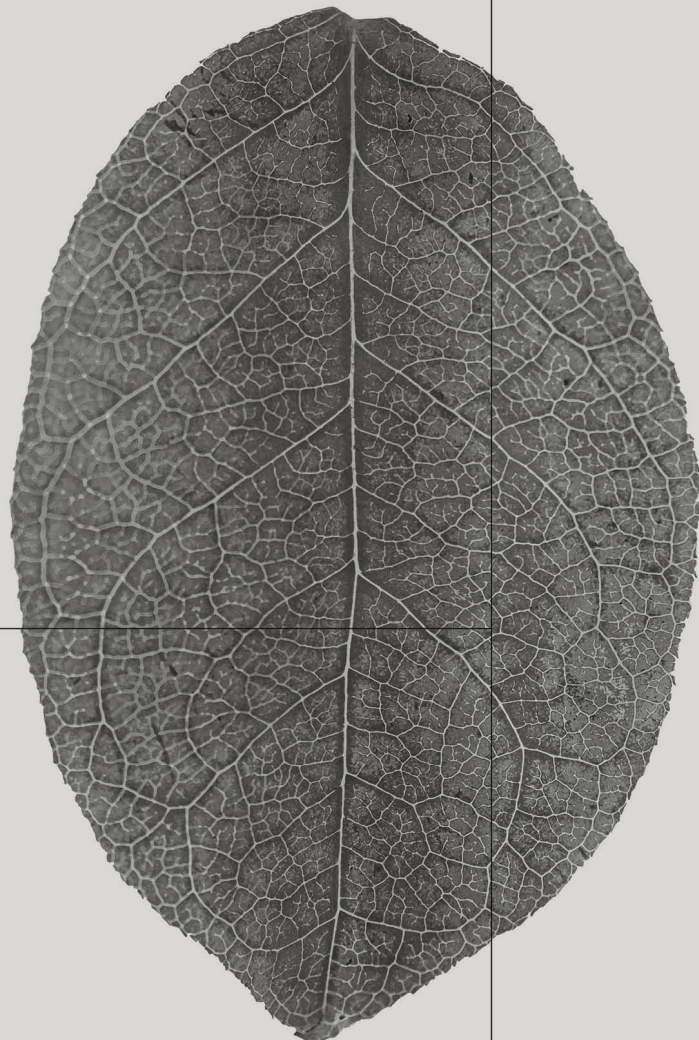


Non-financial Information Statement

2020

EDITED BY THE COSENTINO GROUP
WRITTEN ACCORDING TO GRI STANDARDS



SILESTONE

—

DEKTON

—

SENSA

CORPORATIVE
CONTENT

Index

Letter from the Chairman	5
About this report	8
Our Company	9
Who are we?	9
Our DNA	10
What we do.....	10
Our brands	11
How do we make it?	12
Integrated Management System	13
Where to find us	13
Where we are heading.....	14
Our vision	15
Company purpose	15
Risk management and control	16
Commitment to the environment	17
Environmental management	17
Environmental risk management.....	18
Circular economy and waste prevention	19
Waste circularity	20
Sustainable use of resources	22
Energy efficiency.....	23
Climate change	25
Sustainable Mobility:	27
Biodiversity and natural capital	28
Our People	30
Committed to our people	30
Number of employees by country	31
Key employment indicators	32
Organisation of work	35
Work-life balance.....	35

Digital downtime.....	36
Corporate relationships	36
Trade union membership.....	36
Composition of workers' representation	37
Equal opportunities	37
Integration	38
Remunerations.....	40
Salary Information Senior Management.....	40
Salary Information excluding Senior Management	41
** To a large extent, the significant difference between men and women results from the fact that the female group includes non executive advisors, whose remuneration corresponds only to their advisory role or non-executive employment, while the male advisors (except for one) also have executive functions and receive remuneration for both responsibilities.	
	42
Health and Safety.....	43
Risk assessment	43
Commitment to our value chain	44
Leading Programme in Occupational Health and Safety	45
Main accident rates	46
COVID-19 Actions.....	47
Spain:	49
Europe and Row:.....	49
United States:	49
Health and well-being programmes:	49
Talent development.....	50
Training offer	50
Human Rights	51
Ethics, Conduct and Regulatory Compliance	51
Values, principles, standards and rules of conduct	52
Corruption and Bribery	52
Anti-corruption mechanisms and conflicts of interest	52
Cosentino Group Anti-Corruption Regulations:.....	53
Anti-corruption mechanisms to ensure compliance with these basic principles	53
Measures taken to combat money laundering.....	56
Channels of communication on anti-corruption policies and procedures.....	56
Specific actions on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT):.....	57

Associations and other initiatives	59
International guidelines	60
European guidelines	60
Spanish guidelines.....	60
Regional guidelines	60
Complaints Channel	61
Society.....	62
Commitment of the company to sustainable development.....	62
Subcontracting and suppliers.....	62
Data for Spain:	62
Our purchasing procedures	62
Assessment and Audits	63
We promote our values and policies	63
Health and safety	64
Consumers	64
Customer data privacy and loss of data.....	65
Claims systems, complaints received and resolution	66
Tax information.....	66
Business evolution and results.....	66
Economic scale.....	67
Benefits by country.....	68
Fiscal Transparency.....	68
Contribution by geographical area (€).....	69
Tax on profit.....	71
Public subsidies received	72
Community.....	73
Commitment to education.....	73
Dual Vocational Training.....	73
Eduarda Justo Foundation	73
Other education partnerships.....	74
Commitment to architecture and design.....	75
Cosentino Desing Challenge 14 (CDC).....	75
Magazine ‘C-Architecture & everything else’	75
Commitment to the kitchen and cooking	76

Silestone Institute	76
Other partnerships in 2020.....	77
Commitment to art and culture.....	77
Ibáñez Cosentino Art Foundation	77
Other partnerships.....	78
Commitment to sport	78
Community involvement	79
Donations and Partnerships in Spain	79
COVID-19 medical supplies	79
Sculpture tribute to health workers	80
Campaign #EACTÍVATE.....	80
Food Bank	80
Support to the hospitality industry.....	80
Contributions in the USA	81
Contribution in Europe	81
Dialogue with the community	81
Non-financial Information Statement Index.....	82

Letter from the Chairman

However we view our organisation's performance in 2020, it is necessary to build on the unprecedented event that marked the lives of people, companies and countries in the aftermath of the COVID-19 pandemic.

From the outset, Cosentino launched a health emergency monitoring plan, setting up a crisis committee to constantly evaluate the data and information available in order to make the most appropriate decisions. We set three priorities in our action plan. Firstly, we made the safety and integrity of the employees in our factories and offices our principle value to protect. Secondly, we ensured the sustainability of the business by guaranteeing the production of our plants, demonstrating the essential nature of this activity, as we are dedicated to supplying construction projects internationally on several continents. And thirdly, our aim was to work with health authorities to provide large quantities of Personal Protective Equipment (PPE), such as masks, gloves, covers, etc, and also to put our logistical capabilities and supply sources at the service of the general public.

Looking back, and with the knowledge provided by the data on the impact of the pandemic among our employees, I must once again recognise the exemplary, courageous and supportive conduct of the workers at Cosentino's various factories. The responsibility of the works council during those

difficult months must also receive my gratitude and recognition. The commitment of all members of the Cosentino team during 2020 led us to decide on a special bonus for the entire workforce, amounting to more than four million euros, thus demonstrating our recognition and gratitude to them.

Now that we are reporting on our achievements in 2020, I must acknowledge my admiration for the economic and financial results we achieved, with sales of 1,078 million euros, which is very close to the previous year's figure, something that was very difficult to imagine in the first months of the pandemic. Similarly, we reported an Ebitda of more than 214.2 million euros, which demonstrates a management marked by the containment of all types of costs, the maintenance of income, as well as the precedent of a greater contribution of new market segments that we have been investing in for some time without losing our focus, which is retail: kitchen and bathroom marketing.

Despite all conceivable difficulties during 2020, we have managed to invest over 120 million euros in product innovation and development, industrial and environmental management to ensure that the Company is based on sustainability and a long-term vision. In addition, we have increased our Silestone production capacity by more than 30%, following the automation and digitalisation of our production plants. At the same time, we have achieved milestones through innovation such as the launch of HybriQ and HybriQ+ technology, which have once again made Silestone the world's leading brand of its category, thanks to a new formulation that brings greater safety for those who produce it throughout the value chain. This is a milestone in our commitment to ensure that the occupational safety of our employees comes before any other objective.

As part of our commitment to environmental sustainability, I would like to highlight one tangible step this year and that is the certification of Dekton as a carbon neutral product. Furthermore, in 2020, the Company invested 22 million euros worldwide in environmental and safety assets, such as new extraction and emission cleaning systems, methods of storage and pneumatic transport of raw materials, and the expansion of water treatment systems for full water recovery.

Although this year has been affected by the adverse effects of the pandemic, Cosentino has continued its commitment to quality employment, raising the rate of permanent contracts to 83%. We ended 2020 with a workforce of 4,740 people across the globe, comprising professionals from 70 different nationalities and with 16.5% of our management team being women. This diversity enriches our vision when making decisions and paves the way for our leadership.

To conclude this summary vision of the year 2020, I must highlight the great progress Cosentino has made in the digital transformation process. This year we have reached over 50,000 active professionals on e-Cosentino, our digital platform. More than 80% of orders have been processed on e-Cosentino. Furthermore, the digitalisation of processes continued, strengthening the architecture of the technological infrastructure and improving both internal communication tools and customer contact channels at a collaborative and commercial level. Cosentino is rapidly implementing the vision set out in 2018 to be the leading company in the digital transformation of its industry.

Finally, I wish to stress that we have reached 155 business and commercial units across the five continents, of which 119 are Centres and 15 Cities, in addition to 4 distribution hubs, and 5 logistics operators, which together with the 12 processing workshops located in the United States, consolidate Cosentino's global leadership within the stone industry of innovative surfaces for architecture and design, so that our purpose of **inspiring people through innovative and sustainable spaces**, is a long-term vision to which we are all committed.

About this report

We present this document with the intention of communicating to our stakeholders our performance and contribution to the areas in which we have a presence, but especially in the province of Almería (Spain) and for the world of architecture and design, gastronomy, art and culture, where our activity generates greater impact. In addition, this document complies with Spanish Act 11/2018, of 28 December, on non-financial information and diversity. The activities included in this document refer to our activity during 2020.

This report follows the one published in 2019 and strengthens our commitment to report annually on our performance in non-financial matters. There has not been any significant change that has necessitated a re-writing of the information, however, 2020 has been a year marked by the COVID-19 pandemic. This unprecedented situation forced us to adapt our business model to this new reality.

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

The materiality analysis was started in December 2020. For the external analysis, we conducted an online questionnaire comprising 5 different sections with two types of measurement questions in order to assess each of the 32 material issues identified as relevant. A total of 3,044 stakeholder representatives from all over the world took part in the study, including customers, employees, kitchen and bathroom showrooms, architects and designers, suppliers, public institutions, media and third sector bodies. In addition, 3 focus groups were organised with different stakeholders to gain a more complete picture of the material issues. The internal analysis consisted of 6 in-depth interviews with key players in the Cosentino Group's organisational structure. In 2020, we updated this exercise based on a trend review and internal consultations with the CSR Committee. In total, we have analysed 32 aspects that have undergone internal and external analysis to establish both their relevance in our strategy and the importance to the people who work with us every day.

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

- **Strategy**
- **Products and Services**
- **Employees**
- **Social impact**
- **Environmental impact**

The resulting materiality matrix is shown below. This year, in the interest of improving the report and aligning it with best practices, the Group has chosen issues with high degree of materiality that also feature in the GRI index. The high materiality issues considered are those scoring over 4 for their relevance to Cosentino as well as to its stakeholders.

MATERIALITY MATRIX

STRATEGY



1. Financially-sustainable economic performance
2. Commitment to job creation and local development.
3. International expansion
4. Digitalization and use of intelligent technologies
5. Safety and health of employees, products and value chain.
6. Collaboration and dialogue
7. Responsible supply chain
8. Transparency and tax contribution
9. Ethics and anti-corruption
10. Customer relations and satisfaction

PRODUCTS Y SERVICES



11. Quality of products and services
12. Safety in products and services
13. Innovation in products and services
14. Information and labeling

EMPLOYEES



15. Human capital: attracting and retaining talent
16. Equality and diversity
17. Dialogue with employees, improvement in ideas and proposals
18. Talent and digital development
19. Social benefits, work-life balance and quality of life.
20. Promotion of corporate volunteering programs.
21. Employee wellness, mental health and psychological health

SOCIAL IMPACT



22. Contribution to and promotion of sustainable architecture
23. Social action: Commitment to culture and sports.
24. Social action: commitment to education and young talent.
25. Human rights
26. Reduction of social inequality

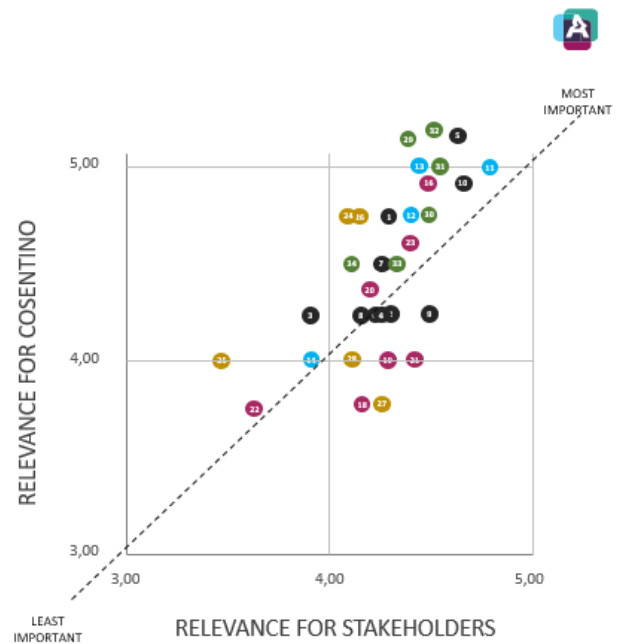
ENVIRONMENTAL IMPACT



27. Climate change and renewable energies
28. Control of environmental impacts and environmental protection
29. Efficient and rational use of resources: water, energy and raw materials.
- Waste management, circular economy and promotion of recycling.
31. Sustainable facilities
32. Promotion of sustainable mobility

STAKEHOLDERS
COSENTINO

1	4,35	4,75
2	4,35	4,25
3	3,93	4,25
4	4,29	4,25
5	4,65	5,00
6	4,25	4,25
7	4,29	4,50
8	4,21	4,25
9	4,49	4,25
10	4,67	5,00
11	4,74	5,00
12	4,48	4,75
13	4,47	5,00
14	3,93	4,00
15	4,50	5,00
16	4,19	3,75
17	4,31	4,00
18	4,26	4,25
19	4,46	4,00
20	3,67	3,75
21	4,41	4,75
22	4,14	4,75
23	3,47	4,00
24	4,18	4,75
25	4,23	3,75
26	4,14	4,00
27	4,45	5,00
28	4,49	4,75
29	4,57	5,00
30	4,56	5,00
31	4,38	4,50
32	4,11	4,50



Our Company

Who are we?

The Cosentino Group is a global, family-owned Spanish company that produces and distributes innovative, high-quality surfaces for the architecture and design sectors worldwide. We work alongside our customers and partners to offer high-value solutions and design, inspiring the lives of many.

Goal: To inspire people through innovative and sustainable spaces.

Mission: A leading company that works responsibly with its customers to anticipate and imagine the future, creating innovative, high-value surfaces for the world of architecture and design.

Vision: To lead the global surfaces market through our brands, offering innovative architectural solutions that provide design, value, and inspiration to our customers.

Our DNA

As Cosentino Group employees, we all share a single DNA composed of the following values:

- **Innovation:** We act proactively, seeking and implementing creative ideas and solutions, identifying and generating opportunities in a variety of fields. **The value of responsible innovation.**
- **Global Vision:** We understand the corporate strategy and focus our actions on achieving the goals of the Cosentino Group, knowing and assessing at all times the impact of our actions on processes and people. **We plan our actions to achieve our goals.**
- **Customer-Partner:** We know and understand how our work contributes to customer satisfaction (external and internal) and our actions revolve around their needs. **Committed to customer satisfaction.**
- **Team Building:** We achieve common goals by aligning our contributions with the overall objectives, actively promoting collaboration and eliminating barriers between the different departments and members of Cosentino Group. Our organisation consists of a single team. **Cosentino People, much more than human resources.**
- **Inspiring Action:** We transmit enthusiasm and positivity, encouraging others to make the most of their abilities. We motivate the team to achieve our goals. **Be the best version of yourself at Cosentino.**
- **Reliability:** We conduct our work with rigour and honesty to achieve the objectives set. We persevere in the face of obstacles and difficulties. **We improve through effort and dedication.**
- **Self-motivation:** We set our own goals with determination and ambition without settling for the required outcome but seeking to exceed expectations. **Improve every day by making steady progress, never settling for mediocrity.**
- **Passion for change:** We easily adapt to new or changing situations, whether planned or unexpected, and we question the established order from a constructive standpoint to propose and implement action that will bring progress. **We chart our future path together.**

What we do

The focus of our business is the design, production and distribution of decorative and architectural solutions for the world of design and architecture. We achieve this by creating leading brands and products that provide sustainable, innovative and functional solutions for both the home and public spaces.

Silestone®, Dekton® and Sensa by Cosentino® are leading and pioneering brands in their respective segments. Through them, we produce innovative surfaces with which to create unique spaces and designs.

