

SUSTAINABILITY
REPORT
2024



NEOLITH

SUSTAINABILITY
REPORT
2024

NEOLITH

CONTENTS

01

MESSAGE
FROM THE CEO

P. 06

02

ABOUT
NEOLITH GROUP

P. 10

03

THE BEST
OF 2024

P. 24

04

CONTRIBUTING
TO A SUSTAINABLE FUTURE

P. 52



01 MESSAGE FROM THE CEO



Letter from the CEO

DEAR NEOLITH COLLEAGUES, PARTNERS,
AND FRIENDS:

It is an honor to address you for the first time as CEO of this great company. Since joining Neolith, I have had the opportunity to experience firsthand the talent, passion, and commitment that define our organization. During these first few months, one of our main focuses **has been reconnecting with the markets, with our clients—who are at the center of everything we do—and with the teams that make up Neolith across five continents.** **We want to once again feel like a family,** a company united by a common vision and a shared purpose: to create beauty in a responsible and sustainable way.

In 2024, we have continued to make progress in our commitment to sustainability and respect for the planet. **We have maintained the calculation of our emissions in Scopes 1, 2, and 3,** reaffirming our strong commitment to reducing our carbon footprint. Our goal is ambitious yet clear: to achieve net-zero greenhouse gas emissions by 2050, actively contributing to the fight against climate change.

This commitment is also reflected in the recognition we have received. In 2024, **Neolith renewed its EcoVadis certification, ranking in the 98th percentile among more than 150,000 companies evaluated** across 220 industries and 175 countries. This achievement positions us as one of the most committed companies worldwide in terms of sustainability and corporate social responsibility. It is, without a doubt, a source of great pride for the entire Neolith family.

At our **Almazora (Castellón)** plant, we continue to implement exemplary policies in efficiency and circularity. **100% of the water we use is recycled,** and all the electricity consumed in our production processes **comes from renewable sources or is self-generated through our solar power plant.** These advances are the result of a long-term strategy that combines innovation, technology, and environmental commitment.



The safety of our people also remains an absolute priority. **We continue to make constant improvements in occupational risk prevention**, moving steadily toward our **Zero Accidents** goal, because the well-being of our teams lies at the heart of every decision we make.

In terms of product, **2024 has been a particularly significant year for innovation**. We launched the **Atmosphere collection**, featuring models such as **Neolith Rapolano**—which is becoming a true best seller in numerous markets—and **Neolith Whitesands**, which introduced a **new digital texture** to our portfolio. These milestones reflect Neolith’s firm commitment to **continuous investment in R&D**, driving creativity and technical excellence.

In addition, this year we introduced **Neolith Ignea**, a new product bearing the **98R** seal, manufactured with **up to 98% recycled content**. This launch represents the perfect balance between design, sustainability, and innovation, and it has been internationally recognized with two of the world’s most prestigious product design awards: the **Archiproducts Design Awards** and the **German Design Awards**, which acknowledge its exceptional technical, aesthetic, and environmental values.

None of this would be possible without our **partners and distributors** across different markets. They are an extension of our brand—the ones who make it possible for Neolith to reach every corner of the world with the same level of quality, service, and passion. **We cannot achieve this alone**; our growth is built on collaboration and mutual trust.

Lastly, I would like to highlight **Neolith’s resilience**. We live in an increasingly dynamic global environment that demands adaptability, agility, and vision. Once again, the company has demonstrated its ability to **face challenges with strength, unity, and determination**. This spirit will enable us to continue building a solid, sustainable, and opportunity-filled future.

To all those who are part of Neolith—employees, clients, distributors, and partners—please accept my most sincere gratitude. Together, we will continue to strengthen our global leadership, proud to belong to a company that combines innovation, beauty, and sustainability like no other.

With appreciation and commitment,

Walter

WALTER CEGLIA
CEO, NEOLITH GROUP



02 ABOUT THE NEOLITH GROUP

What is Neolith?

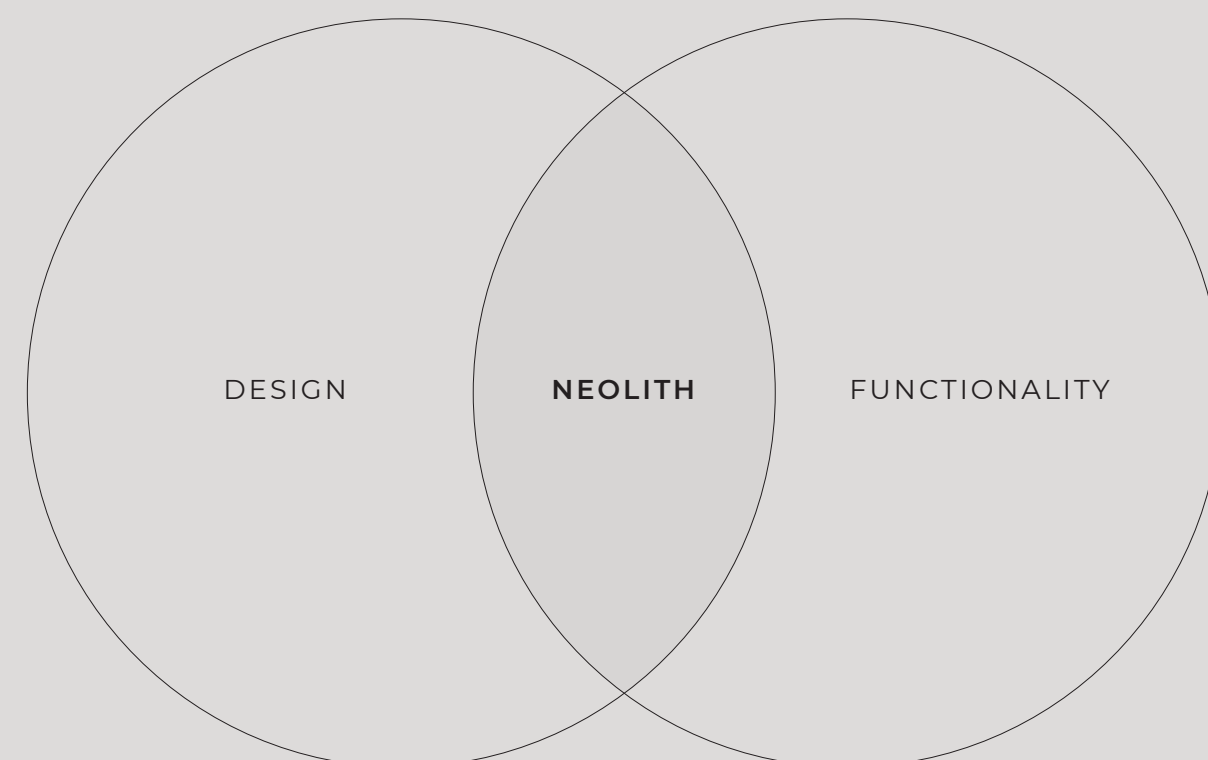
Neolith is the global leading brand in sintered stone. A revolutionary and innovative architectural surface with superior technical characteristics, made from 100% natural raw materials. **Neolith represents design, versatility, durability, and sustainability**, with a mission to deliver pioneering, innovative products alongside the highest quality service to meet the needs and demands of the architecture and interior design industries.

Furthermore, the Company strives year after year to continue creating a sustainable and environmentally friendly ecosystem, with the vision of positioning itself as the leading brand best equipped to meet the industry's global demands.

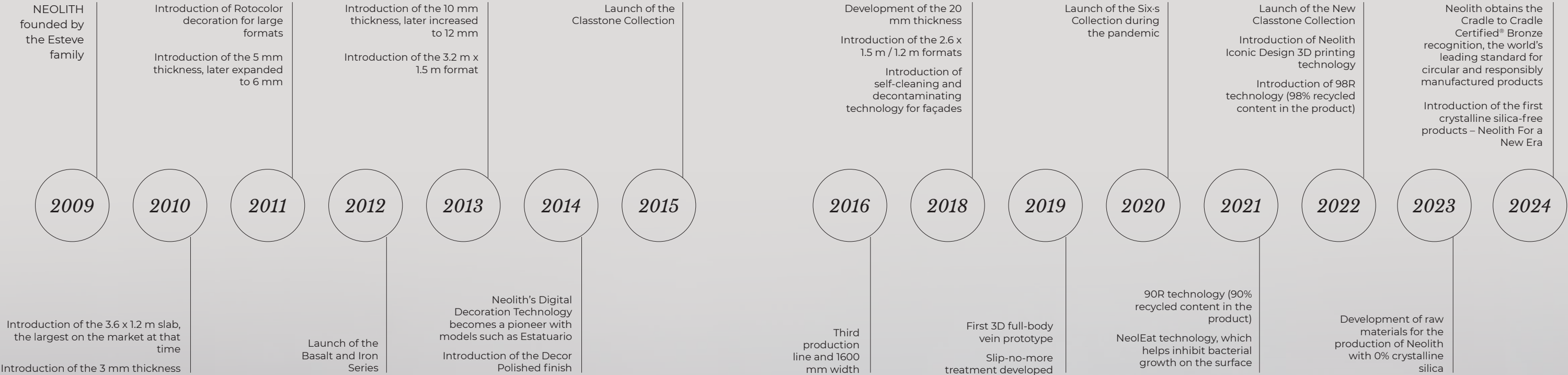
Since its foundation in 2009, the Neolith Group has become the best solution for both interior and exterior spaces, combining exquisite design with high functionality. Comprising more than 60 models suitable for any type of application, Neolith continues to inspire and create living spaces in buildings and homes around the world.

In this context, Neolith continues to evolve through research and the development of new technologies—not only with the ambition of realizing sustainable buildings and environments that shape the cities of the future, but also with the goal of collaborating responsibly with society to build a future for everyone. Through this ambition, the Group reinforces its commitment to sustainability across environmental, social, and governance dimensions.

Since its beginnings, the Neolith Group has experienced exponential growth thanks to its expanding product portfolio as well as its international presence.



BELOW ARE SOME OF THE KEY MILESTONES IN NEOLITH’S HISTORY SINCE ITS CREATION:



Our Values

Neolith is a company guided by a set of **core values that define its identity and culture.**

These values include a strong commitment to sustainability and environmental responsibility, a passion for innovation and creativity, an unwavering focus on quality and craftsmanship, and a dedication to service and customer care. Neolith places particular emphasis on ethics and transparency across all its operations, striving to foster a culture of collaboration and respect among its employees, partners, and clients.

The company's values are reflected in its products—designed to be both functional and beautiful—while meeting the highest standards of sustainability and environmental performance. By staying true to these values, Neolith has established itself as a leader in the architecture and design sectors, earning a reputation for excellence, integrity, and innovation.



PASSION

All professionals connected to the Group are passionate about what they do and take pride in being part of the Neolith Group. They act as true ambassadors of the brand and strive to create a workplace where people can genuinely enjoy what they do.

INNOVATION

The Neolith Group is a pioneer in sintered stone, yet it remains fresh, agile, and proactive. The Group is constantly focused on improvement and challenge, striving to stay competitive and disruptive. Its goal is to create a sustainable environment through innovation and continuous development.

INTEGRITY

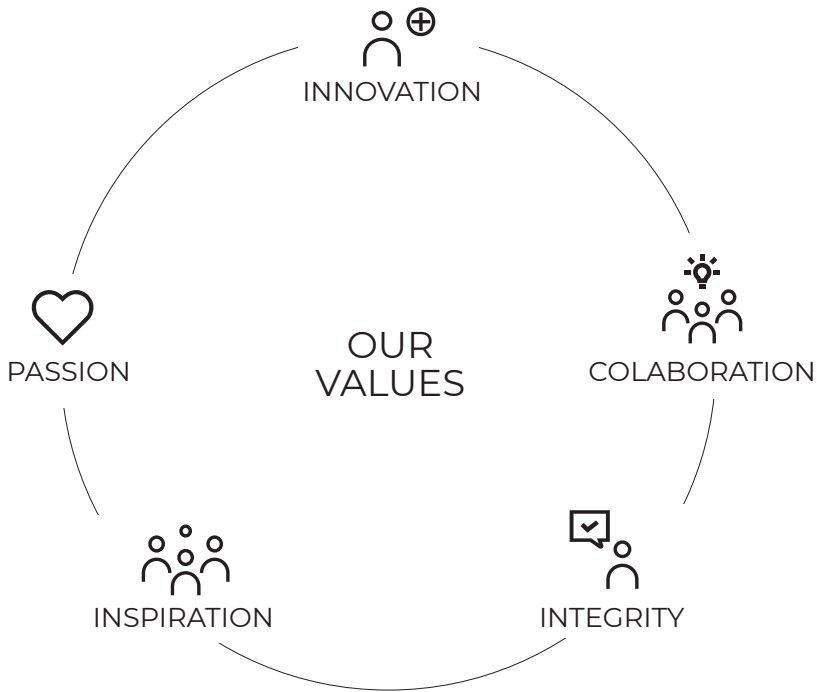
The people who work at the Neolith Group are honest and act in accordance with the Group's values, always respecting its Code of Conduct.

COLLABORATION

The professionals at the Neolith Group are relationship builders who care deeply about their people, clients, community, and the environment. Their goal is to make the organization and the community a better place to work and live. Neolith Group firmly believes that true success is only possible by creating strong bonds with partners and stakeholders.

INSPIRATION

The Neolith Group loves what inspires it. Brands that inspire are those that truly understand their consumers and help them achieve their goals. In this spirit, the Neolith Group aims to help its clients build the world they want to see.



Business Model and Organizational Structure

Neolith Group is a consolidated group of companies founded in 2009. The business expansion has been carried out with care and respect for environmental impact, social responsibility, and good governance, leading the Group to fully integrate sustainability into its value proposition.

During fiscal year 2022, the Group underwent a change in shareholding structure following the investment of one of the world's leading private equity firms, whose core investment criteria include sustainability. This milestone reaffirmed the market's confidence in the Neolith Group and ensured the financial resources necessary to continue expanding its global value proposition.

Neolith Group aims to deliver excellent services while contributing to the preservation of the planet. The Group uses the finest raw materials, achieving exclusive sintered stone slabs. The result is a material with superior technical performance in terms of sustainability, distinguishing Neolith as a Group deeply committed to reducing environmental impact and protecting the planet.

Among the Group's key environmental actions throughout its history are the **recycling of 100% of the water** used in its production processes, achieving **"Zero Waste" certification**, and using **100% renewable electricity** in its industrial plant.

One of the Group's main objectives is the preservation of the environment, aligned with its Gold Medal rating from EcoVadis, which places **Neolith in the 98th percentile** of companies assessed worldwide in environmental, social, and governance (ESG) performance. To promote sustainable development, Neolith prioritizes sustainability in both its processes and materials. In addition, the Group has participated in a construction and engineering working group within the UN Global Compact Network Spain, integrating sustainability fully into its operations.

Inspiration, innovation, and the development of major sustainability-driven projects have defined the entire 2024 fiscal year. During this period, over 99% of the waste generated by Neolith Group was recovered and repurposed—either within its own operations or through authorized third parties—demonstrating the brand's strong commitment to the circular economy. The Group also holds the EcoVadis Gold certification, positioning itself in the 98th percentile (an improvement from the 97th percentile in 2023), reflecting the robustness of Neolith's management system. All notable actions during this year form part of the Sustainable Beauty campaign, a strategic plan that guides the Group's sustainability strategy.

The Group is also a signatory of the Science Based Targets initiative (SBTi), committed to achieving net-zero emissions by 2050, and has obtained key certifications in this regard. During fiscal year 2024, the Group reported its SBTi targets, which were approved by the organization. The main objectives established are as follows:



REDUCE ABSOLUTE SCOPE 1 AND 2 GHG EMISSIONS BY 50.4% BY 2032, USING 2022 AS THE BASE YEAR.

REDUCE ABSOLUTE SCOPE 3 GHG EMISSIONS BY 30% BY 2032, USING 2022 AS THE BASE YEAR.

REDUCE ABSOLUTE SCOPE 1, 2, AND 3 GHG EMISSIONS BY 90% BY 2050, USING 2022 AS THE BASE YEAR.

The validation of these goals reinforces Neolith Group's commitment to full decarbonization as its main objective within its sustainability agenda.

In 2021, the Group obtained its first Zero Waste certification with the highest possible rating (Excellent Plus). During the following years—2022, 2023, and 2024—the Zero Waste certification was renewed, maintaining the highest grade.

The Group's production center and headquarters are located in Almazora (Castellón)—a strategic position within an industrial cluster that enables Neolith to pursue its short-, medium-, and long-term goals and ambitions. The Group has become fully integrated into its industrial environment, assuming the presidency of the local management and modernization entity and leading public-private collaboration efforts to foster the sustainable growth of the industrial ecosystem.

Global Presence

Since its beginnings, Neolith Group was founded with a strong international vocation. The Group's global presence has become increasingly significant, **currently operating in around 100 countries** and continuing to expand through a well-defined international growth plan that achieves substantial progress each year. In recent years, the Group has consolidated its presence in the United States, Canada, China, Oceania, and Latin America, establishing partnerships with major distributors.

