmental management and action systems, in line with our sustainability, energy efficiency, waste management, water and landscape restoration policies. Since 2014 the manufacturing activity of the Cantoria industrial park in Almería has been regulated by the Integrated Environmental Authorization.

We also promote the development of all our staff by implementing active training policies and personal professional development plans. In 2014-2015, there was a 30% increase in our staff with respect to 2013 (3,350 employees at the close of 2015 vs. 2,574 at the close of 2013).

#### Tax Contribution

Cosentino Group is aware that these results also imply an important tax and social contribution for the economies in which we are present. Part of this contribution is reflected in the taxes we pay to the Public Authorities.

Cosentino Group considers it makes a tangible social contribution through the payment of its employees' salaries, payments

to suppliers and payment of taxes to the tax authorities of the different countries in which it operates.

Consequently, in 2015 the activities of Cosentino Group in the different markets in which it operates gave rise to the payment of 16 million Euros in direct taxes (83% in Europe and 16% in the American continent); this categories includes profits tax, local taxes and charges and customs duties and charges.

On the other hand, apart from the taxes we pay directly to the public purse of the different states, Cosentino Group's activity has meant an important return for those countries through the taxes it collects on behalf of the tax authorities, which include mainly VAT and other similar indirect taxes, in addition to Personal Income Tax. Thus, in 2015 the Group collected 85.5 million Euros in taxes, 73% in Europe, 24% in the American continent and 3% in the rest of the world.

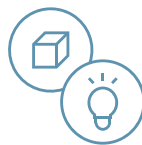
## Growth Levers



1. DIVERSIFICATION



2. MARKETING



3. INNOVATION



4. TECHNOLOGY  
AND DIGITALISATION



5. EFFICIENCY



6. PEOPLE



7. SUSTAINABILITY

## 2.2. Customers

### 2.2.1. Real and Responsible Commitment to our Customers

Since its beginnings, Cosentino Groups has remained true to the principle of offering its national and international customers products of the highest quality and with a unique design. Our growth and that of our stakeholders, customers and partners is ever-present in the day-to-day running of the company.

*"We are delighted to be able to offer Cosentino products to our customers, as they are versatile and of an exceptional quality. Continue to imagine and anticipate what is to come!"*

*"I have watched the company grow and I feel proud to belong to it. I am sure that the values that Cosentino inculcates within the scope of its own business and in relation to social and environmental aspects, will make us even greater. Today, it sets an example for any entrepreneur who aims to perform well. The sacrifice is well worth it!"*

Testimonials taken from the customer survey conducted in December 2015.

### 2.2.2. Continuously Improving to be Closer to our Customers

#### Cosentino Center

The creation of these ground-breaking platforms for the distribution, exhibition and promotion of our brands is aimed at offering our customers an exclusive ser-

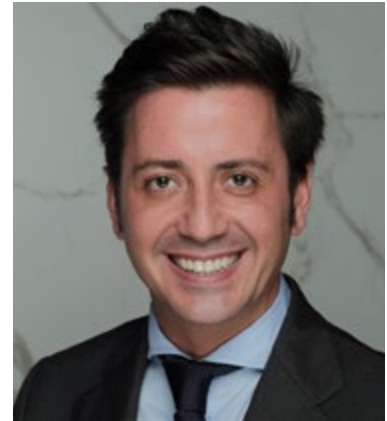
vice. The Cosentino Centers function as distribution warehouses, sales networks, spaces for exhibiting products and brands and training courses for marble suppliers, architects and interior designers, among others.

Cosentino Group has made a great effort to find new spaces that will enable us to be closer to our customers. The latest store openings in 2014 and 2015, were mainly in the United States, with 13 new Centers inaugurated during the year, followed by Canada, with 3 new Centers (Calgary, Vancouver and Toronto), Turkey (Istanbul, Ankara and Izmir), 2 new Centers in Australia (Melbourne and Brisbane) and 1 in Israel (Tel Aviv).

*"Canada plays a key role in our company's expansion strategy in North America. Thanks to our facilities in Calgary, Montreal and Vancouver, and now in Toronto, we are in a position to fully meet the needs of our customers. And all this with Cosentino's quality of service as well as offering a wider range of products, new design tools and experts in each respective local area".* Eduardo Martínez-Cosentino Alfonso, Sales Director of Cosentino Group and CEO of Cosentino North America.

#### Cosentino City

The "Cosentino Cities" aim to be closer to customers through a new concept of space, providing a unique sensory experience and an integrated service. In these spaces, integrated into the centre of the world's



Eduardo Martínez-Cosentino Alfonso, Sales Director of Cosentino Group and CEO of Cosentino North America.



## Cosentino Networks

\* Opening soon

### AUSTRALIA

Cosentino BRISBANE  
Cosentino MELBOURNE  
Cosentino SYDNEY  
Cosentino CITY SYDNEY  
Cosentino PERTH  
Cosentino ADELAIDE

### AUSTRIA

Cosentino VIENNA

### BELGIUM

Cosentino BELGIUM

### BRAZIL

Cosentino BELO HORIZONTE  
Cosentino FORTALEZA  
Cosentino GOIÂNIA  
Cosentino LATINA VITORIA  
Cosentino RECIFE  
Cosentino SAO PAULO  
Cosentino SANTA CATARINA

### CANADA

Cosentino CALGARY  
Cosentino CITY MONTREAL\*  
Cosentino MONTREAL  
Cosentino TORONTO  
Cosentino CITY TORONTO  
Cosentino VANCOUVER\*

### FRANCE

Cosentino PARIS  
Cosentino LYON  
Cosentino RENNES  
Cosentino TOULOUSE

### GERMANY

Cosentino MUNCHEN  
Cosentino BERLIN  
Cosentino DÜSSELDORF  
Cosentino STUTT GART

### IRELAND

Cosentino DUBLIN

### ISRAEL

Cosentino Tel Aviv

### ITALY

Cosentino VENEZIA  
Cosentino CATTOLICA  
Cosentino CITY MILANO  
Cosentino MILANO

### JAPAN

Cosentino Tokyo

### MALAYSIA

Cosentino KUALA LUMPUR ASSOCIATE

### MEXICO

Cosentino MEXICO-LATAM

### NEW ZAEALAND

Cosentino AUCKLAND ASSOCIATE

### NORWAY

Cosentino OSLO

### PORTUGAL

Cosentino LISBOA  
Cosentino PORTO

### SINGAPORE

Cosentino CITY SINGAPORE  
Cosentino SINGAPORE

### SOUTHAFRICA

Cosentino Johannesburg  
Cosentino Cape Town

### SPAIN

Cosentino A CORUÑA  
Cosentino ALMERÍA  
Cosentino BILBAO  
Cosentino BARCELONA  
Cosentino CASTELLÓN  
Cosentino GIRONA  
Cosentino GRANADA  
Cosentino MÉRIDA  
Cosentino MADRID  
Cosentino CITY MADRID\*  
Cosentino MURCIA  
Cosentino SAN SEBASTIAN  
Cosentino SANTANDER  
Cosentino SEVILLA  
Cosentino TOLEDO  
Cosentino VALENCIA  
Cosentino VALLADOLID  
Cosentino VIGO  
Cosentino ZARAGOZA

### SWEDEN

Cosentino GÖTEBORG

### SWITZERLAND

Cosentino ZÜRICH

### THE NETHERLANDS

Cosentino THE NETHERLANDS

### TURKEY

Cosentino Istanbul  
Cosentino Ankara  
Cosentino Izmir

### UNITED KINGDOM

Cosentino DARLINGTON  
Cosentino EAST LONDON  
Cosentino GLOUCESTER  
Cosentino HOOK  
Cosentino CITY LONDON\*  
Cosentino MANCHESTER  
Cosentino SCOTTLAND

### UAE

Cosentino Dubai

### USA

Cosentino ANAHEIM  
Cosentino ATLANTA  
Cosentino AUSTIN  
Cosentino BOSTON  
Cosentino CHARLOTTE  
Cosentino CHICAGO  
Cosentino CINCINNATI  
Cosentino DALLAS  
Cosentino DENVER\*  
Cosentino DETROIT  
Cosentino FORT LAUDERDALE  
Cosentino HAWAII  
Cosentino HOUSTON  
Cosentino LENEXA  
Cosentino LONG ISLAND  
Cosentino LOS ANGELES  
Cosentino CITY MANHATTAN  
Cosentino MINNEAPOLIS  
Cosentino NEW JERSEY\*  
Cosentino NEW ORLEANS\*  
Cosentino ORLANDO  
Cosentino PITTSBURG\*  
Cosentino PHILADELPHIA  
Cosentino PHOENIX  
Cosentino PORTLAND\*  
Cosentino ROCHESTER  
Cosentino SACRAMENTO\*  
Cosentino SAN DIEGO  
Cosentino SAN FRANCISCO  
Cosentino CITY SAN FRANCISCO\*  
Cosentino SEATTLE  
Cosentino SPOKANE  
Cosentino VIRGINIA  
Cosentino WASHINGTON DC  
Cosentino WESTCHESTER

[US workshops not included.]

main cities, our customers (architects, planners, interior decorators, designers and end consumers) can develop their projects and obtain first-hand information on all the company's products through an interactive experience.

Recently, these showrooms were successfully implemented in Manhattan (New York), Toronto, Milan, Sydney, Singapore (today the most important company centre in Asia) and Kuala Lumpur. The objective is to gradually extend our network by opening more centres in different cities in all parts of the world.

#### Loyalty Programmes

Further to our commitment to and recognition of customer loyalty and the creation of solid relations of value, Cosentino Group has designed an integrated promotion and loyalty programme targeted at each of the segments with which the company interacts, whether as direct customers or endorsers.

#### Loyalty Club

A programme created for marble suppliers, as a special initiative to reward the loyalty of our marble suppliers, who obtain the following benefits: exclusive discounts on selected products, priority service, exclusive presence on the corporate website, participation in events, training courses and new product presentations, launch promotions and priority delivery of promotion through direct marketing, visits to the plant, etc. At present, there are more than 2,000 global Loyalty customers.

#### Cosentino Elite

A programme created for our kitchen and bathroom stores that acknowledges and rewards the loyalty of our points of sale as exhibition spaces and sites that generate demand for our products, with the following benefits: exclusive counter top exhibition promotions, priority services, exclusive presence on the corporate website, participation in events, training courses and new product presentations, priority delivery of promotion tools through direct marketing, visits to the plant and an exclusive incentives programme.

The Elite programme has been well accepted in all the countries in which Cosentino is present, with more than 6,000 Elite stores. It is gradually being extended to other global markets.

#### Cosentino Designia

Defined and conceived for the architects and designers community, this platform provides all those who endorse our products in their projects with the following benefits: personal access to training and inspirational contents for their projects, a points programme that enables them to make their purchases via diverse specialised on-line websites, dissemination and diffusion of projects in which they have used our products, social media access and news on the sector and on Cosentino, among other services.

#### Other Initiatives

Cosentino Group has sponsored and cooperated in many training activities and meetings organised for our key customers,

## LOYALTY

eLITE





marble suppliers, architects, designers and design studios. Some of the events organised in 2015 are listed below:

- "El futuro de la arquitectura y el interiorismo: aplicaciones con Drones, Grafeno y Dekton®" (The future of architecture and interior design: applications with Drones, Graphene and Dekton®), sponsored by Dekton®.
- Presentation of Cosentino and Dekton® Exhibition held at the COAM headquarters (Madrid).
- Sponsoring of the seminar 'Arquitectura e industria: Viejos materiales / Nuevos

usos'(Architecture and industry: Old materials / New Uses) directed by Francisco Mangado and Ramón Sanabria and organised by Fundación Arquitectura y Sociedad.

- Presentation of Dekton® to the Mies Van der Rohe Foundation (Barcelona)
- "Cómo cambia la percepción de un espacio por el tamaño de los paneles" (How to change the perception of a space by the size of the panels), a seminar for 54 local architects organised by Singapore Institute of Architects (SIA).

## COSENTINO CITY



### 2.2.3. Key Audiences Study

In 2015 we conducted an audiences study, in which more than 1,200 distributors and customers took part, in order to analyse their perception of the brand and company reputation, compared to a similar study conducted in 2012.

The main conclusions of the study are set out below:

- There was a greater perception of innovation at company and product level, doubling the perception of 2012.
- The more humane aspects of the company were just as important as its innovative character: family-orientated, passionate, humane, honest, friendly and understanding.
- The idea of leadership and its international scale were key aspects for all audiences.
- Internal vision was consistent with external perception. The company was perceived as knowing its customers well.
- There was a clear correlation between expectations and perception as regards quality, relations, safety and innovation.
- The human factor was key in relations with distributors and customers.
- Cosentino Group was considered a genuine company.

### 2.2.4. Dialogue with Customers in Social Networks

The Cosentino Group global social network strategy has the principal mission of extending our on-line community, through the dialogue with our customers and using the digital environment.

For this reason we establish active communication through profiles and pages in the major social networks in the markets in which we operate, either through Cosentino Centers or Cosentino Cities. Through this market presence, we aim to reach our customers and other stakeholders, locally, directly and in their language, in which the corporate brand can interact and share interesting contents with them, to allow us to adapt to each market and its preferences and needs.

#### Cosentino Facebook Showroom

The Cosentino Showcase (or Cosentino Facebook Showroom) application was set up for the purpose of offering our customers the opportunity to show the world the projects executed with Cosentino products through the Cosentino Group Facebook pages. This initiative allows customers to feel a part of the Cosentino Group activity in social networks, thus increasing participation and 'buzz' related to the organisation.



**Social Media map**



	Facebook	Twitter	Instagram	Pinterest	LinkedIn	YouTube
1. Spain	●	●	●	●	●	●
2. Germany	●	●	●	●	●	●
3. Australia	●	●	●	●	●	●
4. Austria	●	●	●	●	●	●
5. Asia	●	●	●	●	●	●
6. Belgium	●	●	●	●	●	●
7. Brazil	●	●	●	●	●	●
8. Scandinavia	●	●	●	●	●	●
9. France	●	●	●	●	●	●
10. The Netherlands	●	●	●	●	●	●
11. Italy	●	●	●	●	●	●
12. Israel	●	●	●	●	●	●
13. Mexico	●	●	●	●	●	●
14. North America	●	●	●	●	●	●
15. Portugal	●	●	●	●	●	●
16. United Kingdom/ Ireland	●	●	●	●	●	●
17. Switzerland	●	●	●	●	●	●
18. Turkey	●	●	●	●	●	●

### Exclusive Elite Customers Club

Cosentino Group has created a Facebook group targeted at stores that take part in our Elite loyalty programme. Initially, it is available for the Spanish market. This group has the mission of creating a space in the social networks in which the Elite store group can share experiences or consultations with other Elite stores through our Community Manager, our Loyalty team and our CRM. Furthermore, we use this space to create a community in which the stores can obtain information, advice, news on Cosentino products, sector trends.