Our brands

Dekton® by Cosentino

- Ultra-compact surface that brought a revolutionary new surface category to the market when it was launched in 2013. Manufactured with the exclusive Sinterized Particle Technology (SPT) developed by the Cosentino Group's R&D team. It involves an ultra-compaction system that imitates the way stone is produced by nature.
- Certifications: UL Greenguard, NSF, BBA (British Board of Agreement), ETA (European Technical Assessment), QB UPEC (France), IMO; Environmental Product Declaration (EPD).
- Thanks to a verified Voluntary Offset Project, our Dekton products have been certified as carbon neutral, since the total emissions associated with the entire life cycle of the product have been offset.

More information at www.dekton.com

Silestone® by Cosentino

- The world's leading brand in the quartz surface sector, composed of more than 90% natural quartz. It was launched in 1990. It includes the innovative N-BOOST technology patented by Cosentino, which features technological advancements that improve the functionality, quality and beauty of the surface. It makes daily cleaning and maintenance easier, and gives it a rich colour and extraordinary brightness.
- Certifications: UL Greenguard and UL Greenguard Gold, NSF, Environmental Product Declaration (EPD).
- CO Line by Silestone® is a series manufactured with at least 50% recycled materials. It is Cradle to Cradle, LEED, Greenguard and EDP certified.

More information at www.silestone.com

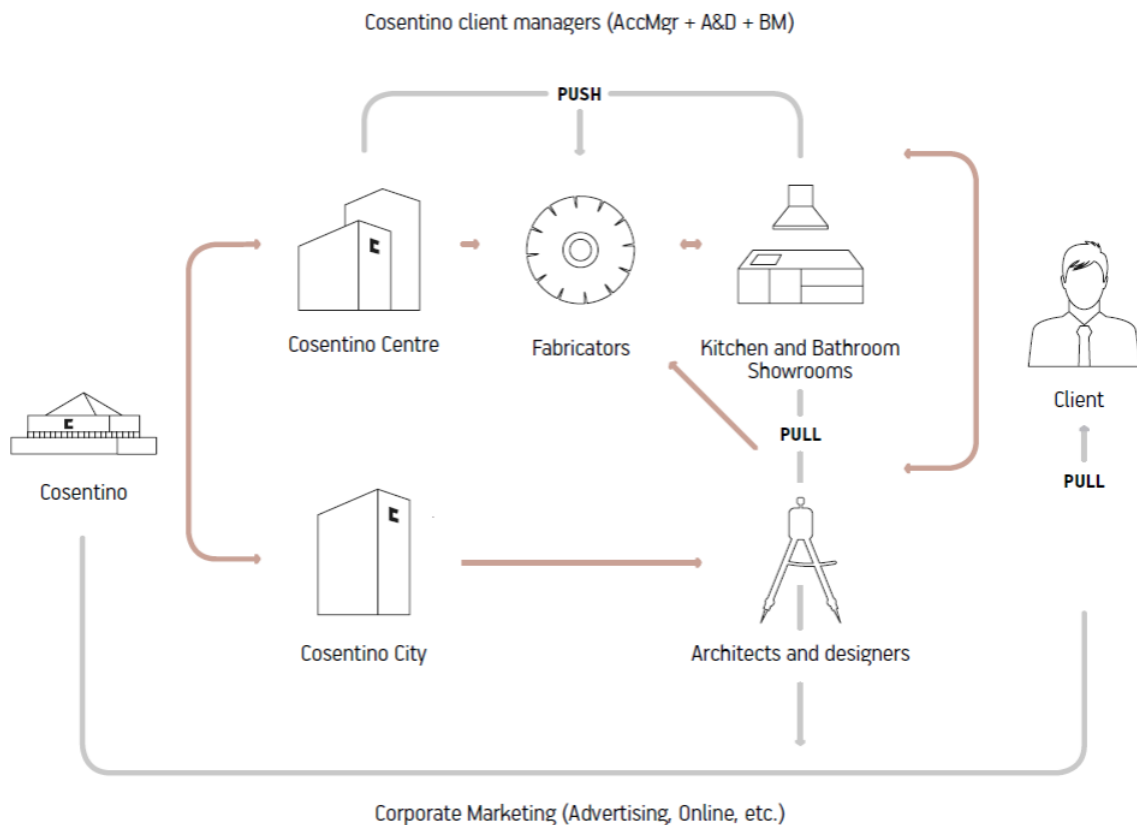
Sensa by Cosentino®

- Cosentino's range of exclusive high-quality quartzite and granite surfaces which feature the innovative Senguard NK anti-stain protection.
- Certifications: NSF, Greenguard and Greenguard Gold.

More information at <https://www.cosentino.com/en-gb/sensa/>

How do we make it?

- We work with a strong focus on our clients: marble suppliers, kitchen and bathroom retailers, architects, designers and builders/developers from around the world. These are the key players, the ones who keep us in the loop so that we can respond to our end users' needs.
- We channel this connection through our various business units all over the world: Cosentino Centres and Cosentino Cities. We also rely on a solid multi-channel communication and marketing strategy, in parallel with the constant reinforcement of the brand positioning with our stakeholders.
- We seek to go a step further in our collaboration with our customers and partners, working together across our value chain through open innovation processes, the promotion of health and safety, respect for the environment and 360-degree quality.



Integrated Management System

Cosentino has a management system based on a set of interconnected and transversal rules and principles which contribute to the internal management of our processes.

This system ensures that we act in accordance with the different regulations applicable to Cosentino's industrial activity, the ultimate goal of which is to optimise available resources, improve organisation, reduce costs and improve the Company's performance.

These standards are as follows:

ISO 9001:2015: Quality Management System

ISO 14001:2015: Environmental Management System

ISO 20400:2017 Sustainable Procurement Management System

In 2021, Cosentino plans to be certified to ISO 50001:2011 for energy management, and ISO 45001:2018, Management System for Occupational Health and Safety.

The Cosentino Group's management model is our framework for action, and management's commitment to our stakeholders is set out in the new Corporate Policy on Quality, Safety, Environment and Energy, launched in December 2020.

Where to find us

- Countries
 - We operate in 40 countries
 - 30 affiliated companies or assets
 - We distribute our products in 116 countries, across five continents
- Business units
 - 8 production factories
 - Spain
 - 3 Silestone® factories
 - 1 factory for preparing raw materials
 - 1 factory for special finishes and manufactured products
 - 1 factory for samples
 - 1 factory for Dekton®
 - Brazil
 - 1 factory for granite
 - 13 workshops for cutting kitchen and bathroom worktops
 - 12 workshops for cutting kitchen and bathroom worktops in the USA
 - 1 production plant in Spain

- 1 smart logistics platform (Spain)
- 119 Cosentino Centres
- 15 Cosentino Cities
- 4 logistics hubs, three in the USA and one in Australia
- 5 logistics operators
- Warehouse space
 - Over 24,000m² for storing display slabs in our corporate head office.
 - One logistics centre that includes a smart warehouse capable of storing up to 300,000 Silestone® and Dekton® slabs and preparing over 6,600 surfaces every 9 hours on shipping frames (sea or land).

Where we are heading

Cosentino has evolved over time, setting demanding goals and challenges in order to grow in every sense and become an increasingly sustainable company with a commitment to health and safety, as well as to the environment.

Cosentino's Strategic Plan has set out the framework and lines of action for the next three years. In turn, these initiatives are expressed in the Shape project, which defines the key strategic levers for building a stronger, more responsible and sustainable company::

- Continuing to focus on diversification. Not only from a geographical perspective, but also in new channels and applications (designers, façades, bathrooms). In addition, setting up this new model through the Cosentino Cities.
- Strengthening our brands, especially Cosentino's brand, and giving them a more aspirational added value.
- Making innovation and design the backbone of our business.
- Investing more and better in digital. Not only a sales channel to boost our ecosystem of customers and prescribers, but also to pursue process automation to grow efficiently and dedicate our teams to generating value.
- Providing service, as a key differentiator from the competition and even more so given the expected diversification of the business, must enable growth and customer satisfaction, at a cost that allows the model to be sustainable in the long term.
- Surrounding ourselves with the best and strengthening our team. This is the only way to guarantee our future.
- Doing all this in pursuit of the safety and sustainability of our teams, processes and products, and thus also committing ourselves to building a forward-looking company.

Our vision

Company purpose

‘To inspire people through innovative and sustainable spaces’

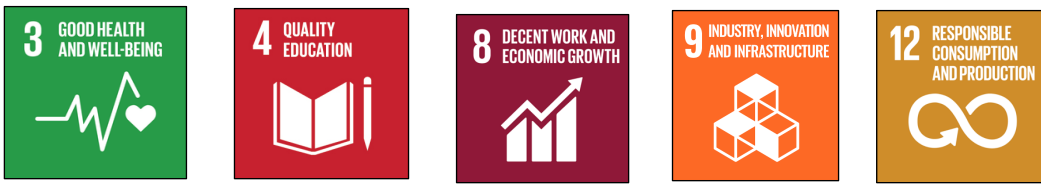
At Cosentino, we want to take our commitment to society one step further. To guide the future of our business, we have worked with our employees from all over the world to define our company purpose.

This is part of our long-term business plan and guides the Company’s approach to sustainability. It involves going a step further in our value proposal for our partners, customers and stakeholders, and is intended to go beyond the needs of the company to describe in one sentence how we want to impact and contribute to society.

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

As a result of this approach, in 2020, the Company continued to work to fulfill the commitments made with regard to the UN Sustainable Development Goals. This requires the involvement of governments, companies, third sector entities and society in general to successfully tackle the ecological transition, with the major social and environmental challenges facing the world.

The key Sustainable Development Goals (SDGs) to which we are contributing are:



In the materiality analysis we have identified four SDGs that are aligned with our projects and commitments as a company, which adheres to the principles of the United Nations Global Compact and undertakes actions in order to comply with the 2030 Agenda.



Risk management and control

At Cosentino, we are exposed to certain risks, which we manage by applying systems to identify, control and manage them. Accordingly, we use various tools to anticipate the different kinds of financial and non-financial risks faced by the Company:

- With the aim of mitigating potential adverse effects on our economic and financial profitability, and against the backdrop of uncertainty in the financial markets, we drew up a global Group risk management programme that covers financial market risks, credit risk and liquidity risk.
- Every year we update our SWOT analysis, analysing strengths, weaknesses, opportunities and threats for Cosentino Group. It is a comprehensive analysis that considers the perspective of different departments in the company: Finance, Innovation, Internal Auditing, Purchases, People, Sales Process, Logistics, Quality and Environment. The SWOT matrix is part of our Annual Strategy Plan and is reviewed by the Board.
- We establish corrective or preventive action for each of the situations of risk identified in our annual review.

We update the Company's risk map every 2 years. For the 2019 and 2020 financial years, we identified 10 critical risks and 24 risks to monitor. To identify and prioritise these risks, the Cosentino Group's Senior Management assessed a series of parameters. Responsibility for monitoring the 10 critical risks has been assigned and risk sheets drawn up that include indicators to measure risks, the company's internal guidelines that regulate the processes affected by these risks, and the action plan being carried out to mitigate them. These risk sheets are presented at the quarterly audit and control committee meetings..

Commitment to the environment

Environmental management

At Cosentino we are moving forward with an international momentum towards the full transition to a low-carbon economy, promoting energy efficiency, emissions reduction and sustainable mobility. This approach is part of our innovative character and allows us to improve processes with a vision of the future and, ultimately, combines our performance with strategic goals such as innovation (SDG 9), sustainable production (SDG 12), and climate action (SDG 13).

In line with our environmental commitment, we have renewed our certifications in 2020: ISO 9001:2015: Quality Management System, ISO 14001:2015: Environmental Management System and ISO 20400:2017 Sustainable Procurement Management System.

As part of our strategic objectives, we made significant investments in assets related to the environment and projects to deploy the best available technology. A highlight of 2020 was the global roll-out of investments in environmental assets amounting to 15,258,320 euros and expenditure on environmental control and improvement amounting to 9,705,986 euros. This is detailed below by geographical area:

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

	2017	2018	2019	2020
Investment in environmental assets (euros)	13,200,000	5,049,000	10,372,807	15,258,320
Gasto en control y mejora ambiental (euros)	7,364,559	8,127,819	6,881,342	8,534,612

Change in investment and environmental spending in the United States and Canada*

	2018	2019	2020
Investment in environmental assets (USD)	531,600	526,340	0**
Spending on environmental control and improvement (USD)	1,230,160	1,426,909	1,291,043

*The exchange rate on 31 December 2020 was used for the total calculation: 1.2271 USD = 1 Euro

** Investments were halted or delayed due to the COVID-19 pandemic.

Change in investment and environmental spending in Brazil

	2017	2018	2019	2020
Spending on environmental control and improvement (BRL)	1,032,310	1,102,124	814,674	760,137

*The exchange rate on 31 December 2020 was used for the total calculation: 6.3735 BRL = 1 Euro

Environmental risk management

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

During 2020, there were no fines or monetary sanctions for non-compliance with environmental laws or regulations.

In 2020, the global development of the environmental incident management system (Gensuite®) continued, with the aim of achieving our commitment to excellence in safety, health and the environment. This new tool has made it possible to monitor all the environmental aspects and incidents that affect the company's daily operations, as well as to create a collaborative environment that involves both production and maintenance personnel, and the occupational risk prevention team. The number of Gensuite® environmental incidents registered in Spain in 2020 was 106.

Application of the Precautionary Principle

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

During 2020, the project initiated by the insurance company FM Global in 2019 has been continued and a plan to implement the recommendations agreed with the insurance company for this year has been drawn up and will continue throughout 2021.

The new AQP equipment implemented for the storage and control systems of chemical products in 1,000 litre containers (resins) and the conditioning of other products (oil, grease, dyes, etc.) should also be highlighted.

Environmental risk provisions and guarantees

In terms of risk insurance, Cosentino has an environmental liability insurance policy that guarantees, according to its conditions, compensation claims against the company for environmental damage resulting from its activity.

In addition to the coverage of the above insurance policy, there is an annual provision for the necessary restorations for the waste management activity conducted by the organisation Soluciones Ambientales CoMA S.L.

Circular economy and waste prevention

Cosentino Group remains committed to sustainable innovation, aspiring to ensure that its products offer the best qualities of respect for the environment and safety.

In this respect we continue to invest resources and efforts so that, year after year, the circular economy and waste recovery is reflected in Cosentino's range of colours and products, offering materials with a significant content of recycled and/or recovered raw material in their formulation. In 2020, Cosentino produced 1.45 million square metres of surfaces with recovered materials, representing 22% of the total production.

One of our major milestones in 2018 was the launch of its own Waste Management and Recovery Plant, a facility dedicated to the treatment and disposal for recovery of waste generated by the company in its production processes. Once we had consolidated our commitment to managing our own waste, in 2020 we began to adapt these facilities to provide us with sufficient infrastructure to ensure the long-term storage and treatment of the waste generated.

Each year we continue to work on increasing the proportion of recovered or recycled raw materials before and after consumption in relation to total consumption, through both improvements in production processes and through R&D aimed at using new materials in the formulation of our products. This resulted in a 26% increase in the consumption of these raw materials compared to 2019.

Use of recovered or recycled raw materials by product lines in 2020

Product lines	Total Recycled / Recovered Raw Materials (Tons)	Total Raw Materials (Tons) consumed in 2020	% Recovered / Recycled Vs Total
Dekton®	5,857	81,683	7.17%
Silestone®	16,337	401,488	4.07%
TOTAL	22,193	483,171	4.59%

Waste circularity

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

Circularity Project

At Cosentino, we work to ensure that our waste can be used, reused and recycled as new products for different external and internal applications. Our objective is to convert them into quality raw materials which can be reintroduced, with the maximum technical, economic, health and safety conditions.

The Circularity R&D project, a continuation of the Reborn project (started in 2016), aims to respond to the need to expand research lines for waste treatment, particularly in the case of Silestone®.

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

- **Civil engineering and construction materials:** We conducted several laboratory studies to verify the technical feasibility of introducing our waste as substitutes for civil engineering and construction materials (roads, drainage systems, backfills, concrete, gravel, etc.).
- **Technosol:** We are conducting short and long-term research on the development of a new technosol obtained from mixing our non-hazardous waste and different waste generated in the province of Almería, seeking synergies to resolve several problems with the same solution.
- **Ceramics industry:** We have verified another successful case study with the introduction of a type of our waste to ceramic industry products. After carrying out different industrial tests on a real scale, it has been concluded that this particular waste is not only suitable for use in this application, but also adds value to the final product.

Currently, work is being done on the necessary processes and procedures for using waste in these applications that have already been demonstrated in the laboratory and in the pilot projects. To achieve this, Cosentino believes it is essential to comply with all the necessary regulations and administrative processes, as well as the health and safety requirements for individuals and the environment. Thanks to the progress made along these different lines and an appropriate segregation and classification of waste generated both at source and in the factory, we now have a basis to develop large-scale recovery projects for all the lines underway and make this a reality.

Waste management

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

In 2020, through our subsidiary 'Soluciones Ambientales CoMA', we are in our second year of operating our own non-hazardous waste treatment and recovery plant, which has allowed us to consolidate a new, more efficient waste management system, aimed at the future recovery of all non-hazardous waste generated in the production process.

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

In 2020 we built new, clean areas in the main factories within the industrial park, improving waste segregation, as well as the efficiency of the factory's 'door to door' collection service and the way this process is viewed.

Our performance

Cantoria Industrial Park (Almería, Spain)

- We managed around 400,000 tons of waste.
- We recovered 45% of the waste generated.
- We increased the waste recovery rate by 37% compared to 2019.