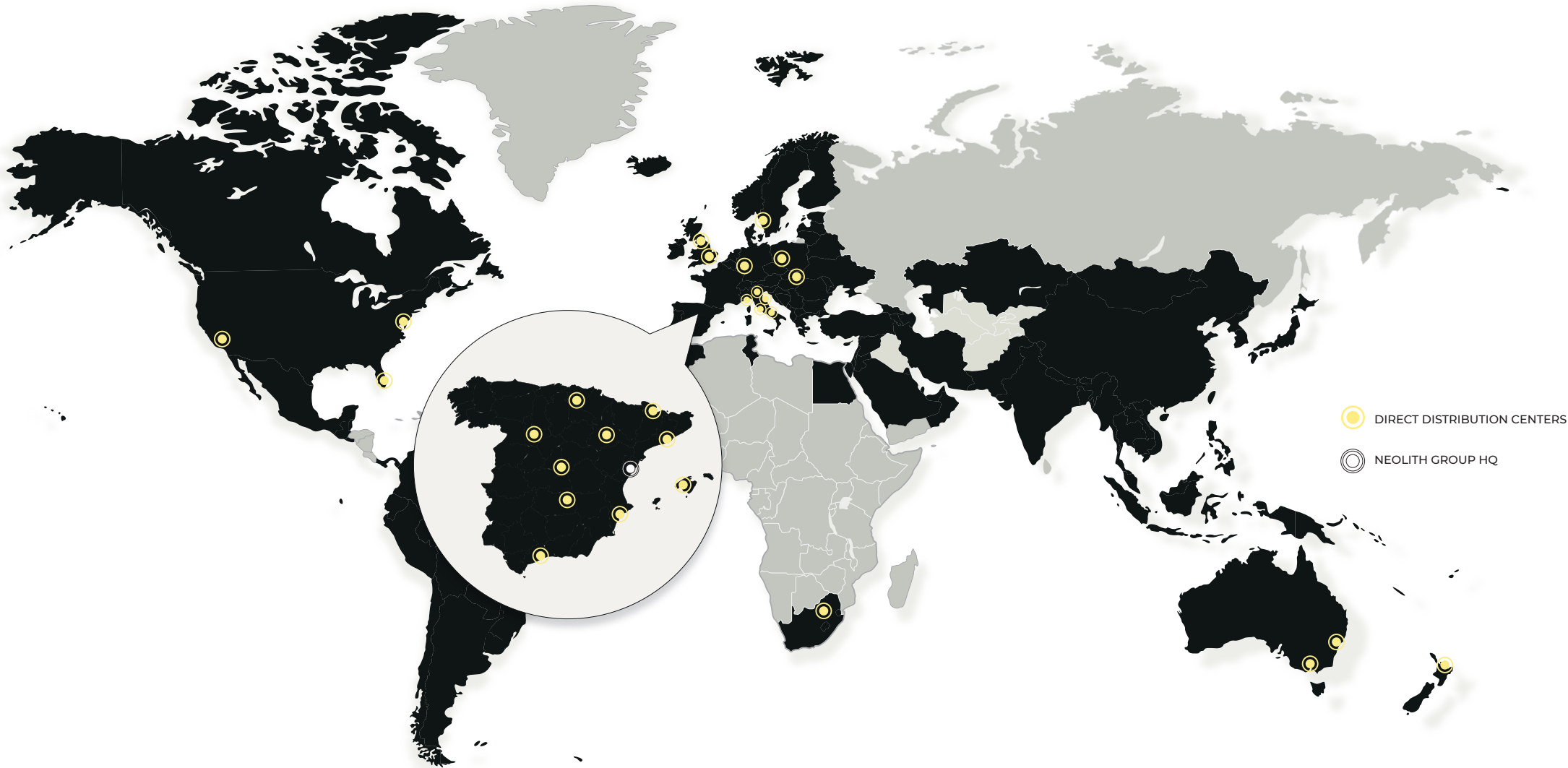
Neolith Group now operates a total of **21 proprietary centers across Europe**. These spaces provide direct access to the Group's range of solutions while bringing architects, interior designers, and end users closer to Neolith's surfaces and innovations.

SHOWROOMS

Neolith Group has (directly or indirectly) 58 showrooms worldwide, showcasing the versatility, functional properties, and design of the Group's products. Most of these showrooms are exclusively dedicated to Neolith products, while others operate as multi-brand spaces.

DISTRIBUTORS

Germany, Andorra, Argentina, Australia, Brazil, Belgium, Bulgaria, Canada, Chile, China, Cyprus, Colombia, Costa Rica, Ecuador, United Arab Emirates, Slovakia, Estonia, Philippines, Finland, France, Georgia, Greece, Guatemala, the Netherlands, Hungary, India, Indonesia, Israel, Italy, Japan, Jordan, Lebanon, Mexico, New Caledonia, Norway, New Zealand, Oman, Poland, Qatar, Panama, Peru, Portugal, Czech Republic, Dominican Republic, Romania, Serbia, Singapore, South Korea, South Africa, Sweden, Switzerland, Suriname, Thailand, Taiwan, Turkey, Ukraine, Uruguay.



Strategic Objectives

Since its inception, Neolith Group has grown into a corporation with a global presence and ambition. It combines the dynamism of a young company—capable of making business decisions through an organized and agile process—with extensive industrial and commercial expertise. Its foundation rests on innovation, sustainability, excellent service, and the highest quality standards, which have enabled continuous growth with a long-term value creation vision. The Group’s mission and vision define the path to follow in the coming years. Alongside its mission and vision, Neolith Group’s corporate values serve as the pillars of its organizational culture. These principles are embodied in all employees and are reflected in every activity carried out by the Group.

MISSION

To inspire unique solutions for interior and exterior spaces—functional and sustainable—through the most innovative surface, creating extraordinary brand experiences.

VISION

To be the number one brand in the creation of unique spaces.

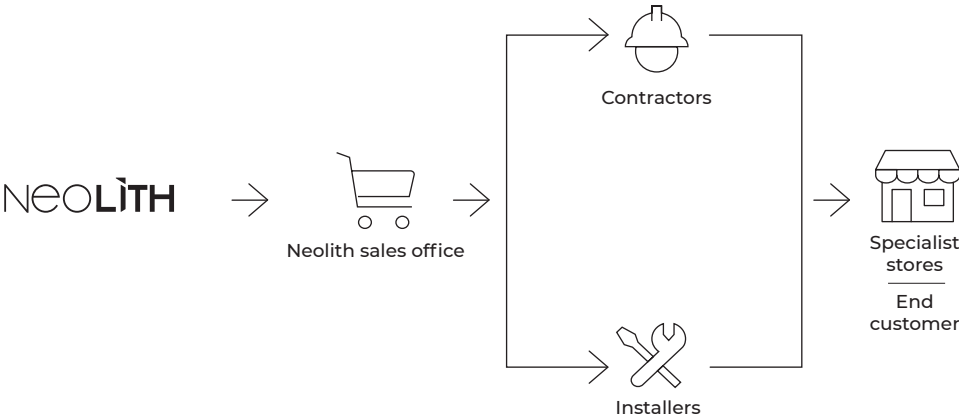
VALUES

Passion, innovation, collaboration, integrity, and inspiration.

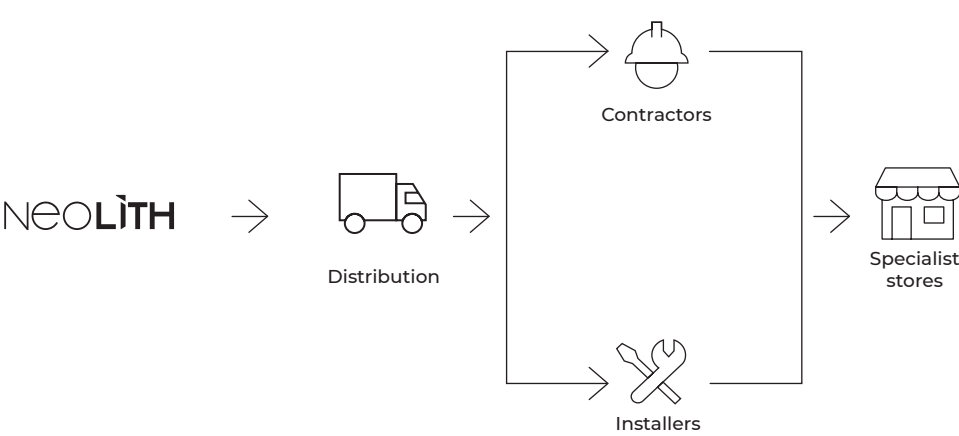
Value Chain

The Group’s value chain begins with the extraction of raw materials and, following an industrial process driven by innovation and design, concludes with the distribution, sale, and installation of the finished product for end-user application.

DIRECT MODEL

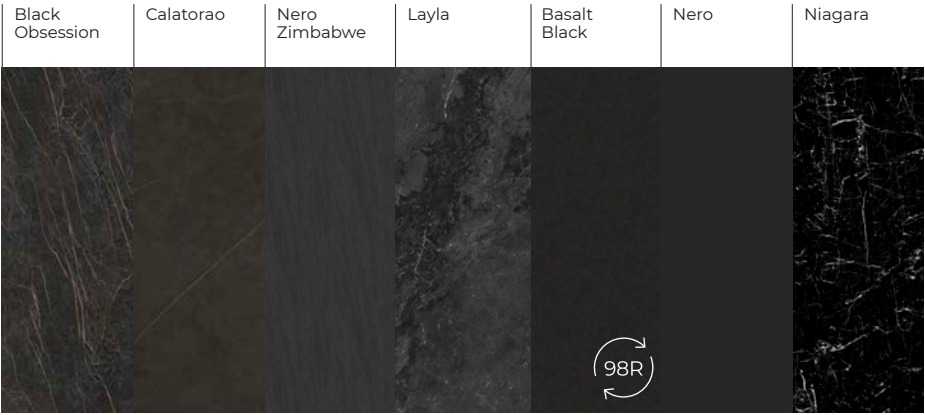
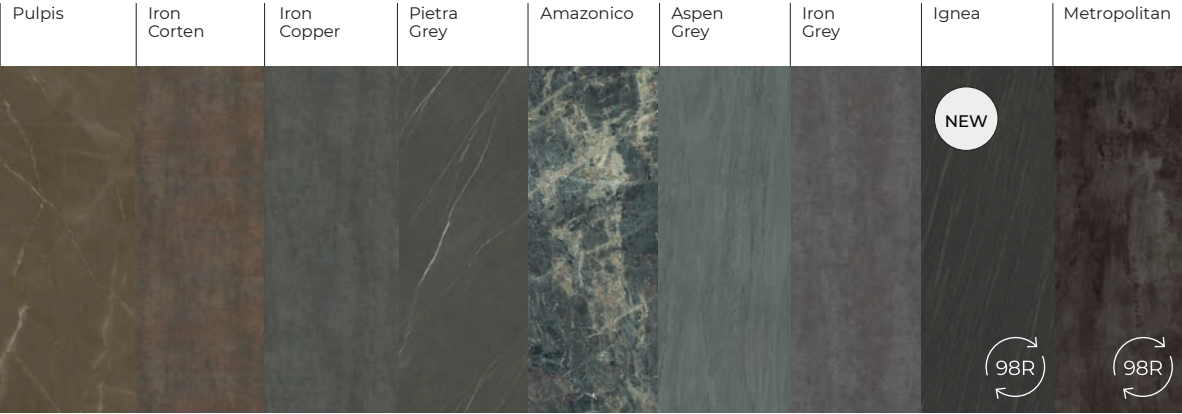
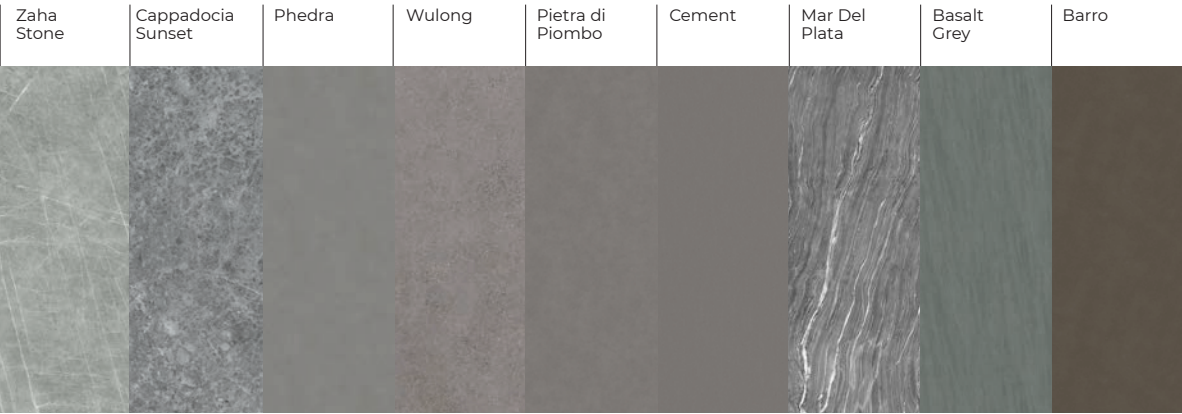
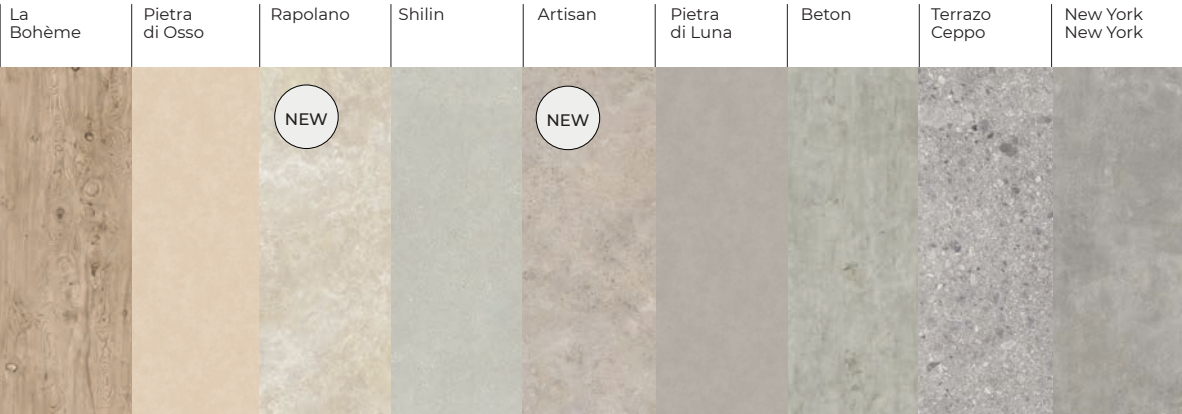
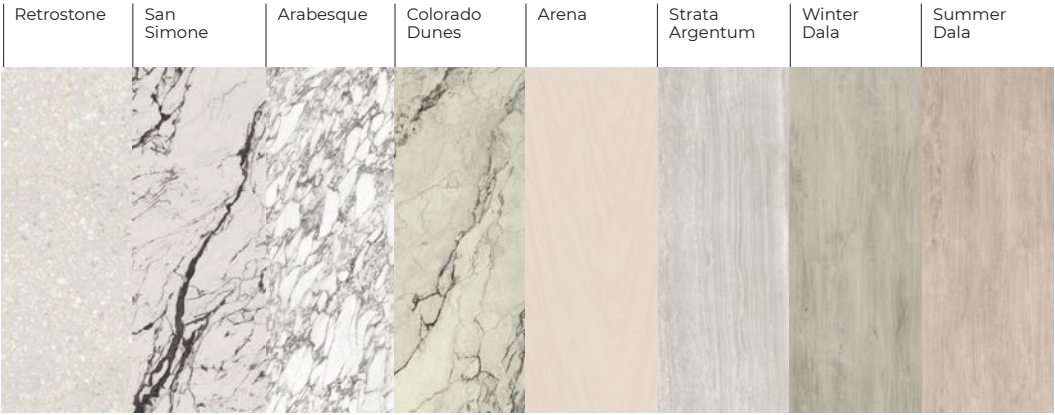
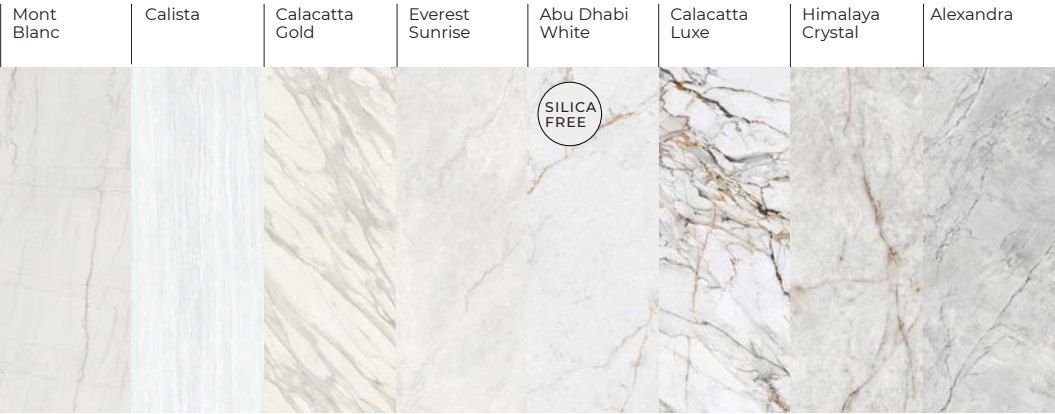


INDIRECT MODEL



Neolith Gallery

The different collections are based on textures and materials that combine designs inspired by nature, industrial elements, hybrid concepts, and other styles aligned with current design trends and market preferences. Thanks to its broad range of collections, Neolith Group is able to meet a wide variety of styles and aesthetic criteria for end customers. During 2024, the Group launched the Artisan, Ignea, Rapolano, and WhiteSands models, as well as the Abu Dhabi White Silica Free product.





03 THE BEST OF 2024

ENVIRONMENTAL CARE

+540.000

Euros in Environmental
Investment

+99%

Recovered
Waste

31.069_{tCO₂eq}

Scope 1 CO₂ Emissions

5.378_{tCO₂eq}

Emisiones CO₂ alcance 2
(Location Based)

3.971_{MWh}

Energy Generated
from Solar Panels

RESOURCES USED

100%

100% of the water used in the
production process is recycled.

UP TO

98%

Neolith incorporates up to 98%
recycled content in certain models
without altering their properties.



100%

100% of CO₂ emissions generated
from Scopes 1 and 2 are offset.

93,4%

Neolith recovers and recycles more
than 93% of the waste generated.

ENERGY CONSUMED

Self-supply of Electric Power

Installation of a 3.5 MWp photovoltaic
solar plant capable of generating up to
25% of the company's own electricity.

Renewable Sources

Neolith Group holds a renewable
energy **guarantee of origin
certificate** for 100% of the non-
self-generated energy used at its
industrial plant.

