

RADICI
GROUP

2009 SUSTAINABILITY
REPORT



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INTRODUCTION TO THE 2009 SUSTAINABILITY REPORT

In 2008, the name of this document changed from the "Social Report" to the "Sustainability Report". Now, this year's report features some additional changes. Essential information has been carefully selected and reported in a more concise manner, through graphs, images and highlight boxes. People who want to know more about key concepts or view multimedia contents will be able to do so through links on our corporate website www.radicigroup.com.

The new format will make it easier and faster to consult this document, without compromising completeness and accuracy. Interactive access will encourage critical selection of contents by our web visitors. Furthermore, the Internet will also help to reduce paper usage and thus our environmental impact.

What has stayed the same in conceiving and preparing all our reports are the principles of transparency, accuracy, and accountability that have served as a source of inspiration since 2003.



LETTER FROM CHAIRMAN ANGELO RADICI

Social responsibility and environmental responsibility in times of crisis. This could be the title of an editorial written for a trade magazine by its social marketing expert. But all of us at RadiciGroup know that it is not the case. These are the everyday principles that influence people, strategies and actions at all levels of our organization.

Proof of this is the fact that, despite the difficult economic situation, we have not surrendered our principles on social responsibility. We have made every effort to save jobs and, when that was not possible, we made use of the ordinary and extraordinary unemployment benefit funds provided for by the law in case of layoffs or labour mobility. Furthermore, we have provided good, and in some cases excellent, training for our employees, much of which has been specifically directed at safety and environmental matters.

We have sought to carry on a frank and constructive dialogue with the communities where our companies operate, which have a long industrial tradition. This is because we know very well that the gradual erosion of a community's local heritage and know-how brings about a serious loss of assets, both tangible and intangible. Our policy has sometimes entailed hard choices, but I have become all the more convinced that ethics and the environment are key factors of business that will even improve profitability. For this reason, our sustainability report contains many examples of RadiciGroup companies that, often with limited budgets, have successfully worked on improving efficiency, rationalizing available resources and reducing their environmental footprints.

The unrelenting pressure of a difficult market and of our customers and competitors, who are keenly focused on environmental sustainability issues, has compelled us to continue in the chosen direction and to sometimes quicken our pace in order to meet our objectives. Achieving environmental certifications, making investments to reduce harmful emissions, participating actively in environmental organizations, launching products conceived and developed to be environmentally sustainable from start to finish: all these are facts, not speculation or "greenwashing".

These are facts I am proud of.

I am also aware, though, that there are many additional steps that need to be taken in order to improve our environmental performance on a continual basis. It is simply unthinkable to rest on the laurels of what we have achieved up to this point. This is why I created the RadiciGroup for Sustainability Project. The project was started in 2009 with the goal of promoting sustainability awareness as a way of life and a way of work. I am sure that this new project will soon become one of the key factors of our Group's growth.

Angelo Radici
Chairman of RadiciGroup

OUR PROFILE

RadiciGroup is one of the most active Italian chemicals companies at an international level.

RadiciGroup's diversified businesses operate worldwide and are focused on **Chemicals, Plastics, Synthetic Fibres and Textiles**. One of RadiciGroup's key strengths is the synergistic vertical integration of its polyamide chain. The Group has total control over its production chain, from chemical intermediates, such as adipic acid and polyamide 6 and 66, to engineering plastics and synthetic yarn.

Attention to our customers' requirements, the desire to foresee their needs, to supply them with quality, made-to-measure products, as well as efficiency of processes, products and services. These are RadiciGroup's winning strategies along with new technologies and innovative systems which improve safety and environmental protection.

RadiciGroup's products are exported all over the world, and are the starting-point for developments in the clothing, sport, furnishings, automotive, electrical/electronic and appliances sectors.