Change in waste recovery (Tons)	2017	2018	2019	2020
Total disposal	187,060	208,536	269,142	216,500
Total recovery	37,694	87,742	132,497	178,883
Total waste	224,754	296,278	401,639	395,384
Recovery rate	16.77%	29.61%	32.99%	45.24%

96% of all non-hazardous waste recovered by Cosentino in Cantoria (Almería, Spain), is directly reused within the production chain to make new products, thus strengthening the circular economy as a fundamental point in our waste management strategy.

Regarding Hazardous Waste, the total weight transported was more than 4,000 tons, of which 2,300 were recovered. The recovery rate represents 56% of waste management. This highlights the effort

made to identify products that give rise to hazardous waste, thereby adding value to our efficient waste management philosophy. The hazardous waste generated was not transported to other countries.

Latina Vitória factory (Brazil):

- We have managers authorised by the administration for 100% of the waste generated, thus promoting responsible waste management.
- We maintain the recovery rate above 25% of the total.

Change in waste recovery (Tons)	2017	2018	2019	2020
Total disposal	19,799	19,024	17,205	16,520
Total recovery	5,979	5,693	5,667	5,570
Total	25,778	24,717	22,872	22,090
Recovery rate (%)	23.19%	23.03%	24.78%	25.22%

Of all the Non-Hazardous Waste recycled by Cosentino in Brazil, 99% represents recovery at no cost to the company, reaching 5,570 tons of the recovered materials.

As with the facilities in Cantoria, we are continuing to improve and optimise waste management in the Brazilian factory. Among the notable initiatives in 2020, we have worked to increase the recovery of waste (plastic, wood and packaging) instead of its disposal and to find solutions in the process that allow the amount generated to be reduced. These include the use of wood in place of concrete slabs in the bases of the transport trolley blocks.

Sustainable use of resources

Water footprint

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

Regarding the sustainable water usage policy, the company continues to maximise its efficient use in guaranteed high-quality productive processes thanks to the use of the best available technology. Thanks to this, Cosentino treats more than 385m³ every day to achieve 'Zero Waste Water'.

Cosentino practices a policy of using recycled water in the production process, which allows us to be increasingly efficient in our use of available water. In 2020, we increased recycling levels similar compared to 2018. As well as recycled water in the industrial process, some of our treated water is used for irrigating the various green spaces of the Cantoria Industrial Park (Almería, Spain).

Change in water collection (m3)*

		2017	2018	2019	2020
Use of collected water (m3)	Sanitary facilities (m3)	80,000	36,187	40,138	40,222**
	Irrigation (m3)	48,500	31,781	58,644	88,791
	Industrial (m3)	191,000	210,703	251,025	178,001
	Total (m3)	319,500	278,671	349,807	307,014
Captación total de agua por fuentes (m3)	Aguas subterráneas (pozo) (m3)	239,500	246,955	234,271	245,462
	Red de suministro (m3)	80,000	36,187	40,138	40,222
	Total agua captada (m3)	319,500	283,142	274,409	285,684

* Estimated according to the available information

** Estimated according to staff change

Energy efficiency

Energy efficiency is a priority target for Cosentino, reducing energy consumption in the production process and in general group activity by optimising processes. In doing so, the company is driving new projects and investments, promoting technologies with a smaller environmental impact and working towards a low-carbon economy.

Below are the data relating to the Cantoria Industrial Park:

Energy consumption 2020 (kWh)

	Factories	Offices	Facilities
Electrical Energy	137,606,325	860,667	540,623
Natural Gas	164,365,936	-	-
Diesel consumption	286,273	-	352,052

100% of our electricity needs in the Cantoria Industrial Park, both for products and services, are covered through renewable energy sources with certified origin.

Energy consumption outside the Cantoria HQ:

Stone Systems				
Category	Concept	Consumption	Unit	Comments
Stationary combustion	Fuels used on the premises	698,702	m3	natural gas
Electrical Energy	Mains consumption	6,891,682	kWh	

Cosentino Centres				
Category	Concept	Consumption	Unit	Comments
Stationary combustion	Fuels used on the premises	1,542,473	kwh	natural gas
Electrical Energy	Mains consumption	9,650,248	kWh	

City Centres				
Category	Concept	Consumption	Unit	Comments
Stationary combustion	Fuels used on the premises	0.00	m3	natural gas
Electrical Energy	Mains consumption	1,035,855	kWh	

Logistic Hubs				
Category	Concept	Consumption	Unit	Comments
Stationary combustion	Fuels used on the premises	0.00	m3	natural gas
Electrical Energy	Mains consumption	2,630,036	kWh	

Although we have reduced our electricity consumption during 2020, we have increased our energy intensity by 30% due to electricity consumption per m2 produced from 2019 to 2020. This is mainly due to the decline in production during 2020 caused by the COVID situation.

	2017	2018	2019	2020
Total Electricity Consumption (kWh)	113,163,936	126,767,241	139,583,417	137,606,325
Total products produced (m2/year)	8,308,892	9,402,545	11,199,794	8,584,117
Indicator (kWh/m2 produced)	13.62	13.48	12.46	16.03

Actions taken to improve energy efficiency:

- Replacement of machinery with the best available technology, decreasing the consumption of raw materials, and reworking of the calibration and polishing optimisation processes.
- The heat recovery system project at the Dekton® plant to reduce gas consumption has been implemented, with an estimated saving of 12.45 GWh/year.
- Development of multidisciplinary teams at all plants to study the implementation of new improvement actions in energy matters.

Climate change

To make our activity more sustainable, we strive for maximum efficiency in the use of resources and we promote clean technologies to reduce our environmental impact.

We are moving forward with an international momentum towards the full transition to a low-carbon economy, promoting energy efficiency, emissions reduction and sustainable mobility. This approach promotes our innovative character and allows us to improve processes with a vision for the future.

In 2020, we have updated the organisation's Carbon Footprint calculation for two consecutive years, the main results of which are detailed below. Although the calculation is for 2019, the final results and update were not obtained until 2020. This is because the process of officially registering the carbon footprint with the Spanish Office for Climate Change (OECC, in Spanish) consists of Cosentino's calculation, verification by a third party and finally the registration with the OECC of the Spanish Ministry for Ecological Transition and Demographic Challenge (MITECO). This process was completed on 11th February 2020 upon approval by the Ministry. It should be noted that, according to OECC guidelines, 2020 emissions are published in April.

Carbon Footprint 2019	486,311	Tons CO₂equiv
Emisiones alcance 1	39,078	Tons CO ₂ equiv
Emisiones alcance 2	10,424	Tons CO ₂ equiv
Emisiones alcance 3	436,809	Tons CO ₂ equiv

Once again, the outcome of the carbon footprint calculation shows that 90% of our Footprint comes from emissions associated with Scope 3, i.e. those emissions which are not directly related to our production processes or their energy consumption, but to the different areas and processes of our value chain, such as indirect emissions derived from the production and transport of the raw materials consumed, the distribution of end products, the transport and final management of waste outside our facilities, business trips, etc.

Within these Scope 3 emissions, approximately 77% comes from the production processes of our raw materials.

Finally, if an objective and quantified comparison is made from the 2018 versus 2019 Footprints indicators, a reduction in terms of production and consumption of raw materials can be observed:

Indicator	2018	2019		Evolution
Production (M ²)	0.046	0.043	T CO ₂ e/m ²	-5%
Consumption (ton raw material)	0.91	0.87	T CO ₂ e/m ²	-4%

This reduction has been possible, to a certain extent, thanks to the various Action Plans already defined following the analysis of the results of the 2018 Footprint calculation. Among these actions, the improvements related to greater energy efficiency in our production processes, as well as the increase in productivity through continuous improvement, are of great importance. During 2020, we have continued to work on these areas through various improvement projects, such as the use of heat from Dekton furnaces, which has led to a reduction in natural gas consumption.

Furthermore, a Strategic Plan for the Reduction of CO₂ Emissions has been drawn up on the basis of the data obtained, which includes the different reduction measures to be carried out in the short, medium and long term with the aim of promoting and making our decarbonisation strategy a reality, which is essential in order to be in line with the measures set out in the Paris Agreement. In fact, we have reasserted the Company's ambitious decarbonisation target, committing to reduce our Carbon Footprint by 60% by 2030 compared to 2018 (our base year). This will be achieved by means of CO₂e emission reduction actions as well as Voluntary Offset Projects.

	Reduction	Offsetting
2019 vs. 2018	4%	9%
2020 vs. 2018	*	11%
2030 v. 2018	34% acum	26%

* Emission factor data not available, as it is published during April 2021

Sustainable Mobility:

At Cosentino Group, we are aware of the environmental impact of the emissions associated with the transport we use in our activity, which is why we have been working for years on the implementation of various initiatives to promote sustainable mobility and reduce the emissions generated.

In 2020, the Company wanted to continue advancing in the strategy, launching the 2nd edition of the Business Mobility Plan, whose aim has been the study and analysis of the present and future situation – always in constant change – quantifying all movements both internal and external to the organisation (production, transport of Raw Materials, product and logistics, number of vehicles accessing, existing infrastructures in Cantoria and other municipalities, procedures in general and the future planning of the foreseen industrial expansion).

As a result of the new Mobility Plan, a set of 20 actions have been proposed whose investment is aimed at further optimising all previous initiatives, as well as going one step further and seeking the transformation of the industrial park, with a view to improving road safety, productivity, efficiency and sustainability through Smart, low-emission solutions

With this Plan, we seek to improve future mobility at all levels and locations where we operate through the digitalisation, sensorisation and electrification tools, with a positive impact both **on the well-being of employees and partners and on the reduction of emissions related to our activity.**

Reduction of Greenhouse Gas emissions and fight against climate change:

In 2020, the Scope 1 emissions associated with the production of Dekton® are:

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

	Type	2017	2018	2019	2020
Direct emissions of GHG (Scope 1)	Absolute GHG (Kg/year)	25,774,000	30,125,000	31,642,267	24,265,977
	Relative GHG (Kg/m2 product)	17.36	16.18	14.54	15.59

Our total direct CO2 equivalent emissions have been reduced to 24,266 tons in 2020 compared to 2019, which is 28% less than last year. This situation is caused by the unusual year we have experienced due to the existing health crisis, in which production has been below normal for some months. In addition, looking at the indicators, there is a slight increase due to the fact that the intermittent stoppages and restarts of production activity lead to a reduction in its energy efficiency, which has a negative impact on net CO2 emissions.

Risks and opportunities associated with climate change

For the first time this year, and in order to adapt to the demands and requirements of the markets, being increasingly aware of the challenges and opportunities arising from climate change, the company is going to carry out an in-depth study to analyse and assess the risks and opportunities associated with climate change and, as a result, define a Strategy on Adaptation to Climate Change.

To this end, Cosentino's climate change adaptation diagnosis will be defined, identifying the main climate hazards and analysing their expected development, as well as the exposure, sensitivity and capacity to adapt to them.

Emission of other substances

In order to promote respect and care for the environment, Cosentino performs a series of measurements in relation to the approximately 80 light sources that are distributed across the group of factories within the industrial park. In addition, this allows us to comply with the requirements set forth in the Integrated Environmental Authorisation (IEA) and comply with the emission limit values.

As shown in the table below, overall emissions have been significantly reduced compared to those recorded in 2019. This is due to the implementation of the action plan in all purification systems in the industrial park. Some measures have been taken, such as changing the ceramic bed of the regenerative thermal oxidisers or the implementation of control and monitoring systems for the purification equipment, pressure differentials, thermocouples, etc.

Change in significant atmospheric emissions

	2017	2018	2019	2020
Absolute Carbon Monoxide (CO) (Kg/year)	119,322	44,824	75,772	60,975
Absolute Oxides of Nitrogen (NOx and SO2) (Kg/year)	32,033	69,045	117,563	205,914
Absolute Lead and compounds (Pb) (Kg/year)	10	1	3	3
Absolute Total Suspended Particles (TSP) (Kg/year)	46,311	28,953	26,405	35,286
Absolute Total Organic Carbon (TOC) (Kg/year)	101,558	4,456	55,600	8,720

Biodiversity and natural capital

At Cosentino Group, we are committed to protecting biodiversity and flora to generate value for our workers and for all the communities where we operate. With this objective, we developed the Green Belt in our Cantoria Industrial Park (Almería, Spain): a landscape project that surrounds all of our facilities. The objective is to have a green perimeter around the entire industrial park and other

areas, so as to preserve the native flora, and to create a natural barrier against dust emissions from the outside or even against possible fires.

The project has already completed phases 1 to 4, with approximately 140,000m² having been realised to date. Consequently, only the last phase remains. This is being modified so as to adapt it to the configuration of the future industrial park's expansion. We have managed to complete 71% of the entire Green Belt Project, in addition to 42,900m² more in common spaces. This Green Belt is a fundamental element of the integration of the industrial park into the region and the landscape.

We maintain three fundamental ground rules for restoration actions:

- Use of native species.
- Species with minimum water needs to reduce water consumption as much as possible.
- Low need for maintenance, to reduce the associated energy consumption, as well as replacement of species.
- In addition, it allows the creation of a vegetation barrier that helps mitigate the effect of the wind, minimising the suspended dust that could be extended to the park from nearby areas and improve the response to any possible fires.

Green Belt (m ²)		Year
Phase 1	10,150	2017
Phase 2	7,500	2018
Phase 3	8,700	2018
Phase 4	8,400	2020
Phase 5	14,500	
Estimated total	49,250	
Completed	34,750	71%

None of Cosentino's industrial park facilities are located in an area where there are nearby protected habitats or sites of special environmental interest.

Our People

Having worked for several years with the philosophy that people are Cosentino's principal value in the world, it is an increasingly well-established approach within the company to consider any business process in terms of its impact on people, both employees and the external agents with whom Cosentino interacts: clients, suppliers, institutional representatives and the population in general.

Our objective is to spearhead the creation of a safe, appealing, inspiring and successful workplace. To make this possible, we develop initiatives oriented towards our employees that serve to increase their satisfaction, improve recruitment, foster internal promotion and talent retention.

Committed to our people

We consider our employees not just from a professional perspective, but also from a personal, family and motivational one. We are aware that our workers constitute a cornerstone of our activity.

We place particular emphasis on what is important to our staff: their health and safety, training and professional development, and quality employment that is adapted to their needs.

We ended 2020 with a workforce of 4,740 people across the globe, comprising of professionals from 70 different nationalities and with 16.5% of women in management and leadership positions. This diversity enriches our vision when making decisions and paves the way for our leadership.

Thanks to our support for internal promotions and improving satisfaction levels, we have a high percentage of permanent contracts. This year the percentage of this type of contract at a global level is 92.87%.

Number of employees by country

Country	No. of FY20 employees (31st December)
Spain	2,624
United States	1,121
Brazil	236
United Kingdom	106
Canada	85
Australia	78
France	66
Italy	65
Germany	52
Sweden	27
Turkey	26
The Netherlands	23
Portugal	22
Israel	21

Country	No. of FY20 employees (31st December)
Belgium	19
Poland	17
South Africa	16
Singapore	16
Ireland	16
Switzerland	15
Mexico	14
Finland	14
Austria	13
New Zealand	13
Norway	12
Malaysia	9
Japan	7
Denmark	7

Key employment indicators

The main HR indicators are shown below, including the number of employees with permanent and temporary contracts, separated by type of workday (full or part time) and broken down by gender, age and professional category:

Employees by contract type and gender

End of year	Women	Men	Overall total
Permanent	1,043	3,359	4,402
Full time	1,013	3,349	4,362
Part time	30	10	40
Temporary	46	292	338
Full time	46	289	335
Part time		3	3
Dismissed	65	188	253
Overall total	1,089	3,651	4,740

Employees by contract type and gender

Average	Women	Men	Overall total
Permanent	1,021.08	3,369.65	4,390.73
Full time	998.41	3,364.38	4,362.86
Part time	22.63	5.26	27.90
Temporary	37.94	234.81	272.75
Full time	37.87	234.23	272.11
Part time	0.06	0.58	0.64
Dismissed	1,059.02	3,604.46	4,663.48

Employees by contract type and age

End of year 2020	Under 25	from 25 to 35	from 35 to 45	from 45 to 55	over 55	Overall total
Permanent	125	1,253	1,628	1,007	389	4,402
Full time	124	1,245	1,606	1,002	385	4,362
Part time	1	8	22	5	4	40
Temporary	59	150	85	31	13	338
Full time	59	150	85	31	10	335
Part time					3	3
Dismissed	12	71	86	54	30	253
Overall total	184	1,403	1,713	1,038	402	4,740

Employees by contract type and age

End of year 2020	Under 25	from 25 to 35	from 35 to 45	from 45 to 55	over 55	Overall total
Permanent	125	1,253	1,628	1,007	389	4,402
Full time	124	1,245	1,606	1,002	385	4,362
Part time	1	8	22	5	4	40
Temporary	59	150.00	85	31	13	338
Full time	59	150	85	31	10	335
Part time					3	3
Dismissed	12	71	86	54	30	253
Overall total	184	1,403	1,713	1,038	402	4,740

Employees by contract type and age

Average	Under 25	from 25 to 35	from 35 to 45	from 45 to 55	over 55	Overall total
Permanent	119.41	1,225.30	1,634.29	1,009.61	402.12	4,390.73
Full time	118.78	1,219.93	1,617.89	1,005.84	400.39	4,362.83
Part time	0.63	5.37	16.40	3.77	1.73	27.90
Temporary	32.28	141.90	60.01	28.68	9.89	272.75
Full time	32.28	141.84	60.01	28.68	9.31	272.11
Part time		0,06			0.58	0.64
Dismissed	151.69	1,367.20	1,694.30	1,038.28	412.01	4,663.48

Employees by type of contract or professional category

End of year 2020	Senior Management	Middle Management	Operational Management	Professional	Administrative	Operator	Overall total
Permanent	20	67	603	1,385	279	2,048	4,402
Full time	20	67	600	1,365	269	2,041	4,362
Part time			3	20	10	7	40
Temporary	0	0	1	33	9	295	338
Full time				33	9	293	335
Part time			1			2	3
Dismissed	0	3	19	88	25	118	253
Overall total	20	67	604	1,418	288	2,343	4,740

Employees by type of contract or professional category

End of year 2020	Senior Management	Middle Management	Operational Management	Professional	Administrative	Operator	Overall total
Permanent	21.01	64.37	594.64	1,390.70	287.14	2,084.96	4,442.82
Full time	20.26	64.37	591.68	1,376.81	279.81	2,080.36	4,413.29
Part time	0.75		2.96	13.89	7.33	4.60	29.53
Temporary	0.00	0.00	0.45	29.53	5.46	241.57	277.01
Full time			0.17	29.47	5.46	241.27	276.37
Part time			0.28	0.06		0.30	0.64
Dismissed	21.01	64.37	595.09	1,420.23	292.60	2,326.53	4,719.83

Organisation of work

The People philosophy entails a holistic view of our employees' experience, encompassing their working environment as well as personal, family and motivational aspects.