GLOBAL PRESENCE

11

Owned or Active Subsidiaries

29

Own Distribution Centers Worldwide

CRYSTALLINE SILICA-FREE:
THE LOWEST PERCENTAGE IN THE INDUSTRY

0-9%

The percentage of Crystalline Free Silica in all models ranges between 0% and 9%*

0%

Crystalline Free Silica Content in the New Generation of Neolith For a New Era

0

Occupational Diseases Related to Crystalline Free Silica

CERTIFICATIONS

Neolith Group remains firmly committed to sustainability:



The **Cradle to Cradle Certified® Bronze** certification acknowledges that most Neolith products meet this global standard. The full list can be officially consulted on the Cradle to Cradle Products Innovation Institute website.



Gold Medal from EcoVadis, demonstrating that Neolith Group ranks in the **98 percentile** of companies evaluated in environmental, social, and governance (ESG) performance.



Bygghuset and SundaHus Swedish assessment systems that evaluate and rate construction products based on their environmental and health impact, ensuring compliance with high standards of sustainability and safety.



*El test de contenido de sílice tiene una sensibilidad de +/- 2%.

ATMOSPHERE
Breeze of innovation

WHITESANDS

RAPOLANO

ARTISAN

IGNEA

03 THE BEST OF 2024



WHITESANDS
An oasis of calm



RAPOLANO
Timeless elegance



ARTISAN
Warmth, tradition, and trendiness



IGNEA
Mystery and depth

As a gentle, enveloping breeze, Neolith Atmosphere transforms spaces and creates environments of peace and well-being, drawing unique atmospheres through its designs. Neolith presents a whole new range of models that convey sensations and offer a fresh breeze of innovation while reflecting a free, warm and inspiring spirit.



Neolith won the 1st Honorable Mention for the Best Project at Casa Decor 2024

The Neolith space, designed by SUMMUMSTUDIO, was awarded the **1st Honorable Mention for Best Project** at the 12th edition of Casa Decor.

“A Reflection of Who We Are” paid tribute to nature and welcomed approximately 45,000 visitors over six consecutive weeks at the majestic gardens of the Palacio de la Trinidad.



The dense forest floor is represented through the dark tones of Neolith's sintered stone surface in the Amazonico model, gradually transitioning to lighter shades as a nod to the gentle luminosity that filters through the tree canopy. The former pond of the Palacio de la Trinidad gardens regains its grandeur, clad in sintered stone in soft grey and light hues with Neolith's Layla model—a tribute to the life-giving water offered by Mother Nature.

Neolith Hosts a New Edition of Its EMEA Summit in Castellón



This past June, all **Neolith distributors and teams responsible for relations across the EMEA** region gathered in Castellón, Spain.

A group of more than **200 people** came together over two days to define the strategic work lines for the second half of the year in this key global region.

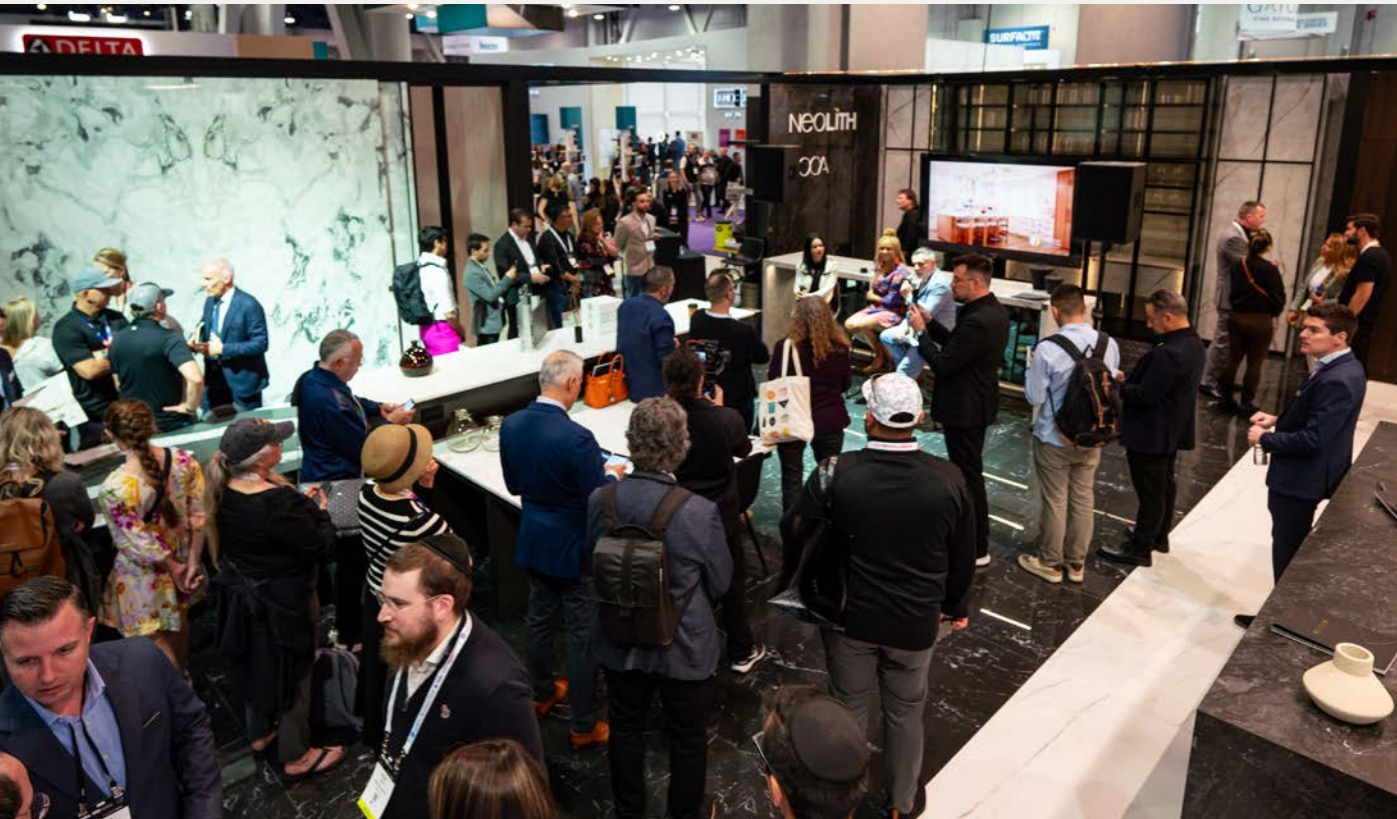


Neolith EMEA Summit in Castellón, Spain

Neolith Continues to Lead the Way in Sustainability with the Presentation of Neolith Atmosphere at the World’s Leading Trade Fairs

Neolith continued to strengthen its international brand presence at major architecture and interior design trade fairs around the world.

Two examples include **KBIS** in Las Vegas (USA) and the **Salone del Mobile** in Milan (Italy).



Neolith Strengthens Its Presence in Spain with the Opening of Two New Distribution Centers in Málaga and Madrid—Two Strategic Locations within the Iberian Peninsula

With an area of 1,800 m², the new distribution center in Málaga brings Neolith surfaces and the brand’s “touch. feel. live” philosophy closer to architects, interior designers, and end users in the southern region of the Iberian Peninsula.

Neolith is renowned for its strong commitment to design, innovation, and sustainability, leading the industry’s sustainable transformation through both its production processes and the exclusive composition of its products.



Neolith brought together Madrid’s design and architecture community to officially unveil its new distribution center and present its latest regional launch.

The event, which gathered around 400 attendees, served as the perfect stage to showcase Neolith’s new product range, **Atmosphere: Breeze of Innovation**.

During the event, guests had the opportunity to explore the impressive 2,700 m² facilities and discover the full range of Neolith models in a stunning exhibition space.



New Showroom in Ningbo, China

In 2024, the official opening of the **new Techsize by Neolith showroom** took place in the Chinese city of **Ningbo**, bringing the total to 30 monobrand showrooms operated by Techsize, Neolith's official distributor in China.

These experiential showrooms stand among the world's finest examples of cutting-edge architecture and surface innovation.

Throughout 2025, Techsize plans to open **five additional showrooms**, reaching a **total of 35** across the country.



NEOLITH
FOR A
NEW ERA

Abu Dhabi White Silica-Free Stands Out for Its Commitment to Sustainability and Health

Neolith has revolutionized the sintered stone surface industry this year with the launch of its innovative crystalline silica-free formulation, introduced through the **Abu Dhabi White** model. By eliminating crystalline silica, Neolith reinforces its commitment to health, safety, and sustainability.

The debut of the **new crystalline silica-free Abu Dhabi White** formula offers unparalleled sustainability, quality, and aesthetic appeal, crafted with premium, environmentally friendly materials. Abu Dhabi White draws inspiration from white marble, featuring elegant grey and copper-toned veining.



Neolith Contributing to a Sustainable Future for the Industry—One Without Crystalline Silica—at a Landmark Center in Melbourne, Australia

From Australia's crystalline silica bans to innovative formulations, the roundtable discussion explored how today's challenges can be addressed through creativity—delivering sustainable innovation and impactful design.



The roundtable featured renowned designers and architects from Australia's local industry, who shared their insights on current and future trends in the sector. Their open and engaging conversation offered attendees valuable ideas and practical strategies to thrive amid the evolving design landscape.



2024 Awards

Neolith Calacatta Roma was honored with the AD Great Design Kitchen Award, recognizing the material as best-in-class in terms of design and innovation.

Neolith Ignea received the Archiproducts Design Award 2024 in Milan in the Sustainability category. The award recognized Neolith Ignea's innovative and responsible design, which promotes circular economy principles and reduces environmental impact thanks to its high recycled content composition.

KBB praised Neolith's new formulation for eliminating crystalline silica from its sintered stone, achieving a safer and healthier product that preserves its aesthetic appeal. The judges highlighted the stunning natural-looking veining of Abu Dhabi White, with its gold-grey tones, and Arctic White—both available in a durable 20 mm thickness. This innovation goes beyond beauty, reflecting a cleaner manufacturing process that reduces potential health risks.

CALACATTA
ROMA



IGNEA



ABU DHABI
WHITE



Prestigious Global Recognitions

Throughout 2024, the company has received prestigious international awards, standing out not only for the beauty and functionality of its surfaces but also for its strong commitment to sustainability. These distinctions reflect Neolith's ongoing effort to innovate and deliver solutions that make a real difference, further consolidating its reputation as an industry leader.

LEADERSHIP IN SUSTAINABILITY

Neolith has made an indelible mark on the path toward sustainability, positioning itself as a leader in responsible solutions for both interior and exterior spaces. This year, it reached an unprecedented milestone by obtaining the prestigious **Cradle to Cradle Certified® Bronze certification**, the most demanding in its category. This recognition confirms that Neolith products are not only safe and responsible but also promote a circular economy. Additionally, Neolith strengthened its standing with the **EcoVadis Gold** rating, improving its percentile from 97 to 98, positioning it among the highest-rated companies in the sector.

Another major achievement was winning the **Archiproducts Design Award 2024** in the Sustainability category for its Neolith Ignea model, composed of up to 98% recycled materials. The award, received in Milan, highlights how Ignea blends cutting-edge design with deep inspiration from nature, evoking the power of volcanic landscapes.

Neolith Ignea was also recognized at the **Future Icon Awards** by the British publication Country & Town House, receiving the Highly Commended distinction in the Best Sustainable Innovation category. This honor underscores the company's commitment to eco-conscious design while maintaining technical and aesthetic excellence in every surface it creates.



Neolith Ignea was also one of the most acclaimed models in this field, receiving the **2025 German Design Award** in the category of Excellent Product Design – Material and Surfaces.

Additionally, Neolith's crystalline silica-free product line was honored at the **Home Reno Awards** by the American publication Good Housekeeping in the Sustainability Innovators category, highlighting how its solutions combine innovation with health protection. It was also recognized at the **KBB Product Awards 2024** in the Countertops Product Award category.



EXCELLENCE IN DESIGN

If there is something that defines Neolith, it is its ability to transform stone into functional art. This year, the **Calacatta Roma** model has become a true standout. With its gray and ochre veining over a pure white background, this design has captured some of the industry's most prestigious awards. One of the most notable recognitions was the **Great Design Kitchen Award** from the American publication Architectural Digest, in the Swede Tooth category, which praised the surface's ability to transform kitchens into true temples of elegance and modernity.





NEOLITH CALACATTA LUXE



NEOLITH JUST WHITE - NEOLITH CEMENT

PRIVATE RESIDENCE
Madrid, Spain
Design: Marta González Arquitectos,

04 CONTRIBUTING TO A SUSTAINABLE FUTURE

ESG PLAN: SHORT, MEDIUM AND LONG-TERM

SUSTAINABLE DEVELOPMENT GOALS (SDGS)

ENVIRONMENTAL IMPACT OF THE BUSINESS MODEL

GOVERNANCE, ENVIRONMENT AND SOCIAL IMPACT

INFORMATION ON ENVIRONMENTAL MATTERS

RESPONSIBLE CORPORATE CULTURE

INFORMATION ON HUMAN RIGHTS COMPLIANCE

ANTI-CORRUPTION AND ANTI-BRIBERY MEASURES

INFORMATION ON SOCIAL COMMITMENT

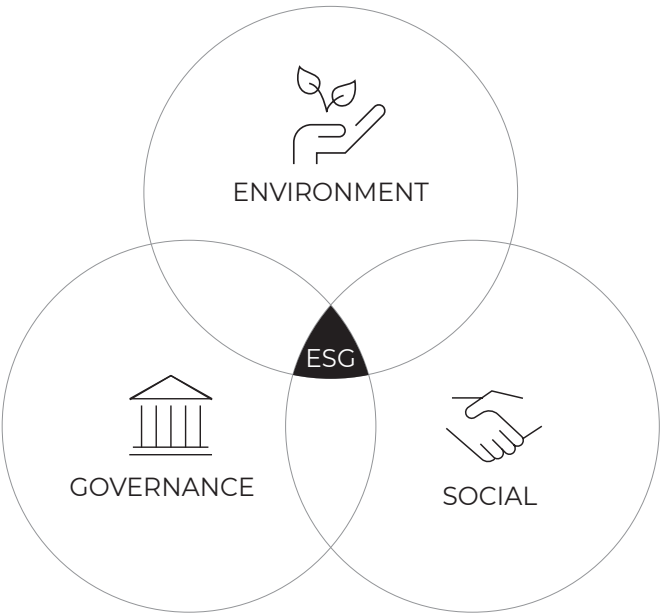


SUSTAINABLE
BEAUTY

NEOLITH

ESG Plan: Short, Medium and Long-Term

The integration of these pillars is carried out through an action plan based on the objectives of seizing market opportunities and trends, as well as managing operational, reputational, and business risks. The management and control of ESG risks help reduce operational costs, mitigate risks, and minimize the likelihood of legal actions against the Group. The ESG Action Plan, implemented in 2021 and still in force, is structured into three phases:



PHASE 1

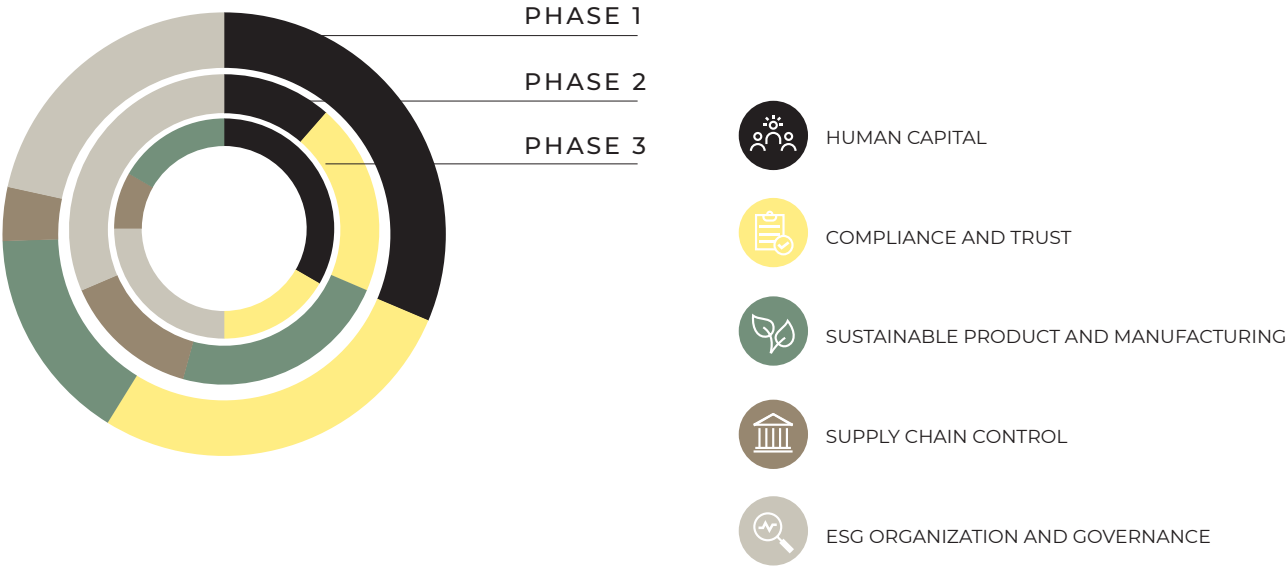
Consolidation of the ESG structure and implementation of the highest-impact actions. This phase was carried out during fiscal year 2021.

PHASE 2

Enhancement of Neolith Group's ESG positioning through deployment actions. These measures were implemented during fiscal years 2022, 2023, and 2024.

PHASE 3

Implementation of best practices and improvement of machinery efficiency, along with the creation of new instructions and procedures, and the execution of internal inspections by our management teams.



The Group continues to make significant progress in the implementation of its ESG plan. Recent examples include the renewal of ISO 9001, ISO 14001, and ISO 14021 certifications, covering production, design, and distribution operations from which the entire Group benefits.

In addition, in 2024 the Group obtained the ISO 45001 certification, an international standard that specifies the requirements for an occupational health and safety management system and provides guidelines for its implementation. This certification enables organizations to provide safe and healthy workplaces, prevent work-related injuries and illnesses, and proactively improve workplace safety systems.

The current ESG plan was established for the 2021–2025 period, and a new, updated plan—aligned with the latest market requirements and stakeholder expectations—is scheduled to be implemented in 2025.

IN 2024, THE GROUP OBTAINED THE ISO 45001 CERTIFICATION, AN INTERNATIONAL STANDARD THAT SPECIFIES THE REQUIREMENTS FOR AN OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM AND PROVIDES GUIDELINES FOR ITS IMPLEMENTATION.