### Silestone® Colors Survey

In 2015, to mark the 25th anniversary of Silestone®, we launched a survey in which our customers, end consumers and all types of public were able to vote for their favourite Silestone® colour.

In connection with the survey, the on-line version of the book commemorating the 25th Anniversary of Silestone® entitled "25 años de cocina mítica española" (25 years of mythical Spanish cuisine) was distributed free of charge.

### Cosentino Facebook Showroom





### 2.2.5. Commitment to the Health of our Customers

Cosentino Group has a strong commitment to the Occupational Health of its customers, staff and suppliers, as formally established in its Health and Safety Policy. We are fully committed to carrying out our activities in a safe and healthy manner and to ensuring the well-being of all people on our premises and within our areas of influence. We aim to become a benchmark in occupational risk prevention and promoting health at work in the regions in which we carry out our business activity.

The technical training courses for marble suppliers stand out as the main initiative. This is a ground-breaking and unique project that has been well accepted by our customers and partners and has the firm commitment of key areas of the company and in particular, senior management.

#### Technical Courses for Marble Suppliers

*"I think the technical training courses for marble suppliers are very useful, and they make difference with respect to competitors. They bring added value, knowledge and allow me to exchange opinions with other professionals.*

*Thanks to the Health and Safety training, I am now more aware of the risks involved in our work and this is a topic that we must continue to pay attention to. If I had to define Cosentino Group in three words, I would say innovation, efficacy and leadership".*

**Eduardo Cano de Arce, Mármoles Sant Esteve**

The project has the mission of ensuring the health and safety of our marble suppliers and their staff. Since it was first set up in 2009, 1,478 people from the Iberian Peninsula have attended our training courses. The courses held in 2014 and 2015 were attended by a total of 572 marble suppliers. From 2016, the courses for marble suppliers will also be organised for the rest of the world.

### Participation 2014/2015

Classroom **25**  
Attendees **572**  
Attendees "Up to this time": **1.478**

NOVEMBER 2014	Barcelona
JUNARY 2015	Granada
FEBRUARY 2015	Vigo, Coruña, Gijón, Sevilla, Cadiz y Mérida
MARCH 2015	Almería, Murcia, Alicante, Palma de Mallorca, Gerona
APRIL 2015	Madrid, Valladolid, Zaragoza, Oporto, Lisboa
MAY 2015	Bilbao, San Sebastian, Las Palmas, Tenerife
JUNE 2015	Valencia, Castellón, Toledo

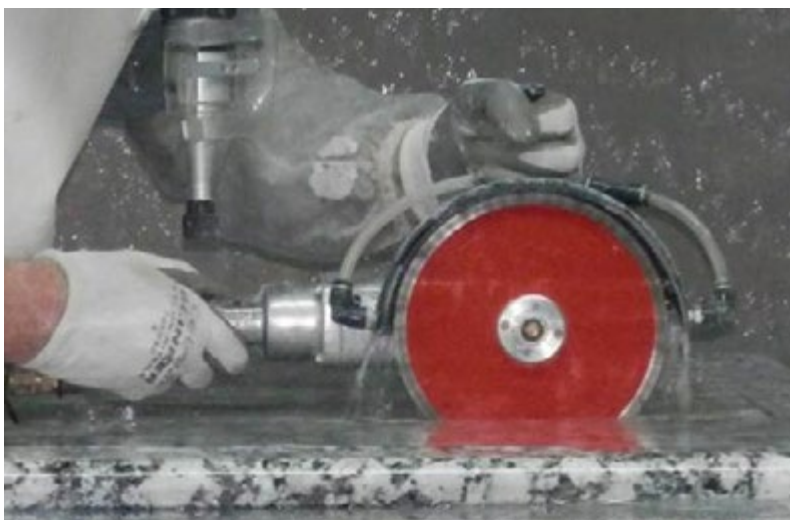


The content of these courses is based on providing information on operating and occupational prevention measures that contribute to executing work in a way that will not pose a risk to the health of workers. In addition, the 2014 and 2015 courses included other topics of interest to our customers, such as the latest news on products, legal information or the legal consequences of failing to comply with occupational prevention legislation.

The overall objective of this initiative is to transmit to all companies and professionals involved in manufacturing the products marketed by Cosentino Group specific knowledge on occupational health and safety that must be applied in all day-to-day operations carried out in their workshops.

Other specific objectives include:

- Establishing a much more direct communications flow with our customers.
- Sharing good practices implemented in our plants and workshops with our customers and partners.
- Allowing them to take part in the commitment of Cosentino Group, not only with respect to its staff but also with the staff of its partners.
- Promoting a safety culture as a fundamental value ensuring safe working practices.
- Offering a direct and personal response to all doubts and issues of a technical and legal nature that affect the day-to-day operations of our customers.





- Detecting other needs.

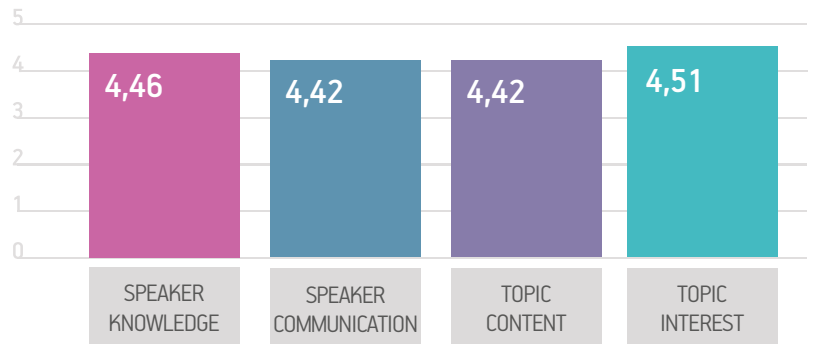
In some cases, these courses were also attended by people or entities not related to the participating company or to Cosentino Group have also taken part, such as Workplace Accident Insurers' staff, employer associations, public entities, communication agencies and others.

**Good Practice Dissemination**

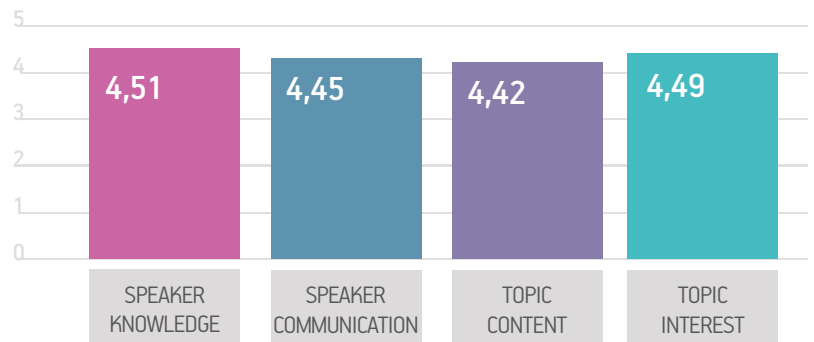
The commitment of Cosentino Group to ensure the health and safety of its partners is set out in a Good Practice Guide which offers advice and support to our marble suppliers in manufacturing our products (cutting and polishing operations).

**Satisfaction  
2014/2015**

DEKTON: CUTTING AND INSTALLATION (1-5)



HEALTH AND SAFETY (1-5)



## 2.3. Suppliers

### 2.3.1 Real and Responsible Commitment to our Suppliers

The pursuit of excellence in all our brands and products would not be possible without a network of suppliers selected based on their capacity to work as a team alongside Cosentino Group.

Cosentino Group aims to set up short- and long-term relations that will enable us to establish relations not only with suppliers of products and services, but with partners who know our business and our needs, and work with us to provide the highest quality to our customers.

To guarantee and improve this supplier network, we implement an active Supplier Development policy. In this regard, we have a support, training and control programme in place to allow our partners to grow with us and learn more about our business. The suppliers classroom is the best example of this policy. It is an area targeted at Production and Quality Managers, where suppliers can attend training courses and resources set up by the Group, visit our production centres or access product development projects in which our technical staff can participate like any other employee in the production area.

*“Cosentino Group is constantly looking for ways to innovate and design, with the support of cutting-edge technology. The Group does its best to protect the environment and ensure its products comply with the legally-established quality and*

*safety standards and for that reason, we understand that it expects the same from its suppliers. Sibelco Group is also in favour of applying measures based on sustainability and environmental protection, as we consider this essential to allow us to grow and offer the best service to our customers. Details such as these have enabled both companies to share fundamental values and the mutual relationship we have established during this time is lasting and based on trust”.*

**Peter Deferm. Sibelco Europa**

### 2.3.2. Responsible Treatment

Cosentino Group undertakes to work only with socially-responsible entities and to interact with them with honesty and integrity.

In order to guarantee these ethical conduct standards -which go beyond the minimum legal requirements- our 2015 Code of Ethics confirms our intention to make sure that all the employees of Cosentino Group who deal with third parties adhere to a strict series of guidelines in each of their decisions.

This Code of Ethics includes the commitment to work only with socially-responsible entities that comply with all the applicable laws and regulations in the areas where they conduct their business, apply ethical codes of conduct and treat their employees with fairness, dignity and respect.

### 2.3.3. Raw Materials

In 2015 alone, Cosentino produced more than 5.5 M m<sup>2</sup> of products, with an intensive use of raw materials such as quartz, resin, micronised silica, clay or feldspar, among others. In selecting and mining these materials, we use the service of suppliers in diverse countries such as the United States, Belgium, Turkey, Italy, Spain, Portugal, the United Kingdom, Germany, Ukraine, Brazil, France, the Netherlands, China, Mauritania, Israel and India.

By geographical area, 72% of our suppliers are multinationals while 28% are local companies located in countries that have the necessary materials to develop our products.

Cosentino Group is aware that our responsibility in relation to products commences with the selection and obtaining of the raw materials. The result of this commitment is the audit plan based on which Cosentino Group undertakes to make on-site checks of the conditions of all its raw material suppliers before starting a relevant business relationship with them. These audits not only guarantee the quality of the products, they also take into account other factors such as whether the suppliers respect human rights, confirm that no child labour is used and ensure that the operating standards correspond with the policies implemented by Cosentino Group.



## 2.4. R&D

### 2.4.1. Commitment to Innovation and R&D&i

Research and Development is a key element that allows us to stand out from our direct competitors and occupy a leading position in the sector. Since the company was first established, it has invested in innovation in order to obtain the best materials. In 2014-2015, global investment in R&D&i amounted to 13.04 M Euros.

Cosentino Group develops and applies the most advanced technology to produce innovative surfaces that contribute to the creation of elegant and beautiful spaces for private homes and commercial establishments. These products provide differential advantages to both architects and professionals in the fields of interior design and construction, and to end users.

The entity Cosentino Research & Development, S.L., which belongs to the Group, is dedicated to R&D and has a multidisciplinary R&D team of more than 34 research staff. It also maintains an active collaboration policy with leading outside experts and institutions in the design, the engineering and the technological fields.

The know-how generated after the completion of several R&D&i projects constituted the starting point for the improvement and growth of the production processes implemented in Cosentino Group, with the direct consequence being the creation of new products with high added value.

- Development of new Dekton® and Silestone® varieties, with new designs and finishes.

- Development of a large number of new surface effects related to appearance and volume.

- Development of new and more competitive product lines, with improved properties.

### 2.4.2. Latest Innovations

**Dekton®, a revolutionary creation that was incorporated into the Cosentino Group collections in 2014.** This is a new ultra-compact surface obtained after more than six years of research and development work in search of the material of the future. Dekton® was created as a result of the know-how obtained through the countless research projects carried out by Cosentino Group. It draws from the porcelain tile, porcelain, glass and quartz surface industries with the aim of analysing the benefits of each of these materials and obtain the best possible materials for the applications we design. The fundamental aspects are its design, physical and mechanical properties, durability and ease of cleaning and maintenance.

Following the development of Dekton®, and due to the excellent properties and characteristics in relation to the format and design possibilities offered by this new material, it has given rise to a wide range of applications in interior and outdoor design,



allowing architects and designers to provide complete solutions in their projects for kitchens and bathrooms as well as in new applications: façades, outdoor paving, barbecue areas or pools.

This commitment has received diverse distinctions such as:

- The **award for the most innovative business project in the field of new technologies at the 2014 edition of the "Business innovation awards"** of the daily economic publication Cinco Días.

- Cosentino Group and Dekton were awarded the **NAN Architecture and Construc-**

**tion 2014 Award** for the best construction material in the paving and façades category.

- **"Crédito y Caución Internationalisation Award"** in the "2014 Project of the Year" category, for the development of Dekton®.

- **"KBB 2014 for innovation in the kitchen"** at the KBB 2014 fair in Birmingham (UK).

- **Janus de l'Industrie award and quality seal** of the French Institute of Design in the components and materials category. These awards are sponsored and recognised by the French Ministry of Industry (2015).



## House of Dekton

Dekton® is a product created with our stone masons and partners in mind, with its easy handling, elaboration and fitting. This versatility has allowed us to present in 2015 "House of Dekton®", a project by the designer Steffen Kehrlé. The 14 sided house is made entirely from this material and achieves an aesthetic combination of its varied and diverse applications.

## Launches 2014/2015

2014

### DEKTON

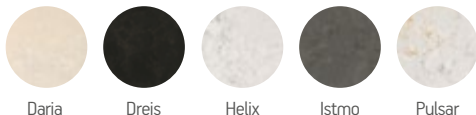
OUR REFERENCES



Aura Edora Irok Kairos Vegha

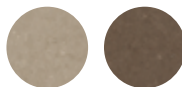
### SILESTONE

June / NEW NEBULA CODE SERIES



Daria Dreis Helix Istmo Pulsar

June / NEW COLOURS

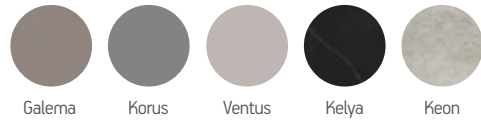


Coral Clay Iron Bark

2015

### DEKTON

May / NEW REFERENCES



Galema Korus Ventus Kelya Keon



Borea Makai

May / DEKTON GRIP

R11 C Easily cleaned surface, apt for use on stairs and wet interiors with an overhang of 6% or greater in interiors with water and agents that reduce anti-slip properties - such as grease or lubricants - and in exterior or swimming pools.

