

## ENVIRONMENTAL POLICY

### RAW MATERIALS

The marble chips used for the production of SM MARBLE® are sourced from quarries located within 500 km (310 miles) from the factory. The excavation activity in these quarries produces not only blocks to be used by the natural stone industry, but also "stones" in various shapes and sizes. These smaller stones cannot be processed by the natural stone industry into tiles or slabs and are considered a waste product by quarry owners. As long as its technical characteristics fit with our production requirements, Santamargherita® buys this "waste product" and uses it to manufacture SM MARBLE®. In purchasing this waste, Santamargherita® provides the quarry owners a way to recycle their byproducts and to slow down new excavation in the quarries. The glass, mirror, feldspar, granite and porcelain used for the production of some SM QUARTZ® are all recycled products.

### WASTAGE AND WATER RECYCLING

Santamargherita® complies with Italian regulations on water recycling and disposal of the waste resulting from the processing of engineered stone. Complying with current regulation involves a 2.5 million Euro yearly investment. The plants of Santa Margherita S.p.A. were designed and built in order to produce minimum discharge, to protect the health of its workers and to protect the surrounding environment.

#### The dust

The dust generated by the cutting of slabs and tiles during the manufacturing process is partially vacuumed and filtered to avoid the dispersion inside and outside the factory.

#### The sludge

The calcareous sludge generated during the manufacturing process of SM MARBLE®, and the sludge created during SM QUARTZ® manufacturing, are transferred to the recycling plants. There the water is filtered and re-used in the manufacturing cycle, while the "dry" part, after proper treatment, is re-used in an industrial sector.

Santamargherita®, together with one of its main vendors, Minerali Industriali SpA, has developed the Sasies Project ([www.sasies.com/en](http://www.sasies.com/en)). This environmentally important project, co-financed by the LIFE + Programme of the European Commission, has been designed to recover and valorize the sludge with the following goals:

- reduction of industrial waste currently landfilled in Europe;

- reduction of the need to dig raw materials, quartz and marble 1.5 times the recovered materials;
- saving more than 75% CO2 emissions in the processing and disposal of waste;
- reduction of the current cost to dispose waste.

Today, thanks to the Sasies Project, Santa Margherita is recovering:

- 6,500 t (14,350,000 lbs) quartz sludge: the dried SiO<sub>2</sub> is sold to by brickmakers, who use as a substitute to clay;
- 11,625 t (25,650,000 lbs) marble sludge: the dried marble sludge is used for the production of calcium carbonate (CaCO<sub>3</sub>).

## The water

The water used during the processing of engineered stones (cutting, calibrating and polishing) is cleaned and reused through 2 recycling plants:

- marble based engineered stones: water recycling system, capacity 2700 m<sup>3</sup> (95,350 cubic feet), which can clean 25,000 liters (6600+ gallons) per minute;
- quartz based engineered stones: water recycling system, capacity 850 m<sup>3</sup> (30,000+ cubic feet), which can clean 7000 liters (1850 gallons) per minute.

The recycling of the water reduces the amount of total water need in production and helps save our valuable and scarce resource.

## Differentiated refuse collection

Our town municipality has implemented differentiated refuse collection:

- paper and plastics produced by the factory and the offices during their activity are disposed separately and recycled. The recycling ratio in our municipality is 76%;
- wood: the wood used for packaging (crates and bundles) is disposed separately and recycled;
- waste oils: the waste oils from the plant are picked up by a specialized company ([www.coou.it/english](http://www.coou.it/english)) and recycled;
- scrap iron: scrap iron is picked up by a specialized company and recycled.

## PACKAGING

The cardboard boxes used to pack our tiles are made of recycled paper.

The wood used for crates and bundles is partially recycled and is pre-treated to comply with ISPM #15 Standard.