The Sustainable Development Goals in Neolith’s Activities

The Action Plan links the Group’s strategy with the United Nations Sustainable Development Goals (SDGs). In 2015, the United Nations (UN), together with the 193 member states of its General Assembly, defined 17 SDGs aimed at achieving progress and well-being for people, the environment, and the economy. The SDGs were established in 2015 as part of the 2030 Agenda for Sustainable Development.

These goals include 169 specific targets and 232 official indicators to measure progress achieved. Their purpose is to promote education, equality, and inclusion, combat climate change, and eradicate poverty worldwide.

Neolith has carried out an assessment of how the actions within its ESG Action Plan contribute to each of the Sustainable Development Goals (SDGs), in order to analyze potential areas of alignment.

The three SDGs where Neolith Group has the greatest potential for positive impact are **SDG 12, SDG 8, and SDG 13.**



In contributing to the achievement of the SDGs, only those actions that generate an additional impact—beyond the company’s existing efforts to align its ESG Action Plan with the 2030 Agenda—have been evaluated.

In this way, the principle of impact is followed, meaning that the results achieved through the Action Plan aim to maximize the company’s positive impact in the short, medium, and long term.

This initial mapping of actions against the SDGs makes it possible to identify where Neolith Group will have the greatest impact over the five years of the Action Plan.



Environmental Impact of Its Business Model

The Group's main objectives focus on sustainable growth, expanding production capacity, delivering optimal service, improving facility efficiency to enhance performance, and investing in increased flexibility for the industrial plan, alongside the implementation of ESG improvement actions.

The objectives of the ESG Action Plan are to seize market opportunities and trends while managing and controlling operational, reputational, and business risks present in the current environment. The plan enables product improvement, enhances commercialization, and potentially generates new revenue streams. At the same time, ESG risk management and control help reduce operational costs, mitigate reputational risks, and minimize the likelihood of legal proceedings against the Group. Neolith Group has defined five ESG pillars, which are fully aligned with the Group's overall vision and strategy:



ESG ORGANIZATION AND GOVERNANCE

The creation of an ESG governance structure to integrate and oversee the actions outlined in the Action Plan.



HUMAN CAPITAL

Growth is only possible by attracting the best talent and fostering a focus on excellence. Likewise, Neolith Group values diversity, individual and collective effort, and leadership as essential pillars of the organization.



SUSTAINABLE PRODUCT AND MANUFACTURING

The demand for sustainable products is driven by customers and new regulations. As a result, improving the environmental and social performance of products has become a key decision-making factor that not only strengthens the business but can also create new revenue streams.



COMPLIANCE AND TRUST

Regulatory compliance and the provision of traceable, verified, and rigorous reporting are key for Neolith Group's stakeholders. This approach enables the creation of long-term, value-driven relationships.



SUPPLY CHAIN CONTROL

Traceability and supply chain control will help reduce risks and ensure a network of resilient, long-term suppliers.

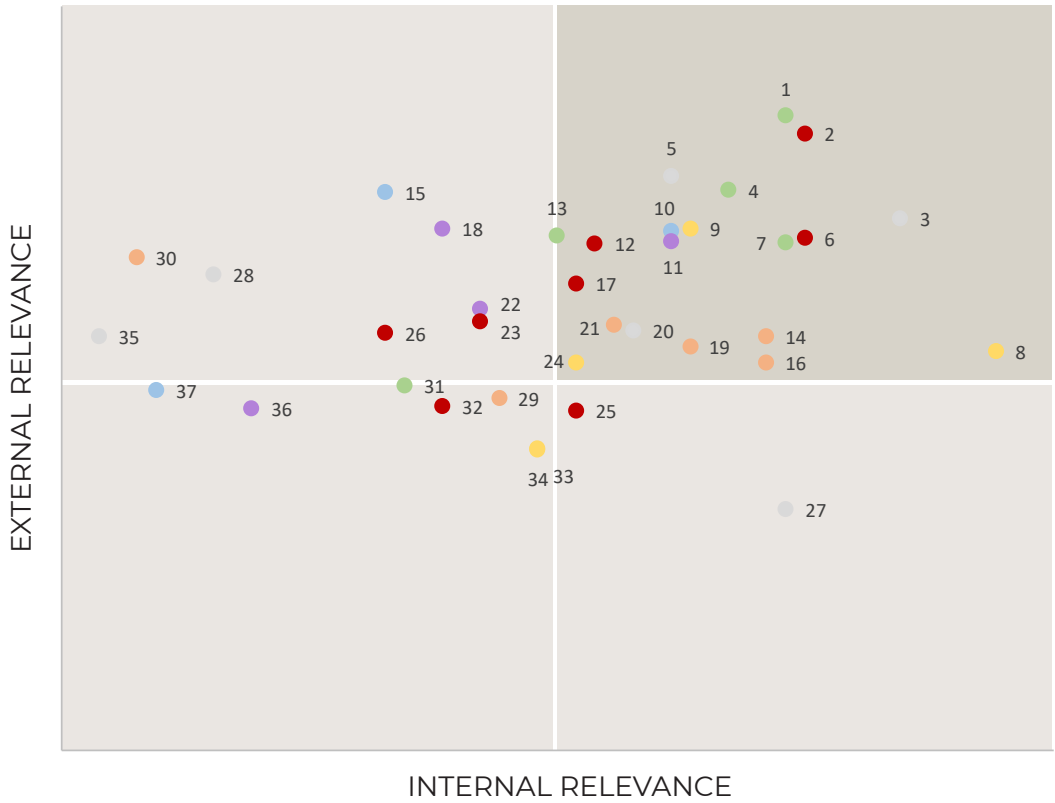


NEOLITH CALACATTA ROMA

Governance, Environment, and Social Impact

MATERIALITY

The materiality analysis conducted by the Group in 2021, and still in effect, considers a total of 37 significant issues in terms of both external and internal relevance, across three key areas: governance, environment, and social impact. The prioritization of these issues was carried out through a process that included a dual assessment (external and internal), incorporating input from the Group's main executives, key distributors, and investors, as well as the consideration of major sectoral and sustainability trends at both international and national levels. This process provided an accurate representation of what is most relevant to the various stakeholder groups. The outcome of this process was the prioritization of issues and their placement within a materiality matrix.



- Corporate governance management

● Environmental management

● Supply chain

● Value chain
- Strategic vision

● Climate change and biodiversity

● Personnel

LIST OF MATERIAL ASPECTS FOR NEOLITH

The list of material issues, ordered by relevance for Neolith Group, is presented in the following table. These issues are addressed within the Group's management framework through its ESG strategy, which defines specific actions to ensure the proper management of each of the Group's key material topics.

1Environmental compliance	14Money laundering, corruption and bribery	27Collaborating partner loyalty
2Employee health and safety	15Climate change	28Creation of local wealth: employment, suppliers and economic development
3Customer satisfaction	16Compliance	29The evaluation of the Board of Directors
4Waste and a circular economy	17Human capital development	30Diversity of the Board of Directors
5Impact of the product on health	18Supply chain and environmental impact	31Water management
6Employee working conditions and human rights	19Best practices in corporate governance	32Social dialogue
7Consumption of energy and materials	20Communication with stakeholders	33Data protection and cybersecurity
8Reputation, positioning and brand image	21Integration of ESG aspects in the strategy and decision making	34Conflict of interest management
9R&D&I programs and investment	22Supply chain control	35Dialogue processes with local communities
10Product sustainability	23Diversity and equality	36Supply chain and biodiversity impact
11Human rights in the supply chain	24Transparency	37Protecting biodiversity and natural areas
12Talent attraction and retention	25Corporate culture and engagement	
13Integrated environmental management system	26Employee benefits	

It is worth noting that during fiscal year 2024, the Group worked on conducting a double materiality analysis in accordance with the new European Corporate Sustainability Reporting Directive (CSRD). This process has enabled Neolith Group to identify the CSRD standards that are material to its activity from both the impact materiality and financial materiality perspectives, as well as the material positive and negative impacts, and the risks and opportunities that must be reported in the future. This project is currently in the implementation phase, and the Group will disclose its results in the 2025 Report.

RISK MANAGEMENT

With the aim of identifying, assessing, preventing, and mitigating significant risks for the Group, Neolith Group has implemented various measures, including the development of new policies and procedures as well as the review and update of existing ones. During fiscal years 2024 and 2023, the following internal policies and/or procedures were particularly noteworthy:

- Modern Slavery Policy
- Code of Ethics
- Code of Conduct (both internal and for suppliers)
- Global ESG and Sustainability Policy (updated in 2024)
- Health and Safety Policy
- Conflict of Interest Policy
- Procurement Policy
- Anti-Fraud Principles
- Anti-Money Laundering Principles
- Anti-Trust or Competition Policy
- Quality and Environmental Policy (updated in 2024)

Regarding ESG-specific risks, ultimate oversight responsibility lies with the Board of Directors. Additionally, several functions and roles play a key part in the management and mitigation of business risks.

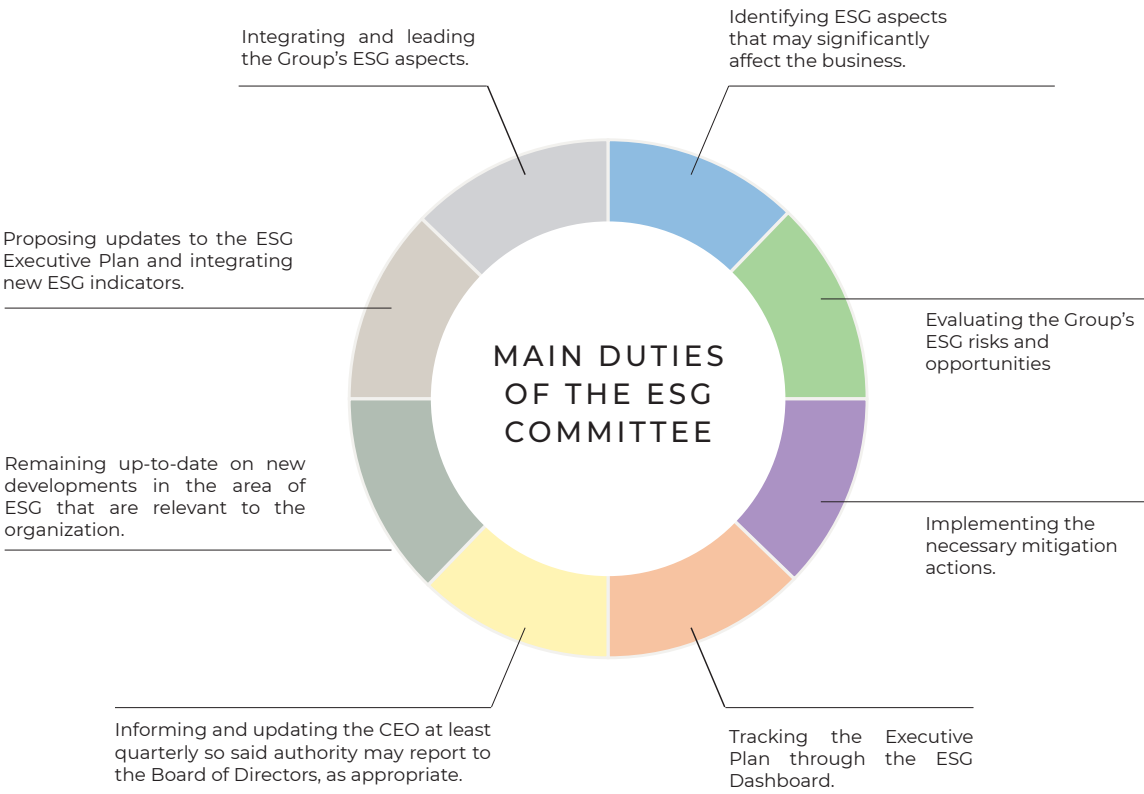
The Compliance Officer acts as the regulatory compliance body and issues reports corresponding to this role. This individual position oversees compliance with the Group's policies and rules, ensures adherence to applicable regulations for each business unit, promotes compliance training, and manages the Ethics Channel.

To carry out the functions described above, five key roles have control and the ability to act on the identified areas. This structure follows best practices by distinguishing between ESG oversight and integration, while ensuring the effective implementation of actions and accountability for their outcomes. The main members of the ESG Committee are as follows:

- Chief People Officer (CPO):** Responsible for overseeing social aspects, including those related to the workforce and human capital within the Group.
- Chief Legal Officer (CLO):** Oversees functions related to good corporate governance. The CLO also serves as the Compliance Officer, advising the ESG Committee on regulatory compliance and the interpretation of Neolith Group's policies and principles whenever required.
- Chief Operational Officer (COO):** Oversees functions related to production operations and innovation.
- Chief Supply Chain and Procurement Officer (CSCO):** Responsible for functions related to procurement, logistics, and value chain procedures.

NEOLITH GROUP IS A SIGNATORY OF THE UNITED NATIONS GLOBAL COMPACT, HAVING SUBMITTED ITS OBJECTIVES TO THE SBTI IN 2024, WHICH WERE APPROVED DURING THE YEAR.

Furthermore, to ensure the integration of the ESG Action Plan across the Group's various functions, the ESG Committee operates as a permanent and executive body. **Its main functions include:**



The main management and steering instrument for sustainability actions is the ESG Action Plan. This plan includes objectives, indicators, and actions that are subject to regular monitoring. In addition, the committee conducts an evaluation of ESG indicators aligned with the Group's global strategy and identifies new indicators when necessary.

In this context of commitment to sustainability and social responsibility, **Neolith Group is a signatory of the United Nations Global Compact, having submitted its objectives to the SBTi in 2024, which were approved during the year.** Likewise, in 2023, the Group developed a consolidated roadmap of objectives for the coming years, highlighting the development and approval of its product certification strategy during that period. Additionally, **Neolith Group has continued to advance in reducing crystalline silica content** and in updating the Delegation of Authority (DOA) matrix, which is now fully integrated into its management information system (ERP SAP). This integration enables precise tracking and reporting of environmental performance data.

The organization and governance model of Neolith Group incorporates risk management as a key planning tool. In fulfilling their responsibilities, both the Board of Directors and the executive team identify potential risks. For each identified risk, corresponding mitigation measures and specific controls are established and tested annually. Risk control and monitoring are carried out by each department director as part of their duties, while the Compliance area conducts an annual review of a representative sample of measures and controls.

The main risks identified for Neolith Group are as follows:

CLASSIFICATION	RISKS
Environmental and External Risks	<ul style="list-style-type: none">• Geopolitical risks: market closures, mobility restrictions, etc.• Market risk: impact of price fluctuations (energy and raw materials).• Regulatory risks: potential new regulatory changes.
Financial Risks	<ul style="list-style-type: none">• Foreign exchange risk: exposure to currency exchange rate fluctuations.• Interest rate risk: exposure to fluctuations in credit interest rates.• Risk of non-compliance with current financing covenants.
Strategic Risk	<ul style="list-style-type: none">• Commercial and industrial risk arising from potential delays in the expansion plan (new openings, market entries, etc.).
Operational Risks	<ul style="list-style-type: none">• Operational risks due to potential interruptions in the manufacturing process.• Cybersecurity risks and information system breaches.• Legal compliance risks.
ESG Risks	<ul style="list-style-type: none">• Risks in material supply due to supply chain availability and price fluctuations.• Risks of human rights violations and lack of fair working conditions within the supply chain.• Health and safety risks affecting employees.• Risks related to the implementation of the corporate governance model during the company's expansion process.

During fiscal year 2024, a new energy audit was carried out, along with two management inspections, which confirmed that the Group's measures and controls are adequate and helped identify opportunities for improvement. These management inspections are a continuation of those conducted during fiscal year 2023.

SECTOR ANALYSIS AND FACTORS THAT MAY AFFECT NEOLITH’S DEVELOPMENT

To understand the scope of the factors that may influence Neolith Group's development, it is important to note that its products are marketed in more than 100 countries, and sales have continued to grow in line with the Group's defined strategy. Additionally, given its expansion strategy in high-growth regions such as the U.S., Europe, and Oceania, the Group operates within a highly diverse economic and social environment. From a sectoral perspective, one of the main risks affecting this industry is linked to the international geopolitical situation, which has negatively impacted energy and raw material prices as well as their availability. This context, influenced by monetary policies and other factors, has made it more difficult for companies to operate under normal conditions.

Waste management is another significant issue for the sector. In this regard, Neolith Group received the prestigious “Zero Waste” certification in 2022 with the highest possible rating (Excellent Plus), and has successfully renewed it in both 2023 and 2024 with the same distinction. Additionally, the Group has carried out spill and leakage drills, demonstrating employee commitment and their effective ability to respond to environmental emergencies.

Neolith Group has identified that, within the sector's activities, the majority of greenhouse gas (GHG) emissions occur across the value chain. In 2023, the Group achieved carbon neutrality for its Scope 1 and 2 emissions. In 2022, it independently verified all three Scopes of its Carbon Footprint, thus fulfilling its firm commitment to transparently disclose its annual GHG impact — a crucial first step toward mitigating climate change. This topic is further detailed in the environmental chapter.

From a social standpoint, another key risk identified in the sector relates to worker health and safety. For this reason, Neolith Group established the “Safety First” initiative, ensuring that health and safety considerations are more prominent than ever — with each Board of Directors meeting beginning with this topic on the agenda. These measures, explained in detail in the personnel section, have ensured the highest level of protection for employees, partners, and clients at all times.

A KEY DIFFERENTIATING FACTOR FOR NEOLITH GROUP IS THE USE OF INNOVATION APPLIED TO PREVENTION. FOR EXAMPLE, NEOLITH GROUP HAS DEVELOPED LOW-CRYSTALLINE-SILICA FORMULATIONS, LEADING THE INDUSTRY WITH A CONTENT RANGING BETWEEN 0% AND 9%.

Regarding business management, market participants have faced the same geopolitical challenges as Neolith Group. During fiscal year 2024, the industry showed notable recovery after a 2023 characterized by high energy and raw material costs and significant disruptions in the international logistics chain. In 2024, the sector’s main challenges centered on increasing globalization and international competition, with new players entering the global ceramics market, and tightening EU regulations on decarbonization and the energy transition, requiring companies to seek alternative production processes.