NEW REFERENCES

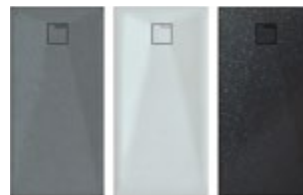


Aura Edora Irok Kairos Vegha

### SILESTONE

March / DUSCHOLUX BY SILESTONE

Cosentino and Duscholux Iberica join forces to create the novel shower tray called Duscholux by Silestone.



May / HD COLOURS

Snowy Ibiza/White Arabesque

June / NEW INFLUENCERS USA SERIES

September / NEW COLOUR

Acqua Fraccaroli

September / NEW NEBULA ALPHA CALYPSO SERIES

Blanco Orion, Phoenix y Ariel.

### SENSA

October / NEW SENSA PREMIUM

### 2.4.3. Technological and Digital Innovation

The world is constantly changing, and new generations are no longer born into a predominantly physical world in which Spanish or English is spoken. Our new generations have been born into a digital world and they speak a "Social" language: social networks are their language and the "Internet of things", their world.

As an organisation, Cosentino Group is committed to the development of its professionals and partners in leading this transformation, with special emphasis on new technologies. During recent years, we have built communication bridges and networks with our principal partners (staff and suppliers). Geographical barriers have been eliminated, allows people to continue to be the main cornerstone of our DNA as part of the Group's expansion plan. The role of technology and digitalisation has been a key element in achieving this.

In this regard, Cosentino Group has set itself the following challenges in order to continue to be competitive in this open world:

- Simplify organisations, unburdening and adapting classic management models.
- Adapting value chains and establishing agile, global, simple processes.
- Facilitating and implementing mechanis-

ms to ensure that our customers are at the centre of our decisions, by actively listening to what they have to say.

- Analysing customer experiences.
- Putting the focus on improving the experience of our staff: skills and motivation are key aspects in retaining talent.
- Analysing talent pools, to adapt to our environment. Cosentino Group collaborates with universities to adapt training plans to the real situation of the company.
- Managing corporate reputation, in order to commit to society. Technologies allow information and transparency to impart justice for those who are socially responsible and those who are not.
- Guaranteeing safety, in both physical and technological terms. In this day and age, information security and potential information leaks are a source of concern and it is essential to prevent cyber-attacks.
- Adapting the technological department, to support business and society, and provide collaborative, transversal tools that will support digital evolution.

With these objectives, in recent years, Cosentino Group has made available to its partners tools such as:

- Communication engines between social players, with specific digital platforms and solutions.
- Employees, and conciliation: remote working, video conferences, digital product



contents and mobility with respect to processes and devices.

- Motivation and professional development: improvement in employee experience, high motivation due to the availability of next-generation tools and management processes. Good practices.

- Customers: Salesforce -Digital Warehouse, Job Tracker.

- Suppliers: supplier portal, self-service access to order management.

- Public administrations: Brazilian Master-saf nota fiscal, Taxware in USA and Canada, Questa web for FTZ Hub guidelines.

- Other applications used by the Group: Success Factors xMII, SAP, O365, Skype for business.



### 2.4.4. Integrated Management System

*"Innovation is everything, a different way of doing things and more important, something that users see as added value. If it had not understood this from the first, Cosentino Group would not be what it is today. Innovation is part of our day-to-day activity, in a constant quest for ways of improving and proposing initiatives that bring about a change in the way things are done. The world is changing faster and faster and we must constantly surpass ourselves"*

**Lorena González Teruel, Product Area Director of Cosentino Group.**

Cosentino Group has an integrated R+D+i management system that has evolved constantly since it was first set up in, with the aim of:

- Defining as accurately as possible the system to be followed to design, develop and then make new product market launches.

- Optimising the management and development model in launching new products from the time an idea/need is generated, to the time of the product launch.

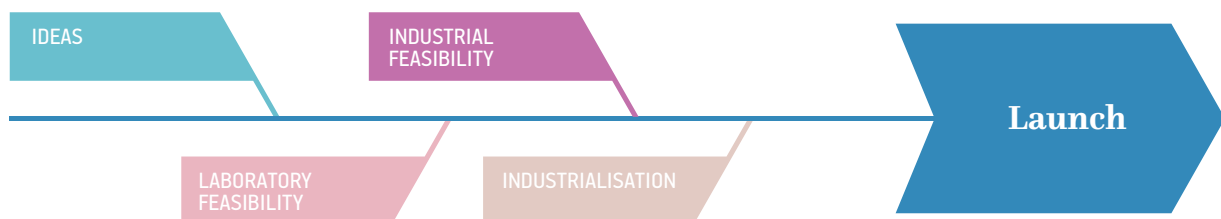
- Create a new global development framework for all projects at the market launch phase.

- Create a knowledge network, internally and among suppliers, customers and interested parties.

In addition, clear channels have been established to ensure that new ideas captured are transformed as precisely and accurately as possible into new products. Some of these tools include the incorporation of our own design team in the product department, obtaining opinions and preferences during visits made to our showrooms all over the world and analysing the conclusions of each fair with respect to new trends and market needs.



Lorena González Teruel,  
Product Area Director of Cosentino Group.



### 2.4.5. Alliances for Innovation

The new products and processes developed are the result of the research effort made by our R+D professionals and cooperation with public and private research centres (universities, technological centres, laboratories, etc.) in a bid to give an important boost to research, led by Cosen-tino.

Some of the main entities in Spain with which the company habitually cooperates are listed below:

- Centro Superior de Investigaciones Científicas (CSIC).
- Centro Tecnológico del Mármol (CTM).
- Centro Tecnológico Avanzado de la Piedra (CTAP).
- Instituto Tecnológico de la Cerámica (ITC).
- Instituto Tecnológico del Plástico (AIM-PLAS).
- Instituto de Ciencia de Materiales de la Universidad de Valencia.
- Universidad Autónoma de Barcelona.
- Universidad de Granada.
- Universidad de Málaga.
- Universidad de Cádiz
- Universidad de Almería.

In addition to cooperation with public re-search centres, in its R+D+i projects the

company habitually works with companies specialising in technology and materials. Thus, depending on the needs of each project, specific cooperation agreements are established with the best technological partners. We work with them to obtain the desired developments, thus guaranteeing optimum project results.

Similarly, through our strategic alliances policy we form a part of the Technological Corporation of Andalusia, set up in 2005 to promote a better alliance between R+D+i and universities, enterprises and the public sector. Along with other leading companies from the region, we have been members of its Trustees Board during its ten years of existence, in which the Foundation has promoted 588 innovation projects with an investment of more than 150 million Euros.

The company also collaborates and partici-pates actively in the Andalusia Stone Tech-nology Centre (CTAP). The CTAP is a private foundation created in 2002, recognised as a national technology centre and approved by the Spanish Ministry of Science and In-novation.

Lastly, we should mention the support received from the Industrial Technological Development Centre (CDTI), a public corpo-ration that reports to the Spanish Ministry of Economy and Competitiveness which promotes innovation and technological development

## 2.4.6. R&D sustainability

### Environmental Product Declaration. Life Cycle Analysis

Cosentino Group was the first company in the quartz surface sector to obtain the prestigious "Environmental Product Declaration" certification for the Life Cycle Assessment (LCA) and carbon footprint of Silestone® Eco Line by Cosentino. Currently, Nowadays there are more than 140 products from more than 100 companies across nine countries which have this certificate

The Life Cycle Analysis is a pioneering tool within the sustainable policies and actions that investigates and assesses the environmental impact of a product or service during all the stages of its existence (extraction, production, distribution, use and disposal).

The purpose of this analysis is to improve efficiency in the use of raw materials and energy and reduce the generation of waste in order to achieve a positive environmental impact.

The ACV also makes it possible to exactly determine the portion of all previous and subsequent activities related to a specific product that entails an environmental risk.

The carbon footprint follows the same line but paying special attention to the analysis of emissions that contribute to climate change.

### NSF

NSF is an independent, non-profit organisation dedicated to safety in the sphere of public health and environmental protection. NSF is a global leader in the development of standards, product certification, education and management of risks for public health and safety.

Obtaining the NSF certificate - and hence the right to use its logo for certified products - is equivalent to performing a toxicological evaluation of all the ingredients of the various products, conducting proficiency testing and successfully passing an annual unannounced audits at all manufacturing sites.

The products of Cosentino Group (Silestone®, Dekton® and Sensa®) are tested, assessed and certified by NSF pursuant to international standard 51.

### Greenguard

Greenguard Environmental Institute is a non-profit organisation whose mission is to improve public health and quality of life through programmes for improving indoor air quality.

Some studies by the US Environmental Protection Agency have shown that the contamination of indoor air may be up to 100 times higher than outdoor contamination levels. In energy-efficient buildings, pollutants tend to become trapped in habitable spaces instead of circulating freely in the atmosphere.

In its aim to product materials that respect both man and his environment, Cosentino

is the first manufacturer of solid surfaces to obtain the Greenguard Certified certification for its products.

This certification programme identifies those products that have been tested to ensure that their chemical and particle emissions according to strict guidelines for indoor air pollutants.

Likewise, Greenguard has another certification, Greenguard Gold. Greenguard Gold analyses the environment towards sensitive individuals, such as children, in schools and other facilities. This certification includes maximum control over requirements related to chemical emissions. Silestone®, Dekton® and Sensa® are tested, assessed and certified by Greenguard, for both the Greenguard Certified and the Greenguard Gold certifications.

### Cradle to Cradle

The Cradle to Cradle certification is an eco label that assesses the safety of products for humans and the environment and design with respect to future life cycles.

this programme includes directives for implementing the Cradle to Cradle operating framework, focused on the safe use of materials that can be dismantled and recycled as technical nutrients or used as biological nutrients for composting. Unlike other eco labels, the C2CPII certification programme assesses the sustainability of the product and the practices used to manufacture it.

The Silestone® Eco Line by Cosentino product is certified by C2CPII, obtaining the Bronze Cradle to Cradle classification. This certification, which was renewed in 2015, is reassessed every two years.



# People

## 3.1. OUR PROFESSIONALS

- 3.1.1. Real and Responsible Commitment to the Staff of the Group
- 3.1.2. Training and development
- 3.1.3. Social Benefits
- 3.1.4. Dialogue with Employees
- 3.1.5. Diversity and Equal Opportunities
- 3.1.6. Health and Safety









## 3.1. Our Professionals

### 3.1.1. Real and Responsible Commitment to the Staff of the Group

*"Talent and people are the key, both at a personal and a professional level. Beyond technology, beyond a good idea, behind a great project, there is fortunately always a human team. Cosentino Group people stand out for their passion, perseverance and versatility – we are not employees who work just to get a paid at the end of the month".*

**Gemma Hernández, Systems and Processes Director at Cosentino Group.**

In recent years, the number of employees in Cosentino has increased in number, from 1,760 employees in 2009, to 3,350 in 2015. This last year alone, 400 new employees joined the company in all parts of the world, more than 50% of them in Spain. Cosentino Group is also committed to quality employment, with 85% of employment contracts being full-time.

People are the cornerstone of our activity, and we are thus well aware of the relevance of the initiatives targeted at our employees. With this focus, in 2014 Cosentino Group launched the strategy project "Great Place to Work", which aims to increase satisfaction, recruitment, internal promotion and employee retention. The result of this initiative was the adaptation of work hours to converge with European hours.

The strategy includes initiatives related to dialogue with employees, improvement in salaries, conciliation, training and occupational safety and health.

#### **Our ADN**

All the Cosentino Group professionals share a global vision and the same DNA based on values such as self-motivation, passion for change or teambuilding. These values are the same for all employees and they accompany us throughout our professional careers.

The Report contains some examples of how all the company employees apply these values in their day-to-day operations.

#### **Innovation**

We act in a proactive way in seeking and implementing creative ideas and solutions, identifying and generating opportunities in different areas.

#### **Global Vision**

We understand the organisation's strategy and focus our action on achieving the objectives of Cosentino Group, at all times knowing and evaluating the impact of our actions on processes and on people.

#### **Partner Client**

We know and understand the contribution of our work to achieving customer satisfaction (external and internal) and focus our activity on the needs of the customer.



**Gemma Hernández, Systems and Processes Director at Cosentino Group.**

**Teambuilding**

We achieve common objectives by aligning our contributions with the global objectives, actively promoting collaboration by eliminating barriers between all tasks and members of Cosentino Group. We create a single team in the Organisation.

**Inspiring Action**

We transmit enthusiasm and a positive attitude, influencing others to get the most from our capabilities. We motivate teams to make sure they achieve their objectives.

**Reliability**

We apply rigour and honesty, carrying out our work in order to achieve the established objectives. We persevere in the face of obstacles or difficulties.

**Self-motivation**

We establish our own goals with determination and ambition, without settling for the required result but seeking to exceed expectations.

**Passion for Change**

We easily adapt to new or changing situations, whether planned or unexpected, and question the established order from a constructive standpoint in order to propose and execute actions that will bring progress.



### 3.1.2. Training and development

Cosentino is aware that training is one of the fundamental pillars of people development, and hence, of the organisations with which we cooperate. The outcome of this philosophy is the development of many initiatives such as the GROW project, launched in 2015, the Impulsa programmes or Cosentino Corporate School, which 2015 celebrated its fifth anniversary.

*"The GROW programme motto is Leading by Example. What does that mean? Literally, setting an example. People development is not generated by processes, tools or forms...but by people helping people. Change is in the way of transmitting knowledge to ensure that it eventually arrives. First came KNOWLEDGE digitalisation (1.0), now it is time for the TRANSMISSION of knowledge (2.0).*

*Why is it different? Because it emanates from people, people who help other people, personal doubts that are transmitted and fuel the knowledge that people need. What was until then disperse knowledge is aligned, passes through GROW, is digitalised and becomes global knowledge of the company and of all its employees, in real time."*

**José Carlos Aranaz, Knowledge Management Director at Cosentino Group.**

#### GROW Project

Cosentino's growth would not be possible without the professional development of the individuals and teams that make up the company. For this reason we are wor-

king on the GROW Project, an initiative that aims to obtain the loyalty of, attract and obtain the best from the people who form a part of the Group. The main objective is to increase the current and future contribution of people, through the development of their skills, and ensure we are prepared to face future challenges.

Its main objectives are:

- to facilitate knowledge-acquisition and the development of the necessary skills to improve results.
- to prepare for future challenges or changes and remain in line with the organisation's objectives.
- to make sure we relate to and assimilate the culture of continuous learning, a project for each and every employee.
- to provide support to any employee, through the resources and systems of their superiors and the human resources team.
- to attract, select and choose the most suitable talent to ensure professional success
- to bring about a change in the company that orientates it towards personal development.

