

Letter from the President

A commitment to innovation and ongoing improvement is a key part of our value proposition

This CSR report gives us the opportunity to present another year of advances in our commitment to transparency in terms of economic, social, environmental and ethical sustainability. We present this report to update our stakeholders on our contribution to society in every location where we have a presence.

We closed the year 2019 with significant business growth and, more importantly, with a considerable increase in the number of employees. The Cosentino Group now employs nearly 4,800 people worldwide. 470 new jobs were generated in 2019, an increase of 11% over 2018.

The diversity of our employees in terms of place of origin, nationality, gender, beliefs and religion constitutes a rich human tapestry that must be managed with an open and inclusive spirit.

In 2019, in line with this spirit of welcoming diversity, the Cosentino Group joined the Diversity Charter, a European Union initiative promoted in Spain by the Fundación Diversidad. This involves the adoption of a code that upholds the fundamental principles of equality and non-discrimination in companies.

With regard to turnover, 2019 closed with sales of 1,110 million Euros, maintaining double-digit growth compared with the previous year, specifically 12.7%. Growth in North America and Europe has placed these markets at the forefront of commercial development for the Cosentino Group, which has an active presence on five continents.

It was particularly intense year for investments, with an executed amount of approximately 120 million Euros in 2019. These investment efforts, primarily industrial in nature, have marked the start of an ambitious growth plan for production capacity and automation and digitalisation. Both of our Silestone® and Dekton® factories are being continuously updated to increase their production capacity and offer the maximum efficiency and quality standards expected of the world leader in the two product categories.

Another fundamental pillar reinforced by the company last year was our commitment to the environment and people, aiming to apply the latest technology and measures for collective and individual protection. In addition to investments in heat recovery, improved energy efficiency, expansion

of water treatment capacity and modernisation of VOC treatment systems, I would like to highlight Cosentino's endorsement of the National Agreement on the Circular Economy, from the Ministry for Ecological Transition. This commitment also covers waste recovery, with Cosentino reaching a new record recovery rate of 33% in 2019. Among other initiatives, this is thanks to the R&D project "Circularity", an innovative programme that has already achieved real success stories such as the manufacture of technosols from wastewater sediment.

From an international perspective, in 2019 we opened new Cosentino Centres in the United States, Canada, France and Malaysia. We also established a new Cosentino City in Los Angeles, California.

Finally, I would like to thank all of our stakeholders, from suppliers, public administrations and financial institutions, among others, for the trust and support they have placed in us throughout the year. I would like to invite you to learn more about our work, which is explained over the various chapters of this Report.



**Francisco
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President, Cosentino Group