The Group continues to maintain a forward-looking focus, working closely with its entire distribution network to identify and anticipate future demand and opportunities that will enable the continued expansion of its target markets, both directly and indirectly, in line with its current growth strategy. Above all, Neolith remains committed to the safety of its people, placing special emphasis on reducing workplace accidents and fostering safer and better working conditions for all employees.



CORPORATE POLICIES

Neolith Group has established a series of corporate ESG policies that enable effective control over the main impacts and risks associated with its activities, while also ensuring strong and responsible relationships with all its stakeholders.

AREA	POLICIES AND PROCEDURES
Corporate Governance	<ul style="list-style-type: none">• Code of Conduct• Anti-Slavery Policy• Board and Senior Management Authorization Matrix• Code of Ethics• Whistleblowing Procedure• Policy and Procedures for the Prevention of Money Laundering and Terrorist Financing• Conflict of Interest Policy• Antitrust or Competition Policy• Anti-Fraud Principles• Anti-Money Laundering Principles• Data Protection Policy and Procedures
ESG	<ul style="list-style-type: none">• ESG Policy and Main Commitments• Quality and Environmental Policy• End-of-Life Policy
Operations	<ul style="list-style-type: none">• Specific procedures on hazardous waste, non-hazardous waste, chemical storage, water management, and air emission control.
Procurement	<ul style="list-style-type: none">• Supplier self-assessment, including environmental and social aspects.• Sustainable Procurement Policy.
Human Resources	<ul style="list-style-type: none">• Performance Evaluation• Compensation and Benefits Policy• Digital Disconnection Policy• Equality and Diversity Policy• Equality Plan• Internal Communication Policy• Internship Policy• Performance and Objectives Management Policy• Recruitment, Training, and Onboarding Policy• Loans and Advances Policy• Training and Development Policy• Training Plan
Health and Safety	<ul style="list-style-type: none">• Zero-Accident Plan• Occupational Risk Prevention Policy• Health and Safety Policies and Procedures

Information on Environmental Matters

MANAGEMENT APPROACH

In a global context, climate change is recognized as one of the greatest risks to the well-being of humanity and the planet itself, making it a key focus within the United Nations Sustainable Development Goals. The ceramics and surface materials industry is directly linked to the challenges of climate change due to its production processes, which are associated with greenhouse gas emissions.

At Neolith Group, as an active member of this industry, there is a clear awareness of the need to conserve and protect the environment, embracing a firm commitment to prevent and minimize the environmental impacts derived from its activities.

The Group's operations, focused on the production and distribution of sintered stone products made from natural mineral sources, have a direct environmental impact across the entire value chain. In this context, Neolith's management has aligned environmental management with quality management and the organization's broader strategic goals—establishing environmental objectives and targets, assigning responsibilities, resources, and execution timelines—all under a philosophy of continuous improvement and sustainable development, thereby reducing the environmental footprint of its activities.

To manage these impacts, Neolith Group has implemented policies and procedures designed to minimize environmental impact at every stage of the production process—reducing waste generation, pollution, and emissions, conserving natural resources, and promoting energy efficiency. The Group continuously monitors its environmental performance through monthly indicators to track progress and identify areas for improvement.

Neolith's commitment to reducing its environmental footprint dates back to 2018, when it became a pioneer in establishing an Environmental Department, which has operated under an integrated environmental management system since 2021. During 2024, the Group renewed its ISO 14001 certification, strengthening its position as an environmentally responsible company, differentiating itself from competitors, and reinforcing its positive image among stakeholders.

Additionally, the Group holds ISO 14021 certification, related to environmental labeling, which allows Neolith to provide accurate and verifiable information about the environmental performance of its products—encouraging better environmental outcomes and offering more sustainable solutions.

During fiscal year 2024, the Group obtained the following **Cradle to Cradle** certifications:



- Material Health, Bronze level.
- Product Circularity, Bronze level.
- Clean Air & Climate Protection, Silver level.
- Water & Soil Stewardship, Bronze level.
- Social Fairness, Bronze level.



Furthermore, in 2024, Neolith Group achieved **Gold recognition from EcoVadis**, the environmental rating agency, placing the company in the **98th percentile** of evaluated organizations—an improvement from the 97th percentile achieved in 2023.

CURRENTLY, THE GROUP HOLDS THE FOLLOWING ENVIRONMENTAL RECOGNITIONS AND CERTIFICATIONS:



GREENGUARD CERTIFICATION

Certifies that Neolith products meet established limits for the emission of volatile organic compounds (VOCs) and other chemicals, contributing to a healthier environment suitable for indoor spaces such as homes and offices.



GREENGUARD GOLD CERTIFICATION

Confirms that Neolith products comply with the strictest standards for indoor air quality, making them suitable for use in environments such as schools, hospitals, and healthcare centers.



EC (EUROPEAN COMISSION)

Certifies that Neolith products meet essential safety, health, and environmental protection requirements established by applicable European legislation.



LEED POINTS EARNER (SUSTAINABLE BUILDINGS)

Neolith contributes to obtaining points toward LEED certification for sustainable buildings, as its characteristics meet safety and sustainability requirements—helping customers achieve the desired certification level for residential or commercial projects.



US GREEN BUILDING COUNCIL

Neolith is a Silver Member of the USGBC, the council that oversees LEED certification. This membership allows Neolith to actively promote sustainable policies and practices, supporting the creation of greener, more environmentally responsible buildings.



HEALTH PRODUCT DECLARATION

Neolith Group provides a declaration detailing product composition and confirming that its components do not present known health risks, in accordance with HPD standards.



FRIENDLY MATERIALS (GOLD)

Evaluates Neolith products using the Friendly Materials methodology, analyzing the impact of materials on human health and well-being in indoor spaces. This includes aspects such as toxicity, emissions, and environmental comfort—confirming Neolith Group's commitment to sustainability and healthier living environments.



ISO 14001

Certifies that the Group maintains an environmental management system including objectives, policies, defined responsibilities, employee training, documentation, and mechanisms to control progress and continuous improvement.



ISO 14021
Neolith Group makes a self-declared environmental claim stating that some of its models contain up to 98% recycled material—notably the Metropolitan, Ignea, and Basalt Black models.



ZERO WASTE
Waste management system achieving over 95% recovery rate as an alternative to landfill disposal, with an Excellent rating.



DECLARE
Positions Neolith products as safe for people and the environment by disclosing ingredient information, helping clients ensure healthier living environments.



ECOVADIS
Gold Medal awarded by EcoVadis, placing Neolith Group in the **98th percentile** among companies evaluated for environmental, social, and governance (ESG) performance.



ENVIRONMENTAL PRODUCT
Provide transparent, verified, and comparable information on the environmental life-cycle impact of Neolith Group's products.



KOSHER
Confirms that the certified products comply with the biblical dietary and ritual laws of Judaism, ensuring proper manufacturing and composition in accordance with Jewish dietary standards.



NSF
Food safety certification aligned with the standards of the Global Food Safety Initiative (GFSI), applicable to both food and non-food contact materials—ensuring Neolith products meet the highest safety and quality standards for food contact.



CHINA COMPULSORY CERTIFICATE (CCC)
Certification required for products imported, sold, or used in the Chinese market.



M1 EMISSION CLASSIFICATION OF BUILDING MATERIALS
Certifies products with low emissions, ensuring their use contributes to improved indoor air quality.



CERTIFICACIONES BYGGVARUBEDÖMNINGEN Y SUNDAHUS
Swedish evaluation systems that assess and rate construction products based on environmental and health impact, ensuring compliance with high sustainability and safety standards.



CRADLE TO CRADLE
Recognizes that most Neolith products meet this global benchmark for sustainable and circular products. The complete list of certified products can be found on the official Cradle to Cradle Products Innovation Institute website.

NEOLITH GROUP IS ACTIVELY ADDRESSING GLOBAL WARMING AND TAKING DECISIVE ACTION TOWARD DECARBONIZATION—ITS TOP PRIORITY WITHIN ITS SUSTAINABILITY AGENDA—COMMITTING TO ACHIEVING NET-ZERO EMISSIONS BY 2050.

The sustainability policy was approved in 2021, demonstrating the Group's commitment to environmental protection. In 2024, with the goal of reaffirming this commitment to sustainability and emission reduction to mitigate climate change, Neolith Group's targets under the Science Based Targets initiative (SBTi) were officially validated, following its adherence to the initiative in 2022. This milestone confirms that Neolith Group is actively addressing global warming and driving decarbonization—its main priority within its sustainability agenda—with a firm commitment to achieving net-zero emissions by 2050.

Furthermore, the Group has reaffirmed its alignment with the United Nations Global Compact, supporting its Ten Principles and taking an additional step by participating in a construction and engineering working group alongside other companies.

At Neolith Group, an Environmental Manager reports directly to management and is responsible for overseeing the environmental impact of the Group's activities. Highlighting the importance of this role in the company's future development, the Environmental Manager reports directly to the Chief People Officer (CPO). This structure ensures that environmental improvement decisions are reviewed from a broader perspective and approved in line with the Group's corporate governance mechanisms.

Additionally, the environmental department manages environmental risks associated with the company's activities and receives a dedicated budget to address environmental needs identified in advance.

While Neolith does not apply the precautionary principle directly, the Group has implemented specific procedures for the management of hazardous and non-hazardous waste, chemical storage, water management, and air emission control. These procedures minimize environmental risks and help prevent significant impacts. In 2024, the Group also carried out manager inspections and environmental emergency drills at its production plant.

It is worth noting that Neolith Group's activities do not generate impacts that could cause serious or irreversible environmental damage. Nevertheless, the Group holds an environmental liability insurance policy that covers environmental damage, goods transportation, and work-related accidents resulting from contamination at its industrial facilities.

DURING FISCAL YEARS 2024 AND 2023, THE GROUP ALLOCATED €544,728 AND €1,229,149, RESPECTIVELY, TO ENVIRONMENTAL PREVENTION. THESE AMOUNTS ARE BROKEN DOWN AS FOLLOWS: €163,342 FOR INTERNAL PERSONNEL AND €381,385 FOR INVESTMENT IN SUPPLIERS (€202,267 AND €1,026,882 IN FISCAL YEAR 2023, RESPECTIVELY).

During 2024 and 2023, Neolith Group did not receive any fines or sanctions for non-compliance with environmental laws or regulations. Likewise, none of the projects carried out by the Group during this period were developed in protected or restricted areas, as defined by local, national, or international regulations.

In 2024, Neolith Group renewed its environmental liability insurance, which covers up to three million euros per incident and per year. The Group also allocates significant resources to sustainable management, employing a team of four professionals dedicated to sustainability and maintaining partnerships with 42 specialized environmental service providers. These initiatives and measures reflect Neolith Group's proactive and continuous approach to environmental protection and the promotion of sustainable business practices.

Through its Procurement Department, new suppliers undergo an environmental and ESG self-assessment prior to contracting. Neolith recognizes that raw material extraction has a high impact on biodiversity, soil degradation, and erosion, as well as potential risks of non-compliance with ILO standards.

These self-assessment forms require suppliers to report on their ESG objectives, environmental impact measurement systems, and environmental policies in place. The system also facilitates open and direct communication with suppliers, allowing Neolith to work collaboratively toward reducing environmental impacts during extraction phases.

Furthermore, Neolith Group is working to enhance supply chain control through a supplier qualification and selection system, which will provide greater oversight and a deeper understanding of its supply partners.

CIRCULAR ECONOMY, WASTE PREVENTION AND MANAGEMENT

Neolith Group recognizes the importance of adopting a circular economy system as a key step toward environmental improvement and protection. This approach leads to a significant reduction in waste through the optimal use of available resources. The Group aims to fully integrate sustainability into its business management and decision-making processes, in line with the United Nations Sustainable Development Goals (SDGs), generating value for both society and the company—making sustainability one of its core values.

The Group's activities generate various types of hazardous and non-hazardous waste, stemming from the diversity of operations carried out at its facilities, including office tasks, logistics, design, and manufacturing processes.

Regarding waste management, the Group has established procedures detailing the internal and external handling of hazardous and non-hazardous waste. These procedures define waste segregation by type to prevent any contamination caused by hazardous waste, as well as to facilitate the recycling or reuse of both hazardous and non-hazardous materials.

The goal of the circular economy is to maintain the value of products, materials, and resources within the economy for as long as possible while minimizing waste generation. To that end, the Environmental Department measures key indicators related to waste generation and resource consumption on a monthly basis.

Continuing its circular economy efforts, the Group increasingly promotes the return of packaging and containers to suppliers, which helps reduce resource consumption at the source.

In terms of waste management at its facilities, Neolith applies the 3R principles (Reduce, Reuse, Recycle). The Group holds a “Zero Waste” certification with an Excellent rating, verified by an accredited external company. The achievement of this certification involves a rigorous verification process over several months, examining the entire waste monitoring and control system. In addition, a hazardous waste minimization plan, renewed every four years, was last updated in 2022.

During 2024, two inspections of waste management providers were carried out, allowing greater oversight of the treatment of waste generated at production facilities, in compliance with the obligations established under Law 7/2022.

The Group does not process waste internally. All waste generated is properly conditioned for collection and transported by authorized waste managers, who handle and dispose of it in accordance with current legislation.

The non-hazardous waste generated at the production facilities during the manufacturing process primarily includes: rejected raw materials prior to the sintering stage, sintered product waste (with and without mesh), sludge from treatment plants, aqueous suspensions, cardboard, plastic, and wood.

On the other hand, indirect waste generated includes: catalyzed resin, contaminated plastic/cardboard/metal containers, plastic and rubber, ceramic rollers, ink residues, organic solvents, used oil, furnace glass wool, and other contaminated materials, among others. The majority of waste produced originates from the manufacturing process itself. During maintenance shutdowns, waste management continues, as an exhaustive cleaning of the designated waste areas is carried out to ensure proper handling and environmental compliance.

The amount of hazardous and non-hazardous waste generated during fiscal year 2024 was as follows:

WASTE GENERATED		2024 (TON)
Non-hazardous waste	Reject	625
	Sintered with mesh	2.061
	Sintered without mesh	4.578
	Aqueous suspensions	5.374
	Other waste	1.844
	Total	14.482
Hazardous waste	Adhesives and sealants	30
	Contaminated packaging	18
	Other	41
	Total	89

In accordance with the list of recovery and disposal operations established by Law 07/2022 on Waste and Contaminated Soils, the management of the waste generated by Neolith Group during fiscal year 2024 is as follows:

WASTE TREATMENT	2024 (%)
R3 (Recycling or recovery of organic substances not used as solvents) ¹	0,01%
R5 (Recycling or recovery of other inorganic materials)	93,79%
R12 (Waste exchange for any of the valorization operations)	4,66%
R13 (Temporary storage of waste waiting for any of the valorization processes)	1,00%
Total ²	99,46%

DISPOSAL OPERATIONS	2024 (%)
D5 (Controlled dump in specially designed places)	0,40%
D13 (Combination or mix prior to any elimination processes)	-
D15 (Temporary storage of waste waiting for any of the elimination processes)	0,14 %
Total	0,54%

The generation of non-hazardous waste decreased by approximately 36%, while hazardous waste generation was reduced by around 22% in absolute terms compared to 2023.

Throughout the year, several improvements were implemented that contributed to this reduction, such as the review and adjustment of treatment plant parameters and enhancements in production facilities that allow for greater resource reduction and reuse.

The Group has not implemented specific measures to combat food waste, as this aspect is not considered material in relation to its operations.

SUSTAINABLE USE OF RESOURCES

Neolith Group strives for optimization in resource management, relying on the most innovative and clean technologies. Its main resources are raw materials, which are essential for production; energy, obtained from electricity and gas; and water resources, although a large part of the water used in the manufacturing process is recycled water.

RAW MATERIAL CONSUMPTION AND PROCUREMENT

Neolith Group's products are primarily composed of minerals of natural origin. The Group sources these minerals for use in its sintered stone manufacturing process. To transport the finished products, metal and wooden A-frames are mainly used, and occasionally, the products are packaged in cardboard boxes.

RAW MATERIALS AND PACKAGING	2024 (TONS)
Minerals	61.808
Refractory minerals	2.966
Metal	1.103
Plastic	933
Wood	201
Cardboard	179
Other	2.600
Total	69.790

Neolith Group is actively studying ways to reduce waste during its production process through continuous improvement programs. These initiatives are aligned with ISO 14021 standards regarding recycled content in Neolith Group's manufactured products, demonstrating the company's commitment and progress toward a waste reduction and circular economy strategy. When selecting materials for procurement, Neolith once again prioritizes sustainability, using plastic-free packaging materials such as wood certified by the Forest Stewardship Council (FSC) for responsible forest management.

¹ Includes gasification and pyrolysis processes that use components as chemical elements.
² Rounded to the nearest whole unit.

ENERGY CONSUMPTION

The production process of Neolith Group involves energy consumption primarily from natural gas (87.58%), followed by electricity (12.40%), with minimal use of diesel (0.02%) and propane cylinders (0.00%).

ENERGY CONSUMPTION	2024
Consumption of electricity (kWh)	23.906.418
Consumption of gas (kWh)	168.844.088
Consumption of diesel fuel (L) ⁴	28.788
Consumption of propane (kg) ⁵	44 ⁶

The projects implemented in 2024 to improve energy efficiency were as follows:

Installation of moisture meters in kilns.

Reduction of compressed air pressure.

Timed shutdown of suction filters.

Application of anti-friction additives in mills.

Automation of cold air inlets in kilns.

These projects will lead to a reduction in fuel consumption and an improvement in the energy efficiency of production processes. Neolith Group continues to dedicate significant efforts to mitigating the environmental impact of its operations.

The Group holds Guarantees of Origin and operates a photovoltaic solar panel installation, ensuring that 100% of the electricity used at its Castellón plant comes from renewable sources.

Furthermore, in 2024, the Procurement team succeeded in ensuring that most of Neolith’s Spanish branches also operate using renewable energy.

⁴ Includes forklifts and generators. The conversion factor from liters to kWh is 9.9, with a total consumption of 285,001 kWh in 2024 and 267,023 kWh in 2023.