We therefore offer various work-life balance initiatives and social benefits that meet the needs of each geographical area and are independent of the duration of the employment contract. This is possible thanks to quality employment that is adapted workers' needs, thereby encouraging maximum input.

Furthermore, the organisation of work at Cosentino seeks to adapt to our functional diversity, covering areas as different as production, sales and corporate functions.

In accordance with the obligations of the applicable labour agreements, there are different shift and part time systems.

In general, commercial and corporate positions tend to be part time, while industrial jobs are usually shift-based, with teams working different combinations of shifts (morning-afternoon-night), up to numerous sections working 5 shifts to allow for 24 hour year-round production.

Work-life balance

The balance between work and family life is key to employee well-being. 131 employees took parental leave during 2020, of whom 32 were women and 99 were men.

On the other hand, the year 2020 was marked by the pandemic and the series of measures taken by the company in terms of occupational risk prevention. In this regard, since the beginning of the pandemic in March, a system of rotating shifts for homeworking was implemented for all those jobs that could be delivered this way. This measure cannot be considered as a new policy in itself. Once this exceptional period is over, the Company will resume the analysis of the work-life balance measures to be permanently implemented.

Digital downtime

We do not have a written policy on work downtime. However, the company intends to carry out a general study to define this policy for the future.

Corporate relationships

59.3% of our employees worldwide are signed up to collective agreements. All of our employees in Spain, where more than 55.4% of our workforce is based, are signed up to one of the 22 existing collective agreements.

In addition to Spain, these collective agreements apply to all employees from the following countries:

1. Cosentino The Netherlands
2. Cosentino Italy
3. Cosentino Belgium
4. Stone Services of France
5. Cosentino Austria

Trade union membership

The Organic Law 11/1985 of 2 August regarding Trade Union Freedom guarantees that all workers have the right to freely join trade unions for the promotion and defence of their economic and social interests.

The same law establishes in its second article that the freedom of association includes:

- The right to establish trade unions without prior authorization, as well as the right to suspend or dissolve them through democratic procedures.
- The right of a worker to join the union of their choice under the sole condition of observing the union's statutes or to leave the one they are affiliated with, with no one being obliged to join a union.
- The right of members to freely elect their representatives within each union.
- The right to trade union activity.

In addition, both the Workers' Statute and the collective agreements grant this right to workers.

Although health and safety standards are already covered in detail in a number of laws, regulations and technical notes, a wide variety of collective agreements contain specific references to health and safety. For example, Article 35 of the Spanish General Collective Agreement for the construction sector includes a specific section on health and safety. The same applies to the Italian agreement (Commercio Terziario Distribuzione e Servizi) in Article 4 and to the French agreement (Commerce du gros) in Article 57.

Composition of workers' representation

Our workers' representation at Cosentino Cantoria (Park 1) consists of 23 members of the works council, elected in the 2017 elections, of which 14 members belong to the Comisiones Obreras trade union and 9 members belong to the UGT union.

The 14 members of Comisiones Obreras represent the group of specialists and unskilled workers.

Of the nine members of UGT, three members represent the group of specialists and unskilled workers and six members represent group of the technicians and administrators.

Cosentino Cantoria (Park 1) has several committees currently in place:

- Ordinary Committee: a joint committee comprising six members, of which three represent the company and three represent the works council.
- Training Committee: a joint committee comprising six members, of which three represent the company and three represent the works council.
- Harassment and Equality Committee: a joint committee comprising six members, of which three represent the company and three represent the works council.

There are also two trade union sections in industrial park 1:

- UGT trade union section
- CC.OO trade union section
- Health and Safety Committee: A joint committee comprising 10 members, of which five are company representatives and five are prevention delegates..

Equal opportunities

Our growth means recruiting more diverse talent. Our commitment to effective equal opportunities is reflected in our Equality and Diversity Plan, which integrates this commitment into all recruitment, selection, communication and training processes. This Plan has been registered and is in the process of being published. Various national and international legal instruments guarantee the defence of human rights in general and the principle of equality and non-discrimination in particular, which have been taken into account in the development of Cosentino S.A.U. Equality Plan II.

This Internal Policy places special emphasis on the promotion of women, both within the company and in partner companies and society in general. In line with the above mentioned, we commit ourselves to the following:

- To promote women's access to positions of responsibility.
- To proactively incorporate equality in people management and in advertising and marketing policies.
- To partner with organisations that promote the labour insertion of women. To name jobs in a neutral way.
- To incorporate equality into the selection processes of partner companies.

- To raise awareness of equality and non-discrimination among those responsible for the selection of personnel.
- To promote female candidates for positions where women are under-represented.
- To promote the balanced assumption of family responsibilities.
- To promote a positive work-life balance for our employees.
- To avoid or resolve any situation of harassment or discrimination based on gender..

Organisational level at end of year 2020	Women	Men	Overall
Senior Management	4	16	20
Middle Management	10	57	67
Operational Management	100	504	604
Professional	607	811	1.418
Administrative	226	62	288
Operator	142	2,201	2,343
Overall total	1,089	3,651	4,740

Integration

Cosentino's Code of Ethics, Conduct and Regulatory Compliance is the guiding principle of our business behaviour, which applies to all group companies with regard to the non-discrimination of people with disabilities or social and occupational exclusion. Cosentino does not tolerate any kind of workplace discrimination for reasons of age, race, skin colour, sex, religion, political opinion, heritage, sexual orientation, social background or disability.

This promotes effective equality, which in practice means promoting gender diversity as well as the professional and personal development of all employees, ensuring equal opportunities.

In addition, we encourage the employment of people with disabilities in two ways: direct contracting and outsourcing of employment to integration companies for specific projects.

In this context, the table below lists employees with disabilities:

Row labels	Men	Women	Overall total
Cosentino S.A.U.	12	3	15
Cosentino Latina (Brazil)	3	4	7
Cosentino North America (USA)	2		

In line with Cosentino's Code of Ethics, Conduct and Regulatory Compliance, the company follows the Technical Building Code at all times, implementing all measures for accessibility, mobility and integration of people with disabilities in its headquarters, offices in factories, medical services facilities, Cities, Centres, etc. As an example of this implementation, the following facilities are described:

1. Our headquarters have 2 pedestrian entrances, one on the ground floor and one in the basement, and two lifts that allow access to any part of the building. In compliance with the regulations, there are also toilets adapted for disabled users on all 3 floors of the building. In addition, the furniture in the common areas is designed to be used by everyone.
2. Our medical service facilities are accessible by ramp and the bathroom is adapted for disabled users, in accordance with the regulations.
3. Also in accordance with the regulations, the main changing room building has a fully equipped and accessible area on the ground floor and a lift to access other floors.
4. Pavements in industrial parks are built at ground level at pedestrian crossings to remove barriers to mobility.

Our Cities and Centres worldwide are designed and executed in accordance with the applicable regulations in each country in terms of mobility, accessibility and integration of people with disabilities.

Discrimination and prevention of harassment

Non-discrimination is a key factor in our commitment to employee welfare. We have a clear commitment to preventing and eradicating this type of behaviour in the workplace, whether by reason of birth, race, sex, religion, opinion or any other condition or personal or social circumstance.

Harassment is a risk in the workplace. At Cosentino, we strive to maintain an organisational structure that prevents harassment and we are committed to allocating the necessary human and material resources to prevent and respond to possible cases.

Cosentino's Harassment Prevention Protocol, in which we state our intention to implement all necessary measures to promote a harassment-free working environment, is available to all employees on the corporate intranet. Thanks to the training programmes we work with, we are prepared to act.

Cosentino's Complaints Channel is a tool to report or make inquiries about discrimination issues. Both access and reporting can be done anonymously.

In 2020, we received 10 complaints referring to cases of harassment and 2 complaints regarding discrimination through this portal.

After conducting the relevant internal investigation, with a thorough study of the circumstances and in compliance with the impartiality standards, the Ethics Committee closed all the cases.

Remunerations

Our remuneration policy does not differentiate on the basis of gender and seeks objectivity in reviewing individual remuneration to ensure that it is equitable in relation to the level of responsibility and contribution to the Group's results.

The change in average remuneration compared to the previous year is affected by the variation in salaries as well as by the variation in the exchange rate of the local currency to the euro, so that positive increases in local currency can become negative when converted into euro.

Salary Information Senior Management

	% gender		Average in euros	
	Men	Women	Men	Women
Year 2020	80%	20%	296,640	159,740
Year 2019	81%	19%	232,597	142,817
Year 2018	81%	19%	203,783	120,184

*Senior Management also includes Advisors.

Salary Information excluding Senior Management

Average remuneration	Year 2018 (Euros)*	Year 2019 (Euros)*	Year 2020 (Euros)*	Variation in the period 19-20 (%)
Men	38,438	40,877	40,618	-0.63%
Women	43,009	45,844	46,945	2.40%

Average remuneration	2018 (euros)*		2019 (euros)*		2020 (euros)		Variation in the period (%)	
	Men	Women	Men	Women	Men	Women	Men	Women
Africa	40,608	28,582	36,515	28,651	36,435	26,385	-0.2%	-7.9%
Asia	55,561	32,126	57,443	38,762	62,816	47,030	9.4%	21.3%
Europe	49,550	45,223	51,638	47,651	53,641	49,378	3.9%	3.6%
Iberia	31,349	32,048	33,379	33,224	32,611	33,135	-2.3%	-0.3%
Latin America	13,397	17,917	12,500	17,978	8,984	16,039	-28.1%	-10.8%
Middle East	38,166	42,818	40,478	48,703	36,151	49,491	-10.7%	1.6%
North America	55,744	56,456	60,931	62,724	63,427	64,643	4.1%	3.1%
Oceania	59,058	51,819	57,920	49,867	56,147	51,510	-3.1%	3.3%

Average remuneration	Year 2018 (Euros)*	Year 2019 (Euros)*	Year 2020 (Euros)	Variation in the period (%)
Under 25	20,027	25,889	26,173	1.10%
from 25 to 35	32,577	35,441	36,982	4.35%
from 35 to 45	41,598	43,884	42,759	-2.56%
from 45 to 55	46,528	49,028	48,170	-1.75%
over 55	47,762	49,862	47,953	-3.83%

Average remuneration	Year 2018 (Euros)*	Year 2019 (Euros)*	Year 2020 (Euros)	Variation in the period (%)
Senior Management	187,859	215,496	269,260	24.95%
Middle Management	162,780	172,402	167,315	-2.95%
Operational Management	63,083	67,784	67,618	-0.24%
Type of professional	47,506	50,213	50,880	1.33%
Administrative	30,766	34,037	34,232	0.57%
Operator	24,590	27,033	27,327	1.09%

Below is a table showing the 2020 pay gap, broken down by category:

Salary gap*

Senior Management**	64.3%
Middle Management	6.4%
Operational Management	-4.2%
Type of professional	-12.1%
Administrative	4.9%
Operator	2.7%
Overall total	-27.9%

*Pay gap by professional category (median):

$(\text{Median Men} / \text{Median Women}) / (\text{Median Men})$

Where positive gap (+) indicates the % by which the median salary for women is lower than the median salary for men, and negative gap (-) indicates the % by which the median salary for women is higher than the median salary for men.

** To a large extent, the significant difference between men and women results from the fact that the female group includes non executive advisors, whose remuneration corresponds only to their advisory role or non-executive employment, while the male advisors (except for one) also have executive functions and receive remuneration for both responsibilities.

Health and Safety

Cosentino's safety policies are based on risk assessment, planning of preventive measures, maximum transparency in the reporting of incidents and accidents, improvement actions, implementation of procedures that address critical risks, ongoing employee training, communication, control and monitoring of action plans through production inspections and meetings, and audits of the prevention service of each subsidiary.

Risk assessment

Risk Assessment is a central element in the occupational risk prevention management system. As well as forming the basis for the various activities planned for risk control, it must inform practically all the management elements of the preventive system itself.

In order to eliminate the risks to which employees may be exposed, not only accidents involving personal injury are investigated and analysed and corrective measures determined, but also near-miss incidents that could pose a health risk to people follow this process. To facilitate this task in 2020, there is a commitment to carry out the risk assessment of at least one section per plant through Gensuite, a specific security software to trace safety actions.

For Cosentino, the safety and welfare of its employees is a priority. In this respect, the company has an internal participation body in accordance with Article 38 of Law 31/1995. As a joint and collegiate participation body aimed at regular and periodic consultation of the company's actions in preventive matters. It is made up of three Prevention Delegates with a seat and vote, whose functions are set out in Article 35 of the Prevention Law, and three Company Representatives with a seat and vote.

In addition to the aforementioned members of the Health and Safety Committee, prevention technicians and company employees with special qualifications or information on the matters to be discussed may participate in a non-voting capacity. Meetings will be held monthly or when requested by either party.

The Health and Safety Committee deals with any current issues in the organisation with particular relevance to the health and safety of workers.

The Cosentino Group has a Joint Prevention Service that implements processes for employee participation and consultation as follows:

- Providing support to the Gensuite tool through which different participation tasks are organised, such as:
 - Preventive safety observations (PSOs), through which personnel managers observe tasks and make proposals for their improvement.
 - Regular meetings organised between shift operators on different production lines to discuss safety issues. The proposals are coordinated as actions and are monitored by the technicians assigned to each production facility.
 - Weekly safety meetings are held between the prevention technician and the production manager of each plant to monitor the actions being taken in terms of safety.

- Accident statistics and knowledge about prevention measures to be applied in certain risk situations such as Near Miss or occupational accidents are shared with workers through the Safety Alert tool, which are published in the Safety Corners located in each plant.
- The Cosentino Group's production centre has a medical service for its employees, not only for occupational pathologies but also in general.
- Sensitive personnel are also attended to by the Medical Service as well as by the People and OHS departments in order to make any possible adaptations to the workplace.
- The OHS department coordinates communication tools such as videos, posters, good practice manuals, etc., which are then distributed among internal staff and clients.

Commitment to our value chain

Committed to the health and safety of our employees and stakeholders, the Cosentino Group has established several essential lines of action:

- Collaborators: to continue with our preventive action plan for employees initiated several years ago to minimise sources of dust by making the necessary investments, informing and training employees in best practices and ensuring the use of personal protective equipment. To strengthen our digitalisation programme in the field of safety in order to provide the operational management line with adequate tools for action monitoring, incident reporting and reporting of safety deviation.
- To maintain ongoing dialogue with our stakeholders, clients, fitters, suppliers, employers' associations, mutual insurance companies, public administrations in the field of health and safety and trade unions, in order to secure and disseminate the best available health and safety measures.
- To implement smoking cessation programmes in Cantoria and promote healthy habits.
- To have the Cantoria factory and all major work centres certified in accordance with an ISO 45001 management system over the next three years, aimed at continuous improvement beyond legal compliance.
- To consolidate compliance with the free crystalline silica exposure reduction project implemented in US workshops by means of an audit every 6 months and a specific silica assessment per workshop. Integration of Silica Engineering measures into maintenance plans, through Gensuite.
- Suppliers and contractors: Suppliers' and contractors' performance incorporated as a key indicator.
 - The management system which encompasses all our employees, contractors and stakeholders, such as clients and suppliers, follows the standards of the applicable current regulations, consisting of Policy, Prevention Plan, procedures, safety instructions and operating instructions.
 - To include contractor accidents in our calculation of group accident rates.

Leading Programme in Occupational Health and Safety

Our Safety by Routine programme is now a tried and tested key tool for accident reduction, which has reduced overall accident rates by 30% in the four years since it was first implemented in 2016. Through these actions, we have improved leadership, commitment and daily management of health and safety, thanks to the reporting of actions in each area and follow-up in production meetings.

These actions include the implementation of the computer application Gensuite to improve the management of preventive activity. This system is now fully implemented in the United States, Oceania, Brazil and our factory in Spain. It is currently being rolled out in Europe.