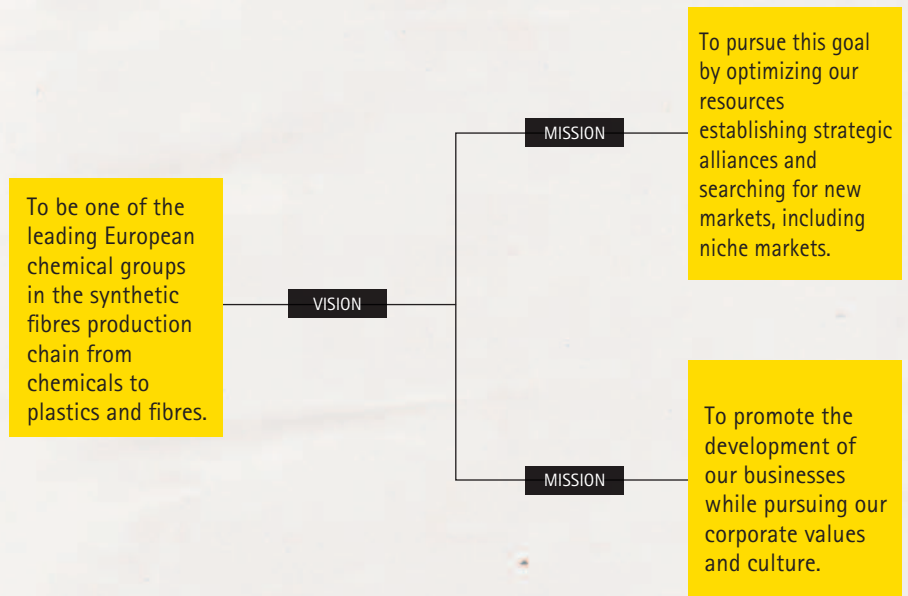


OUR HISTORY

The Radici World was founded in the 20's with the first trading activities of household textiles. Today it includes companies operating in the textile machinery sector, in energy production and trading, along with the business areas of RadiciGroup.

period	activity	evolution
1920	trade of household textiles	export
1941	start of industrial activity - blanket production	
1950	first phase of horizontal diversification - carpet production	
1960	second phase of horizontal diversification (fabrics for clothing, carpets, car floor coverings) start of textile machinery activity	decentralization of production
1970	caprolactam - PA6 polymerization diversification through vertical integration (polymers and synthetic fibres)	
1980	adipic acid - hexamethylenediamine polymerization PA66 diversification through the development of new markets, from chemicals to polymers development of the engineering business development of the engineering plastics business	globalization
1990	polyester polymerization consolidation of the group's position in its strategic business areas introduction of new looms and new spinning machines growing importance acquired by the electronics sector in the textile machinery sector	
2000	further development of the group in its strategic business areas and further vertical integration (at earlier stages in the process). The product range in the textile machinery sector is completed	technological consolidation
2010	consolidation of RadiciGroup's position in its polyamide core business	strategic consolidation sustainability
2020	development of value added, sustainable products	

VISION, MISSION AND VALUES



VALUES

Putting people at the centre of everything we do, respecting their right to physical and cultural integrity.	Efficiency and effectiveness of our management systems to improve our business.
Fairness and transparency of our management systems to comply with all applicable laws and regulations.	Attention to the needs and expectations of our stakeholders in order to create a feeling of belonging and satisfaction.
Reliability of our management and operating systems to ensure the safety of our employees, our community and the environment.	Our responsibility as a company for our workers, production sites and communities.

The financial crisis that broke out in 2008 spilled over into the real economy, eventually hitting all production sectors. Governments and monetary authorities took strong measures aimed at relaunching and strengthening the economy by supporting both the financial markets and businesses.

Only during the third quarter did the contraction in economic activity start to slow down, as mature markets began to see an increase, albeit slight, in their gross domestic products and emerging countries took over as the real engine of the worldwide economic recovery. By the end of 2008, the crisis had spread to the real economy. In 2009 the recession ended, and the economic results of some sectors led to an upward readjustment of the forecast for 2010. However, the global economy is still characterized by high uncertainty due to excess production capacity, high unemployment rates, high public debt and reduced family spending.

RADICIGROUP

The income statement indicators were strongly affected by the world economic crisis that continued during the first half of 2009.