To rise to this challenge, since June 2015 we have been working on identifying potential partners and internal teachers. We have also started work on some of the training needs and have set up multidisciplinary work teams to review and define all the necessary processes. All the above has



**José Carlos Aranaz, Knowledge Management Director at Cosentino Group.**

been done with the objective of setting up this initiative in 2016.

#### Training Department

The Training Area aims to establish a continuous training process for the organisation's staff that will improve their efficiency in performing their jobs and enable them to successfully move to other positions.

Our training policy has the following objectives:

- Personal development.
- Operational efficiency.
- Support to performance.
- Training tools.
- Increased employment options.
- Pride of belonging.
- Employee satisfaction.

The development of internal professionals through the transfer of knowledge and the necessary skills to carry out our activity is implemented through the Cosentino Corporate School, which covers all the Group's training needs. The school has 4 campuses in Cantoria (Spain), Houston (USA), Vitoria (Brazil) and a virtual campus that provides on-line training. It is divided up in accordance with the main employee groups that share similar needs and characteristics: Staff, Industrial and Distribution.

Personal development, tools for training and greater employability are some of the results of this initiative, which is directed towards Cosentino Group employees and collaborators.

During its five years of existence the Cosentino Corporate School has experienced an important increase in hours of training

**Cosentino  
Grow**



LEADING BY EXAMPLE

imparted and the number of students, which has gone from 800 in 2011 to 4,877 in 2015. In 2015, hours of study amounted to more than 82,500, 17 hours of training per student.

### Training Programmes

Cosentino Groups offers a wide range of training programmes for its employees, thus allowing them to benefit from all the advantages of training and helping them achieve professional success in the shortest possible time.

- New employee programmes: specially designed to guarantee the full integration of the new employees and give them the necessary knowledge to carry out their functions with independence and in safety.
- Occupational risk prevention training: this seeks to ensure compliance with the prevention legislation applicable to the different jobs.
- Continuous training: this provides a structured response to the training needs of the business and individual needs that have been identified.
- Language courses: as a consequence of the company's strong international expansion, it is essential for employees responsible for global processes and relations to have a good command of English.

### Training in the United States and Canada

As a result of the Groups' internationalisation, it is becoming more and more important to train our professionals in other countries, using digital technologies. For instance, in 2015 we imparted 40,000 hours of training in the United States and Canada, including 210 new employee plans or training in negotiation for managerial staff. Furthermore, the following training courses were imparted in the region:

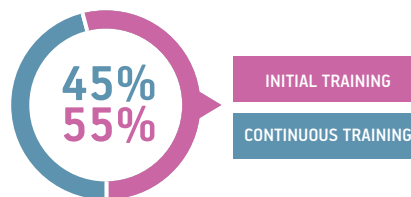
- Training in Houston for Customer Service Supervisors (Fabrication) and in team leading, reinforcement of technical knowledge and best practices.
- Training for distribution and production managers on new business developments, Salesforce, Best Practices, leadership and team leading.
- Training in Houston for Operations Managers to prepare them for their new roles and responsibilities in people management and global operations management of Centers.
- Regional Distribution Conventions with the entire sales force to motivate them, exchange news and reinforce teamwork.

The United States was also the venue chosen for the Group's Regional Director management skills training course, where good international practices were shared in an effort to strengthen ties between the different regions in which Cosentino Group operates.

### Accumulated Training Evolution

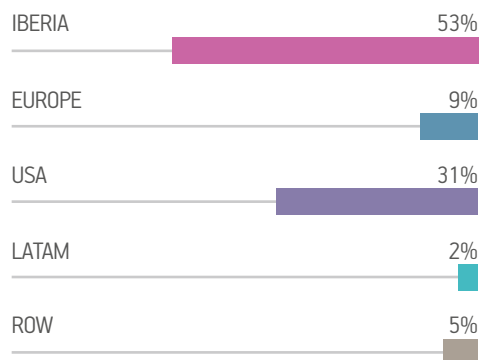


Training 2015	Total
Total hours' training 2015 (Continuous + Adopted)	82.556
Nº of participants	4787
Hours / participant ratio	17,25h

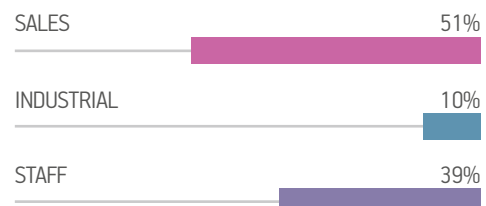


**TRAINING 2015 > 37,249 h.**  
Breakdown of training hours by MARKETS and AREAS

#### MARKETS



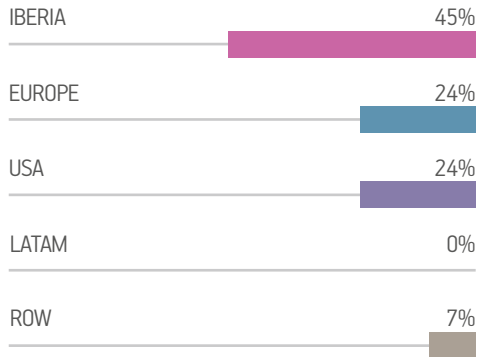
#### AREAS



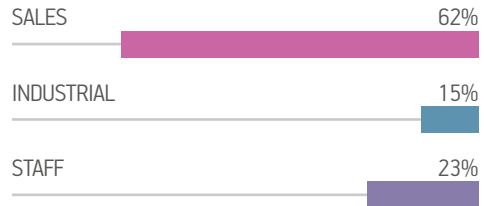
**INITIAL TRAINING 2015 > 45.317 h.**

Distribution of total hours of Finished Initial Trainings

**MARKETS**



**AREAS**





**Integration and Development Programmes**  
**Impulsa Graduate**

Created in 2013, this programme is aimed at young people who have finished or are in their last year of a university degree programme who have an outstanding academic performance and are able to carry out their activity in several languages and willing to rise to challenges with imagination and enthusiasm.

It offers a remunerated 12-month programme that combines a training plan and the development of skills and knowledge in different areas of the business with the assignation of real professional responsibilities and an international location option, allowing them to progress in their professional career.

The third edition of the programme ended in September 2015, with the participation of 37 young people. Since it was set up, more than 90 people have taken part in this initiative, and 80% of them have joined our company.

**Executive by Impulsa**

This is an executive development programme that will be launched in 2016. The programme will offer professionals with managerial experience the opportunity to take part in the Cosentino Business Model and develop know-how and skills in managing a business unit.

**FP Impulsa**

This programme is targeted at young people who have studied Occupational Training courses and its objective is to offer traineeships in different functional areas such as Automation and Robotics; Finance; Information Systems; Electrical Installation and Maintenance of Machinery and Line Conduction; Analysis Laboratory and Quality Control; Electromechanical Maintenance and before, Industrial Mechatronics in a setting that allows them to put into practice the knowledge acquired in the classroom. The number of participants in this programme in 2014 was 29, 17 of whom are now working at Cosentino Group. In 2015, FP Impulsa had 35 participants.

**Training Programs**



INTEGRATION



LEARN TO LEAD



PREVENTION



STONE  
AGGLOMERATES



LANGUAGES



DEKTON

### Cantera Programme

This is an integrated training programme lasting 2 months that combines technical and practical elements and is aimed at preparing future operators to facilitate their full integration into the job market.

Three editions of the Cantera Programme have been organised with 70 participants, 58 of whom are now working in the Cosentino Group facilities.

### Occupational training

In 2015, around 60 students have participated in some of the Occupational Training cycles imparted by Cosentino Group since 2008, due to the strong demand for this type of profile: Intermediate cycle in Electromechanical Maintenance and Advanced cycle in Mechatronics.

Thanks to the IES Business School Juan Rubio Ortiz de Macael and the Cosentino Corporate School, the students were able to enrol in the above training cycles, receive an official certificate and work as trainees in the Group or opt for any of the regional remunerated grants offered every year to newly-qualified students. A high percentage of these students end up working for our company.

### Other Initiatives

Within the framework of the strategic project "Great Place to Work", other activities were carried out such as:

- Specific training plans for Account Managers.
- New employee incorporation process.

COSENTINO  
impulsa

COSENTINO  
impulsa FP

  
CANTERA  
COSENTINO

COSENTINO  
IMPULSA  
EXECUTIVE



Impulsa Program Third Edition 2015/2016

### 3.1.3. Social Benefits

*"Having the opportunity to combine my dedication to my family with the satisfaction of having a successful professional career is one of the most motivating and satisfying elements for any employee. For this reason, the fact that Cosentino Group is progressing in this area by taking measures adapted to each different location demonstrates its awareness of the future and of the needs of all those who work in Cosentino".*

**Ignacio Calvo, Talent and Development Organisation Director**

#### Work environment survey

The opinions of our employees are very important to us. For this reason, in 2014 the First Global Work Environment Survey was launched involving all the Group's employees in more than 30 countries.

The results allow us to confirm that employee satisfaction is high, reaching 7 points out of 10. On a global scale, the aspects most appreciated were the prestige and image of Cosentino Group as an employer (7.9) and the work environment (7.9).

The Survey allowed us to identify areas for improvement such as internal promotion or measures for achieving conciliation between family and professional life. In 2015 we set up action plans based on the results of the Work Environment Survey. The geographical data allowed us to adapt our improvement actions to the specific characteristics of each geographical area. In 2016, Cosentino Group will continue to

integrate the opinions of its employees with the implementation of the second Global Work Environment Survey of the Group.

#### Other initiatives

##### Cosentino Employees Club

This platform allows all those who work at Cosentino Group to access benefits, discounts, promotions and exclusive offers in their travel, technological or restaurant purchases. The platform is adapted to the interests of employees, with offers that are perfectly in keeping with their needs.

##### Flexible Remuneration

Cosentino Group intends to adapt the remuneration to the needs of its employees, through flexible salary plans that enable the company to organise the income of the persons employed by the Group.

To that end we have set up informative campaigns and tax optimisation measures in all countries in which this is possible. In countries such as the United States, Spain or Belgium, these tax optimisation services are already available and we have conducted studies for their implementation in the other countries.

##### Work-life balance

Balancing work with family life is key for the well-being of our employees. Cosentino Group is aware of this reality and has put into practice measures such as voluntary hours adapted to the needs of each employee and job, or the installing of nurseries in major work centres.



**Ignacio Calvo,**  
Talent and Development Organisation Director

### Cosentino Employees Club



LEISURE



HEALTH



TRAINING



SAVINGS

### Work Environment Survey

	CANTORIA FACTORY	CANTORIA STAFF	IBERIA	EUROPA Y EXPORT	USA	LATAM	TOTAL	PARTICIPATION RATE
Nº people	93	158	41	90	397	82	861	34%
Overall satisfaction	6,6	6,7	7,0	7,1	7,1	7,1	7,0	

Nº people: 861

Cosentino's level of acknowledgement gives me professional prestige.	7,6
Looking at the company from the outside, I think Cosentino is an appealing place to work.	7,9
Cosentino offers me the chance to develop my professional skills.	7,0
Cosentino offers the chance to hold different responsibilities over the course of your career.	7,3
Cosentino has internal promotion processes and access to clear vacancies open to all staff.	6,6
Cosentino has channels available for me to communicate and transmit my concerns.	6,7
I feel comfortable in my workplace.	7,4
I have all the appropriate tools available an in perfect condition for performing my job.	7,0
The work environment is clean and tidy.	7,9
I have common areas well equipped for satisfactory use.	7,6
The company takes care to offer me an attractive bonus package beyond my salary.	6,6
I am aware of the tax relief options on offer to me from the company.	6,3
I think the company acknowledges loyalty and commitment to Cosentino.	6,6
I believe Cosentino is a unique and global project.	7,2
You would advise someone close to you to come and work for Cosentino.	7,4
Cosentino allows me to reconcile my working life with my family and personal commitments.	6,0
The company promotes activities for improving relationships between colleagues.	5,4
<b>OVERALL SATISFACTION</b>	<b>7,0</b>

### 3.1.4. Dialogue with Employees

*"Cosentino Group has identified the need to maintain its principal values, by encouraging its employees to cooperate with their fellow workers. Interaction is vital for success and Cosentino Group has established a standard that functions in the form of a forceful and vibrant platform: our Internal Social Network: Chatter".*

**Neil Trevor Sterley, General Manager Cosentino South Africa**

#### Cosentino Ideas

This programme is a good example of the importance for the company of the participation and the needs of each employee and their positions, and their ideas regarding new products and business. Every year, the initiative receives more than 200 ideas submitted by our employees.

The employees have a platform in which they can vote for their favourite proposals and monitor them. The Committee evaluates all the ideas twice a year and awards a prize for the best ideas, which are then assigned to a manager and put into practice.

*"All proposals for improvement arising in day-to-day operations at Cosentino can be converted into an idea and participate in the programme".*

**Teresa Robles, winner of the June 2015 edition of Cosentino Ideas, with the project entitled Industrial Estate Model.**

#### Internal Magazine One

**One Cosentino Magazine** is an internal magazine published every six months, with the mission of uniting the Group's employees and bringing them closer to each other. Cosentino Group has implemented this global internal communication tool because of the geographical dispersion of its employees. The publication, with a circulation of 3,500 copies, is targeted at all our staff and allows the Cosentino Group employees to relate to each other, converting them into the key players, as they are responsible for proposing and writing the articles.

The Internal Communication and Corporate Identity Observatory promoted by the consulting firm Atruvia, the magazine Capital Humano and IE Business School, have declared the internal publication '**Cosentino One**' the best offline publication on Internal Communication in 2015.

#### Corporate Intranet

We have an on-line portal or Intranet in which we post and share the main news items every day. This channel allows us to keep abreast of corporate news at all times. It is also used by each department to post their procedures and tools.

#### E-mail Communications

The use of the e-mail enables us to quickly and immediately communicate with our employees. In 2015 more than 240 internal communiqués from the different



**Neil Trevor Sterley,**  
General Manager Cosentino South Africa

**one**  
COSENTINO MAGAZINE



people take part on each occasion. The families visit our offices, the showroom, the auditorium, the Dekton® and Elaborated Products factory and the industrial park. In addition, Cosentino North America celebrated this event for the first time close to the US national holiday of the 4th of July: more than 42 children visited the corporate offices in Sugar Land, Texas.

#### Management Breakfast Meetings

Every month, we invite a Group director to talk to the employees from the different plants of Cosentino in order to find out their opinions. In 2014-15, we organised 22 talks with directors from different areas, covering various topics such as Health and Safety, Training or Strategic Projects.