The key measures taken include:

- Improvement in Accident Rates: 25% reduction in the TCIR accident rate (2.74 vs 3.67 compared to 2019); 28% reduction in the occupational accidents with sick leave rate (1.36 vs 1.90 compared to 2019); 8% reduction in the severity rate (79.27 vs. 86.39 compared to 2019).
- 74 priority fire prevention actions (Type A).
- Consolidation of the leadership action plan by routines through:
 - Increased incident reporting and analysis at production facilities: a total of 398 incidents reported (vs. 63 incidents reported in 2019)
 - Increased reporting and implementation of actions to improve working conditions.
- Start of the Five cardinal rules audit in the period October-December with the result of:
 - 880 improvement actions detected.
 - 782 improvement actions completed and 98 in progress.
 - 97 warnings for non-compliance with cardinal rules, 46 to employees and 51 to subcontracted workers.
- United States
 - Training Plan and EHS audits at each work centre.
 - Silica sampling plan for all workshops in Q1.
 - Drafting of the Container Unloading Procedure.
 - PMA Insurance Action Plan.
 - PMA Insurance Company's Safety Award..
- Latin America
 - Padlocking of multiwire machines.
 - Inspection and evaluation of factory equipment.
 - Relocation of resin barrels stored in warehouses.
 - Adequate intermediate storage of resin barrels.
 - New measurements of environmental impacts (noise, dust, etc.) and review of the factory's Health and Safety Programmes.

- o Organisation of the Internal Week for Occupational Accident Prevention (SIPAT) with activities on Environment, Health and Safety at work.
 - o Up-to-date Safety Training (Overhead Crane Operation, Respiratory Protection, Rotating and Blasting Machinery and Equipment, Working at Heights, Forklift Operation).
 - o Checking of Risk Assessments for all factory sectors.
 - o Checking of machinery and equipment inspection forms (check-lists).
 - o Installation of air extractors on the roof of industrial units 3, 5 and 6.
 - o Daily management of COVID-19 cases.
- Europe and ROW
- o Improvement in employee training: creation of a Logistics Safety course on the online platform.
 - o Improvement of training materials on health and safety. Production of a video on safety in logistics operations
 - o Updating of the Safety Manual for logistics operations.
 - o Drafting of a safety manual for Cosentino product fitters.
 - o Implementation of the Safety by Routine programme and Gensuite digitalisation pilot in Sweden, Norway and Gerona, to be extended to 2021.

Main accident rates

The main aim of all the activities mentioned above is to reduce our main accident rates.

These results are thanks to our daily hard work and effort, as well as the ongoing promotion of a culture of prevention among our employees.

	Men	Women
No. of occupational accidents	114	9
Frequency rate	3.29	0.87
Severity Rate	95.26	25.36
No. of occupational illnesses declared	13	0

- Frequency rate (No. accidents/hours worked)*200,000
- Severity rate by gender: (working days lost/hours worked)*200,000

In production posts where there are more men than women, the risk level is higher, so we have a high number of accidents and lost days affecting men. Furthermore, more women are employed in non-production related jobs, with lower risk, which contributes to a lower accident rate.

In terms of absenteeism from work, Cosentino reports the following data:

	2017	2018	2019	2020
Absenteeism figures	1.70	1.80	3.80	4.94
Absenteeism hours	105,757.24	123,949.98	154,828.76	246,953.04

* Data for Spain

It should be noted that due to COVID-19, the absenteeism rate has increased considerably in 2020, with a number of causes such as: sick employees, employees with close contact to a confirmed COVID case, sensitive groups who were granted paid leave at the beginning of the pandemic pending a better understanding of how to manage it, among others.

COVID-19 Actions

The year 2020 has brought an unexpected and unknown challenge for today's society, with serious economic, health and political implications.

Our management of the pandemic has been underpinned by clear leadership from the Executive Committee and the Coronavirus Crisis Committee. This management has been reflected in the proactive decision-making of our Medical Service and the adoption of strong measures aimed at prevention, early detection of possible COVID-19 cases and the development of an information system for the monitoring and surveillance in the workplace and follow-up of cases.

We have strengthened our medical service staff, which now includes two nurses, a doctor and an administrative assistant, and have extended our opening hours, offering continuous assistance from 8 p.m. to 11 p.m. throughout the week. This allows us to provide care for all three daily work shifts at a time when accessibility to health centres has changed.

In collaboration with Quirón Prevención, a benchmark in occupational risk prevention, we have worked on the definition and evaluation of workers who are particularly sensitive to SARS-Cov-2 coronavirus infection and on the establishment of technical-preventive measures adapted to these more vulnerable groups.

Cosentino has also donated and distributed protective equipment and medical supplies to different public and private health and social health centres in the north of Almería and other areas of the province, ensuring the availability of equipment for personal protection.

In this context, the role played by Cosentino is of great value both in terms of the number of tests carried out and the active follow-up of cases and contacts, which clearly contributes both to reducing the intensity of the pandemic at this stage and to the safety of its workers and families.

Below are the most relevant preventive measures and recommendations during the course of this pandemic:

- Creation of a Coronavirus Committee for decision-making with the participation of all the areas involved: legal, people, safety, operations, purchasing, facilities, projects, etc.
- Development of a corporate action protocol to mitigate the effects of the pandemic: risk assessment, action protocol and travel at a global level.
- Provision of gels and masks for workers and their families.
- Marking out work areas: access to offices, production facilities or any other common areas other than the medical service without a negative test result within the previous 48 hours is strictly forbidden.
- Real-time follow-up and disinfection of cases.
- Safety screens.
- Proactive and preventive paid isolation for sensitive/vulnerable workers and operators.
- Work at home for all jobs suitable for home working.
- Cleaning frequency increased.
- Hand disinfection.
- Use of gloves and masks.
- Maintain a minimum safety distance of 2 metres.
- Modification of the shift system for office staff to a three-shift rotating model.
- Compulsory temperature check prior to accessing the facilities.
- More flu vaccinations.
- Training provided to all work centres (75) with a workforce of 860 employees.
- Posters and information materials available in Spanish, French, Portuguese, Italian, German, Polish, Turkish, Swedish and English.
- Digital signature of informed consent for Covid-19 testing.
- Limiting staff mobility between headquarters and production facilities by providing picnics in two shifts.
- Closure of the cafeteria.
- Eating separately and respecting distances.
- Closure of changing rooms and factory offices to minimise crowding. Installation of vending machines outdoors.
- Tests carried out before the Christmas holiday period for the safety of our employees' families.
- Limiting the capacity of meeting rooms.
- Sitting in a zigzag pattern at designated areas in the office.

Spain:

- Covid19 session for Spanish clients. 'Prepare your business for the new normal'
- 9,000 tests carried out in 2020, including serological, antigen and PCR tests both for our staff and subcontracted workers in Cantoria.

Europe and Row:

- Development of an action protocol to mitigate the effects of the pandemic aimed at distribution and sales channels in Europe and Row.
- Training for 70 centres in Europe and Row on preventive measures against COVID.

United States:

- 1,390 tests carried out on employees at Miami HQ.
- 613 reported situations managed, including possible exposure to infected people, employees with symptoms or relocations.
- 29 specific training sessions on preventive measures.
- Development of 14 specific internal protocols for the prevention and control of exposure to the disease.

Health and well-being programmes:

Cosentino's responsibility to its employees is translated into strategies that invite them to incorporate a healthy diet and physical activity into their everyday life in order to reduce the incidence of diseases associated with a sedentary lifestyle. In keeping with these aims, the Health Promotion Programme was continued in 2020 focusing on:

- Raising awareness of healthy nutrition through information sessions delivered by nutrition specialists and advisors from the Andalusian Regional Government to workers at the Cantoria work centre (Almería, Spain). This action has been supplemented with the Healthy Canteen, introducing healthy dishes on the menu as well as health and well-being messages.
- Promotion of Physical Activity: The Activate project has been launched with a pilot project to monitor the physical activity programmes for 3 months using the New Me smartphone app.

To mitigate the effects that the pandemic may have had on workers' health, the PSYCAP study was carried out in 2020 with the collaboration of Mutua Universal. Being aware of the impact that COVID-19 has had at all levels and the exceptional situation experienced, the Mutual Insurance Company for Accidents at Work and Occupational Diseases - Mutua Universal - has launched a study to analyse the consequences of the pandemic on people's psychological well-being.

We have joined this initiative and offered our employees the opportunity to contribute to this important study, which concluded that our company has a high level of Global Psychological Capital (3.52). Based on these conclusions, we started a process of implementing policies aimed at improving people's well-being, while at the same time participating with Mutua Universal in the analysis of the psychosocial consequences of the pandemic in Europe.

Talent development

We promote the recruitment of the best professionals and continuous learning to ensure the professional and personal growth of our employees. They are our main asset and competitive advantage. We also want each individual to play an active role in their own development and to be able to express their highest potential, beyond providing skills and knowledge.

Training offer

Our approach to continuous training is based on the 70:20:10 model. This principle states that most learning takes place in everyday work (70%), while 20% occurs through informal processes such as coaching or mentoring in the workplace and only 10% is generated in structured training processes.

These processes, including the Talent Review and procedures to detect training needs, are of vital importance since they can become the key component for future learning, in the workplace as well as in other learning processes.

The people who form part of the Cosentino Group have access to a wide variety of training programmes. In 2020, we allocated **136,200 hours (Training Plan + Onboarding + online English)** to training our employees, in two lines of training:

- Onboarding: Initial training plans:

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

- Continuous training:

In 2020, we carried out 295 training activities.

Training sessions include soft skills, industrial techniques, commercial techniques, product training, digital transformation and languages.

Among the training programmes carried out in 2020 are: the Digital Transformation programme aimed at the commercial network and the executive committee; leadership programmes for factory managers; upskilling training for specialists; and training in agile methodologies.

Each year we include new training methodologies, integrating innovation and best practice for the future of the company's employees.

This year we continued to promote digital training thanks to the implementation of a platform accessible to all Cosentino employees.

The digitalisation of our training content allows us to reach all employees, regardless of the geographical area where they work, thanks to our digital transformation process.

We also offer our employees the possibility of taking a Masters degree, a postgraduate course or a specialisation course.

Below is the average number of employee training hours per year and the number of total training hours broken down by gender and professional category:

	Senior Management	Middle Management	Admin.	Operational Management	Operator	Professional	TOTAL
Training plan	334	930	1,887	11,672	9,559	20,392	44,775
Onboarding	50	150	3,195	5,676	11,750	20,898	41,719
English Online	60	177	279	1,771	260	1,929	4,476
TOTAL	444	1,257	5,361	19,119	21,569	43,219	90,970

Table 1. Training hours by professional category

Human Rights

The main risk of human rights violations occurs in our own business activities as well as those of our suppliers. The Company uses various measures to prevent and remedy these.

The responsibility for respecting human rights lies with all individuals and bodies to which the aforementioned Code of Ethics, Conduct and Regulatory Compliance apply. We follow basic guidelines for conduct including ILO's Declaration of Fundamental Principles and Rights at Work and Conventions, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact. Via our Code of Ethics, we agree to respect the human rights and civil liberties recognised in the United Nations Universal Declaration of Human Rights. In this Code, Cosentino expressly agrees to abolish child labour, requiring all employees, partners and suppliers to comply strictly with this principle.

As for the supply chain, this requires the same conditions of compliance, accepting the principles of respect for human rights, among others. In addition, the General Purchasing Conditions stipulate that suppliers undertake to comply with a set of criteria, including those relating to human rights. Audits are also conducted on key suppliers in terms of human rights. For further information, please consult the chapter on our commitment to our suppliers.

As mentioned in the previous sections, any non-compliance or breach of conduct stated in the cited Code must be communicated, including those concerning human rights.

Ethics, Conduct and Regulatory Compliance

To ensure relationships of full trust among our employees, stakeholders, partners, customers and suppliers, Cosentino Group is fully committed to compliance with ethical standards and principles and the current legislation, both internally and in our external relations.

With this aim, we update and promote our Code of Ethics, Conduct and Regulatory Compliance. This code is our main tool for establishing ethical behaviour, based on integrity, which ensures compliance with legal requirements, but also with the ethical commitments, good practices and self-

imposed rules of the Organisation. It also obliges our directors, executives and employees to approach their duties and relationships with stakeholders in an upright manner.

Values, principles, standards and rules of conduct

The Code of Ethics, Conduct and Regulatory Compliance, as the fundamental rule of the organisation, is Cosentino's 'Constitution'. It is the backbone of all the company's rules, policies, procedures and protocols and contains the values, principles and standards of conduct that all those to whom it applies must comply with.

The basic principles to which the business and professional conduct of all employees, members of the Board of Directors, members of the Executive Committee and other members of the Management, bodies and organisations related to Cosentino must adhere are as follows:

- **Respect for the law.** We develop our activities in strict compliance with the law in force in each of the places we operate.
- **Ethical integrity.** The professional and business activity carried out by Cosentino Group and its employees shall be based on integrity and in accordance with the principles of honesty, avoidance of any form of corruption, and respect for all the circumstances and particular needs of all those involved. Cosentino will encourage its employees to recognise and value behaviour in accordance with the principles set out in the Code.
- **Respect for Human Rights.** All our activity shall fully respect the Human Rights and Civil Liberties included in the Universal Declaration of Human Rights. The values of our Code of Ethics are part of the culture that we share with all Cosentino Group employees, who must be familiar with and comply with this document.

On joining the Company, the employee must sign the Code together with the employment contract and the Company will keep a record of this, which is managed by our People Department.

In order to ensure compliance with such basic principles of conduct, Cosentino Group has two main bodies, which are the Ethics Committee and the Regulatory Compliance Body, as well as the Complaints Channel.

Corruption and Bribery

Anti-corruption mechanisms and conflicts of interest

At Cosentino Group, we have a firm commitment against corruption and bribery. This is embodied by the anti-corruption measures established by the Code of Ethics, Conduct and Regulatory Compliance and the Anti-Corruption Policy, which sets out our total commitment to law, ethical values and transparency.

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

Cosentino Group Anti-Corruption Regulations:

The Company expressly prohibits offering or giving:

- Gifts or gestures of any kind in direct return for an act, whether performed in the past or in the future. Such gestures would only be given, offered or accepted without expectation of anything in return.
- Cash.
- Gifts or gestures of any kind if there is a risk that, due to their frequency or value (individually or jointly), they may not be considered occasional or reasonable.

In 2020, the Company implemented its Annual Training and Communication Plan. In the Compliance Body's training sessions for each area, we explain, among other things, what our Crime Prevention Programme consists of and work on specific examples of conduct which employees must avoid in order to comply with the ethical principles set out by the Company. We also explain the actions carried out by the Compliance Body and explain how the Complaints Channel works, and we encourage its use.

Our Annual Audit Plan includes activities to accurately assess the existence of any conflict of interest in the Company and compliance with internal rules such as our Procurement Standard, Contracting Standard, Credit and Collection Policy, Attachment Procedure, among others. We also have procedures in place to control payments on behalf of third parties and we have implemented measures such as: centralised treasury system, payments reflected in SAP, verification procedure, accounting of invoices, etc.

The regulations regarding money laundering are included in the Code of Ethics, Conduct and Regulatory Compliance. Thus, Cosentino Group undertakes to comply with money laundering laws of any competent jurisdiction.

Anti-corruption mechanisms to ensure compliance with these basic principles

As part of Cosentino's Crime Prevention Programme (hereinafter 'the CPP'), which is promoted and managed by the Criminal Compliance area, the criminal risk map, the gap analysis and other documents included in the CPP are constantly updated. To this end, we seek the advice of a reputable law firm with extensive experience in Criminal Compliance matters, which may vary each time we undertake this assignment. This update was last carried out by Baker McKenzie in 2017, and in late 2020 work has begun on the update, this time with Cuatrecasas.

The Cuatrecasas consultancy work that has been underway since the end of 2020 consists of:

1. Analysis of the level of adequacy and degree of updating of the Company's Compliance System with respect to (a) the requirements under Section 31 of the Spanish Criminal Code; (b) the recommendations set out in the Spanish Circular 1/2016 issued by the Public Prosecutor's Office (FGE) on the Criminal Liability of Legal Entities; and (c) the recommendations and suggestions of best practices in this area (e.g., ISO 19600 on Compliance systems; and, UNE 19601 on Criminal Compliance systems and the most relevant international standards in this area, given the Cosentino Group's global expansion), focusing, among others, on the following subsections:

- a. Identification and assessment of criminal risks that may be attributed to the Company (e.g. review of excluded risks and prioritisation approach used);
 - b. Process of shaping the will of the legal entity;
 - c. Identification and implementation of general and specific policies and procedures;
 - d. Control and monitoring body. Review of the duties and composition of the Compliance Body;
 - e. Complaints Channel and internal investigation process;
 - f. Disciplinary procedure;
 - g. Monitoring and reporting model; and
 - h. Training and communication of the Compliance System.
2. Review and Update Report conducted by an external expert on the adequacy of the Company's Compliance System to the requirements of the Spanish Criminal Code and to best practices in the area.
 3. Development of an action plan in accordance with the conclusions of the Report:
 - a. Alignment of the risk map to the improvements identified. Implementation of the conclusions of the Report.

The Compliance Body, made up of the Compliance Officer and the Operational Compliance Officer, is responsible for and drives the CPP and, therefore, implements the action plan and adapts the improvements identified in the Cuatrecasas Report.

The Complaints Channel is one of the mechanisms used by the Compliance Body to detect breaches of rules or ethical principles. Its functioning has been explained in the main document filed in the legal folder.

In addition, various rules, protocols and internal procedures are in place to ensure compliance with the basic principles and to prevent any form of corruption in the organisation:

1. The Code of Ethics, which governs how to act in different situations – see sections relating to:
 - a. Conflicts of interest
 - b. Gifts and other gestures
 - c. Relationship with third parties
 - d. Financial Statement Integrity
2. Other relevant standards:
 - Procurement Standard
 - Supplier assessment procedure
 - Supplier approval procedure
 - Requirements management process

- Negotiation management process
- Supplier management process
- Supplier registration and supplier master management process
- Procurement desk management process Procedimiento de contratación (gestor de contratos mercantiles).

Contracting procedure (commercial contract management). In this regard, a specific Compliance clause is included in all our commercial contracts and is attached as Annex I.