In that unfavourable economic climate, steps were taken to set out a course of action to:

- *Reorganize Group production sites;*
- *Further improve the efficiency of industrial processes and production cycles;*
- *Adapt industrial processes and production cycles to new market demands, while maintaining business unit margins.*

As a general principle, the Group has continued its strategy of focusing on its core businesses that are considered strategic and synergistic over the medium term, such as chemicals for nylon production, engineering plastics and synthetic fibres.

The goal of the Group's strategy is to improve its competitive position and achieve an overall balance among the geographical markets where it operates, in order to reduce dependency on single markets and boost cash flow to reduce debt and finance new initiatives in its strategic businesses.

CHEMICALS BUSINESS AREA

In the Chemicals sector, RadiciGroup is a leader in the production of polyamide 6 and 66 (Radipol®) and related intermediates (Radichem®). The RadiciGroup Chemicals Area has manufacturing plants located in Novara, Italy, engaged in the production of adipic acid, hexamethylenediamine, nitric acid and PA 66 polymer; in Villa D'Ogna and in Casnigo, Italy, engaged in the production of PA 6; and in Zeitz, Germany, engaged in the production of adipic acid and cyclohexanol/cyclohexanone. It also has two sales companies located in Switzerland and Shanghai, China. Thanks to its commercial and manufacturing businesses, RadiciGroup Chemicals is a key component of upstream vertical integration for the Group's polyamide 6 and 66 production chains.

The recognized high level of technology and quality of the chemicals production plants allowed the Chemicals Business Area to hold on to its competitive position during the hard times caused by the world crisis that lasted until the first quarter of 2009, and to promptly take advantage of the recovery trend during the ensuing months of the year. The trend in the business area's target markets (plastics, automotive and textiles) was not linear, nor was it homogeneous among the various sectors. Nevertheless, the demand for Chemicals products clearly began to rise, eventually reaching a steady high level during the last quarter of the year. It is also important to emphasize that the demand, in terms of quantity, was strongly influenced by the need to rebuild inventories, which had been run down almost to nothing during the second half of 2008.

In assessing the market position of the Chemicals Area, we note that, following a drop during 2008, in the second half of 2009 sales prices registered a constant upward trend, driven by the rise in demand. Total sales, however, were lower compared to 2008.

PLASTICS BUSINESS AREA

RadiciGroup, one of the most highly regarded manufacturers of polyamide (Radilon®) and polyester engineering plastics, has production and sales units across the globe in Europe, Asia, North America and South America. With five plants strategically located in Italy, Brazil, Germany and China, RadiciGroup Plastics offers processing, quality control, research and development, and technological development support, as well as an extensive network of sales units.

The year 2009 was marked by a dramatic plunge in consumption during the first quarter – the continuation of a downturn that had begun during the last quarter 2008 – and by a remarkable recovery phase starting in May. Europe experienced more marked difficulties, mostly because of the crisis in the automotive sector and the more stringent cost containment measures adopted. The Brazilian facility was less affected by a drop in consumption, due to the fact that it had a greater presence in the electrical market compared to the European sites. Thus the Brazilian plant was able to start its recovery process two months earlier than the other plastics production units.

Starting in May, sales revenue and net income began to rise and a remarkable recovery in product margin was achieved, thanks to the decline in raw materials prices. Three factors

were responsible for the comeback: consumption growth with corresponding sales growth, heavy cost containment and an increase in gross margin. The cost of raw materials went down significantly, while sales prices continued to stay high. In fact, in spite of a very difficult beginning of year, the Plastics Business Area closed the financial year with a gross operating margin higher than in 2008.

FIBRES BUSINESS AREA

In the fibres sector RadiciGroup boasts a particularly wide range of products: **PA 6 textile yarn and staple and PA 66 textile yarn** (Radilon® - RadiciNylon®); **polyester yarn and microfibre** (Radyarn® - Micrell® - Starlight® - Nanofeel - Microvacuum - Supermicrell - Kristall); **flame retardant polyester yarn and microfibre** (Radyarn® FR - Micrell® FR); **PBT yarn** (Radyarn® - Starlight®); **PET/PA two-component yarn** (Micalon®); **PET/PP** (Skin-Core); **PET/PET** (Sunshield); **PA 6, PA 66 and PP BCF yarn** (Radifloor®); **PA 66 high tenacity yarn** (Raditeck® - Raditeck® Dyna); **acrylic yarn and top** (Crylor®); and **elastane (spandex) fibre** (RadElast®).