#### Gamification (competitions and draws)

This initiative promotes the participation of the employee in the form of a competition or draw in topics related to the company or the latest product launches. The latest competitions organised were "Do you know what the latest Dekton® Colours are?"

*"The dialogue established between Cosentino Group and its employees reflects transparency and trust in its employees. To allow this dialogue, the company offers tools such as continuous training, rotation in different posts, equal opportunities, weekly talks... Keeping these tools active and properly managed help us ensure that our personnel are committed 100% to the company".*

**Tomás Conesa, Silestone O Production Manager**



**Tomás Conesa,  
Silestone O Production Manager**

#### Family day Fifth Edition 2015





Silestone 25 Anniversary Celebration



### 3.1.5. Diversity and Equal Opportunities

#### Diversity

Our employees are a fundamental pillar in creating value, allowing us to maintain our leading position and enhance our vision in taking decisions.

The company currently has a staff of 3,350 employees belonging to 52 nationalities, with the majority being Spanish, followed by the US and Brazilian nationalities.

#### Equality policies

All the policies that regulate the processes and procedures of Cosentino Group are in keeping with the lines set by the Equality and Diversity Plan in terms of recruitment, staff selection, communication and training.

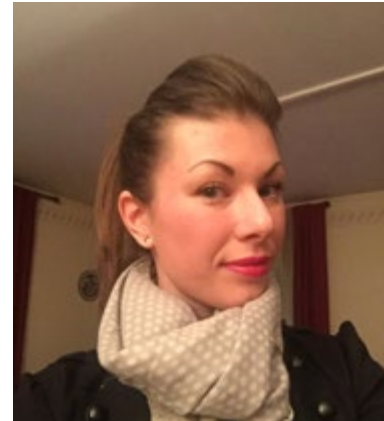
The company assumes the following commitments with respect to the internal Equality and Diversity Policy:

- Consolidate access by women to management posts.
- Incorporate equality in a proactive way in people management and in advertising and marketing policies.
- Collaborate with entities that favour the integration of women into the job market.
- Assign neutral titles to positions.

- Incorporate equality into the staff selection process of our partner companies.
- Arouse awareness among those responsible for staff selection on equality and non-discrimination.
- Promote feminine candidates for positions in which women have a scant presence.
- Consolidate the balanced assumption of family responsibilities.
- Commit to balance between the professional and family life of our employees.
- Prevent or resolve any situation of harassment or discrimination due to reasons of gender.

*"We all have different cultures and mixing them allows us to learn from each other as well as new ways of thinking. Nothing is more rewarding. I think Cosentino has understood that there are no stereotypes; for instance, allowing a young woman to become a Managing Director. When you motivate a person and give them an opportunity to progress and test him/herself, then it works! It makes no difference whether you are a man or a woman, how old you are or where you come from. This is what I really appreciate about Cosentino's way of thinking."*

**Julie di Cocco-Panier, General Manager Cosentino Paris**

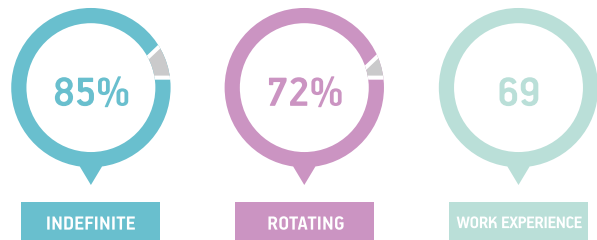
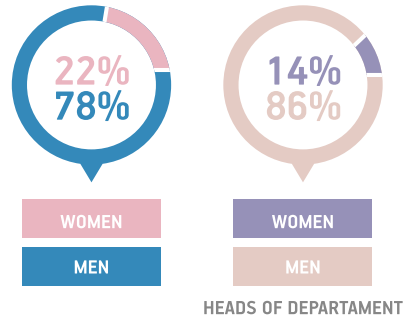
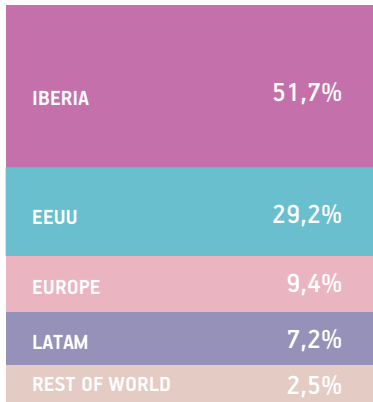


**Julie di Cocco-Panier,  
General Manager Cosentino Paris**

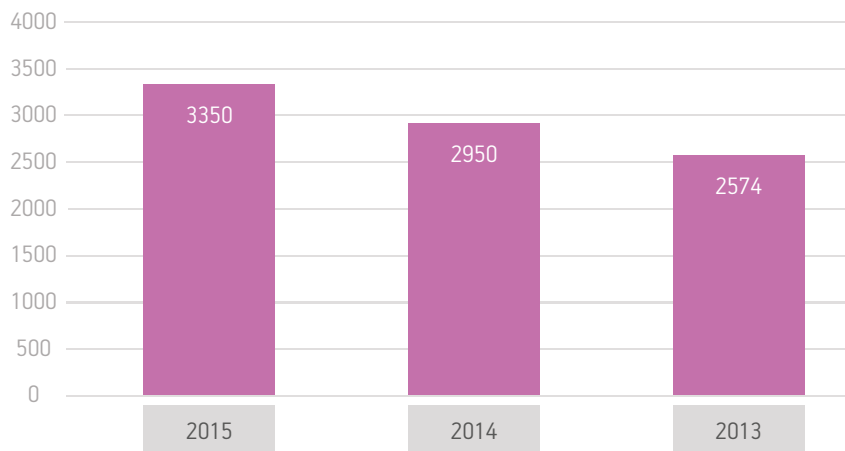
### Employees

Professionals 3.350

Average age: 38 years



### People in the Organisation



■ Nº of employees

### 3.1.6. Health and Safety

*"Our people are our best asset and the most important competitive edge we have. We must ensure they work in a safe environment and that they safely return home to their families every day. It is very important for everyone to get involved and our programmes make health and safety constant priorities in our day-to-day routines.*

*I think we have two main challenges, the first is our rapid growth and the second is ensuring that our staff never becomes complacent, as this is when accidents occur."*

**William Baker, Logistics Vice-President USA**

With our fully fledged commitment to protecting the safety and health of employees, contractors and clients, various Leadership Programs for Safe Working Conditions have been implemented by the management team. These consist of training programs such as Think Safety, the Safety Champion Project. Both programs were implemented on a global scale in 2015.

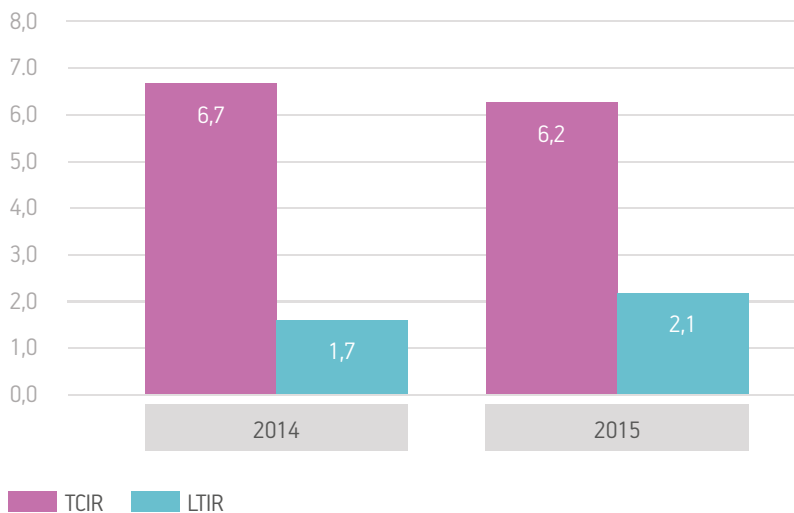
**Key dates:**

The results with regards to safety were measured according to the Accident Frequency Rate (AFR) and the Total Accident Rate (TAR). The Cosentino Group finished the year 2015 with an Incidence Rate of the Total Number of Accidents at 6.2%, which is a reduction in the number of Accidents for every 200,000 hours worked,



**William Baker,**  
Logistics Vice-President USA

#### Frequency Rate Evolution 2014/2015



*\*TCIR. Defined as the Total number of Accidents relating to work occurring during the period of a year for every 200,000 hours worked.*

compared to the previous year's 6.7%. It is important to stress that the levels of accident rates which result in sick leave, where the worker is temporarily unable to work, remain very low, at close to 2%. It will be important to maintain this standard in the coming years

### Think Safety Cosentino

Cosentino Group is responsibly committed to the health, safety and well-being of its employees. To prove the above and put it into effect, we have prepared seven fundamental principles that must govern all the company's activities:

1. Attaching maximum priority to the health of our employees and of our suppliers and partners.
2. Guaranteeing that all our processes comply with the law and other requirements assumed voluntarily by our company.
3. Allocate the necessary resources to ensuring a safe and health work environment.
4. Promoting a preventive culture through training and dissemination.
5. Improving our day-to-day management system to ensure the effective integration of health and safety criteria throughout the value chain and the organisational structure.
6. Informing customers, suppliers and visitors of our firm commitment to safety.
7. Making these policies known to the whole organisation and to all interested parties.



Photo Contest "Leading by Example" 2015, by Gema Navarrete

In 2014 the Think Safety programme was implemented, addressed to the members of the Executive Committee and sent out to all the parties to which it was addressed.

In 2015 the Think Safety II Leadership programme was implemented, for middle management, and with 73% of the target public taking part.

#### Other Initiatives

##### Cardinal Rules

A tool to prevent work accidents based on an analysis of incidents occurring during recent years, for the purpose of developing a series of key conducts that all Cosentino employees must strictly comply with.

##### Operational Control

To maximise risk assessment, the Group has implemented a series of permits to work before the execution of any non-habitual work.

Lastly, to encourage employees to ensure their own safety, the company has designed a Previous Work Self-Assessment tool.

##### Informal Inspections

Informal inspections are intended to promote and ensure the correct use of information on potential risks that could be detected by employees in carrying out their usual jobs.

The informal inspections will be conducted by any worker when, during the course of their work, they observe a situation of risk and report it to the responsible member of staff.

##### Safety Tours: Safety visits by Senior and Middle Management

A Safety Tour is a brief visit to a department or work area by a director or area manager during which a DIALOGUE is established with the employees regarding safety awareness, focused on conducts that are correct or incorrect.

##### Preventive Safety Observations (PSO)

PSO are carried out on plants by middle management every month. The execution of the PSO involves an indicator that is reviewed during the respective monthly meetings.

##### Planned Inspections: Balance scorecard

Planned safety inspections are organised for the purpose of identifying dangerous conditions and unsafe acts before they cause an accident. Such inspections make it possible to establish corrective measures to prevent accidents from occurring and they are conducted every quarter.

##### Safety Champion

The Safety Champion programme is a successful initiative set up in distribution warehouses (Centers) in the USA. In 2015, it was globally implemented throughout the Group.

The Safety Champion is a person who has been designated by the central Management Team to promote safety and healthy working practices in the various places of work. To do this, the person must demonstrate a special commitment and possess experience and knowledge on the proce-



dures of safety in the workplace, which will allow them to instil a sound understanding of Safety in the Workplace, not only in employers, but also in suppliers, contractors and clients.

#### **SIPAT Latina 2015**

In 2014, from 7-10 October, the Internal Week for the Prevention of Accidents (SIPAT) took place in Cosentino Latina. For one week, different conferences were held, covering topics ranging from awareness of occupational affairs to topics related to the health and safety of workers.

In 2015, the 8th edition of SIPAT was held from 5-9 October in Brazil. This was a special year as we wanted as many members of the staff of the plant in Brazil, including the factory, sales and staff, to become involved. To arouse awareness on the importance of prevention, a multidisciplinary team took part in these conferences, including occupational doctors, nurses and traffic police inspectors.

Brazil was the site in which other activities related to the health and safety of our employees were held, such as the health support programme, the flu vaccine campaign or the road accident prevention campaign.

#### **Other Initiatives**

Promoting health lifestyles and work on mental and physical health is another real commitment of the company with respect to its employees, and is expressed through the following programmes:

- Protocol of assistance in sports activities. This establishes the granting of aid to employees taking part in regulated sports activities.
- Cosentino en Marcha. A race or walk organised every year for Cosentino employees from Cosentino and their families.
- Health talks. Cosentino Group offers its employees health talks on healthy diets or the healthy effects of giving up smoking.
- Safety and hygiene standard. Cosentino Group has many projects in progress for the purpose of improving health and safety in workplaces.



Photo Contest "Leading by Example" 2015, by Juan A. Pardo







# Planet

## 4.1. COMMITMENT TO THE ENVIRONMENT

- 4.1.1. Real and Responsible Commitment to the Environment
- 4.1.2. Atmospheric Control
- 4.1.3. Water
- 4.1.4. Waste Management and Evaluation
- 4.1.5. Landscape Restoration.
- 4.1.6. Biodiversity
- 4.1.7. Environmental Risk Management
- 4.1.8. Energy Management
- 4.1.9. Training and Participation
- 4.1.10. Sustainable Architecture

## 4.2. COMMITMENT TO THE COMMUNITY

- 4.2.1. Real and Responsible Commitment to the Community
- 4.2.2. Real and Responsible Commitment to the Stakeholders
- 4.2.3. Real and Responsible Commitment to the Sport
- 4.2.4. Real and Responsible Commitment to Education
- 4.2.5. Real and Responsible Commitment to Culture
- 4.2.6. Real and Responsible Commitment to Architecture







## 4.1. Commitment to the Environment

### Real and Responsible Commitment to the Environment

Cosentino Group has always been committed to the territory and our natural environment. This commitment, together with the necessary processes and tools, has given rise to our Management System which covers the main environmental aspects related to our activity. A tool that is doubtless the cornerstone of environmental control and monitoring, that allows us to go beyond mere compliance with legislation, in order to reduce our environmental impact and improve our relations with the environment. The system is certified in accordance with the international standard ISO 14001:2004, with certificate number ES054049-01.

Cosentino Group's strong commitment to this essential area is summarised in the following principles:

- Continuous improvement of processes and final products, using the Environment and Quality Management System as a tool.
- Guaranteeing compliance with environmental regulations and the requirements of the market and society.
- Efficient and rational use of resources and the adoption of more appropriate management systems for the waste generated, and control procedures of the environmental aspects.