- General terms and conditions of contracting
- General terms and conditions of sale
- Application procedures for planning permissions
- Policy on donations and contributions to political parties.
- Procedure for granting powers of attorney
- Procedure for handling claims against insurance companies
- Invoice payment procedure
- Travel and expenses policy (expense verification, spot checks, etc.)
- Invoicing procedure
- Debt recovery procedure
- Credit Policy
- Contracting procedure with the public administration and management of subsidies..

The behavioural guidelines are included in our Code of Ethics, Conduct and Compliance. Mainly in relation to a number of issues such as the following:

- Gifts and other gestures:
 - En The Code states that employees must not accept or give any type of gift or gesture that compromises their judgement, or that may inappropriately influence third parties, or that compromises the decisions of the Cosentino Group.
 - Employees may only accept items of token value (equivalent to 30 euros or less).
 - Similarly, they are allowed to accept meals and entertainment as long as they are reasonable, in good taste and not of such importance or character as to compromise the Company's free choice to operate in the market.
 - If in doubt, employees shall always inform their line manager and also access the Complaints Channel, where they can submit queries, or contact the Compliance Body directly.
- Donations and political activities:
 - The Company complies with the applicable law depending on the market in which it operates. In some countries, companies are restricted from making contributions or participating in political activities. Therefore, employees must not engage in political activities for and on behalf of Cosentino, nor make any type of contributions to political

organisations, except in strict compliance with local laws or applicable regional policy and always in accordance with Cosentino's values, mission, vision, policies and procedures.

- Donations to third parties (non-customers) and for charitable purposes on behalf of Cosentino may only be made with the prior consent of the Chairman's Office and require to be incorporated in a contract in accordance with the Company's donation policy and procurement procedure, as well as the approval of the Compliance Body.

→ Contracting:

- Contractual relationships with our suppliers and customers are the key to our success. Both supplier selection and procurement decisions must be made objectively and in the interest of Cosentino, always based on an assessment of price, fulfilment of needs, delivery, quality and other relevant factors.
- Furthermore, customer relations must be conducted in a professional manner, using the necessary Cosentino resources to build a good business relationship with each customer. Employees shall not enter into agreements, oral or otherwise, which may include, or appear to include, business or accounting practices that may be questionable. All Cosentino suppliers shall be required to comply with all applicable laws as part of their contractual obligations to the Company.

As mentioned in the previous section, there are different internal rules, protocols and procedures in place to ensure compliance with the basic principles and to prevent corrupt practices.

Measures taken to combat money laundering

The Company's regulations on the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) are set out in the Code of Ethics, Conduct and Regulatory Compliance, in the specific section on this subject.

Specifically, it states that Cosentino and its directors, executives and other employees shall not engage in or participate in activities involving the laundering (i.e. accepting or processing) of the proceeds of crime, in any form or manner. Thus, Cosentino Group undertakes to comply with money laundering laws of any competent jurisdiction.

All employees involved in business transactions should be informed and trained on the obligations of the Company and its employees in cases required by law, including limits on the acceptance of cash or bearer instruments.

Channels of communication on anti-corruption policies and procedures

Any conduct related to a possible breach of the measures on corruption and money laundering, as well as any behaviour in breach of the Code of Ethics, shall be reported through the Complaints Channel or to the Compliance Body.

At Cosentino, the Complaints Channel is dedicated to the communication of all types of incidents related to misconduct or unethical behaviour of all kinds.

Specific actions on Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT):

- 1. Formally identifying the individuals and legal entities with which the Company does business.**

Always with both suppliers and customers.

In the case of suppliers, we also require a certificate of account ownership or a similar document before payment can be issued.

In the case of customers, whenever there is a credit sale transaction, we identify the individuals or legal entities with whom the transaction is carried out in order to analyse the risk.

- 2. Conducting mandatory training courses on AML/CFT.**

Several courses have been conducted by outside trainers and also by internal staff from the legal department.

- 3. Internal and confidential communication procedures for employees to report AML/CFT suspicious transactions:**

There is an internal procedure whereby when payments are received from countries subject to the international sanction regimes, the business manager is informed to verify that the transaction is correct and that the payment is not due to a ML/FT operation.

For example, in the event of a payment on behalf of a customer where the sender of the payment is located in a tax haven, a letter is required in which the sender of the payment must confirm that they are making the payment on behalf of our customer.

- 4. Specific customer acceptance policy for AML/CFT purposes:**

The protocol stipulates that it is prohibited to conduct business transactions with customers located in countries subject to international sanction regimes.

- 5. Monitoring of customer transactions, identifying possible suspicious transactions for AML/CFT purposes:**

Manual monitoring is performed on the receipt of international transfers, together with the notification of domestic banks when an international payment is received from a country considered to be a tax haven, or subject to international sanctions, or suspected of being involved in a ML/FT operation.

- 6. Contracts with suppliers and customers expressly refer in the Compliance Clause to the need to comply with AML/CFT standards and the regime of sanctions in case of non-compliance.**

- 7. Specific protocol to check that cash received by the Company corresponds to the services actually rendered. Acceptance by the customer that the invoice issued corresponds to the services actually rendered.**

When cash is collected from a customer, it always arises from a commercial sales transaction that has been made previously, simultaneously with the collection, or is a payment on account of a future service. In all cases, documentation of the relevant business transaction is available.

Cash payment to suppliers is very residual, and an invoice is always issued for a previous service rendered or a provision on account of future invoices/services.

8. Methods of payment used to settle amounts due to external suppliers (cash, cheque, transfer, etc.)

The Company's payment methods, in order of use, are mainly confirming (reverse factoring), transfer, direct debit, promissory note or cheque, credit card and, lastly, cash.

9. Procedure to ensure that all income received by the company is documented and filed. Documented procedure for issuing and/or approving invoices.

All income received by the Company is recorded in an electronic register via the digital bank statement, which is stored in the ERP database.

There is also a procedure for the approval of invoices: first, an electronic purchase order must be generated in the ERP for each supplier, which must be released according to the release strategies determined on the basis of amounts with different approval levels. In addition, in the event of a subsequent change in the order amount after the first release, all levels of the release strategies are skipped again, except for the agreed minimum tolerances.

Each supplier invoice must then be posted with the corresponding purchase order, and no invoice shall be recorded if there is no previous purchase order in the ERP. Exceptionally, when a purchase order cannot be created, approval is requested by e-mail to the member of the Executive Committee of the Company concerned by the service to validate such a one-off posting.

Once the invoice has been posted, payments are issued to suppliers, and an approval Workflow is triggered to validate whether or not the supplier has been paid.

When invoices are issued to customers for the sale of goods, it is imperative, due to our actual ERP controls, that the goods have been previously dispatched, i.e. that the material has been delivered to the customer.

10. Verification that the invoice corresponds to a valid order or service.

In order to post the invoice, each purchase order requires a validation operation to be carried out in the ERP called 'goods receipt', which corresponds to the verification and validation of the correct provision of the service or purchase of material by the person who requested the service or purchase from the Procurement Department.

Employee training on anti-corruption policies and procedures

We have an Annual Training Plan drawn up by the Compliance Body and approved by Senior Management, which lays down an annual mandatory training programme for each of the Company's departments. There is also an annual Communication Plan to make information available to all employees.

These training sessions are divided into two parts, one cross-cutting and common to all departments, and the other specific to the department concerned. The training session covers the activities carried out by the Compliance department, as well as what the criminal liability of the legal entity consists of, our Crime Prevention Programme, who the Compliance Body is, what the risks associated with the activities carried out in its department and its function are, what conduct should

be avoided or is prohibited, commenting on specific examples of misconduct, and what are the essential aspects of the Code, highlighting that it is the Company's fundamental rule that governs the principles of employee behaviour and that it is mandatory. It also explains how the Complaints Channel operates and the 'zero retaliation' policy established in the Company for good faith complaints, among other things.

In 2020, due to the pandemic situation, face-to-face sessions were cancelled in the middle months of the year and resumed via Microsoft Teams towards the end of the year.

Associations and other initiatives

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

- SERES Foundation: A Spanish foundation promoting business commitment and actions to reinforce corporate responsibility and generate shared value.
- Innovative Natural Stone Business Association [Asociación Empresarial Innovadora de la Piedra Natural].
- Kitchen Furniture Association [Asociación Mobiliario de Cocina - AMC].
- Association of Communications Directors and Participation in DIRCOM awards.
- Association of Leading Spanish Brands, sponsorship of the Brand Spain Ceremony in New York and publication of the FMRE 10th Anniversary Report.
- Association of Real Estate Developers [Asociación Promotores Inmobiliario] Fadeco.
- Association for the Management Progress [Asociación para el Progreso de la Dirección - APD].
- Association of Spanish Design Companies (RED).
- Spanish Advertising Association.
- CENFIM.
- Collaboration with FUNDACOM awards.
- Spanish Green Building Council.
- A.St.A. World-Wide (World-wide Agglomerated Stone Manufacturers Association)
- Sustenta Environmental Civic Association.
- Spanish Confederation of Business Organisations (CEOE).
- EUROSIL: European Association of Industrial Silica Producers.
- NEPSI (The European Network on Silica).
- Circular Economy in Action [Economía Circular en Acción] platform.
- StepbyWater Alliance [Alianza StepbyWater].
- Alliance for Dual Vocational Education [Alianza para la FP Dual]..

We also subscribe to a number of external initiatives that form the basis of our ethical rules and procedures:

International guidelines

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

European guidelines

- European Green Deal.
- European industrial strategy.
- Digital Europe Programme 2021-2027.
- 2030 Agenda: UN Sustainable Development Goals. SDGS.
- Urban Agenda for the EU.
- Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment.

Spanish guidelines

- Strategy for Circular Economy in Spain – España Circular 2030.
- Strategy for a Modern, Competitive and Climate-Neutral Spanish Economy in 2050 (Long-term Decarbonisation Strategy 2050 or ELP 2050).
- Spain's Integrated National Energy and Climate Plan for 2021-2030.
- National Strategy against the Demographic Challenge.
- National Plan for Smart Territories.
- Digital Spain 2025.
- Spanish Urban Agenda.
- National Plan for the Modernisation of Vocational Training.

Regional guidelines

- Strategy for Smart Specialisation (RIS3) of the Regional Government of Andalusia.

Complaints Channel

Our Complaints Channel is available to all Cosentino employees on the corporate intranet. In addition, people from outside of the Company can access and communicate or file a claim via our website or by email.

The Complaints Channel enables any person to report in full confidentiality any type of misconduct related with any case of non-compliance or breach of the conduct set out in the Code of Ethics, Conduct and Regulatory Compliance or any other related rules, policies or protocols with which employees are obliged to comply.

Complaints and communications received are dealt with by the Ethics Committee or the Regulatory Compliance Body, depending on their nature. There is also an express commitment to respond to any communication within 10 days.

Furthermore, the company applies a 'non-retaliation policy' in relation to communications made in good faith.

The number of complaints received in 2020 in the Ethics Committee inbox was 34, all of which were resolved. Please find the type of complaints detailed by typology below:

Typology	Number of complaints
Harassment	10
Fraud	11
Inappropriate behaviour	5
Discrimination	2
Others ⁽¹⁾	6
Total	34

⁽¹⁾ Others: Includes issues related to occupational safety, intellectual property, infringement of rights, etc.

Society

Commitment of the company to sustainable development

Subcontracting and suppliers

Our policy in relation to these partners involves working as a team to deliver excellence in all our products, in a responsible and sustainable manner. With this in mind we select suppliers that share our vision of the business and understand the needs of our brands.

Stable and high-quality relationships with our partners around the world are essential to the success of the Cosentino Group and to move towards a sustainable business model that includes financial, social and environmental commitment throughout our entire value chain.

We work hand in hand, conducting audits and training to ensure that they comply with our requirements and expectations.

Data for Spain:

- 3,241 national suppliers
- Almería, Andalusia (Spain): 952 local suppliers
- Expenditure volume: 19%

Our purchasing procedures

Nuestros Cosentino's purchasing procedures seek to adapt to the needs of an evolving reality to meet all the Group's needs with the highest possible quality and warranty, ensuring that they comply with our values.

In 2020 we renewed our UNE 15896:2015 certification and successfully passed the first audit to adapt our processes to the ISO 20400:2017 standard. This demonstrates our commitment to best market practices, both in terms of purchasing management and continuous improvement, as well as our commitment to sustainability. This standard certifies that our Purchasing Management System complies with the principles of effectiveness, efficiency and communication. It also establishes links with other departments of the company to align purchasing with quality and environmental standards, among others.

In 2020 we further enhanced our **Supplier Approval and Risk Management** process by widening the reach to more than 400 of our key suppliers. We have added more content and strengthened our commitment to Sustainability from an Environmental, Ethical and Corporate Governance point of view. Our Supplier and Risk Management Policy helps us to monitor compliance with our procedures.

Assessment and Audits

Our responsibility to our products begins with the choice and procurement of raw materials. As part of Cosentino's purchasing process, the performance and compliance level of our suppliers is assessed. Our supplier audit plan is committed to on-site checks of the conditions of all our raw materials suppliers before entering into a significant relationship.

Despite restrictions on travel and visits in 2020, we have kept in touch with our suppliers electronically and have conducted each and every audit remotely. In 2020 we conducted 25 audits, of which 76% were rated as 'Compliant'. The remaining 24% were subject to time-bound improvement actions. Once these improvement actions have been resolved, the audit result is considered PASS/COMPLIANT. Our target for 2021 is to audit all 53 current suppliers through our GoSupply platform.

This assessment considers sustainability factors such as whether the supplier has a Corporate Social Responsibility standard or has obtained an Environmental Management System certification. In addition to ensuring product quality, other factors such as respect for Human Rights, absence of child labour and labour standards in line with Cosentino's policies are also assessed.

In line with our Sustainability policy, every year we improve our content and assessments on sustainability issues such as the calculation of the carbon footprint, water footprint, waste management, use of renewable energy sources, etc.

We promote our values and policies

Promoting our values and corporate policies among partners and collaborators is a function of the Purchasing Department, as is responding to the needs of our business involves sharing values and commitments with our entire value chain.

In this regard, by agreeing to our General Purchasing Conditions our suppliers commit to complying with a series of sustainability requirements, the most important being:

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

Furthermore, we apply an accreditation process to our main suppliers using the SAP Ariba tool. This process requires acceptance of our General Purchasing Conditions, Cosentino's Code of Ethics and Conduct, and our Quality and Environment Policy, in addition to aligning with the content and requirements of the IKEA IWAY Standard, as one of our main clients.

Health and safety

To spread and promote values such as prevention and safety to our partner companies, we focus on the continuous improvement of our health and safety systems, as well as on checks and actions aimed at ensuring compliance with legal standards.

Cosentino integrates its safety standards among suppliers through the application of PR-640-06 procedure for the Coordination of Business Activities, which establishes that the exchange of documents between Cosentino S.A.U. and suppliers shall be conducted through the digital platform Ser-CAE, where the documentation provided is reviewed and validated.

As well as this exchange of information prior to carrying out the work, regular meetings are held with the main contractors to update the procedure on situations of risks according to the characteristics of the work and changes in the production process, while also recording the agreements in coordination reports.

Throughout 2020 we have continued to use the system for the assessment of our suppliers' performance. In terms of Occupational Risk Prevention, the number of assessed contractors operating at Cosentino's facilities in the Cantoria industrial estate has risen to 124. The indicators evaluated are as follows:

- Accident rate.
- Unsafe acts.
- Access control incidents.
- Compliance with the Coordination of Business Activities.

These indicators are used to calculate a monthly score that is sent to our GoSupply supplier assessment platform. An overall score is then calculated on this platform, together with indicators from other areas such as Environment, Quality and Finance.

Consumers

Measures for the health and safety of consumers

We continue to take the necessary actions to inform our clients about the possible risks associated with our products and the relevant preventive measures.

In 2019 we launched the Cosentino® Safety Space, a web area created to make it even easier for our customers and partners to access this information. This Safety Space, which has been updated regularly since then, presents the latest health and safety information in an easily readable, structured and multilingual way. It is accessible from any device with Internet access, such as mobile phones, tablets, etc. Simply go to osh.cosentino.com or scan the QR code found on product labels, delivery notes, invoices, general sales conditions or good practice guides.

The information in the labelling of our main brands includes:

1. Indication of the obligation to comply with applicable local health and safety regulations and to consult with an industrial hygienist to implement risk mitigation measures as appropriate.
2. Warnings regarding the risks and precautions to be taken for safe handling of these products, together with the corresponding pictograms, in compliance with international GHS regulations.
3. Reference to the existence of adequate processes for emission mitigation and product disposal.
4. Indications on possible health issues arising from prolonged exposure to dust resulting from cutting and handling materials without recommended safety measures.
5. QR Code that directs users to the Cosentino® Safety Space, where they can find additional health and safety information, download Safety Data Sheets and Good Practice Guides or watch videos demonstrations on how to safely handle products..

The labelling information on Silestone® slabs has been updated in 2020 to adapt to changes in the crystalline silica content of these products as a result of the introduction of the new HybriQ technology.

We also updated the Safety Data Sheets of our products in 2020. These documents are available to our clients and partners in multiple languages in accordance with the international GHS (Globally Harmonised System) regulations for the classification and labelling of chemical products and mixtures.

Cosentino's Good Practice Guides, which cover cutting, carving, polishing and installation of our products, have also been updated in 2020 and are available to our clients and partners. Furthermore, a specific Prevention and Safety Guide was created and published in 2019 for the prevention of health risks during the installation of worktops and prefabricated modules.

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

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

Customer data privacy and loss of data

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

The Data Protection Delegate office ensures that we comply with both the General Data Protection Regulations and the new Organic Data Protection Law, using suitable legal and technical advisory systems. Likewise, a Data Protection Committee (DPC) was created to check that the actions carried out by the office of the Data Protection Delegate are correct.