In 2009, the sale of polyamide yarn for textile use showed a strong contraction during the first three quarters of the year, followed by a significant recovery in the fourth quarter. The economic crisis caused demand to plunge in target markets – warp knitting and texturing, in particular. In engineering plastics, weaving, women's and men's hosiery, and to certain extent in discontinuous fibres, the contraction was much less pronounced. The recovery occurred nearly everywhere, even though the speed varied from sector to sector.

Regarding polyamide yarn for the flooring sector, the economic downturn strongly penalized the activities of this business area. During the first quarter 2009, European demand for BCF nylon yarn for the residential, contract, and, most of all, the automotive sector, fell well below the usual level. Similarly, high tenacity nylon yarn for technical uses, mainly in the automotive industry, saw a decrease in demand corresponding to the sizeable reduction in car production across Europe. During the summer period, as the macroeconomic context kept improving, signs of recovery began to appear in all the target sectors.

At the beginning of 2009, demand for acrylic plummeted. In the Brazilian market, the downturn in demand was offset by a steep reduction in the price of raw materials and by a currency exchange rate favourable to exports. During the second quarter 2009, demand for acrylic started to recover. In Argentina, production went through a similar trend both in volumes and economic results.

In 2009, elastane (spandex) production went through great difficulties. During all of the first quarter and part of the second, demand fell and prices dropped to a minimum. From the end of the second quarter onwards, there were signs of recovery, with a corresponding increase in volumes. However, stiff competition and a marked imbalance in supply and demand, favouring the former, prevented a substantial upturn in prices. Because of the sluggish market and a general lack of liquidity, steps were taken to rationalize production capacity, company organization and costs. This action plan helped to contain losses.

During 2009, the polypropylene textile carpet market and the residential segment, in particular, were severely hurt by the economic crisis. This led Deufil, a Group company

engaged in polypropylene production, to adopt a strategy that gave priority to cash management, which resulted in a significant cut in production volume and, consequently, value of output. However, signs of improvement during the last months of the year could be interpreted as foretelling an upturn in the economic situation.

For years, the world polyester fibres market has experienced a steady rising trend in consumption, at the expense of other fibres. On the supply side, however, there has been excess production capacity because of the state of uncertainty and a decrease in the growth rate in certain regions of the world. With the above market scenario already in play, the economic crisis took hold and brought about a sharp decrease in production and sales for the RadiciGroup business unit engaged in the polyester business. The three Fibres production units took steps towards reducing net working capital and shoring up the income statement. Towards the end of 2009, encouraging signs of recovery began to appear.

TEXTILES BUSINESS AREA

The Textiles Business Area consists of Tessiture Pietro Radici SpA, the ancestral company of RadiciGroup. Tessiture Pietro Radici is involved in the manufacture and marketing of two different lines of products: Dylar Spunbond polypropylene nonwoven fabric and Radigreen mostly polyethylene and polypropylene artificial grass yarn.

In 2009 the Dylar® product market was marked by a decrease in sales revenue compared to 2008, related to a drop in the average sales price. The latter was due to the lower cost of polypropylene granules, which for the first 5 months of the year stayed very close to the lows of year-end 2008. On the other hand, sales volume held at the 2008 level, and the margins of the business segment were quite satisfactory, mostly because of the lower average price of the raw materials purchased. Furthermore, during the second half 2009, an upsurge took place in the construction market, which is the target market for most of the nonwoven sales by Tessiture Pietro Radici.

In 2009 the Radigreen® product range was marked by a decrease in sales revenue compared to 2008, attributable to a decline in both the average price and sales volume. The fall in volumes was concentrated in the last 5 months of the year and mostly concerned fibrillated yarn. Conversely, margin improved thanks to a drop in the average price of raw materials and a shift in product mix towards more profitable products, such as monofilament, whose growth confirms the general trend in the sector.