⁵ The calorific value of propane gas is 13.385 kWh/kg, with a total consumption of 589 kWh in 2024 and 18,257 kWh in 2023.

⁶ The difference compared to the previous year is due to a reduction in product shrink-wrapping.

THE GROUP HOLDS GUARANTEES OF ORIGIN AND OPERATES A PHOTOVOLTAIC SOLAR PANEL INSTALLATION, ENSURING THAT 100% OF THE ELECTRICITY PURCHASED AT THE CASTELLÓN PLANT COMES FROM RENEWABLE SOURCES. MOREOVER, IN 2024, THE PROCUREMENT TEAM ACHIEVED THAT MOST OF THE GROUP’S SPANISH BRANCHES ALSO OPERATE USING RENEWABLE ENERGY.

WATER CONSUMPTION

All the water used during the production process is recirculated for maximum efficiency. Nearly all industrial water consumed at the facilities is reused, meaning that Neolith Group achieves zero wastewater discharge throughout the production process.

The total water consumption at the production center—entirely sourced from the public water supply—during fiscal year 2024 was as follows:

WATER CONSUMPTION	2024 (M³)
Water from public supply network (m³)	53.694

Neolith Group operates three water treatment plants to process the water used in its facilities. These treatment systems collect water from various production processes and, through physicochemical treatment, recover it for reuse within the production cycle. Water that cannot be treated or reintroduced is managed externally by authorized waste managers for recovery, allowing the Group to maintain zero industrial water discharge.

Water consumption is monitored through tracking reports, which include total quarterly consumption and the ratio of water used per ton of production. In addition, the Group has installed meters at strategic points throughout the plant to ensure more precise control of water use across different sections, and a dedicated manager has been assigned to oversee the operation of the treatment plants.

⁷ Includes both industrial water consumption and employee water usage.

CLIMATE CHANGE

Neolith Group is firmly committed to the fight against climate change, setting clear objectives to reduce its greenhouse gas (GHG) emissions. The Group's industrial combustion facilities in Almazora are included within the Greenhouse Gas Emissions Trading Scheme (ETS).

Neolith aims to achieve full climate neutrality in its carbon footprint through a range of initiatives focused on reducing the Group's environmental impact. Specifically, Neolith's approach is based on monitoring, implementing improvements, and offsetting emissions, through the following key actions:

- Calculation of all three scopes of the carbon footprint, with a dual purpose: **(a) to enhance data transparency and quality**, and (b) to gain a comprehensive understanding that **allows the Group to take effective improvement actions**.
- Purchase of Guarantees of Origin for Scope 2 emissions.**
- Installation of a 3.5 MWp photovoltaic solar plant to enable the use of renewable energy.
- Adaptation of the water treatment plant, allowing the reuse of 100% of the water consumed in industrial processes, thereby reducing the energy required for transport to external managers.
- Automation and system improvements, leading to increased energy efficiency.

Neolith Group recognizes the urgent need to address the climate crisis and has continued to make significant investments to reduce emissions in its operations. Measures taken include, among others, the implementation of the photovoltaic solar plant, optimization of shipping frequency, supply chain consolidation, development of air-purifying surface finishes, and the creation of low-impact decoration technologies.

Neolith Group calculates its complete carbon footprint, including all applicable Scope 3 categories. During fiscal year 2024, Scopes 1, 2, and 3 were as follows:

CO ₂ EQ TONS	2024 (M³)
Scope 1: Direct GHG emissions	31069
Scope 2 (market based):	132
Scope 2 (location based):	5378
Scope 3 (market based):	28258
Scope 3 (location based):	29305
Total (market based)	59458
Total (location based)	65751

ALL THREE SCOPES OF THE CARBON FOOTPRINT HAVE BEEN CALCULATED WITH A DUAL PURPOSE: (A) TO ENHANCE DATA TRANSPARENCY AND QUALITY, AND (B) TO GAIN A COMPREHENSIVE AND ACCURATE UNDERSTANDING THAT ENABLES NEOLITH GROUP TO IMPLEMENT EFFECTIVE IMPROVEMENT ACTIONS.

Scope 1 includes emissions from all direct combustion sources, primarily natural gas, diesel, and propane gas, while Scope 2 covers emissions associated with energy consumption, mainly electricity. Scope 3 encompasses all other indirect emissions occurring throughout a company's value chain.

Neolith Group remains committed to preserving essential resources and mitigating adverse environmental impacts. This commitment—along with operational improvements observed in recent years—has contributed to a reduction in the carbon footprint for Scopes 1 and 3 during fiscal year 2024.

This progress has been made possible through the comprehensive calculation of Scope 3, which the Group has been conducting since 2019. Notably, carbon footprint accounting enables Neolith Group to identify pathways toward achieving total climate neutrality. The Group recognizes the urgent need to address the climate crisis and continues to work diligently toward this goal.

The breakdown of Scope 3 emissions by category at the end of fiscal year 2024 is as follows:

CO ₂ EQ TONS	2024
3.1 Products and services purchased	5776
3.2 Capital goods purchased	1075
3.3 Related to fuel and energy (market based)	5740
3.4 Transportation and distribution (upstream)	7398
3.5 Waste generated during operations	123
3.6 Business travel	1041
3.7 Employee transportation	1001
3.8 Assets leased (upstream) (market based)	163
3.8 Assets leased (upstream) (location based)	118
3.9 Transportation and distribution (downstream)	5815
3.10 Processing of products sold	21
3.11 Use of products sold	51
3.12 End-of-life of products sold	55
3.13 Assets leased (downstream)	⁹ N/A
3.14 Franchises	N/A
3.15 Investments	N/A

The impact of noise pollution is minimal, as the facilities are located in an industrial area far from urban centers. The most recent acoustic assessment recorded values within legal limits. The measures implemented to reduce noise emissions at the facilities include:

- Installation of acoustic panels in the noisiest sections.
- Provision of personal protective equipment (PPE) to employees working in high-noise areas.

Neolith Group does not have specific measures against light pollution, as its facilities are located within an industrial zone, and this aspect is therefore considered non-material.

IT IS WORTH NOTING THAT THE CARBON FOOTPRINT ASSESSMENT ENABLES NEOLITH GROUP TO IDENTIFY PATHWAYS TOWARD ACHIEVING TOTAL CLIMATE NEUTRALITY.

BIODIVERSITY PROTECTION

The Neolith Group's production facilities are located within an industrial zone, while the rest of its activities take place in logistics or distribution centers situated in urban and non-protected areas. Therefore, there is no direct impact on biodiversity resulting from the Group's operations.

PRECAUTIONARY PRINCIPLE

With regard to the precautionary principle, it does not apply to Neolith Group, as the activities carried out by the company do not generate impacts that could cause serious or irreversible damage to the environment.

Social and Employee-Related Matters

EMPLOYEE INFORMATION

The Neolith Group team is made up of highly qualified professionals driven by a passion for excellence and a constant desire to exceed customer expectations. Within the Group, creativity and the contribution of new ideas and diverse perspectives from any team member are always welcomed and encouraged.

The Group places its trust in the capabilities of its employees, valuing diverse talent and a strong commitment to growth. Professional relationships are viewed as long-term partnerships that benefit all parties. For this reason, Neolith offers its employees job stability, flexible working hours, and a motivating professional project where they can develop and continuously learn in a multigenerational and inclusive environment.

One of the Group's key objectives is to foster an inclusive organizational culture that embraces and promotes diversity, empowering every professional to reach their full potential. This requires forward-looking workforce management, recognizing that today's market demands professionals capable of thriving in collaborative, dynamic, diverse, and flexible environments.

In this context, a key success factor is the development of qualified professionals who can take on challenges and responsibilities. Neolith Group continuously adapts to the evolving needs and demands of the ceramics and surface materials sector from a talent management perspective.

Quality, service, and customer proximity are the foundations of Neolith Group's philosophy. To achieve this, the company relies on a team of 769 employees, all focused on finding the best solutions for professionals, facilitating their work, and ensuring safety and durability in every installation.

The people who make up Neolith Group are the cornerstone of its growth and development. The Group designs, implements, and ensures compliance with human resources policies aimed at attracting talent, retaining potential, and fostering the growth of its employees, ensuring a highly motivated and high-performing workforce. Neolith employees are deeply committed to the company's mission, values, and strategic objectives.

The Group continuously reviews and updates its policies and procedures covering the most important aspects of human resources management, including its Code of Conduct and Code of Ethics. These updates are designed to improve employees' daily experience and strengthen their relationship with Neolith Group. During their development, the needs of managers, middle management, and staff were carefully considered.

All Neolith employees carry out their work in accordance with the principles established in the Code of Ethics, approved by the executive team in 2017, later ratified in 2021, and applicable globally. This Code defines behavioral standards and serves as a mandatory guide for conduct, applicable not only to direct Group personnel but also to third parties, including agents, distributors, partners, consultants, and intermediaries.



Neolith Group puts its values into practice in its relationships with the companies and individuals who collaborate with the Group, working actively to convey to them its values and rules of conduct as defined in the organization's Code of Ethics. In this document, the Group highlights its firm commitment to non-discrimination, respect for human rights and compliance with current labor regulations in each country, as well as its commitment to employee training and development, and to workplace flexibility and work-life balance.

Regarding the Group's key management priorities in labor matters, Neolith Group is guided by the following four fundamental principles, which are embedded in all areas of its corporate culture:

- Non-discrimination** on the basis of gender, age, religion and/or ideology.
- Development and training:** performance management and continuous improvement.
- Job continuity:** internal promotion and horizontal mobility within the Group.
- Work-life balance and flexibility:** flexibility and optimal working conditions.

Attracting, developing, and retaining the talent of candidates and employees is a key objective for Neolith Group. In this regard, the Group is convinced that through the development of people, it will increasingly become an efficient, productive, and competitive organization, consolidating its leadership based on the value and contribution of each of its employees.

Accordingly, during fiscal year 2024, the following actions were carried out, primarily focused on talent development:

- Development and implementation of a training plan** for fiscal year 2024.
- Improvement of the talent management** system and the design of talent development and attraction plans.
- Implementation of new measures to enhance **work-life balance and digital disconnection**.

Furthermore, for fiscal year 2025, the Group has established the following people-related objectives:

- Develop and implement a training plan for fiscal year 2025.
- Complete the implementation of the Iseazy e-learning platform.
- Launch initiatives such as sports activities sponsored by the Group, including the Family Day event.
- Improve the talent management system and the talent development and attraction plans.
- Establish and conduct HR process audits.
- Place greater emphasis on strengthening the safety and risk prevention culture.

Neolith Group bases its growth strategy on people. In this regard, during fiscal year 2024, the Group reinforced its different organizational levels, with a particularly notable increase in management and specialized technical positions.

At the close of 2024, the Group employed 767 professionals, organized into the following professional categories: executives (members of the executive team), senior managers and middle management (including department directors), technicians and line coordinators, and administrative staff and operators. This workforce structure allows the Group to respond efficiently and sustainably to its operational needs.

Given the Group's origins and the location of its production plant in Almazora (Castellón, Spain), 78% of the Group's employees are based in Spain (84% in fiscal year 2023). The remaining 22% are distributed across the Group's subsidiaries, branches, and representative offices in Italy, Germany, Poland, the United Kingdom, South Africa, Australia, Mexico, Hong Kong, the United Arab Emirates, Singapore, New Zealand, Sweden, and the United States, primarily focused on the distribution and commercialization of the Group's products, among other activities.

The total number and distribution of employees as of December 31, 2024, by gender, age group, professional classification, and country, is as follows:

NUMBER OF EMPLOYEES		2024
Gender	Women	213
	Men	554
Age	18-30 years old	112
	31-50 years old	511
	51-65 years old	144
Country	Spain	600
	United Kingdom	18
	USA	33
	South Africa	16
	Poland	17
	Hong Kong	3
	Italy	27
	United Arab Emirates	4
	Singapore	4
	Mexico	3
	Australia	16
	Austria	2
	Sweden	5
	New Zealand	7
	Germany	12
Professional category	Executives (Senior Leadership Team)	9
	Senior and middle management	91
	Technicians and line coordinators	251
	Administrative staff and operators	416
Total		767

DUE TO THE NATURE OF THE WORK CARRIED OUT WITHIN THE GROUP, 99% OF THE CONTRACTS IN FISCAL YEAR 2024 WERE FULL-TIME, WITH THE REMAINING 1% CORRESPONDING TO PART-TIME CONTRACTS ESTABLISHED TO MEET SPECIFIC ORGANIZATIONAL NEEDS.

Neolith Group is firmly committed to job stability and fostering long-term relationships with its employees, which is reflected in the structure of the employment contracts within the Group. During fiscal year 2024, the average proportion of permanent contracts stood at 97%, representing a one-percentage-point decrease compared to 98% in fiscal year 2023. Due to the nature of the work carried out within the Group, 99% of contracts in 2024 were full-time, with the remaining 1% corresponding to part-time contracts established to meet specific organizational needs. In 2023, the percentage of full-time contracts was also 99%.

Due to the situation in the ceramic industry during fiscal year 2023—initially impacted by rising energy prices and later by inflationary pressures and a demand crisis—Neolith Group was required to implement measures affecting its workforce, resulting in significant variations in the average number of employees throughout the year and in the headcount at year-end. During 2024, with the improvement in the economic and geopolitical context, the Group gradually recovered from the previous year’s situation.

WORK ORGANIZATION

The companies comprising Neolith Group have autonomy to organize their working hours in accordance with the applicable collective bargaining agreements and/or company-level agreements that regulate the annual working hours, as well as the operational needs applicable to each situation.

While fully complying with legal requirements, and balancing the obligations of each company, Neolith Group promotes flexible working practices that allow employees to adapt their working hours. The organization of working and rest time at Neolith Group Spain is determined by the two collective agreements to which the Group is a signatory.

Working hours and schedules are defined by the applicable collective agreements and operational needs. The production shifts are organized as follows: three rotating and continuous shifts from Monday to Sunday, three rotating shifts from Monday to Friday, two rotating and continuous shifts from Monday to Sunday, and split shifts. For office staff, the working hours are split shifts from Monday to Friday, with Friday afternoons off.

For employees who exceed the working hours established in the collective agreement, Neolith Group compensates the additional hours with rest time or overtime pay. Vacation and compensatory rest periods are agreed upon mutually between the employee and Neolith Group.

Regarding measures designed to promote work-life balance, Neolith Group maintains a strong commitment to offering a flexible work environment that enhances both the personal and professional performance of its employees. To this end, the Group has implemented a digital disconnection policy applicable to all its employees.

Responsibility for ensuring compliance with this policy and promoting responsible practices lies with supervisors and individuals who manage teams. In addition to the aforementioned measures, any individual requests related to work-life balance or working time organization are reviewed on a case-by-case and discretionary basis.

Neolith Group strives to facilitate work-life balance for its professionals whenever possible. In this regard, during the fiscal year ended December 31, 2024, a total of 14 employees benefited from parental leave—1 man and 13 women.

The main measures implemented in this regard include:



EMPLOYEE DISCONNECTION

An express promise by the Group to guarantee its employees' right to disconnect once their working hours are over and throughout their time off.



THE RIGHT NOT TO RESPOND

The right not to respond to communications outside working hours.



RESPONSIBLE USE OF DEVICES

A commitment by employees to make responsible use of the electronic resources made available to them.



RESPOND THE NEXT DAY

Awareness among employees that communications sent outside working hours may be answered the following day.



WORKPLACE INDEPENDENCE

The application of the same disconnection measures irrespective of the worksite (onsite or remote).

HEALTH AND SAFETY

Neolith Group is firmly committed to ensuring the safety of its entire workforce. For this reason, reducing or eliminating risks is a top priority in its daily management, which also seeks to adapt each task to each individual.

The management of Neolith Group, aware that any activity may affect the safety and health of employees or third parties, manages this area by developing both individual and collective measures aimed at minimizing the risks associated with each job position and promoting a preventive culture at all hierarchical levels. Consequently, the Group companies subject to regulatory requirements have implemented occupational risk prevention procedures.

The Group has a Health and Safety Committee that meets quarterly, as well as on an ad hoc basis, where safety delegates report all incidents or concerns, although most issues are resolved in daily operations. After each meeting, a record is drafted and filed by the Occupational Risk Prevention Department. Additionally, the committee discusses and evaluates the measures adopted regarding occupational health and safety to ensure continuous improvement.

To guarantee safe and healthy working conditions, during fiscal year 2024, awareness training was provided to middle management, shift supervisors, and senior executives regarding their roles and responsibilities in occupational risk prevention (ORP).

In line with the Group’s motto “Safety First,” Neolith Group has its own in-house prevention service (SPP), which covers the disciplines of occupational safety, industrial hygiene, ergonomics, and applied psychology. The SPP oversees the production plant and headquarters, as well as the Iberia branches. The health surveillance specialty is managed through an external prevention service.

Furthermore, during 2024, the Group obtained the ISO 45001 certification, the international standard for occupational health and safety management systems, designed to protect workers and visitors from workplace accidents and occupational illnesses.

One of the main risks associated with the Group’s activity is employee exposure to crystalline silica during the production process. The Group recognizes the importance of active management in this area to minimize exposure risk as much as possible.

To reduce the risk of employee exposure to crystalline silica dust, the Group continuously implements a series of mitigation measures, including:

- Creation of a multidisciplinary working group** to review processes that generate crystalline silica dust and implement technical and organizational measures to minimize potential exposure.
- Installation of fixed dust monitors** in the areas with the highest dust generation to analyze dust-generating activities.
- Specific training** on risks and preventive measures related to crystalline silica exposure.

During 2024, new health and safety initiatives were implemented, notably:

- Integration of health and safety across all company areas:** participation of management and supervisors, promotion of a system to detect and report unsafe acts or conditions, and investigation of work-related accidents and incidents.
- Crystalline silica exposure control:** evaluation of plant operations generating crystalline silica dust, implementation of best practices, and supervision of work execution.

Global standardization of the health and safety system: ensuring that all facilities in Spain comply with SPP and ISO 45001 standards, reducing occupational accident rates, auditing all Spanish sites at least once during 2024, and continuing to standardize safety and health criteria across the rest of the Group’s locations.