Claims systems, complaints received and resolution

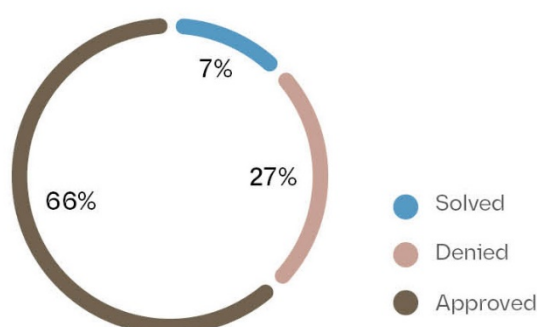
At Cosentino we adapt to the needs of our customers. In order to meet the needs and expectations of our customers and offer the best service, we have a Customer Quality team made up of 21 technicians who cover the different markets (North America, APAC, LATAM, Europe, Iberia, ROW) and provide technical support in the resolution of incidents, as well as in the development and installation of our products.

E-consulting grew significantly in 2020, helping us to provide our customers with technical solutions more quickly and without having to wait for a face-to-face visit. The monitoring of ongoing commercial projects was also intensified, with a total of 748 projects visited.

For the analysis and management of Quality incidents, the Quality department is supported by the Quality Credit Management team.

As a result of the analysis of these claims, we have successfully identified the root cause of the defects in our products and continue to improve our manufacturing process, always aimed at offering the best quality our customers demand.

Approximately 16,934 complaints were registered in 2020 and resolved as follows:



Tax information

Business evolution and results

Over 2020, we have consolidated and strengthened our position as a global market leader. The key to our success is remaining true to our commitment to excellence and continuous improvement. In this financial year we have based our business activity on increasing R&D, investment in new products and sales channels, international growth, respect for the environment, sustainability and contributing to society. Our constant investment in new production processes, internationalisation, product differentiation, vision of the future and financial strength have enabled us to stay ahead of our competitors.

Cosentino once again surpassed the billion euro mark in 2020, with net revenues of 1,078 million euros (1,110 million euros in 2019).

The Group's EBITDA at year-end 2020 amounts to 214.2 million euros, representing a growth of 11% over 2019 (192.9 million euros).

In addition, net profit amounted to 65.3 million euros (69.8 million euros in 2019).

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

Economic scale

- Net business revenues: €1,077,925,401 (2019: €1,109,884,277)
- EBITDA: €214,193,589 (2019: €192,904,458)
- Total Assets / Liabilities + Net Equity: €1,357,601,048 (2019: €1,307,493,472)
- Net financial debt: €202,688,753 (2019: €258,344,778)
- Net equity: €385,678,486 (2019: €396,675,147)
- Investments over the year: €117,596,613 (2019: €125,119,003)
 - Commitment to our region: Almeria receives 79% of our Investment Plan 2016-2020
- Main ratios
 - Net Debt / EBITDA ex-IRFS 16: 1.15
 - Net Debt / Equity ex-IRFS 16: 0.48

Economic Dimension	2018	2019	2020
Revenues	984,527,015	1,109,884,277	1,077,925,401
Net income	999,196,524	1,128,619,137	1,094,719,302
Net equity	329,116,952	396,675,147	385,678,486
Net financial debt	210,519,534	258,344,778	202,688,753

Benefits by country

Breakdown of pre-tax profits by country as at 31 December 2020

Country	Pre-tax profit (Euros)	Country	Pre-tax profit (Euros)
Spain	115,365,166	Israel	-1,195,945
The Netherlands	474,599	Mexico	-166,813
Germany	602,519	Australia	423,589
United Kingdom	2,482,630	Japan	39,095
Italy	693,633	Dominican Republic	42,338
Portugal	621,308	Denmark	147,181
Sweden	190,965	Finland	149,007
Belgium	452,262	New Zealand	92,132
France	635,444	South Africa	-465,591
Switzerland	541,039	Poland	34,366
Brazil	-2,099,792	Malaysia	-202,826
Austria	136,974	USA	13,674,167
Ireland	369,537	Canada	941,176
Norway	27,602	Puerto Rico	21,675
Singapore	64,129	Arab Emirates	-59,514
Turkey	-694,317	Russia	-27,453

Fiscal Transparency

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

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

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

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

It should be stressed that Cosentino Group, having a keen awareness of the importance of tax havens, holds no shares in any company based in a tax haven or territory on the European Union blacklist of non-cooperative jurisdictions on tax matters, and aligns itself with the principles and conduct advocated by the OECD BEPS Plan. Likewise, with regard to Transfer Pricing, Cosentino evaluates its transactions between related entities in accordance with the OECD Transfer Pricing Guidelines, presenting the Report country-by-country in Spain, where the Group's parent company is located.

The taxes paid by the Group in the countries and territories in which we operate represent the main contribution of Group companies to the public purse and therefore one of our main contributions to society. As well as our significant direct contribution to the government via the payment of taxes, the Group also makes a substantial contribution via the collection of taxes from third parties as a result of our business activity.

2020 has been an exceptional year due to COVID-19, not only because of its economic impact, but also because of the multitude of regulations issued by different countries suspending or deferring the payment of taxes. In this respect, the economic and social contribution through the net payment of taxes (sum of taxes paid plus rebates) and taxes collected by Cosentino on behalf of public administrations decreased by 18% compared to 2019, falling to 153 million euros from 176 million euros a year earlier.

Contribution by geographical area (€)

	2020	2019
SPAIN	47,442,816.95	63,420,257.44
Own contributions	5,719,846.92	19,246,344.15
Third party contributions	41,722,970.03	44,173,913.29
UNITED STATES	32,928,811.05	32,595,991.18
Own contributions	6,902,745.47	9,718,979.86
Third party contributions	26,026,065.58	22,877,011.32
	2020	2019

UNITED KINGDOM	11,469,949.99	19,219,528.26
Own contributions	766,495.49	1,647,727.44
Third party contributions	10,703,454.50	17,571,800.82
ITALY	5,232,945.99	6,190,660.51
Own contributions	52,680.32	125,132.14
Third party contributions	5,180,265.67	6,065,528.37
FRANCE	6,873,678.38	6,076,914.63
Own contributions	200,313.38	144,546.93
Third party contributions	6,673,365.00	5,932,367.70
CANADA	5,893,987.00	5,517,494.81
Own contributions	548,202.00	110,805.05
Third party contributions	5,345,785.00	5,406,689.76
PORTUGAL	5,057,274.62	4,923,488.86
Own contributions	110,492.77	179,165.40
Third party contributions	4,946,781.85	4,744,323.46
AUSTRALIA	4,496,888.27	4,498,120.64
Own contributions	599,406.26	592,951.87
Third party contributions	3,897,482.00	3,905,168.77
BRAZIL	4,485,205.87	5,569,889.05
Own contributions	1,399,503.77	816,218.49
Third party contributions	3,085,702.10	4,753,670.55
GERMANY	4,290,277.21	4,166,967.61
Own contributions	-93,259.45	29,935.00
Contribuciones por pagos de terceros	4,383,536.66	4,137,032.61
BELGIUM	3,813,120.54	3,547,893.31
Own contributions	132,005.71	90,755.80
Third party contributions	3,681,114.83	3,457,137.51
NETHERLANDS	3,509,153.11	2,840,645.75
Own contributions	85,148.64	72,373.00
Third party contributions	3,424,004.47	2,768,272.75
	2020	2019

IRELAND	2,300,678.62	2,680,910.51
Own contributions	67,498.40	119,172.57
Third party contributions	2,233,18.22	2,561,737.94
SWEDEN	3,227,046.39	2,446,545.14
Own contributions	52,847.54	45,217.46
Third party contributions	3,174,198.85	2,401,327.67
ISRAEL	2,657,354.17	2,186,517.44
Own contributions	144,855.45	200,720.60
Third party contributions	2,512,498.73	1,985,796.83
TURKEY	1,067,041.59	1,679,852.41
Own contributions	1,775.23	2,883.18
Third party contributions	1,065,266.36	1,676,969.23
ROW	8,869,255.79	8,869,721.67
Own contributions	554,442.47	246,871.95
Third party contributions	8,314,813.32	8,622,849.72
TOTAL	153,615,485.54	176,431,399.21
Own contributions	17,245,000.36	33,389,800.90
Third party contributions	136,370,485.18	143,041,598.31

Tax on profit

Cosentino's contribution to public administrations is not only significant in terms of the payment of our own taxes, but also in terms of the collection of taxes from third parties generated by the development of our economic activity.

Out of the 17,245,000 euros of own contributions, 5,806,848 euros represent the net payment of Corporation Tax, with the remainder being duties and local taxes.

Out of the 136,370,485.18 euros of payments by third parties, 99,775,801 euros correspond to VAT and the rest to income tax withholdings.

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

Public subsidies received

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

	2019	2020
Balance on 1 January	29,645,656	25,010,820
Subsidies received during the year	160,861	8,068,492
Reduction of subsidies received in previous years	-152,717	0
Transfers to the profit and loss account	-3,605,853	-3,433,108
Balance as of 31 December	26,047,947	29,646,201

Community

We actively participate in the economic, social and cultural development of the areas in which we operate. We do this by engaging with sectors such as education, culture, architecture, design, cuisine and sport, where our activity plays a major role.

Commitment to education

Since our beginning, we have been strongly committed to education. We invest in training the younger generations to support and promote their talent and offer them the tools to become the leaders of the future. We promote innovative initiatives that make us one of the companies most committed to the education of young people in the communities where we operate. For instance, in 2020 we collaborated with 28 educational centres.

Dual Vocational Training

In 2020 we went a step further in our commitment to become a benchmark company in Vocational Training with the launch of our first Dual Vocational Training Course project for the 2020/2021 academic year. After more than two years of development in collaboration with the Juan Rubio Ortiz School, last year we launched our higher-level vocational training course in Industrial Mechatronics, making us the first company in Almería to commit to Dual Vocational Training.

With this commitment, we not only reinforce our position as an employer brand, but we also aim to contribute to the training and industrial strategy of the region, attracting a greater number of young people interested in this vocational training course and, above all, contributing to the development of regional and provincial industry with more qualified professionals adapted to the real productive environment.

In line with this commitment to vocational training, in 2020 we joined the 'Alianza para la FP Dual' (Alliance for Dual Vocational Training), a network that brings together companies, educational centres and institutions committed to this educational model.

Eduarda Justo Foundation

Since its creation in September 2006, the Eduarda Justo Foundation has been working to develop the social environment around the Cosentino Group. Specifically, the foundation supports the economic, social, educational and cultural development of the province of Almería, and therefore of Andalusia and Spain, with a special focus on people with limited economic resources. The Foundation's main activities are aimed at identifying, training and empowering young locals with the potential to become future leaders and thus helping them to positively impact society.

The Foundation focuses on three main areas of activity:

1. **Leading Schools Project:** the project aims to deeply and positively transform the so called Marble Region through education. The development of this ambitious project will require the promotion of change among the entire educational community, and therefore the support and commitment of teachers, families and the rest of society will be actively promoted.

The project is articulated around two different but complementary programmes. Firstly, the Master's Degree in Educational Innovation 'Educar con 3 Ces' (Educate with 3 Cs), a specific training programme aimed at teachers in the Marble Region and managed by the prestigious pedagogue Mar Romera together with the Francesco Tonucci Pedagogical Association (APFRATO). And secondly, the Education Forum, a programme of educational talks and conferences focused on families, which aims to improve their training in educational matters through meetings with experts and professionals from different disciplines in order to turn them into key agents of transformation..

2. Eduarda Justo Scholarships: Eduarda Justo Scholarships were created to identify and select young pre-university students from Almería with the greatest potential and provide them with the necessary financial resources to undertake the 2-year International Baccalaureate in the UWC (United World Colleges) network. 3 scholarships were awarded to young people from Almería in 2020.
3. 'Leaders of the Future' Seminar: intensive training seminar specialising in leadership, which aims to identify, train and mentor young professionals with great potential and help them to become future social, economic and business leaders, boosting their initiative, innovation, international vision, ambition and leadership skills. In addition to promoting the education and training of young people, we also support various social organisations dedicated to supporting children, young people, families and groups in disadvantaged situations. Our contributions to social welfare organisations amounted to 12,618 euros in 2020.

Other education partnerships

→ **Master's Degree in Gastronomic Space Design**

We have partnered with the University of the Basque Country in the development of this Master's Degree, the first of its kind in Europe.

→ **Master's Degree in Lightweight Façade Architecture**

Dekton® by Cosentino is a sponsor of the Master's Degree in Lightweight Façade Architecture from the School of Architecture of the University of the Basque Country. Last academic year it was held in Barcelona, whilst the 2020-21 course is taking place in Madrid.

→ **ESAM (Ecole Supérieure Des Arts Modernes) Design, Paris**

We collaborate with this academic institution through Cosentino France.

→ **IED (Istituto Europeo di Design), Milano**

In partnership with the IED, we have organised two events at Cosentino City Milan aimed at students of the International Master's Degree in Interior Design.

- **Partnership with the Commission for Cultural, Educational and Scientific Exchange between Spain and the United States of America.**

Cosentino finances the two-year Fulbright scholarship for the expansion of postgraduate studies in the United States of America, starting in the academic year 2019-2020.

Commitment to architecture and design

We support, sponsor and partner with numerous initiatives that contribute to innovation in the worlds of architecture and design.

Cosentino Desing Challenge 14 (CDC)

Cosentino promotes the Cosentino Design Challenge, an international competition that aims to foster the talent of architecture and design students from all over the world. It encourages students to create sustainable and innovative projects of high conceptual and technical quality, in which they respond creatively to the themes set out in each category.

The fourteenth edition was held in 2020. Six projects, three in the Architecture category and three in the Design category, won and were awarded 1,000 euros each.

The support and collaboration of 32 international schools, universities and educational institutions are proof of the prestige of the Cosentino Design Challenge.

More information at <https://cosentinodesignchallenge.org>

Magazine ‘C-Architecture & everything else’

Our magazine was first launched in 2014 as a contribution to the field of architecture from the field of communication. It aims to disseminate the best innovations, designs and projects that contribute to making a more sustainable and beautiful world and is aimed at both architecture and non-architecture related readers, in the interest of promoting architecture and other related areas.

Magaceen.com

It was first launched in 2017 when we decided to make a new contribution to the field of architecture from the field of communication by disseminating the best innovations, designs and projects that contribute to making the world more sustainable and beautiful. The magaceen website was also launched in 2017 as a complement and companion to the printed magazine.

We support different organisations involved in the world of architecture and design that develop initiatives at national and international level.

- FAD [Spanish organization for the promotion of arts and design] & ARQUIN-FAD
- Asociación Sostenibilidad y Arquitectura (ASA) [Spain's Sustainability and Architecture Association]
- Fundación Arquitectura Contemporánea [Spanish Foundation for Contemporary Architecture]
- Fundación Arquitectura y Sociedad [Spain's Architecture and Society Foundation]
- Scalae. Agencia Documental de Arquitectura [Spanish Architectural Documentary Agency]
- Red AEDE [Network of Spanish Design Companies]
- Consejo Superior de los Colegios de Arquitectos de España (CSCAE)[Spain's Council of Architects' Associations]
- Design Institute Of Spain (DIOS)
- Asociación de Mobiliario de Cocina (AMC) [Spanish Association of Kitchen Furniture]
- CENFIM furnishings cluster
- Bizkaia Association of Interior Decorators and Designers

We also collaborate with a number of initiatives, all based on the idea of aligning core and shared values and the drive for inspiration.

Commitment to the kitchen and cooking

Thanks to our commitment to the world of cooking, we are global leaders in the manufacture of worktops. We bring value and innovation to promote a healthy lifestyle.

Silestone Institute

The Silestone Institute is an international platform dedicated to researching and sharing knowledge about the kitchen as both a professional and domestic space. The institute promotes activities and projects from a multidisciplinary viewpoint, providing valuable knowledge for its stakeholders and society in general.

In 2020, the Institute's main activities have been adapted to COVID-19, including the following:

- Campaña Campaign 'I stay in the kitchen'.
- Food hygiene and safety workshops at the Gustoko fair in Barakaldo (Spain).
- Shopping, storage and hygiene tips for cleaning and disinfection of surfaces for the prevention of coronavirus.
- Live discussion during Cosentino City Live on 'Healthy kitchens in times of COVID-19', organised by the Silestone Institute.
- Book 'C-TOP Restaurants by Cosentino'.

Other partnerships in 2020

- Sponsor and official supplier of worktops for Madrid Fusión 2020.
- Paco Roncero Cooking workshop, a gastronomic and technological research centre aimed at becoming a gastronomic benchmark for sustainability in Madrid, backed by Cosentino materials.
- 'Aula de la Dieta Mediterránea y Vida Saludable' (Mediterranean Diet and Healthy Living) initiative, created to promote research, education, accreditation and dissemination of the Mediterranean diet and healthy living.
- Partnership with Masterchef 9 and Family Food Fight.
- Support to Team France Bocuse d'Or 2020.

We also collaborate with top chefs from all over the world such as **Yannick Alléno, Santiago Lastra, Jun Tanaka, Lennard, Mohamad Hindi, Paulina Abascal y Zahie Tellez**. We have also sponsored a pastry influencer show in Israel.

Commitment to art and culture

The potential for the arts to share knowledge with society is clear. Like culture, it has the power to impart values and broaden perspectives. In this sense, our commitment begins with the support of artists from Almería and Andalusia.