RADICIGROUP COMPANIES AND SUSTAINABILITY

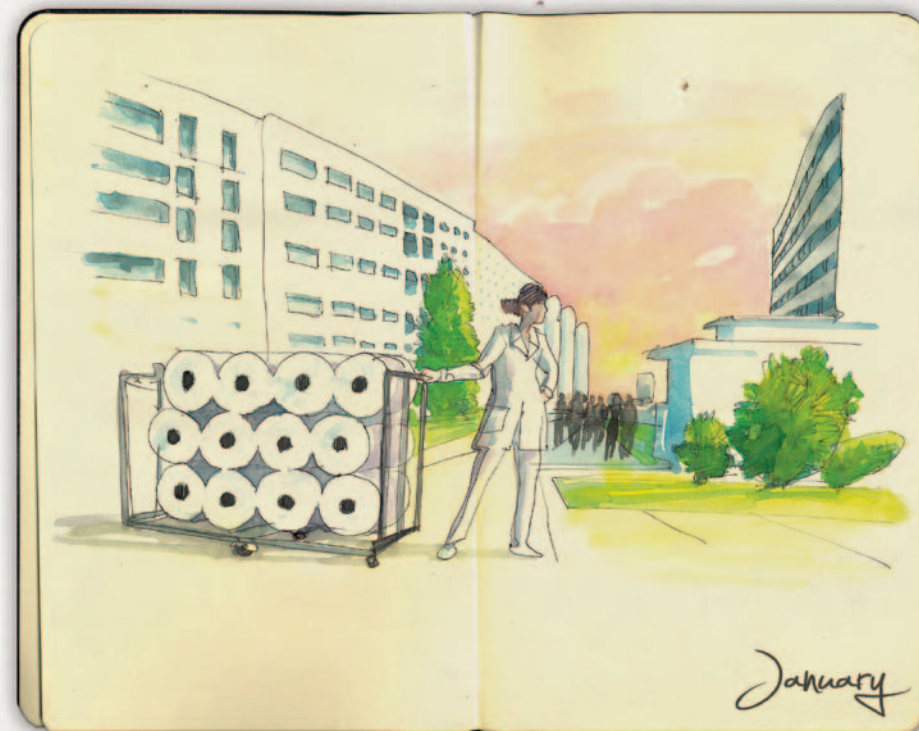
Two thousand and nine was a dynamic year for RadiciGroup companies. From chemicals to fibres, there were numerous events involving the implementation of new technological solutions, the start and conclusion of certification processes, and the research and development of products to reduce environmental impact while increasing performance.

These initiatives, together with a proactive approach, were vital from the standpoint of sustainability and the market. Consequently, despite the unfavourable economic situation, the efforts of the Group companies were rewarded.

JANUARY 2009

Radici Yarn SpA achieved UNI EN ISO 14001:2004 Environmental Management System certification

Radici Yarn SpA – an Italian company belonging to the RadiciGroup Fibres Business Area and one of the world's leading producers of polyamide 6 and 66 yarn (Radilon®) – has always paid particular attention to the development of products that best meet the challenges of a market that is more and more focused on quality and sustainability. Moreover, an environmental policy is an integral part of this firm, and of RadiciGroup as a whole: it is a concrete expression of our social and economic responsibility to the community.



As proof of its commitment, the company achieved UNI EN ISO 14001:2004 certification for its Environmental Management System related to the development, manufacture and marketing of polyamide 6 polymer and polyamide 6 and 66 masterbatches, staple fibre and continuous filament yarn (Radilon®). Specifically, the certifying body Certitex audited polyamide 6 polymerization, POY and FOY spinning, staple spinning and masterbatch production at the Villa d'Ogna site. In addition to these processes, the sorting, packaging and shipping areas were evaluated. By certifying its Environmental Management System, Radici Yarn SpA wanted to make a tangible contribution to safeguarding the environment and utilizing natural resources efficiently, while ensuring the total sustainability of its manufacturing activities. The certification demonstrates that the firm has implemented a system which can effectively avert and manage the most significant negative environmental impacts of the various industrial activities carried on at its production sites and which defines the goals for continual improvement in environmental performance.