Improvement of prevention plans for high-risk activities: development of specific plans for these activities through multidisciplinary teams, fostering the integration of preventive measures at all company levels.

Looking ahead to 2025, the Group has set the following health and safety objectives:

- Improvement of High-Risk Operation (HRO) plans:** developing specific plans for each HRO within ESG meetings, integrating HRO leadership into Group operations, and focusing on identifying and communicating workplace hazards and risks.
- Consolidation of the Internal Management System (IMS)** for occupational risk prevention information: strengthening the ISO 45001 framework through a digital management tool for safety processes and creating a rapid-response team for emergencies, including first aid services.
- Global integration:** continuing to standardize European and international branches through safety and health audits. The Group aims to audit all Spanish facilities at least twice a year, applying the same standards as those at the Almazora factory.
- Cultural change in health and safety:** achieving a medium-term goal of developing a safety and health culture across all Group entities and locations, fostering transversal integration and promoting initiatives to increase middle management engagement.



Regarding the occupational accident and incident rates among the Group's workforce, the following table presents the quantitative data for fiscal year 2024:

HEALTH & SAFETY		2024 DATA
Number of workplace accidents	Women	1
	Men	15
	Total	16
Frequency rate	Women	2,75
	Men	15,62
	Total	12,09
Severity index	Women	0,08
	Men	0,88
	Total	0,66
Number of occupational diseases	Women	0
	Men	0
	Total	0
Absenteeism hours	Total	69.667

During fiscal year 2024, a psychosocial study was carried out across the various distribution centers in Spain, complementing the one conducted in 2023 for the production plant and headquarters.

IN FISCAL YEAR 2024, NEOLITH GROUP INCURRED EXPENSES AND INVESTMENTS RELATED TO PREVENTION, HEALTH, AND SAFETY TOTALING €358,318.

SOCIAL RELATIONS

In fiscal year 2024, 82% of Neolith Group's employees were covered by a collective bargaining agreement. It is worth noting that 100% of employees in Spain and Italy are covered by such agreements. Employees from the other Group companies are covered by applicable local labor laws and relevant provisions on collective bargaining and representation.

In Spain, where the majority of the Group's workforce is concentrated, employees are covered by the following collective bargaining agreements:

- Regional Collective Agreement for the Ceramic Tile, Flooring, and Pavement Industry of the Valencian Community.
- Collective Agreement for the Glass and Ceramic Trade Sector of Alicante.
- National Collective Agreement for Extractive Industries, Glass Industries, Ceramic Industries, and Trade in Related Materials.

Neolith Group recognizes and supports the importance of collective bargaining, as reflected in the high percentage of employees covered by collective agreements. Regarding formal communication channels with employees, Neolith Group maintains regular and transparent communication with employee representatives. In accordance with Organic Law 11/1985, of August 2, which guarantees workers' rights to freely join trade unions for the promotion and defense of their economic and social interests, the organization has established a Works Council composed of one trade union and eight worker representatives (this number may vary if any representative leaves the Group until a replacement is appointed). In addition to this formal channel, Neolith Group provides suggestion boxes strategically placed throughout its facilities, allowing any employee—regardless of level or category—to anonymously share concerns or improvement proposals. Likewise, there is an Ethics or Reporting Channel where employees can submit concerns, complaints, or reports.

Given the existence of multiple communication channels, the Group has decided to formalize its employee communication procedures through an Internal Communication Policy. This policy outlines the channels and actions designed to ensure all employees have access to the information necessary to perform their duties effectively. A key initiative is the biannual "Town Hall" meeting, open to all employees, during which the executive team presents the Group's main strategic lines and results. Employees also have the opportunity to ask open questions to address any doubts or concerns. Additionally, other two-way communication mechanisms are in place, such as formal meetings and feedback sessions.

In 2024, Neolith Group conducted its annual employee engagement and workplace climate survey, with 56% of employees participating. The survey's objective was to measure employee engagement with the Group and assess key aspects of its corporate culture, including communication management, relationships with supervisors, teamwork, work-life balance, flexibility, training, and development. Currently, managers and supervisors are analyzing the survey results to develop an improvement action plan aimed at fostering a corporate culture based on mutual commitment between the organization and its people — one capable of meeting future challenges and supporting this new stage of growth for Neolith Group.

UNIVERSAL ACCESSIBILITY FOR PEOPLE WITH DISABILITIES

For Neolith Group, the integration of people with diverse abilities into the labor market is important both from a human rights perspective and from an economic standpoint, as it promotes equal opportunities and higher employment rates. In this regard, and in compliance with the General Law on the Rights of Persons with Disabilities and their Social Inclusion, Neolith Group employed six people with disabilities as of December 31, 2024, representing an increase of three employees compared to the end of 2023. At the same time, and in order to comply with this law, the Group also collaborates with special employment centers.

Regarding the accessibility of the Group's facilities, the offices are fully adapted for access by people with disabilities. The physical accessibility measures include the adaptation of entrances, mobility and orientation pathways within buildings, and the usability of common facilities (such as elevators, climate control systems, and lighting) for people with any type of disability.

TRAINING

GNeolith Group considers training and professional development of its employees as one of the fundamental principles of its activity. This is also established in the Group's Code of Ethics, which states its commitment to promoting employee and partner training, ensuring equal opportunities and career development. In this context, the Group has developed a Training and Development Policy that outlines the process and identifies those responsible for defining and implementing the training plan at a global level. Similarly, it details the procedure for identifying training needs and, where applicable, requesting additional group or individual training actions that may not have been included in the annual training plan.

In fiscal year 2024, Neolith Group implemented an updated training plan for employees, designed to foster structured professional growth and enhance the specific technical skills required for each role, while also strengthening leadership and innovation capabilities. During the year, training sessions were conducted in Occupational Risk Prevention (ORP) and Environmental Management.

The Group also has a Performance Evaluation and Objective Management Policy, managed through SAP SuccessFactors, which defines key processes for the proper development of employees. The main objective of this performance evaluation process is to promote feedback between managers and team members, maximizing employees' impact on the organization through development and skill improvement. It is worth noting that, as established in the Code of Ethics, and giving high importance to the performance evaluation process, access to functions and positions within Neolith Group is based on professional competencies and capabilities, thereby avoiding any form of nepotism, and always ensuring alignment with the overall efficiency of the organization.

During the fiscal year ended December 31, 2024, the training hours delivered, broken down by professional category, were as follows:

TRAINING		2023 GLOBAL DATA
Training hours	Executives	239
	Senior leadership and middle managers	510
	Technicians and line coordinators	1.282
	Administrative staff and operators	2.737
	Total	4.768

NEOLITH GROUP IS COMMITTED TO PROMOTING NON-DISCRIMINATION ON THE GROUNDS OF RACE, COLOR, NATIONALITY, SOCIAL ORIGIN, AGE, GENDER, MARITAL STATUS, SEXUAL ORIENTATION, IDEOLOGY, POLITICAL OPINIONS, RELIGION, OR ANY OTHER PERSONAL, PHYSICAL, OR SOCIAL CONDITION OF ITS PROFESSIONALS.

EQUALITY

Neolith Group declares its commitment to the establishment and development of policies that integrate equal treatment and opportunities for all its employees, without direct or indirect discrimination on the basis of gender, ideology, race, age, or social origin, as well as to the promotion and implementation of measures aimed at achieving real equality within the organization. The Group establishes equal opportunities for men and women as a strategic principle of its corporate and human resources policy, in accordance with Spanish legislation — Organic Law 3/2007 of March 22 for effective equality between women and men, Royal Decree-Law 6/2019 of March 1 on urgent measures to guarantee equality of treatment and opportunities between women and men in employment and occupation, and Royal Decree 902/2020 of October 13 on equal pay between women and men — with the purpose of guaranteeing pay equity and ensuring transparency and monitoring of the remuneration system.

The Group firmly believes in the creation of professional environments based on equal opportunities, diversity, and non-discrimination. The Code of Ethics is the highest-level document setting out the principles that govern the conduct of Group members at all levels. Through this document and the Global Policy on Equality, Diversity, and Inclusion, Neolith Group commits to promoting non-discrimination on the grounds of race, color, nationality, social origin, age, gender, marital status, sexual orientation, ideology, political opinions, religion, or any other personal, physical, or social condition of its professionals.

In addition, Neolith Group has an Equality Plan applicable throughout Spain, whose objective is to guarantee and make visible employees' access to the rights of equal treatment and non-discrimination, as well as to promote these principles within the organization, ensuring fair and effective operations. The Group also has a Global Equality, Diversity, and Inclusion Policy applicable worldwide.

The Group also has a Protocol for the Prevention and Action against Sexual Harassment and Gender-Based Harassment, which expresses its zero-tolerance stance toward any behavior of an unwanted sexual nature or connotation, committing to actively and in good faith prevent, detect, correct, and sanction such conduct.

In fiscal year 2024, Neolith Group provided training for middle management on equal opportunities in the workplace, ensuring the application of fair and human rights–based criteria in the recruitment and talent acquisition processes.

During the fiscal year ended December 31, 2024, no significant risks related to equality were identified, and no complaints regarding equality issues were received.

Information on the Respect for Human Rights

PRINCIPLE OF PREVENTION

Neolith Group is firmly committed to the defense of human and labor rights recognized under both national and international law and is fully committed to complying with all current regulations in this area.

Neolith Group may be held legally liable for violations of laws or other mandatory regulations, as well as for any other unlawful activity carried out by its employees. For this reason, the Group expects all employees to act in a lawful, ethical, and professional manner in the performance of their duties.

The commitment to comply with legislation in all areas and in every location where the Group operates is an essential and non-negotiable premise to maintain and strengthen trust with citizens and society.

In all professional conduct, employees of the Group strive to do not only what is legal, but also what is right, maintaining strict respect for human rights and public freedoms as set out in the Universal Declaration of Human Rights of the United Nations.

Suppliers are also required to support and respect the protection of human rights, as defined in the aforementioned UN Declaration, and are not authorized to take any action that violates these principles, either directly or indirectly.

During fiscal year 2024, Neolith Group implemented an RFI (Request for Information) process for 100% of its material suppliers, which explicitly includes questions regarding compliance with the UN Human Rights and Child Rights Declarations. In this way, the Group has established the foundations for its human rights due diligence process, which will continue to be developed in the coming years.

In addition, the Code of Ethics, the Supplier Code of Conduct, and the Know Your Client (KYC) process also address essential aspects related to human rights. The development of these documents was guided by international standards and principles such as the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, and the Fundamental Declarations of the International Labour Organization (ILO).

In this context, the United Nations (UN) corporate sustainability framework defines the characteristics that Neolith Group strives to achieve.

Aligned with the United Nations Global Compact and its Sustainable Development Goals (SDGs), the Group recognizes that sustainability is essential to long-term corporate success and to generating value for society as a whole.

The most relevant commitments adopted by Neolith Group, linked to human rights and the UN Global Compact, are as follows:

- Neolith Group does not use or support the use of child labor.
- Neolith Group does not use or promote forced labor.
- Neolith Group provides a safe and healthy working environment and takes appropriate measures to prevent accidents and injuries. All unavoidable risks are assessed, and actions are planned to eliminate or reduce identified risks. Facilities comply with occupational risk prevention standards.
- Neolith Group respects the right of employees to form and join trade unions of their choice. The Group guarantees that employee representatives are not discriminated against and have access to workers in the workplace.
- Neolith Group does not engage in or promote discrimination based on race, origin, nationality, religion, disability, gender, sexual orientation, trade union membership, political or ideological beliefs, job category, or age. The Group does not tolerate behavior, gestures, or language that undermines the dignity or integrity of individuals.
- Neolith Group does not use or tolerate corporal punishment, mental or physical coercion, or verbal abuse.
- Employees are entitled to at least one and a half days of rest during each seven-day work period.
- Wages paid comply with the legal minimum requirements for each job position. The Group meets all labor and social security obligations established by law.
- Neolith Group monitors compliance with social and occupational safety regulations by its suppliers and subcontractors.

In this regard, the human rights protection model of Neolith Group extends across its entire sphere of control and influence, including suppliers, contractors, and temporary employment agencies.

Neolith Group has not identified any significant risk of potential human rights violations within its direct or indirect activities.

During the fiscal years ended December 31, 2024, and 2023, no complaints were received regarding human rights violations.

PROMOTION AND COMPLIANCE WITH ILO PROVISIONS

Regarding the promotion and compliance with the provisions of the International Labour Organization (ILO) fundamental conventions related to respect for freedom of association and the right to collective bargaining, Neolith Group fully recognizes this right of workers and provides the necessary means to guarantee the freedom and non-discrimination of professionals who choose to exercise it. In addition, the Group has a works council that maintains direct dialogue with management.

The Code of Ethics sets out the principles governing the Group's activities and compliance with the key principles concerning equality, the elimination of forced labor, and collective bargaining.

With regard to the provisions of the ILO fundamental conventions related to the elimination of discrimination in employment and occupation, as described in the Code of Ethics, the Group defines the principles guiding its activities in matters of equality, detailing the measures implemented and to be implemented by 2024 within the framework of its Equality Plan.

Concerning the elimination of forced or compulsory labor and the effective abolition of child labor, the Group has established a Modern Slavery Policy, developed in accordance with the standards of the UK Modern Slavery Act. Neolith Group complies with local labor laws in all countries where it operates and does not engage in or maintain commercial relationships with suppliers that pose a risk of forced or child labor.

With respect to suppliers, within the RFI (Request for Information) sent to each material supplier, they are explicitly asked whether their labor practices comply with the relevant conventions of the International Labour Organization (ILO).

ETHICS AND REPORTING CHANNEL

Ethical management is one of the fundamental pillars on which Neolith Group bases its market presence, and the Code of Ethics is the cornerstone of the Group's commitment to regulatory compliance and ethical behavior.

The Group trusts that the principles and guidelines set forth in the Code of Ethics, in addition to being mandatory for all employees and third parties engaged in a commercial relationship with the Group, are also shared and upheld by them. Therefore, in order to ensure compliance, enforcement, and supervision of the Code of Ethics, Neolith Group has established an Ethics and Reporting Channel (compliance@neolith.com).

This Ethics and Reporting Channel serves as a tool for transparency and communication with the Group's stakeholders. Neolith Group promotes this channel not only as a means to monitor compliance with the Code of Ethics, but also as a demonstration of the Group's commitment to responsible management and transparency, allowing it to continue growing with a culture based on trust, integrity, and professionalism.

Reports submitted through this channel are received and handled by the Compliance Officer, who treats each report as confidential and, where applicable, anonymous. Likewise, any personal data provided are included in a personal data file. During the investigation process of reported cases, the Group guarantees the rights to privacy, defense, and presumption of innocence of the individuals involved, and strictly enforces a non-retaliation policy.

A written and formalized procedure regulates how the Ethics and Reporting Channel is managed. This procedure ensures that all reports are processed consistently and without any form of discrimination. The Compliance Officer receives each report, conducts the appropriate review, and periodically presents findings to the Audit Committee. Any matters that may be deemed serious or criminal in nature are subject to extraordinary escalation and, where appropriate, reported to the authorities. Both the procedure and the Ethics and Reporting Channel are publicly accessible via the website: <http://www.neolith.com>.



Fight Against Corruption and Bribery

At every stage of its business — from Corporate Governance to operations and the supply chain — Neolith Group upholds the highest standards of integrity, not only respecting fundamental responsibilities related to human rights, labor, and the environment, but also maintaining a firm stance against corruption. Neolith Group maintains a zero-tolerance commitment toward fraud in all its forms, including financial statement manipulation, misappropriation of assets, bribery, or any corrupt practices that may occur within the scope of its operations, whether committed by its own employees or by third parties with whom the Group collaborates.

The Group has implemented management mechanisms and tools to ensure that all employees act with integrity, comply with applicable laws, and respect people and human rights. Specifically, Neolith fosters an organizational culture grounded in corporate principles that every employee knows and must follow, serving as a framework for conduct and reference for all actions.

The monitoring and control mechanisms in place define behavioral guidelines that align conduct with the Group's internal values and principles. Accordingly, all members of the organization are required to respect applicable regulations with integrity, transparency, prudence, and professionalism, consistent with the social impact of the company's activities and the trust placed in the Group by shareholders and customers.

The company's corporate culture and values clearly express its anti-corruption stance, and all employees receive training and/or guidance on how to report internally any instances of corruption or misconduct.

Through its Code of Ethics and approved anti-fraud policies, Neolith Group declares its strong commitment to the principles governing a comprehensive Crime Prevention Policy, particularly concerning money laundering, corruption, and bribery.

To prevent corruption and bribery, Neolith Group, through its Code of Ethics and supporting policies, provides preventive guidelines to all subsidiaries and business units. As stated in the Code, no Neolith Group employee or collaborator may offer, promise, grant, request, or accept — directly or indirectly — any payments, advantages, favors, or compensation, regardless of their nature, to or from authorities, officials, or other entities.

The only exceptions are gifts and courtesies within the context of private business relationships that are of low value, reasonable and proportionate according to local practice, given for legitimate, socially acceptable, and occasional reasons, and under circumstances that cannot cast doubt on the good faith of the employee or the Group. Cash gifts or payments are strictly prohibited.

Furthermore, specific procedures and forms are used at every stage of interaction with business partners during the normal course of operations. These include preventive checks carried out in scenarios such as initial commercial transactions, non-face-to-face operations, and ongoing monitoring and control measures.

During the financial year ended December 31, 2024, Neolith Group did not receive any communications or reports related to fraud, money laundering, corruption, or bribery.

MEASURES TO COMBAT MONEY LAUNDERING

The measures for the prevention of money laundering and the financing of terrorism are defined in the Group's internal prevention and control procedure, as well as in its Anti-Money Laundering Principles, which describe behaviors that may constitute violations and establish control guidelines for their prevention, mitigation, and monitoring.

The Compliance Officer, in collaboration with the **Chief Financial Officer (CFO)**, is responsible for the following functions:

- Centralizing and managing all incidents that may arise in relation to the prevention of money laundering and terrorist financing.
- Keeping personnel duly informed on these matters.
- Maintaining ongoing and reciprocal communication regarding any circumstance that could or should alter or modify the current Prevention Procedure.