- Taking the necessary measures to prevent possible contamination of soil, air and water, so that operations are conducted in a manner that respects the environment.

- Development of the involvement and awareness of all employees in environmental protection and respect as a guarantee of the success of the Environmental Management System.

Among other measures, we should mention that all the Cosentino Group factories have the respective Environmental Permits to guarantee compliance with the applicable regulatory framework: production and management of waste, water emissions, atmospheric emissions, soil contamination and all the sector-based legislation that affects our production processes.

The spirit of continuous improvement that characterises our company has allowed our commitment to be extended to Sustainability. Cosentino Group is currently implementing a management model that favours the balance between economic issues and environmental and social aspects arising from its activity, using a focus in which the role of our stakeholders is key in identifying the main areas of influence.

Our objectives over the next five years is to continue our pioneering efforts in the application of environmental provisions, improve environmental aspects linked to our activity by fostering sustainability stra-



tegies and work on projects for improving the work environment.

*“The construction sector is responsible for one-third of the world’s energy and one-fifth of global emissions. This could be doubled or even tripled by 2050. It is our responsibility to be lucid and courageous and identify aspects that need to be changed and recognise important challenges on a global scale and based on local diversity. It is absolutely vital to propose specific objectives with respect to this trend”.*

**Manifiesto Green Building Council Barcelona 2014**

#### 4.1.2. Atmospheric Control

Cosentino Group is aware that the impact of the atmospheric emissions of Cantoria industrial park is one of the vectors with the greatest environmental impact in our business activity worldwide. The Group is committed to the constant development

of the best available technologies (BAT) in air treatment systems, in regard to capturing particles, volatile organic compounds (VOC) and greenhouse effect gases.

The company has a robust, efficient system that allows us to guarantee control over more than 50 emission points subject to regulatory and voluntary controls, and monitor diffuse emissions, suspended sediments and noise emission levels. We have set up the appropriate treatment systems to reduce emissions generated in our facilities.

As for monitoring greenhouse gas emissions (CO2) and compliance with international conventions such as the Kyoto Protocol, we have implemented an energy consumption control system and annual emission checks are carried out by an independent collaborative entity. In 2015, total CO2 emissions amounted to 14,495 tons, representing a reduction of 9% compared to the previous year.

DIRECT EMISSIONS / *Absolute (Kg/year)	2014*	2015*
Carbon monoxide (CO)	74.912	168.035
Nitrogen Oxides (NOx/NO2)	1.679	57.751
Sulphur Oxides (SOx/SO2)	3.023	12.527
Lead and compounds (Pb) 7	7	-
Fluoride and inorganic compounds (HF)	-	-
Total Suspended Particles (TSP)	31.400	15.740
Total Organic Carbon (TOC)	21.174	38.295

Cosentino Group maintains specific programmes to register and reduce fugitive emissions, and all Silestone® manufacturing plants have regenerative thermal oxidation installations. This system is based on the use of heat exchangers in the form of ceramic blocks facilitating the combustion of the organic compounds and hence improving the treatment cycle. We also continue to work on minimising dust emissions to the atmosphere during the receipt, storage, transportation, dosing and mixing of crushed and micronised materials.

#### 4.1.3. Water

The region of Almería, where our activity is based and where our main industrial park is located, is characterised by its low rainfall levels, and this obliges us to follow a strict integrated water management policy. Our history, which is rooted in this region, has led to a firm commitment to making good use of water on our premises, and this policy is applied in the rest of the company's facilities all over the world, thereby

promoting the sustainable use of this natural resource.

The operating areas monitoring by the company include the improvement and modernisation of water treatment plants, the reuse of water in production and in plants, the supply of quality hot water and the optimisation of water consumption in green areas.

#### Reuse of Water in Production Cycles.

In our bid to implement a "Zero Emissions" policy, we promote the processing and treatment of the water used in all our industrial processes, through closed-circuit water treatment plants that permit the re-entry of water from production cycles. Another important example is the reuse of surplus water treated between processes, which allows this water to be used again in other cycles instead of being disposed of in the drainage network. Such actions have led to the recycling of more than 10 hm<sup>3</sup> of water in 2015 alone, meaning that we were able to harness 2% of all recycled water.

### Reuse of Water



Recycled water 10.122.290	Subterranean water 161.439	Supply network 21.421
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#### 4.1.4. Waste Management and Evaluation

Cosentino Group follows a strict policy for the disposal of dangerous and non-dangerous waste. In this respect, it applies the so-called 3R strategy:

- REDUCE the quantity of waste that is generated in the workplace.
- REUSE all waste that can be reused.
- RECYCLE, a task carried out by Cosentino throughout its value chain.

It demonstrates this commitment by separating, recycling and correctly managing waste at the “clean points” distributed throughout its industrial facilities. Cantoria industrial park has more than one centre for storing and transferring Non-Dangerous waste and a Temporary Dangerous Waste Storage Site. Both sites are correctly conditioned and equipped with all the necessary environmental prevention and safety measures. In 2015, the company generated 157,261 tons of waste, As regards dange-

rous waste, Cosentino has set up processes for the recovery of 65% of the total volume generated.

The waste management area includes the cleaning of production areas and the exterior of the plants and workshops. In this regard, we are committed to improving methods, through a complete and modern road cleaning service that allows us to keep the factory premises in the best possible condition.

To guarantee and control potential effects that our processes might have regarding protection of the ground and subsoil, the company has implemented and successfully passed a series of quantitative and qualitative analyses to assess the risk of contaminating ground water that could be affected.

#### Assessment of Waste from Byproducts

Waste assessment is one of our main commitments, an example of that is the recovery in new processes of 100% of surplus

TOTAL WASTE GENERATED (TN)	2015*
Non-hazardous Re-use	4.337
Non-hazardous Recycling	1.286
Non-hazardous Disposal	150.229
Hazardous Recovery	912
Hazardous Disposal	497

white stone waste generated in production processes and the Silestone® Eco Line by Cosentino series, created with more than 50% of recycled materials.

The work lines include the development and production of new materials from waste generated during the different production processes of the company that can be sold as they are or in the form of new products. In 2015 we have developed a strategic project in the field entitled "New eco-friendly surfaces for construction and building"..

Within the various facets of the project can be found the new Silestone® Eco Line series, which can be described as a recycled surface for building and sustainable designs. In this respect, the Life Cycle Analysis of our products is key to the project. It is also key that sustainability is a given importance right from the conception of new designs.

Silestone® Eco Line is our greatest achievement in the field of innovative and sustainable products. This revolutionary and eco-friendly product is made from at least 50% recycled materials, including porcelain, glass, mirrors and vitreous ash. These recycled components, coming from industrial processes or post-consumer recycled material, are combined with the remnants of natural stones, which are then mixed with a resin of plant origin.

Silestone® Eco Line has been given the Cradle to Cradle certification, underlining that is an efficient system, which has been

approved and checked according to standards and which supports complete recycling and sustainability. Similarly, since the year 2011, we have enjoyed the Environmental Declaration of Product Quality for our Cycle of Life Analysis and the minimal carbon footprint produced by Silestone® Eco Line, making us the first company in the world in the quartz countertop sector to obtain this certification

#### 4.1.5. Landscape Restoration

We perform restoration work in all the areas where we carry out mining activities. In particular, we cooperate in restoration plans for quarries and dumps in the region of Macael (Almería) for the recovery of their landscape and environment.

Our environmental performance in quarries pursues the recovery of spaces for the landscape integration in the environment. This is done through different practices such as slope stabilisation, minimisation of tips or control of natural erosion.

In recent years, work has been done on the ecological restoration of excavated slopes during the extension of the Cosentino industrial park, in which more than 50,000 m<sup>2</sup> of the surface was treated. These and other investments have made it possible to generate topsoil using various native plant species from this area.

#### 4.1.6. Biodiversity

The location of the main plant facilities of Cosentino Group, as set out in the Declarations of the Directorate-General for Natural Spaces, do not affect any areas that require special protection.

In particular, the industrial park in Cantoria, Almería, is not located in any protected space belonging to the Natura 2000 network, and is not declared a Zone for the Special Protection of Birds or a Community Interest Site or included in a list of community interest sites of the Mediterranean Biogeographical Region, and thus poses no appreciable environmental risk to natural habitats and to wild flora and fauna.

#### 4.1.7. Environmental Risk Management

Environmental risk management is essential in the day-to-day activities of our manufacturing facilities. For this reason we have provided the Cosentino industrial park guard service with an operational management tool that permits the control of the facilities and the detection of potential environmental incidents.

The tool is completed with the protocol for reporting and resolving environmental alerts, thus allowing each incident to be monitored until its final resolution.



#### 4.1.8. Energy Management

We are committed to efficiency in using energy and the use of more sustainable energies. The electricity consumed in the production processes of Cantoria industrial park (2015: 79 MWh) has a "green" origin warranty certificate issued by the National Energy Commission.

Furthermore, in recent years the following measures have been implemented to increase the energy efficiency of our facilities:

- Implementation of a system for monitoring energy in industrial processes.
- Intensive use of joint applications: frequency converter and electric induction engine to optimise and minimise operating costs.
- Use of electric vehicles by factory staff for internal transport in the industrial park.
- Development of the necessary infrastructures to supply natural gas in all processes that require this type of energy.
- Multidisciplinary teams in each production facility to implement actions for improvement in relation to energy.

#### 4.1.9. Training and Participation

The Group engages all its employees and co-workers in environmental protection through meetings, talks and training sessions. During the past two years, 500 partners have attended the following environmental management activities:

- Informative meetings and training sessions to arouse awareness on the environmental responsibility of each employee in their daily work.
- Forums through which employees reveal and propose experiences and good practices with regards the environment.
- Environmental training courses for employees and managers
- Talks for architects.
- Inclusion of environmental training in employee welcome programmes.
- Environmental micro-forums.

Cosentino's commitment goes further than direct action, and so it has set up actions to implement sustainable practices related to the mobility of employees and contractors. The sustainable mobility plan, for instance, promotes the use of collective passenger transport and other improvements such as the renovation of the electric vehicle fleet, the provision of more than 5km of bike lanes and improvements in the industrial park road signs.



#### 4.1.10. Sustainable Architecture

##### Green Building Council Manifesto Barcelona 2014

On occasion of its commitment to sustainability, Cosentino Group participated as a GOLD sponsor at the World Sustainable Building Conference (SB14 World Barcelona) which took place from 28-30 October at the Palacio de Congresos de Catalunya (Barcelona). The 'World Sustainable Building' Conference is the largest gathering on sustainable building in the world, and is where the most important and influential international institutions in the field come together.

Cosentino Group had a stand at the Innovation Fair held organically simultaneously, and sponsored two debate sessions:

- 1) "Access to sustainable, ecological homes for low-income families". This session, organised in conjunction with the non-profit organisation Make it Right, was attended by its Executive Director Tom Darden and the Foundation Construction Director, Craig Turner. The panel was joined by American architect John C. Williams, founder of the architecture firm of the same name based in New Orleans, and Valentín Tijeras, Cosentino's Product and Innovation Director.
- 2) "Influence of design in the implementation of sustainable processes in the retail industry, franchises and hotels". The debate featured the Architect David Iglesias; Maria Teresa Valiño, from Valora Consulto-

res; the expert in Energy and Sustainability in International Hospitality Projects (IHP) Luis Ortega Cobo, the Marketing and Communication Director of Cosentino Group Santiago Alfonso and was moderated by the Architect Adelina Salinas.

##### C Magazine

Through the "C -Architecture & Everything Else" magazine, Cosentino Group contributes to the field of architecture via the communication area, helping to disseminate innovations, designs and projects that help make the world more attractive and sustainable.

It is dedicated to readers involved in the construction discipline and readers who are not. Since it was launched in 2014, three issues have been published every year.

##### Third BioLEED Conference at Construmat 2015

Cosentino Group took part in the conference entitled "Sustainable architecture with new Cosentino products. ECO® by Cosentino" at the third BioEconomic® LEED® Certification Conference, organised at BBB Beyond Building Barcelona -CONSTRUMAT 2015. This event had the objectives of explaining, disseminating and contributing a global, innovative and modern perspective to the environmental challenges existing in relation to sustainability, the economy and environmental protection.



### Other Initiatives

The company has taken part in the start-up and development of the following projects:

- Creation of a book on Sustainable Architecture edited by McGraw Hill.
- Construction of bioclimatic home R4 House built from recyclable materials and zero energy consumption.
- Contribution of material for the Lliri Blau housing development in Massalfassar, Valencia developed to convey sustainability criteria.
- Participation in the Masters in Sustainable Architecture promoted by ANVIF.
- Construction of real multimedia ecological home ECO-BOX.
- Sponsoring the 5th Sustainable Architecture Conference held in Construmat, Spain.
- Ministry of Housing Conferences: "Architectural Visions", Spain.
- GOLD sponsor at the "World Sustainable Building" Congress 2014.
- Sponsor-Partner of the Architecture and Society Foundation.
- In addition to being the main sponsor in the BE-GREEN project, an ecological home promoted in France by the publications Avivre and Ecologik.







## 4.2. Commitment to the Community

### 4.2.1. Real and Responsible Commitment to the Community

*"The involvement of Cosentino Group in our municipality is certainly noticeable, in the social, cultural and sports areas. We are fortunate to be able to have a family of entrepreneurs, the Cosentino family, that has decided to invest here, generating wealth, jobs, innovation and prestige around it. They could have done this in any other part of the world, even in a country with much higher profit margins, but they chose to do it here in their home town, through a commitment to their fellow countrymen."*

**The Honourable Raúl Martínez, Mayor of Macael (Almería)**

*"In my opinion, the adjectives used to describe this great company are proximity, work, effort, sacrifice, willingness, humbleness and being able to hold on when the going gets tough. All these things make Cosentino an essential support on which our region can rely to overcome the present difficult situation in order to obtain a better future for everyone."*

**The Honourable Antonio Martínez, Mayor of Olula del Río (Almería)**

The Group's commitment to Almería goes well beyond a mere business relationship. Almería is our home, its inhabitants are our neighbours and the preoccupations of the region are also ours. As well as generating wealth for Almería, we take on the res-

ponsibility of generating well-being for the citizens of this region. Due to all the above, we actively engage in cultural, sports and social activities.

Some of the initiatives set up in 2015 to respond to this commitment are:

#### Andalusian Public Foundation Collaborative Agreement for Social Integration

In 2015, we signed a collaborative agreement with Andalusian Public Foundation for the Social Integration of the Mentally Ill (FAISEM), thanks to which members of the foundation were able to work as trainees in the company. Several professional tutors were designated by the Group to oversee the supervision, technical support, monitoring and assessment of the persons taking part.