FEBRUARY 2009

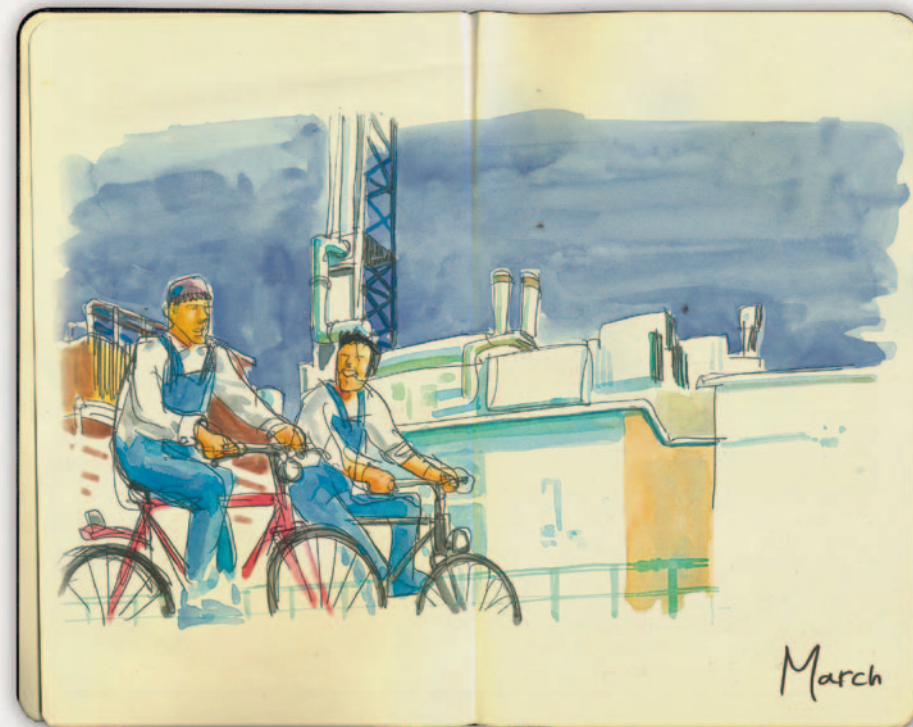
Radici Novacips SpA cut its emission points in half



Within the framework of the continual improvement process set out in its Safety and Environmental Policy, Radici Novacips SpA – a RadiciGroup Plastics Area company that has been ISO 14001-certified since 2006 – has undertaken a total redesign of its dust collection, filtration and emission system.

Supported by a preliminary feasibility study, this project will bring about a reduction in emission points from the current 40 to 6 in just a few years. In 2009 the first stage of the project involved the installation of a central suction plant to replace 20 individual on-line units, which has more than doubled total filtration surface area from 350 to 752 square metres. The new plant was designed with the most innovative protection and prevention techniques: spark detection and automatic fire extinguisher systems, exhaust smokestack alarm sensors to detect filter leakage and waste collection in containers for immediate disposal.

In addition to reducing emissions to the outdoors, the new system has also reduced dust dispersion in the workplace. This improvement in worker health and safety will also aid the company's efforts to obtain certification of its safety management system according to OHSAS 18001.



MARCH 2009

The Novara chemicals site achieved UNI EN ISO 14001:2004 environmental certification