Neolith Group has implemented a set of procedures that enable it to mitigate the risk of involvement in activities that could constitute an offense related to money laundering or terrorist financing. One of the main mechanisms in place is the supervision and ethical evaluation process for both new and existing clients — the Know Your Client (KYC) procedure. Within this process, every employee or collaborator must provide specific documentation that allows the verified identification of the client, whether a natural or legal person, obtain general commercial information about the entity, gather data on its management and ownership structure (in the case of legal persons), and collect documentation that provides insight into the characteristics and commercial background of the potential client.

Additionally, the organizational structure of the Group is based on a joint management model, whereby both the CEO and CFO must authorize and sign all transactions, thereby ensuring the implementation of sound governance practices in matters of anti-corruption and anti-money laundering.

Information on Society

For Neolith Group, sustainability is understood as permanence over time, and to achieve it, it is necessary to respond to the expectations that society and the people surrounding the Group have of it. For this reason, the Group pursues economic, environmental, and social objectives in equal measure.

The Group is committed to ensuring that the activity it carries out has positive effects on the society in which it operates, establishing a good relationship with its environment through various active initiatives in the constant pursuit of these highly important goals today.

Neolith Group is committed to everything that being socially responsible entails. Its activity takes place in an environment that must be respected, in a society to which it must give back a large part of what it receives every day, and in a state to which it must contribute through taxes and contributions.

With a firm commitment to the environment, Neolith Group is committed to product development and research in order to offer cutting-edge technology in the ceramic sector, minimizing environmental impact as much as possible while promoting the development of local economies.

In this context, as an organization in continuous growth with the ability to positively impact lives, the Group is aware of its responsibility to society. Neolith Group maintains relationships with the actors of local communities due to its strong commitment to actively supporting the social environment where its facilities are located, carrying out a significant volume of hiring of local labor.

In this regard, the Group demonstrates a strong commitment to education, training, and the inclusion of university students in working life, formalizing internship agreements with the Fundació Universitat Jaume I – Empresa de Castellón, the European University of Valencia, IES Caminas, and the Private Center Izquierdo Sorolla. Additionally, during fiscal year 2024, the Group attended the employment fairs in Villarreal and Castellón.

NEOLITH'S COMMITMENTS TO SUSTAINABLE DEVELOPMENT

Neolith Group actively participates in the economic, social, and cultural development of the countries in which it operates. Among the actions it carries out are the promotion of local employment when hiring staff and new suppliers, the continuous training offered to employees, and the support for sustainable development through its products.

	2024
Number of local suppliers	262
% of local suppliers	25%

During fiscal year 2024, Neolith Group carried out the following actions:

- Presidency of the Management and Modernization Entity of the Industrial Park where its production plant is located.
- Collaboration with ASCER (Spanish Association of Ceramic Tile and Flooring Manufacturers), NKBA (National Kitchen & Bath Association), and ISFA (International Surface Fabricators Association).
- Participation in collective entities such as the Management and Modernization Entity of the industrial area where Neolith Group's production plant is located.
- Press, either through paid publications or by generating and sharing news of interest with various media outlets (ASCER, Industrial Park) and local news platforms.
- Magazines, either through paid features or by generating news of interest shared with different editorial media.
- Sponsored segments in television programs through telepromotions and radio.
- Social media, through the creation of specific profiles for each platform (Instagram, Facebook, LinkedIn, X).



It is also worth noting that during fiscal year 2024, Neolith Group received multiple awards in recognition of its leadership in sustainability and the excellence of its product design. Among the most notable awards received are the following:

- Archiproducts Design Award** in the Sustainability category for its Neolith Ignea model, composed of up to 98% recycled materials.
- Future Icon Awards** which also recognized the Neolith Ignea model.
- Home Reno Awards**, in the Sustainability Innovators category.
- Great Design Kitchen Award** in the Swede Tooth category, which praised the ability of its surfaces to transform kitchens into temples of elegance and modernity.
- German Design Awards 2025**, in the Excellent Product Design – Material and Surfaces category.
- First Mention** of the Best Project Award at **Casa Decor 2024**.



CONTRIBUTIONS TO FOUNDATIONS AND NON-PROFIT ORGANIZATIONS

Neolith Group is an integral part of society and dedicates a significant portion of its efforts to it, participating and collaborating in various projects—both cultural and sports-related—that promote effort, creativity, and personal growth. The Group's deep connection to the regions where it operates is an essential element of its corporate culture.

The Group actively participates and collaborates with the community, promoting and supporting initiatives in partnership with non-profit organizations, with a commitment to assessing the potential impacts and inherent risks of its activities that may affect society.

In fiscal year 2024, Neolith Group approved donations amounting to €20,000 to support those affected by the DANA, which will be made effective in 2025.

SUBCONTRACTING AND SUPPLIERS

The Group's purchasing policy aims primarily to build a solid base of approved supplier companies to meet customer demands and expectations. Through efficient and transparent procurement management, the Group continuously seeks to identify and mitigate the social and environmental risks inherent throughout the supply chain.

A key part of the impact generated by the Group on society is channeled through its suppliers and their management. For this reason, and in order to achieve better control and monitoring of the supply chain, Grupo Neolith strengthened its purchasing department by incorporating a member of the executive team into the area, reinforcing and aligning its function with the strategic importance it holds for the Group, centralizing both the management and the monitoring of supplier relationships at national and international levels. Some of the actions carried out by the department during fiscal year 2024 include:

- Centralization of the global contracting process to unify suppliers.
- Daily monitoring of supplier-related information or relationships that may directly affect energy, raw materials, or transport racks.
- Monitoring and dissemination of the RFI (Request For Information) to suppliers, providing valuable compliance-related information, both environmental and social.

Grupo Neolith incorporates ESG criteria into its supplier approval process. In this regard, it has a purchasing policy with ESG criteria, a supplier code of conduct, and a purchasing quality manual, with special emphasis on quality, environmental, and human rights considerations.

In 2024, a total of 172 approved suppliers was reached, seven more than the previous year.

Also in 2024, self-assessments (RFI) were collected from 100% of suppliers with a volume exceeding €50,000, using selection filters based on social criteria, environmental parameters, certifications, and codes of conduct for final selection.

The Group follows a comprehensive purchasing strategy covering multiple aspects. Among them, in terms of supplier evaluation, self-assessment processes have been implemented that include the following environmental and social aspects:



**ISO
Certificaciones**
ISO 9001, ISO 14001,
ISO 45001, ISO 50001,
and others



**Compliance
with REACH**
The Declaration and
Convention on Human
Rights, the Convention
on the Rights of the Child
and ILO conventions.



**Establishment
of Environmental**
Goals, Policies and
Procedures

In addition to progressing in supplier evaluation processes, Grupo Neolith is simultaneously working to increase the levels of control and supervision across its entire supply chain, with the aim of gaining full knowledge of the traceability of the materials used by the Group in its production process and the degree of responsible management applied in their sourcing. For this reason, when contracting a new supplier, it is required to complete a self-assessment (RFI). Furthermore, during fiscal years 2024 and 2023, two annual visits were carried out to waste management providers, in which the legal aspects related to proper waste treatment were inspected.



ANNEX

CONTENT FROM SPANISH LAW 11/2018 ON NON-FINANCIAL INFORMATION

BUSINESS MODEL

CONTENT FROM SPANISH LAW 11/2018 INF	STANDARD USED	REF. (PAGE)
Description of the Group's business model	<div>GRI 2-1 Organizational details</div> <div>GRI 2-2 Entities included in the organization's sustainability reporting</div> <div>GRI 2-6 Activities, value chain and other business relationships</div> <div>GRI 2-9 Governance structure and composition</div> <div>GRI 2-23 Strategy, policies and practices</div> <div>GRI 3-2 List of material topics</div> <div>GRI 3-3 Management of material topics</div>	16-17, 20-21, 58-67

ENVIRONMENTAL ISSUES

CONTENT FROM SPANISH LAW 11/2018 INF		STANDARD USED	REF. (PAGE)
Policies	Policies applied by the Group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, in addition to verification and oversight, as well as the measures adopted.	GRI 2-23 Compromisos y políticas GRI 3-3 Gestión de los temas materiales	62-67
Main risks	The main risks related to those issues linked to the Group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the Group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each topic. It should include information on the impact that has been detected, providing a breakdown of them, in particular on the main risks in the short, medium and long term.		64-65
General	Current and foreseeable effects of the company's activities on the environment and, where appropriate, on safety and health		64-65; 72-80; 90
	Environmental assessment or certification procedures		68-71
	Resources dedicated to preventing environmental risks		72
	Application of the principle of precaution	81	
	Provisions and guarantees for environmental risks	The Group has no provisions or guarantees for environmental risks.	
Pollution	Measures to prevent, reduce or rectify carbon emissions that seriously harm the environment, taking into consideration any form of air pollution specific to an activity, including noise and light pollution	GRI 3-3 Management of material topics GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	78-80
The circular economy and waste management	Measures for prevention, recycling, re-use, other means of recovery and elimination of waste	GRI 3-3 Management of material topics GRI 301-2 Recycled input materials used GRI 301-3 Reclaimed products and their packaging materials GRI 306-1 Water discharge by quality and destination GRI 306-2 Waste by type and disposal method GRI 306-4 Transport of hazardous waste	72-75
	Actions to fight food waste	Not material	

ENVIRONMENTAL ISSUES

CONTENT FROM SPANISH LAW 11/2018 INF	STANDARD USED	REF. (PAGE)
Sustainable use of resources	GRI 3-3 Management of material topics GRI 303-1 Interactions with water as a shared resource GRI 303-2 Management of water discharge-related impacts GRI 303-5 Water consumption	77
	Consumption of raw materials and measures to improve the efficiency of their use	75
	Energy: Direct and indirect consumption; Measures taken to improve energy efficiency; Use of renewable energy	75-76
Climate change	Greenhouse gas emissions	78-81
	Measures taken to adapt to the consequences of climate change	78-81
	Voluntary medium- and long-term goals to reduce GHG emissions and measures implemented for such purpose	17
Protecting biodiversity	Measures taken to preserve or restore biodiversity and impacts caused by activities or operations in protected areas	81

INFORMATION ON LABOR AND PERSONNEL-RELATED MATTERS

CONTENT FROM SPANISH LAW 11/2018 INF	STANDARD USED	REF. (PAGE)
Policies	Policies applied by the Group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, in addition to verification and oversight, as well as the measures adopted.	67; 82-99
Main risks	The main risks related to those issues linked to the Group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the Group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each topic. It should include information on the impact that has been detected, providing a breakdown of them, in particular on the main risks in the short, medium and long term.	
Employment	Total number and distribution of employees by gender, age, country and professional category	85
	Total number and distribution of employment contract types	See EINF
	Annual average of indefinite, temporary and part-time contracts by gender, age and professional category	See EINF
	Number of dismissals by gender, age and professional category	See EINF
	Average remuneration and its evolution by gender, age and professional category or equivalent	See EINF
	Pay gap	See EINF
	Remuneration for equal work or average for the company	See EINF
	The average remuneration of directors and managers, including variable remuneration, expenses, compensation, payments to long-term savings plans and any other item by gender	See EINF
	Implementation of policies related to the disconnecting from work	87
Organization of work	Employees with a disability	See EINF
	Organization of working hours	87
	Number of absentee hours	90
	Measures aimed at facilitating work/family balance and foster the co-responsible exercise of such by both parents	87

INFORMATION ON LABOR
AND PERSONNEL-RELATED MATTERS

CONTENT FROM SPANISH LAW 11/2018 INF		STANDARD USED	REF. (PAGE)
Health & safety	Health and safety at the workplace	GRI 3-3 Management of material topics GRI 403-1 Occupational health and safety management system GRI 403-2 Hazard identification, risk assessment and incident investigation GRI 403-3 Occupational health services GRI 403-4 Worker participation, consultation and communication on occupational health and safety GRI 403-5 Worker training on occupational health and safety GRI 403-6 Promotion of worker health GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships GRI 403-8 Workers covered by an occupational health and safety management system	88-89
		Workplace accidents (frequency and seriousness) by gender	90
		Work-related diseases (frequency and seriousness) by gender	90
Labor relations	Organization of social dialogue, including the procedures to communicate and consult with employees and negotiate with them	GRI 3-3 Management of material topics GRI 2-29 Approach to stakeholder engagement (regarding unions and collective bargaining)	91
	Percentage of employees covered by collective bargaining agreements by country	GRI 2-30 Collective bargaining agreements	91
	List of collective bargaining agreements, particularly in the area of occupational health and safety	GRI 3-3 Management of material topics GRI 2-30 Collective bargaining agreements	91
Training	Policies implemented in the area of training	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	92
	Total number of hours of training courses by professional category	GRI 3-3 Management of material topics	92
Accessibility	Universal accessibility for the disabled	GRI 3-3 Management of material topics	92
Equality	Measures adopted to promote equal treatment and opportunities for men and women	GRI 3-3 Management of material topics GRI 405-1 Diversity of governance bodies and employees	93
	Equality plans	GRI 3-3 Management of material topics	93
	Measures adopted to promote employment	GRI 3-3 Management of material topics	93
	Protocols against sexual harassment and gender harassment	GRI 3-3 Management of material topics	93
	Integration and universal accessibility for persons with disabilities	GRI 3-3 Management of material topics	92-93
	Policy against all types of discrimination and, as applicable, diversity management	GRI 3-3 Management of material topics GRI 406-1 Incidents of discrimination and corrective actions taken	92-93

INFORMATION ON RESPECT
FOR HUMAN RIGHTS

CONTENT FROM SPANISH LAW 11/2018 INF		STANDARD USED	REF. (PAGE)
Policies	Policies applied by the Group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, in addition to verification and oversight, as well as the measures adopted.	GRI 3-3 Management of material topics	94-97
Human Rights	Application of due diligence procedures in relation to human rights	GRI 3-3 Management of material topics GRI 2-23 Strategy, policies and practices	94-97
	Prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage and rectify any possible abuses committed	GRI 2-27 Compliance with laws and regulations GRI 2-26 Mechanisms for seeking advice and raising concerns	94-97
	Formal complaints for cases of violation of human rights	GRI 2-27 Compliance with laws and regulations GRI 406-1 Incidents of discrimination and corrective actions taken	94-97
	Promotion and compliance with the provisions of essential ILO conventions on respect for freedom of association and the right to collective bargaining, eradication of workplace and occupational discrimination, the eradication of forced or mandatory labor and effective abolition of child labor	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor GRI 408-1 Operations and suppliers at significant risk for incidents of child labor GRI 2-27 Compliance with laws and regulations GRI 2-23 Strategy, policies and practices	94-97

INFORMATION ON THE FIGHT
AGAINST CORRUPTION AND BRIBERY

CONTENT FROM SPANISH LAW 11/2018 INF	STANDARD USED	REF. (PAGE)
Policies	Policies applied by the Group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, in addition to verification and oversight, as well as the measures adopted.	GRI 2-23 Strategy, policies and practices 98-99
Main risks	The main risks related to those issues linked to the Group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the Group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each topic. It should include information on the impact that has been detected, providing a breakdown of them, in particular on the main risks in the short, medium and long term.	GRI 3-3 Management of material topics 98-99
Corruption and bribery	Measures to prevent corruption and bribery	GRI 3-3 Management of material topics GRI 205-2 Communication and training about anticorruption policies and procedures GRI 205-3 Confirmed incidents of corruption and actions taken GRI 2-26 Mechanisms for seeking advice and raising concerns GRI 2-27 Compliance with laws and regulations GRI 2-23 Strategy, policies and practices 98-99
	Measures to fight money laundering	GRI 3-3 Management of material topics GRI 2-27 Compliance with laws and regulations GRI 2-23 Strategy, policies and practices 98-99
	Donations to foundations and non-profit entities	GRI 3-3 Management of material topics 98-99

INFORMATION ON SOCIETY

CONTENT FROM SPANISH LAW 11/2018 INF	STANDARD USED	REF. (PAGE)
Policies	Policies applied by the Group, including the due diligence procedures applied to identify, assess, prevent and mitigate significant risks and impacts, in addition to verification and oversight, as well as the measures adopted.	GRI 3-3 Management of material topics 100-104
Main risks	The main risks related to those issues linked to the Group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the Group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each topic. It should include information on the impact that has been detected, providing a breakdown of them, in particular on the main risks in the short, medium and long term.	GRI 3-3 Management of material topics 100-103
	The impact of the company's activities on local employment and development	GRI 3-3 Management of material topics 100-103
	The impact of the company's activity on local populations and on the territory	GRI 413-1 Operations with local community engagement, impact assessments and development programs GRI 2-29 Approach to stakeholder engagement GRI 3-3 Management of material topics 100-103
	Relations with key figures of local communities and modalities of dialogue with them	GRI 2-29 Approach to stakeholder engagement (regarding communities) GRI 413-1 Operations with local community engagement, impact assessments and development programs GRI 3-3 Management of material topics 100-103
	Association or sponsorship actions	GRI 3-3 Management of material topics 100
Subcontracting and Suppliers	Inclusion of social issues on gender equality and the environment in the procurement policy	GRI 3-3 Management of material topics GRI 308-1 New suppliers that were screened using environmental criteria GRI 414-1 New suppliers that were screened using social criteria GRI 204-1 Proportion of spending on local suppliers 100-103
	Consideration of social and environmental responsibility in relations with suppliers and subcontractors	GRI 3-3 Management of material topics 100-103
	Systems of supervision and audit as well as the results thereof	GRI 3-3 Management of material topics GRI 414-1 New suppliers that were screened using social criteria GRI 308-1 New suppliers that were screened using environmental criteria 100-103
Consumers	Measures for the health and safety of consumers	GRI 3-3 Management of material topics See EINF
	Systems for lodging complaints, complaints received and their resolution	GRI 3-3 Management of material topics See EINF
Tax information	Profits earned country by country	GRI 207-1 Approach to tax GRI 207-4 Country-by-country reporting See EINF
	Profit tax paid	GRI 207-1 Approach to tax GRI 207-4 Country-by-country reporting See EINF
	Public subsidies received	GRI 201-4 Financial assistance received from government See EINF



NEOLITH

NEOLITH.COM