Ibáñez Cosentino Art Foundation

A non-profit cultural institution, the Ibáñez Cosentino Art Foundation – the commercial brand of the Casa Ibáñez Museum Foundation – stemmed from the original Fundación Museo Casa Ibáñez. After several years of collaboration with the Ibáñez Museum, the Almería-based multinational Cosentino joined the former foundation as a trustee in December 2014, giving birth to the current Ibáñez Cosentino Art Foundation.

The year 2020 has been marked by COVID-19. The pandemic has led to the temporary closure of museums and cultural institutions all around the world. We also closed our facilities in Olula del Río and Almería city during the months of March, April and May, and reduced our opening hours on several occasions. Furthermore, all cultural activities that posed a health risk and were likely to spread the virus were also cancelled.

Throughout 2020, the Ibáñez Cosentino Art Foundation has developed its cultural activity in three public spaces:

- Olula del Río, City of Culture (Almería). A cultural space comprising the Ibáñez Museum, the Pérez Siquier Centre and the monumental sculpture 'The Woman of the Almanzora', by Antonio López.
- Art Museum of Almería. Municipal public museum, consisting of two sites: the Doña Pakyta Art Museum (Emilio Pérez square, 2 - Almería) and the Espacio 2 (Carlos Cano square, no n. - Almería).
- Interior Patio of the Provincial Council of Almería (Navarro Rodrigo Street, 17, Almería, Spain).

The Ibáñez Cosentino Art Foundation has produced and coordinated 22 temporary exhibitions and 30 cultural, didactic and/or dynamic activities in the facilities of the City of Culture of Olula del Río and installation in those spaces with which the foundation maintains collaborative (Almería Provincial Council) or contractual (Almería City Council) relations.

Other partnerships

- I+D+Art: I+D+Art has established itself as a symbol of guarantee that recognises the commitment of companies to innovation and development through art. Led by Ricardo Santonja (PhD in Architecture from the Madrid School of Architecture), the I+D+Art team at Cosentino is made up of experienced professionals from the world of art and business, who combine their work in the company with exhibitions and projects in places such as New York, Tokyo, Sicily and Tallinn, among many others.
- Collaboration with the Feroz Awards gala.
- Collaboration with the Granada Music and Dance Festival.
- Sponsorship of the Almería Film Festival (FICAL).
- Sponsorship of the book 'Jesús el Galileo' (Jesus, the Galilean).
- Collaboration in the publication of the book 'Una ciudad de profesiones' (A city of professions), by architect Jordi Ludevid.
- Collaboration for the book 'Cuando fui náufraga' (When I was a castaway), by journalist Marta Rodríguez.
- Collaboration with the publication of 4 books by Almerian authors.
- Sponsorship and contribution to the ToTu Art Gallery with Silestone® material.

Commitment to sport

At Cosentino Group, we support sport in order to improve the quality of life in the areas where we have a presence, to facilitate access to sports and to promote a healthy lifestyle.

- Official supplier of the Titan Desert 2020.
- Official Sponsor of Sierra Nevada.
- Local or provincial sports sponsorships or collaborations:
 - Charity Race 'Il Trail de la Pólvora', Cantoria (Almería)
 - Villa de Fines Sports Club (Almería).
 - Olula del Río Basketball Club (Almería).
 - Cantoria Sports Club (Almería).
 - Partnership with Clemente Simón Martínez for the 2020 Motor racing Championships.
 - Comarca del Mármol Football Club.
 - Villa de Albox Sports Club.
- Sponsor of Trek Bicycle, Turkey.

Community involvement

We are involved in improving the living conditions of all communities where we have a presence. Because of this, we actively participate in social projects in the area. We support the community both through the donation of materials or monetary contributions, as well as through the participation of our employees in corporate volunteering projects.

In 2020, the Cosentino Group made donations worth 837,000 euros to social initiative projects in Spain, the United States and Switzerland.

697,383.67	TOTAL DONATIONS IN SPAIN
134,057.65	TOTAL DONATIONS IN THE USA
6,073.06	TOTAL DONATIONS IN SWITZERLAND
837,514.39	TOTAL DONATIONS

Donations and Partnerships in Spain

We partner with social organisations that seek to contribute to improving the quality of life of the most disadvantaged, focusing on entities whose purpose is the sustainable development of the people of Almería and, by extension, of Andalusia.

In 2020 we made donations to the following entities:

- Eduarda Justo Foundation.
- Ibáñez Cosentino Art Foundation.
- Los Carriles Foundation, Macael (Almería).
- In-kind donation to the Torrecárdenas Hospital destined entirely to 'Works for the Humanisation of the Hospital Environment'.
- Donation to the Fundación Arquitectura y Sociedad [Spain's Architecture and Society Foundation].
- Donation to the US Spain Council Foundation.
- Donation to the San Telmo Foundation.
- Donation/Collaboration with the charity race 'Il Trail de la Pólvora' of Cantoria (Almería).
- Collaboration with the IX Symposium on Research in Experimental Sciences organised by the University of Almería.
- Almería Altea Autism Association, which provides support and specific services to people with this type of disorder and their families.
- Donation to the Asociación Española Contra el Cáncer (AECC) [Spanish Association Against Cancer].

COVID-19 medical supplies

Within the context of the COVID-19 health emergency, one of our goals in 2020 was to contribute as much as possible to fighting the pandemic by donating protective equipment to medical centres and

security forces in the Almanzora region and by offering our logistics for shipments of medical equipment. We donated more than 160,000 units of medical equipment, including masks, disposable overalls and gloves, to different hospitals in Andalusia and to state security forces such as the Civil Guard and the Fire Brigade of the Almanzora region. We have also offered our logistics for the shipment of medical supplies.

In accordance with the demanding measures at our headquarters in Cantoria, the supply and stock of medical and safety equipment for our workers is assured, so Cosentino has been in a position to provide materials to entities in need of this type of equipment both in the region and throughout the province. We have also offered our extensive international logistics network to different authorities and public administrations for the transport of safety and hygiene equipment to and from our country, in the interests of the population as a whole.

Sculpture tribute to health workers

We have donated blocks of white marble from Macael to local artisans for the production of sculptures in homage to health workers for their work during the COVID-19 pandemic. In total, 8 sculptures have been erected, one in each Andalusian capital.

Campaign #EACTÍVATE

In the context of the pandemic, we also promoted the reactivation of the **EACTÍVATE campaign** under the motto 'it's time to accelerate and activate our economy and our society'. This campaign was the **second phase of an initiative launched in March last year by some two hundred companies under the motto '#EstoNOTienequePARAR'** (This Does NOT Have To Stop), which aimed to give public recognition to the companies, entrepreneurs and workers whose efforts kept the economic wheel turning despite the lockdown measures taken as a result of the Covid-19 pandemic. In addition, a communication plan was launched. It kicked off with an advertising campaign which was attended by **Pilar Martínez-Cosentino Alfonso, Executive Vice-President of Cosentino Group**.

Food Bank

We also launched the **charity campaign #RecetasUnidas** (United Recipes), for the benefit of the Food Banks of Almería and Madrid, with the aim of involving Instagram users through their love of cooking. This project aims not only to be charitable, but also to create a community around the world of cooking. The kitchen has proven to be the true heart of the home and even more so in these times of spending so much time indoors. With our #RecetasUnidas project, 'that heart' has to beat faster than ever for those most in need.

Support to the hospitality industry

We have joined the nationwide **#SaveTheBares campaign**, which started in Almería at the end of March last year. This project aims to tackle the crisis affecting the hospitality sector as a result of the Covid-19 health emergency. Initially, its aim was to help bars and restaurants to stay afloat until they were able to reopen their doors. #SaveTheBares has now become a tool that allows establishments to offer their menus and sell prepaid vouchers, offer their digital menu, offer online reservations and receive advice or training. Cosentino joined this initiative to support and back the hospitality sector, a very important sector for our business activity, by providing the establishments

involved in the initiative with sample boxes of Silestone® and Dekton® slabs in small formats. The pieces, in 10x10 and 15x12 cm formats, are beautiful and high performance, perfect for presenting drinks, toasts and ‘tapas’.

Contributions in the USA

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

→ Home for our Troops:

We have a partnership agreement with this entity that builds and donates homes for military veterans with a serious disability. In 2020 we donated Silestone surfaces worth 138,000 dollars for the construction of 23 houses adapted for war veterans.

→ Habitat for Humanity Vail Valley - Cosentino Denver Donation:

Habitat for Humanity Vail Valley works to help local families become strong, stable and self-sufficient through housing. Cosentino Denver donated 8 Silestone slabs in colours Lagoon (4), Blanco Maple (2) and Tebas Black (2), worth 15,000 dollars.

Contribution in Europe

→ ‘Giving to those in need is not giving but sowing’

Under this motto, our colleagues from Switzerland decided to make their Christmas gifts a donation to a non-profit organisation to help a young beekeeper renovate his facilities. They chose this initiative because of its closeness to their environment, the importance of bees in the natural ecosystem and how they teach about teamwork.

Contribution in Canada Princess Margaret Home Lottery to Conquer Cancer

The Princess Margaret Cancer Centre is one of the top 5 cancer research centres in the world. Cosentino added its support to this organisation by donating materials for the 2020 project and both Dekton and Silestone are used throughout its showroom.

Dialogue with the community

Beyond the support, sponsorship and partnerships with different social entities, at Cosentino we have a constant dialogue with the people around us and we always keep our doors open to all the people who want to know us. However, due to the pandemic, there were not as many visits to Cosentino's headquarters in 2020 as in previous years. In line with the new normal, last year we launched a project to organise digital visits. The first digital visit took place on December 2nd with the Cosentino City Tel Aviv.

Non-financial Information Statement Index

The contents of Law 11/2018 on Non-Financial Information and Diversity contained in this document have been verified by KPMG.

Table of contents required by Law 11/2018			
Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
GENERAL INFORMATION			
Brief description of the business model, including its business environment, organisation and structure	Material	9-11	GRI 102-2 GRI 102-7

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Markets in which it operates	Material	12	GRI 102-3 GRI 102-4 GRI 102-6
Organisational objectives and strategy	Material	13	GRI 102-14
Main factors and trends that may affect its future development	Material	13	GRI 102-14 GRI 102-15
Reporting framework used	Material	7	GRI 102-54
Principle of materiality	Material	7-8	GRI 102-46 GRI 102-47
ENVIRONMENTAL ISSUES			
Management approach: description and results of the policies related to these issues as well as the main risks associated with them and linked to the Group's activities Material	Material	15-16	GRI 102-15 GRI 103-2
Detailed general information			
Detailed information about the current and foreseeable effects of the company's activities on the environment and, when applicable, on health and safety	Material	15-16	GRI 102-15
Assessment procedures or environmental certification	Material	15	GRI 103-2
Resources dedicated to the prevention of environmental risks	Material	15-17	GRI 103-2
Application of the precautionary principle	Material	16-17	GRI 102-11
Number of provisions and guarantees against environmental risks	Material	17	GRI 103-2
Contamination			
Measures to prevent, reduce or correct emissions that seriously affect the environment, taking into account any form of specific atmospheric contamination from an activity, including noise and light pollution	Material	22-25	GRI 103-2 GRI 305-7
Circular economy and waste prevention and management			
Measures for prevention, recycling, reuse, other forms of recovery and disposal of waste	Material	17-20	GRI 103-2 GRI 306-2 en lo que respecta a peso por tipo de residuos

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Actions to combat food waste		No material	
Sustainable use of resources			
Water consumption and supply of water according to local constraints	Material	20	GRI 303-5 (2018) GRI 303-3 (2018)
Consumption of raw materials and measures taken to improve efficiency of use	Material	17-18	GRI 103-2
Direct and indirect energy consumption	Material	20-22	GRI 302-1
Measures taken to improve energy efficiency	Material	22	GRI 103-2
Use of renewable energies	Material	21	GRI 302-1
Climate change			
Greenhouse gas emissions generated as a result of the company's activities, including the use of the goods and services it produces	Material	22-24	GRI 305-1 GRI 305-2 GRI 305-3
Measures taken to adapt to the consequences of climate change	Material	22-24	GRI 103-2 GRI 201-2
Reduction targets established voluntarily in the medium and long term to reduce greenhouse gases and the measures implemented for that purpose	Material	22-24	GRI 103-2
Protection of biodiversity			
Measures taken to protect or restore biodiversity	Material	25-26	GRI 103-2
Impacts caused by activities or operations in protected areas	Material	25-26	GRI 103-2 GRI 304-1
SOCIAL AND STAFF ISSUES			
Management approach: description and results of the policies related to these issues as well as the main risks associated with them and linked to the Group's activities	Material	26	GRI 102-15 GRI 103-2
Employment			

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Total number and distribution of employees by country, gender, age and professional classification	Material	27-30	GRI 405-1 b
Total number and distribution of types of employment contract and annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification	Material	27-30	GRI 102-8 a)c)
Number of dismissals by gender, age and professional classification	Material	28-30	GRI 103-2
Average salaries and their evolution, disaggregated by gender, age and professional classification or the same value	Material	35	GRI 103-2
Salary gap, salary for equivalent jobs or average in society	Material	36	GRI 103-2 GRI 405-2
Average salary of advisors and directors, including variable remuneration, expenses, compensation, payment to long-term savings plans and any other payment disaggregated by gender	Material	34	GRI 103-2
Implementation of work-life balance policies	Material	30	GRI 103-2
Number of disabled employees	Material	33-34	GRI 405-1 b
Organisation of work			
Organisation of working time	Material	30	GRI 103-2
Number of hours of absenteeism	Material	40	GRI 103-2
Measures to facilitate work-life balance and encourage both parents to use parental leave	Material	30, 32	GRI 103-2
Health and safety			
Occupational health and safety conditions	Material	36-42	GRI 103-2 GRI 403-1 (2018) GRI 403-3 (2018) GRI 403-7 (2018)
Occupational accidents, particularly in terms of frequency and severity, as well as occupational diseases; disaggregated by sex.	Material	39-40	GRI 403-9 (2018) in terms of number and rate of accidents GRI 403-10 (2018) a)
Corporate Relationships			

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Organisation of corporate dialogue, including procedures for informing and consulting staff and negotiating with them	Material	31-32	GRI 103-2
Percentage of employees covered by collective agreements by country	Material	31	GRI 102-41
Overview of collective agreements, particularly in the field of occupational health and safety	Material	31	GRI 103-2
Training			
Policies implemented in the field of training	Material	42-43	GRI 103-2 GRI 404-2 a)
Total quantity of training hours per professional category	Material	43	GRI 404-1 por lo que respecta al total de horas de formación por categoría profesional
Universal accessibility			
Universal accessibility for people with disabilities	Material	33-34	GRI 103-2
Equality			
Measures taken to promote equal treatment and opportunities between women and men	Material	32-33	GRI 103-2
Equality plans, measures adopted to promote employment, protocols against sexual and gender-based harassment	Material	34	GRI 103-2
Policy against all types of discrimination and, where appropriate, management of diversity	Material	32-34	GRI 103-2
RESPECT FOR HUMAN RIGHTS			
Management approach: description and results of the policies related to these issues as well as the main risks associated with them and linked to the Group's activities	Material	44-45	GRI 102-15 GRI 103-2
Application of due diligence procedures			
Application of due diligence procedures in the field of human rights: prevention of the risks of human rights violations and, where appropriate, measures to mitigate, manage and repair any abuses committed	Material	44-45	GRI 102-16 GRI 102-17
Complaints about cases of human rights violations	Material	45	GRI 103-2 GRI 406-1

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Measures put in place to promote and comply with the provisions of the fundamental Conventions of the International Labour Organisation related to respect for freedom of association and the right to collective bargaining. Also the elimination of employment and workplace discrimination, the elimination of forced or compulsory labour and the effective abolition of child labour	Material	44	GRI 103-2
FIGHT AGAINST CORRUPTION AND BRIBERY			
Management approach: description and results of the policies related to these issues as well as the main risks associated with them and linked to the Group's activities	Material	45-50	GRI 102-15 GRI 103-2
Measures taken to prevent corruption and bribery	Material	45-48	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-3
Measures to combat money laundering	Material	48	GRI 103-2 GRI 102-16 GRI 102-17
Contributions to foundations and non-profit entities	Material	66-69	GRI 102-13
COMPANY INFORMATION			
Management approach: description and results of the policies related to these issues as well as the main risks associated with them and linked to the Group's activities	Material	62-66	GRI 103-2
Commitments of the company to sustainable development			
Impact of the company's activity on employment and local development	Material	62-66	GRI 103-2
Impact of the company's activity on local populations and the territory	Material	62-66	GRI 103-2
Relations with local community stakeholders and forms of dialogue	Material	69	GRI 102-43

Table of contents required by Law 11/2018

Information requested by Law 11/2018	Materiality	Response on page	Reporting criterion: selected GRIs (latest GRI version required, unless otherwise stated)
Partnership or sponsorship actions	Material	50-51	GRI 103-2
Subcontracting and suppliers			
Inclusion in the purchasing policy of social, gender equality and environmental issues	Material	53	GRI 103-2
Consideration in relations with suppliers and subcontractors of their social and environmental responsibility	Material	53-54	GRI 102-9 GRI 103-2
		53-54	GRI 102-9
Supervision systems, audits and their results	Material	53-54	GRI 102-9
Consumers			
Measures for the health and safety of consumers	Material	55-56	GRI 103-2
		56	GRI 103-2
Claims systems, complaints received and resolution	Material	56	GRI 103-2
Tax information			
Benefits per country	Material	58	GRI 103-2
Taxes on benefits paid	Material	61-62	GRI 103-2
Public subsidies received	Material	62	GRI 201-4 a)

COSENTINO

Ctra. Baza a Huércal-Overa, km 59 / 04850
Cantoria - Almería (España) / Tel.: +34 950 444 175
info@cosentino.com / www.cosentino.com