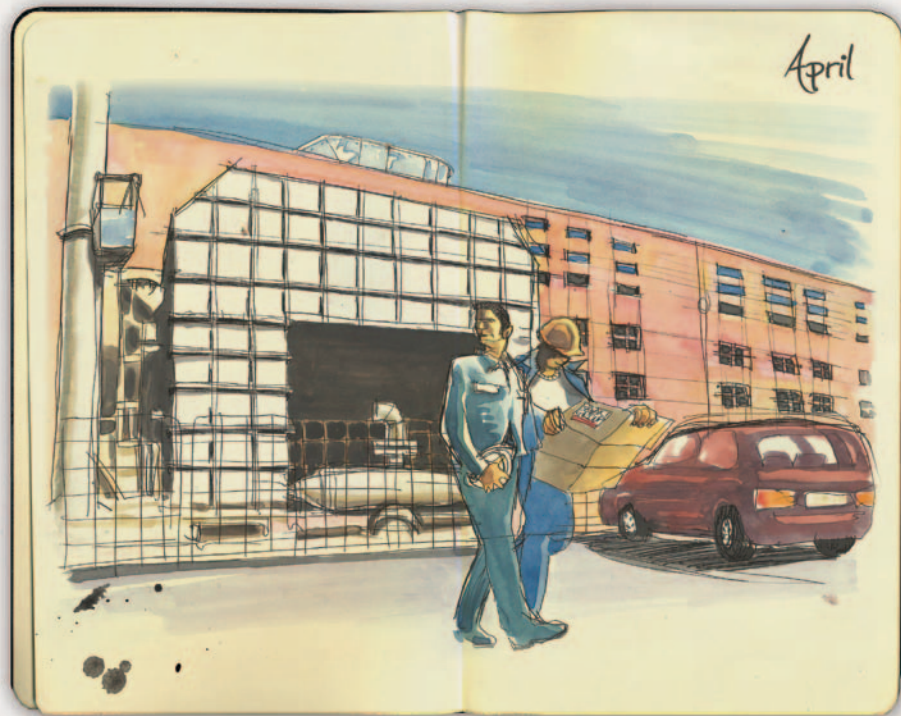
Radici Chimica SpA achieved UNI EN ISO 14001 environmental certification for research and development and the production and sale of nitric acid, adipic acid, dicarboxylic acid mixture, hexamethylenediamine, 66 salt, polyamide 66 and copolyamide 66/6 for fibres, plastics and compounds.

Adhering to an eco-management system is one of the organization's key strategic variables, as well as a social responsibility. Radici Chimica started the process in 2006 with the implementation of nitrous oxide abatement technology at its plants in Novara, Italy, and Zeitz, Germany, which cut emissions to air by over 90%. Then in 2008 the company began to use a rail transport system to ship its goods, thereby reducing road traffic significantly (5,000 fewer lorries on the streets of Italy in 2008 alone) and optimizing service efficiency.

APRIL 2009

Tessiture Pietro Radici SpA installed a system to abate spunbond production emissions

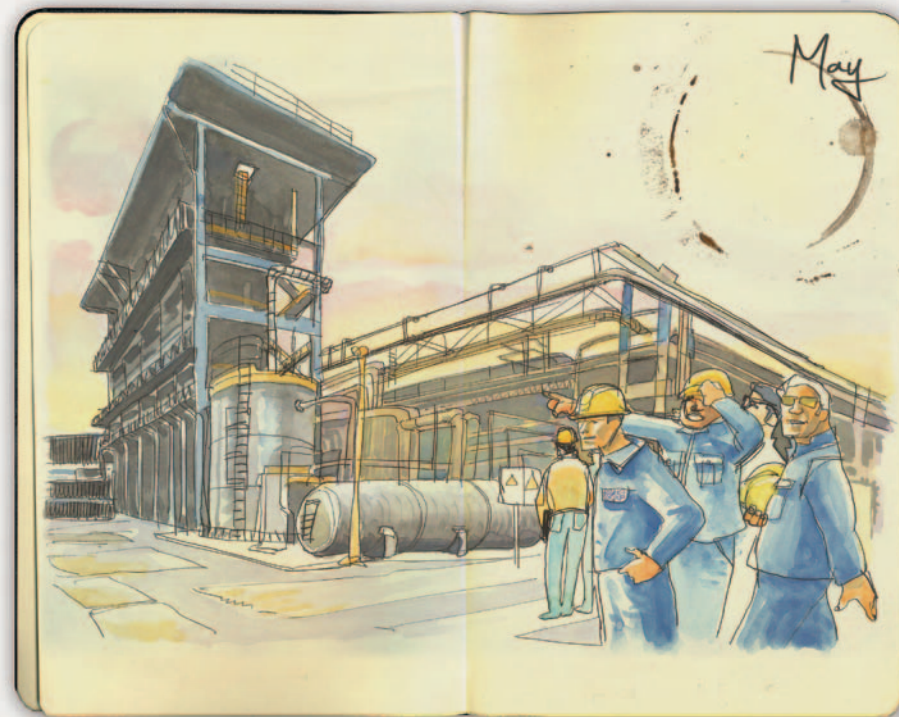
Tessiture Pietro Radici SpA concluded the second stage of installing a system to abate emissions from its spunbond production process. This plant represents a large investment in one of the core products of this historic RadiciGroup firm engaged in the production of nonwovens and artificial grass yarn.