#### Food and Toys Collection

In December 2015 we set up a solidarity campaign involving all our employees (head office) in a collection of non-perishable food and toys to be shared among needy people from the municipalities of Fines, Cantoria, Albox, Olula del Río and Macael via the Red Cross, Food Bank, Macael Volunteers Association and Cáritas.

#### Second Charity Race in support of Rare Diseases

In 2015 we also cooperated with the Second Charity race organised by Virgen del Mar San Juan Bautista La Salle Parents As-

sociation in Almería.

The outcome of this commitment was that we received various distinctions such as the Corporate Social Responsibility Prize from Federación Almeriense de Asociaciones de Personas con Discapacidad (Almeria Federation of Disabled Persons Associations).

We have also worked with Fundación Almeriense de Tutela in developing intervention, information and monitoring programmes for adults in care, thus promoting their protection and defending their rights.

*“The unconditional support and backing of Cosentino have allowed the dreams and illusions of all our beneficiaries to become*

Esteban Sosa, Photo Contest Leading by Example 2015



*a reality as through its cooperation and donations, it helps foster their integration and inclusion and facilitate their personal, social and occupational development, as well as defending their rights and promoting equal opportunities.”*

**Diego Martínez Cano, President of Fundación Los Carriles del Mármol y Almanzora para Personas con Discapacidad Intelectual de Macael (Almería).**

#### 4.2.2. Real and Responsible Commitment to our Stakeholders

##### Silestone Institute

This international platform, which has been dedicated to the study and dissemination of different aspects of our field (both domestically and professionally), such as skills, good practice, the study of materials, the use of technology, hygiene and health, is probably one the most important initiatives associated with the brand.

The activity of the Silestone Institute is extended internationally as a centre of reference and a forum for the exchange of opinions and knowledge on kitchens, adapted to different cultures and societies.

In 2014-2015 it carried out two extremely relevant activities:

##### **“A 90 cm del suelo” (90 cm. from the floor)**

Publication by the Silestone Institute of the book entitled “A 90 cm sobre el suelo. Arquitectura de los restaurantes: instalaciones sostenibles de alto rendimiento”

(90 cm. from the floor: Restaurant architecture: sustainable, high performance facilities), a publication that aims to respond to the existing gap on this subject in the commercial restaurant sector, thus facilitating the operability of professional catering facilities.

Experts from different disciplines contributed to the publication (architects, dieticians, restaurant owners, chefs) and it was published in several languages.

##### **Dialogues on architecture and gastronomy**

At these meetings, Cosentino proposes a dialogue between architecture and gastronomy through leaders in the fields of gastronomy, architecture and communication who offer their experience and opinions on the concept and the design of a restaurant and their vision of the future of the sector.

IPMARK, a leading Spanish publication on marketing and communication, selected this programme as one of the best marketing and communication initiatives of 2015.

In 2015, the following meetings took place:

- “El concepto arquitecto-gastronómico de un restaurante”. The Silestone Institute organised on its premises the round table of the Basque Culinary Center Foundation entitled “El concepto arquitecto-gastronómico de un restaurante
- “Espacios para la restauración: claves de futuro en la arquitectura de restau-



Silestone Institute

rantes". In autumn 2015, the Silestone Institute organised a meeting in Madrid between David Muñoz, chef of the restaurant DiverXo and the interior designer Lázaro Rosa-Violán, responsible for designing this restaurant. The gastronomic critic José Carlos Capel attended as a guest. The speakers agreed that in the restaurant of the future, appearance, acoustics, lighting, the distribution of space and the materials used in the design will be just as important as the gastronomic experience itself.

- **"Innovación en Food Service: transformar productos en vivencias únicas"**. The chef Ricardo Sanz and the expert in gastronomy and innovation Xavier Torrent reflected on innovation from the standpoint of business, product and the materials used in restaurant spaces. Both professionals shared with the attendees their impressions on the participation in the creation of the restaurant Kirei by Kabuki, one of the best airport restaurants in the world.



Bus de Fundació Alicia con apoyo de Instituto Silestone

### Basque Culinary Center

Silestone® by Cosentino cooperates with the Basque Culinary Center Foundation (Donostia - San Sebastián, Guipuzcoa), created in 2009 by Mondragon Unibertsitatea, Basque chefs and public entities. The purpose of the Foundation is to guarantee the continuity of cuisine as a pole of innovation for the future, which also means generating top level knowledge in addition to training qualified professionals, promoting research and the transfer of knowledge among top chefs and the business sector and achieving international projection.

In 2014, Silestone® sponsored the fourth meeting of the Basque Culinary Center International Advisory Board held in November in the city of Sao Paulo (Brazil). In March 2015 the Silestone Institute organised on its premises the round table of the Basque Culinary Center Foundation entitled "El concepto arquitecto-gastronómico de un restaurante".

The spectacular Basque Culinary Center building has two spaces fitted with Cosentino products: the "Aula Silestone®", which has different Silestone® quartz surfaces and a restaurant kitchen with various Dekton® ultracompact surfaces.

### Cosentino Visitors Centre

In 2015 more than 2,800 people visited the Cosentino headquarters in Cantoria, Almería. Most of the visitors are customers, but they also include architects, designers and distributors from all over the world, as well as high institutes and universities. We also

explained to them the company values, the measures it implements to protect the environment and the projects undertaken by the company in the local community.

The Visitors Centre staff organise the visits in accordance with the type of public:

#### - Customer Visits

They usually last a full day but the duration of the visit may be adapted to the customers' preferences

#### - Special visits for Project Managers, Designers and Architects

The aim is to allow them to obtain a more detailed idea of the Cosentino products. The visits to the production plant are conducted in Spanish, but they may also be conducted in English, French, German and Dutch.

#### - Visits by Educational Centres

We organised guided tours of our headquarters for schools, institutes and universities from Almería and other parts of Andalusia both local and international. This initiative was set up with the aim of allowing students and future professionals to learn about the day-to-day activities of a multinational and inform them about its operation, organisation and characteristics.

### Other Initiatives

DIFFA's 18th annual Dining by Design Benjamin Moore, the US paint company, and Cosentino joined forces to support Fundación de la Industria del Diseño in its fight against Cancer (DIFFA) at its annual gala Dining by Design.



The initiative which was held for three days in New York, was attended by more than 40,000 visitors and raised funds for re-search into HIV and AIDS.

La iniciativa, que se desarrolló durante tres días en Nueva York, contó con más de 40.000 visitantes y recaudó fondos para la investigación del VIH y del SIDA.

### 4.2.3. Real and Responsible Commitment to Sport

Cosentino Group is committed to sport and aims to be present at any sports event or initiative organised in this respect in the region of Almería. As well as sponsoring many entities such as Almería Basketball Club (2015) or the U.D. Almería football team, it participates in other initiatives to bring the benefits of practising sport to the

### N° Visits by Nationalities and Sectors

SECTOR	Nº PEOPLE
Architects	117
Sales Reps	6
Builders	66
Employees	50
Designers	75
Distributors	107
Students	620
K&B	640
Stone masons	531
Others	597
Journalists	38
<b>Total general</b>	<b>2847</b>

ORIGIN	Nº PEOPLE
Iberia	1298
Europe	1024
EE.UU	155
LATAM	106
Rest of world	264
<b>Total general</b>	<b>2847</b>



young people of the communities in which it is established.

#### Cosentino supports Youth Football

We support the practice of youth football and sport due to its social benefits and the health that this sport brings to those who practise it. We sponsor sports clubs such as C.D. Comarca del Mármol, a club that represents the towns of Olula del Río, Cantoria, Macael, whose activities cover the sport needs of more than 200 local youths.

#### Rafa Nadal Academy by Movistar

In 2014, we signed an cooperative agreement with the tennis star Rafael Nadal to develop different joint promotional and support activities.

The first of these was the sponsoring of the project "Rafa Nadal Academy by Movistar". This is a tennis academy to be opened by the tennis player in 2016, in Manacor, his home town, to promote the values of sport among young people:

The Group supports this educational and sports complex through our emblematic brands Silestone® and Dekton®. Precisely the latter will be the main material used for the façades, floors and other claddings of the "Rafa Nadal Academy by Movistar". Silestone® will also be used in different parts of the kitchens and bathrooms of the complex.

#### Other Commitments

-Sponsoring of the Cajamar-Cosentino cy-

cling team (2013-present)

-Collaboration with the mountain bike club MTB OLULA in Olula del Río (2014)

-Collaboration with Club Ciclista Albojenses (2014)

-Sponsoring of the Mojacar Bike CCD team in the Third Sierra Cabrera Extreme/La Mojquera Race (2014)

-Sponsoring of Universidad de Almería Swimming Club (2010-present)

-Sponsoring of the Almería Marathon (2014)

-Sponsoring of the Cajamar C.D. Urci Almería Basketball Team (2014-2015)

-Collaboration with Escudería del Mármol in the Subida del Mármol event (2013-2014)

-Sponsoring of the car of Héctor Salmerón Lopez in the Raid Maroc Challenge (2014)

-Sponsoring of the kit used by the Cosentino employee Enrique Montoya in the Bodybuilding Championship (2014)

-Sponsoring of the 37th "Vicente Bonil Albox" International Chess Open event (2014)

-Sponsoring of the Almería Half Marathon (2015)

- Cooperation with the Second Charity race organised by Virgen del Mar San Juan Bautista La Salle Parents Association in Almería (2015).



-Sponsoring of the Mojacar Bike CCD team in the Fourth Sierra Cabrera Extreme/La Mojaquera Race (2015)

-Collaboration with Almeriense de Ciclismo Deportivo (2015)

-Sponsoring of C.D. Balcón del Alma at the First Valle de Almanzora-Filabres Rally (2015).

#### 4.2.4. Real and Responsible Commitment to Education

Since our beginnings, we have made a special commitment to education, for we consider that part of our mission as a leading company in our region is to put our faith in young talent, and support and promote it.

##### Eduarda Justo Foundation

*"The "Eduarda Justo Foundation" has the mission of assisting social causes, such as the implementation of different grants through which aims to offer educational possibilities to different segments of society by selecting talented young people and giving them the chance to use their training and inclusion in the job market. Such aid mainly benefits the whole region, which is eventually rewarded through the discovery of these professionals."*

**The Honourable Purificación Sánchez, Mayoress of Cantoria (Almería)**

Since it was set up in 2006, the Eduarda Justo Foundation has the principal mission of assisting in the economic, social, educational and cultural development of the

province of Almería, paying special attention to those with more limited economic resources.

Its social purposes include improving professional opportunities for young people with notable aptitudes for professional development at the highest level, and fostering the development of entrepreneurs and professionals who will contribute in the future to the social and economic progress of our country.

##### Main Activities 2014-2015

Cosentino Group's real commitment to the young people of Almería over the past two years has been expressed through the following activities:

- The Foundation has taken charge of ten baccalaureate grants for United World Colleges, issued a call for Postgraduate grants in 2014 and 2015 and once again sponsored the Call to Innovation grants for 2014 and 2015.

- We have organised six forums (the 5th and 6th Social Forums, the 6th and 7th Forums of the Future and two Social Education Forums) and two Leaders of the Future Seminars.

- The Foundation has also sponsored and supported the First Lego League robotic competitions.

##### Call to Innovation

The entrepreneurs Nicolás Alcalá and Jacobo Elosua won the 2015 edition of the Call to Innovation or Innovation Challenge



"Future Leaders" Summit, Fundación Eduarda Justo 2015



award. This competition is open to technological entrepreneurs, researchers, scientists and university students from all parts of Spain who propose ideas and projects to “resolve the major problems of Spain through technology”.

The two competition winners received each a grant of 24,000 Euros. They could use them to study the Singularity University Graduate Studies Program at the NASA headquarters (Silicon Valley) in the summer of 2015. This interdisciplinary programme, which lasts 10 weeks, is one of the most select in the world. Some 80 leaders and technology entrepreneurs from 35 countries worldwide – selected from among thousands of applications received each year – come together to analyse the most significant technological advances that are transforming the world, exploring ways to use them to solve Humanity’s most serious problems.

*“Young people continue to face obstacles in exercising leadership and in particular, a lack of motivation. All too often, they are not sure they can succeed, be who they want to be and do all they want to do, no matter how important this may be. Call to innovation entails a complete change of mentality and paradigm. A new mindset for all they want to do later, and the best network of contract that anyone could wish for”.*

**Nicolás Alcalá**, scholarship holder of Call to innovation for Singularity University, storyteller and director of El Cosmonauta.

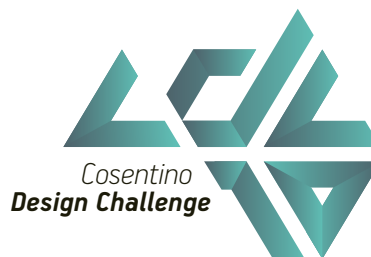
### Cosentino Design Challenge

The purpose of the Cosentino Design Challenge is to promote talent among students from any design, architecture or interior design centre or school throughout the world and encourage them to conduct research on different conceptual approaches related to the configuration of spaces and the materials and construction systems that define them.

In 2014-2015 Cosentino promoted the ninth edition of the Cosentino Design Challenge.

This edition received 135 architecture and 144 design proposals from more than 20 universities and study centres all over the world.

The Cosentino Design Challenge is an international competition in which a total of 15 prestigious institutions, schools or international universities will take part. They are: The University of Technology Sydney (Australia), The European Institute of Design (Italy), The American Society of Interior Designers (USA), The Lisbon Superior Technical School of Architecture (Portugal), ESAM Design (France), Lasalle College of



the Arts (Singapore), The Artediez School of Madrid, The School of Architecture from the Alcalá de Henares University of Madrid, The Seville School of Architecture, The Almeria School of Art, The Alicante Superior School of Design, the University of Zaragoza School of Architecture, The School of Architecture from Barcelona Polytechnic University, The School of Architecture from Valencia Polytechnic University, and the School of Architecture from the University of Navarra.

#### Other Commitments to Education

Cosentino is committed, through different types of cooperation, to universities, architecture schools, designers, interior decorators, innovation centres and foundations that work for the development of culture and sport.

- Centro Superior de Investigaciones Científicas (CSIC).
- Centro Tecnológico del Mármol (CTM).
- Centro Tecnológico Avanzado de la Piedra (CTAP).
- Instituto Tecnológico de la Cerámica (ITC).
- Instituto de Ciencia de Materiales de la Universidad de Valencia.
- Universidad Autónoma de Barcelona.
- Universidad de Granada.
- Universidad de Málaga.
- Universidad de Almería.
- Andalucía management
- Consejo Económico y Social (CES)
- Universidad Internacional Menendez Pelayo.



Group of students from the Architecture School of Zaragoza



Cosentino Design Challenge 9th edition

Architecture School of Zaragoza





*“Private enterprises such as Cosentino play a key role with respect to education. They can open their doors and motivate students, who are the employees of tomorrow, carry out sponsoring activities in anti-culture areas, set up support foundations or maintain permanent contact with universities.*

*In this regard, I have personally witnessed the magnificent work carried out by Cosentino and the Eduarda Justo Foundation, applying sound criteria and obtaining excellent results”.*

**Javier Urrea, experto en educación, ha participado en actividades junto a Fundación Eduarda Justo.**

#### 4.2.5. Real and Responsible Commitment to Culture

##### **Fundación de Arte Ibáñez Cosentino**

At the end of 2014, after two years of collaborative work with Museo Casa Ibáñez, Cosentino became a patron of the Foundation. From then on, the foundation's name was changed to Fundación de Arte Ibáñez Cosentino and it took on a new corporate image.

This non-profit cultural Foundation is responsible for running Museo Casa Ibáñez in Olula del Río (which houses a permanent exhibition of more than 400 works of art) and promoting the work of the realist painter Andrés García Ibáñez. Its objectives also

include that of promoting an interest in painting and art among younger citizens.

The foundation currently has its own artistic collection made up of forty-three works of art donated by Andrés García Ibáñez and by others, and works acquired through the art courses imparted by the museum.

The foundation has carried out many cultural activities (exhibitions, collaborations, projects, publications) since it was first set up in 2005. In 2015, it organised ten projects, including courses, concerts, events, itinerant exhibitions (inside and outside the museum) and publications.

##### **Architectural Documentary Agency**

We support Scalae, which operates as an ideological and scientific initiative as well as a publisher and an architectural documentary agency.

Scalae is run by the architect and publisher Félix Arranz, who, since 2004, has been assisted by a multidisciplinary team of editors and collaborators who support him in his task.

##### **Other Commitments to Culture**

For many years, the company has carried out many activities aimed at promoting culture. In 2015 it collaborated in the following projects:

- Collaboration with the book “Cuentos de la Taifa de Almería” by Francisco Pérez Baldó (2015).



FUNDACIÓN DE ARTE **IBAÑEZ COSENTINO**



- Collaboration with the 8th Music and Performing Arts Festival of Baza (2015).
- Sponsoring of the 64th International Music and Dance Festival of Granada (2015).
- Collaboration with the exhibition "Celia Viñas 1915-2015", promoted by the Provincial Council of Almería (2015).
- Sponsoring of the book "Spain Builds: 1975/ 2015", presented in Milan on 15 May 2015 at the EXPOMILANO universal exhibition.
- Collaboration with the Spanish Pavilion at EXPOMILANO 2015, through an agreement subscribed with Acción Cultural de España at the end of 2014.
- Silestone collaborates every year with Madrid Fusión, the international gastronomic summit, by sponsoring the "European Chef of the Year" Prize.
- Collaboration in the documentary on the history of Almería entitled "Almariya, Puerta del Levante" by David Aguirre Duport de Pontcharra (2014).
- Collaboration in the Millennium celebrations organised by Fundación de la Alcazaba de Almería (illustrated guide and commemorative concert, among others).
- Collaboration in relation to the book "Los Mediadores" by Israel Shimony (2014).
- Sponsoring of four books from the co-

llection "Narradores Almerienses" (2001-2015), distributed in August each year together with the daily newspaper "La Voz de Almería".

- Collaboration with the Macael Virgen del Rosario Polyphonic Choir in the event "Corales Macael" (2014).
- Collaboration with the Cervantes Theatre Cultural Association at the National Festival of Art of Albox (2014).
- Collaboration with the Piedra Yllora de Cantoria Cultural Association in Vol. 9 of the magazine "Piedra Yllora" (2014).

#### 4.2.6. Real and Responsible Commitment to Architecture

##### Make It Right Foundation

Since 2010 we have been cooperating with the US Foundation Make it Right. Our first contribution was the use of Eco Line by Silestone® in the kitchens and bathrooms of the homes built by Make it Right in New Orleans after the disaster caused by Hurricane Katrina.

We contributed more Eco Line material for reform and revitalisation projects such as the Bancroft Primary School in Kansas City (Missouri) or the Second Annual Gala of the Foundation held in New Orleans.

During the "World Sustainable Building 2014" congress, Cosentino and the Make

It Right Foundation organised a conference on access to sustainable, ecological housing by low-income families.

#### Other Initiatives

##### **Architecture and Society Foundation**

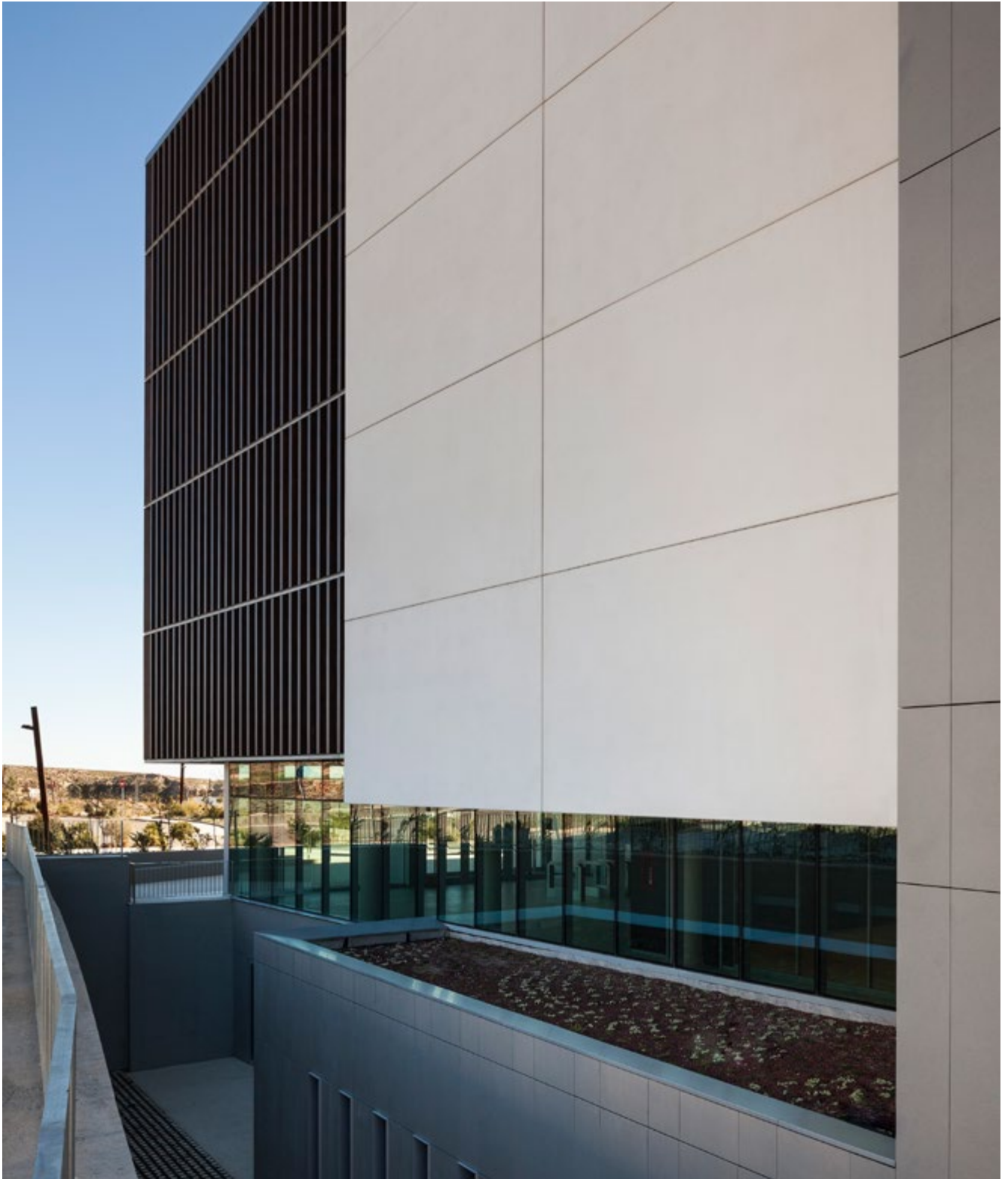
We sponsor the Architecture and Society Foundation, a non-profit, private cultural foundation with a national and international public projection. Its permanent headquarters are in Pamplona and Madrid, and it was set up in 2008 by the architect Francisco Mangado Beloqui due to his interest in promoting architecture as an area that is inevitably bound to life in society.

##### **Contemporary Architecture Foundation**

Cosentino Group cooperates with the Contemporary Architecture Foundation, set up as an initiative in 2002 by a group of professionals with an interest in promoting contemporary architecture. It is thus a private foundation and oriented towards the public projection of an activity that is decisive in the living conditions of citizens.

##### **Mies van der Rohe Foundation, Barcelona**

We collaborate in sponsoring the actions and activities organised by the Mies van der Rohe Foundation in 2015. One of the most important actions carried out by this Foundation is the organisation of the biennial European Union Prize for Contemporary Architecture – Mies van der Rohe Award, whose main purpose is to recognise and reward quality for architectural creation in Europe. This architecture award, considered one of the most prestigious in the world, are supported by the European Commission.



# GRI Indicators

<b>1. STRATEGY AND ANALYSIS</b>	<b>PAGES</b>
1.1. Declaration of the person with the ultimate authority in the organisation.	15
1.2. Description of main impacts, risks and opportunities in relation to sustainability.	60, 96, 98-124
<b>2. ORGANIZATION PROFILE</b>	<b>PAGES</b>
2.1. Name of the organisation.	26 Y 32
2.2. Main brands, products and services.	28
2.3. Governance structure of the organisation.	33
2.4. Organisation's headquarters.	24
2.5. Countries in which the organisation operates and carries out its most significant activities.	24
2.6. Nature of ownership and legal form.	24 and 51
2.7. Markets served (including geographical breakdown, sectors served, and types of customers).	15, 39, 26, 40-41 and 60
2.8. Dimensions of the reporting organisation.	15 and 25
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2.10. Prizes and awards received during the period in question.	26
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3.2. Date of most recent previous report.	10
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3.4. Contact details for questions relating to report or its content.	11
<b>ALCANCE Y COBERTURA DE LA MEMORIA</b>	
3.5. Process for defining the report content.	10 Y 11
3.6. Report coverage (countries, subsidiaries, rented facilities, etc.).	24-25
3.7. Existence of limitations in the scope or coverage of report.	97, 34-35 and 70-72
3.8. Bases for including information in the care of joint business, subsidiaries, etc. that could have a significant effect on comparability between periods and organisations.	25
3.9. Techniques used for measuring data in preparing indicators. Reasons for not applying the GRI	10

Indicator Protocols or discrepancies with them.	
3.10. Description of the effect of reformulating the information from previous reports.	10
3.11. Significant changes relating to previous periods in the scope, coverage or in the valuation methods applied in the report.	10
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3.12. Table indicating the location of the basic contents of the report. and	4 and 5
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4.5. Link between the remuneration of the highest governing body, senior management and executives and the performance of the organisation (including social and environmental performance).	32
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tions of operation.	
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P. HR1 Percentage and total number of investments that include human rights clauses or have been subject to analysis.	50-51
P. HR2 Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	
A. HR3 Hours of training and percentage of employees trained in human rights.	

### NON-DISCRIMINATION

P. HR4 Total number of incidents of discrimination and actions taken.	24
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### FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

P. HR5 Company operations in which the right to exercise freedom of association or collective bargaining may be at significant risk, and actions taken to support these rights.	
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### CHILD EXPLOITATION

P. HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	51
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### FORCED LABOUR

P. HR7 Operations identified as having significant risk for incidents of forced labour, and measures taken to contribute to the elimination of forced labour.	51
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### SAFETY PRACTICES

A. HR8 Percentage of security staff trained in human rights.	
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### RIGHTS OF INDIGENOUS PEOPLE

A. HR9 Total number of incidents of violations involving rights of indigenous people and actions taken.	
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## MANAGEMENT APPROACH TO RELATIONS WITH THE ORGANISATION

### COMMUNITY

P. S01 Management of impacts on communities affected by the activity. 96-97

### CORRUPTION

P. S02 Percentage and total number of business units analysed for risks related to corruption.

P. S03 Percentage of employees trained in organisation's anti-corruption policies and procedures.

P. S04 Actions taken in response to incidents of corruption. 24

### PUBLIC POLICY

P. S05 Position regarding public policies and lobbying activities. 123

A. S06 Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.

#### Unfair Competition

A. S07 Total number of legal actions for anti-competitive behaviour, trust, and monopoly practices and their outcomes.

### COMPLIANCE WITH LAWS

P. S08 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.

Management Approach on Product Responsibility 38

### CUSTOMER HEALTH AND SAFETY

P. PR1 Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of products and services categories subject to such procedures 60

A. PR2 No incidents have occurred due to non-compliance of regulations and voluntary codes concerning the impacts of products and services on health and safety. 84

### PRODUCT AND SERVICE LABELLING

P. PR3 Information on required products and services, pursuant to regulations. 61

A. PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling.

A. PR5 Practices related to customer satisfaction, including results of surveys measuring custo- 13 and 42

mer satisfaction.

#### MARKETING COMMUNICATIONS

P. PR6 Programs for adherence to laws, standards, and voluntary codes related to marketing communications.

A. PR7 Number of incidents of non-compliance due to breach of marketing and advertising regulations.

#### CUSTOMER PRIVACY

A. PR8 Number of claims with respect to privacy and customer personal data leaks.

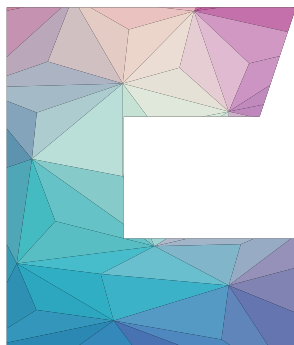
#### COMPLIANCE WITH LAWS

P. PR9 Cost of fines due to non-compliance with regulations related to the supply and use of the organisation's products and services.



# **CSR**

## **Corporate Social Responsibility**



COSENTINO HEADQUARTERS

Ctra. A334 Baza-Huércal Overa,

Km 59 - 04850 Cantoria

Almería, ES

TEL (+34) 950 44 41 75

FAX (+34) 950 44 42 26

rsc@cosentino.com

www.cosentino.com