The three-stage project was initiated in 2008 following a feasibility study carried out by the General Manager, the Technical Services Manager and the Prevention and Protection Services Manager, who also collaborated with out-of-house consultants. The final installation stage will be concluded in 2010.

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The plant consists of a pre-treatment system in a countercurrent scrubber tower using oil as a scrubbing medium to separate solids from fumes, followed by the elimination of volatile components by combustion in a regeneration furnace. This technique abates the pollutants from the melting of plastic during the spunbond spinning process. The expected results, as confirmed by the first checks, are more than satisfactory, as solid emissions are less than 80% and volatile emissions less than 70% of the levels set by the Province of Bergamo, Italy.



MAY 2009

Radici Chimica SpA's commitment to the REACH consortiums: taking active responsibility

Two and a half years after the first meetings to form REACH consortiums, the contribution of Radici Chimica SpA — the RadiciGroup chemicals unit in Novara, Italy — may be deemed more than positive. In particular, as part of the consortium for adipic acid, one of the Group's core products, the company actively participated in discussions, research and deliberations on related issues.

The chemical industry, through its consortiums, has been entrusted with an active role in managing the risk of chemical substances. The consortiums have taken a series of actions to acquire the know-how and technical capabilities necessary to perform the planned tasks, in particular the evaluation of data on potential worker and environmental exposure. The latter project involves the assessment of scenarios and the preparation of reports and assessments on chemical safety. Therefore, Radici Chimica has taken on an active social role and a real social responsibility, which it has already expanded by offering support and training to other RadiciGroup companies.

JUNE 2009

Radici Novacips SpA: investments to improve workplace safety and environmental protection

Radici Novacips SpA completed the remodelling of one of its warehouses at the Villa D'Ogna production site using the most up-to-date safety criteria and minimizing environmental impact.

The warehouse space was conceived to be modular and flexible and easy to adapt to any changes in use in the medium term. It was designed and built using doors and windows with the highest energy efficiency ratings and a low environmental impact lighting system (using lamps with low power consumption and long average life). Furthermore, under the



warehouse foundation, a firewater reservoir of about 300 square metres was constructed, so that water will always be on hand without the need to draw it from the well. Although well water is always accessible, seasonal water shortages are possible, albeit improbable. The reservoir solution exceeds the requirements of the law and safeguards the workers and the environment by ensuring that, in case of fire, water is always available for fire-fighters.

JULY 2009

Radici Chimica SpA was one of the founding members of the Sustainable Chemistry Consortium

Promoting innovation in chemistry so that it is more sustainable and environmentally compatible. This is one of the priorities of the Piedmont Region that has come to fruition in the Polo di Innovazione Regionale per la Chimica Sostenibile [Sustainable Chemistry Innovation Regional Consortium], officially launched in July 2009. Radici Chimica SpA, a leading company in the sector, was among the founding members and has taken on a public role in collaboration with some of its stakeholders.

The Polo di Innovazione includes 18 large and small firms, the Province of Novara and the Università del Piemonte Orientale, as well as numerous Italian and international research organizations. The common objective centres on two strategic directions: the research and development of products made of renewable raw materials and the reduction of



the chemical industry's environmental footprint by, for instance, limiting electric power consumption and the quantity of hazardous waste and emissions. The IBIS (Innovative Bio-based and Sustainable Products and Processes) Consortium is the body that will stimulate, coordinate and select the projects and service requests coming from the various members. Radici Chimica is playing an active role in one of the three integrated projects involving members of the consortium and dealing with the recovery and utilization of sub-products and industrial waste.

AUGUST 2009

RadiciFil SpA: water, steam and energy as engines of sustainability

RadiciFil SpA – part of RadiciGroup and leading company in the manufacture of carpet yarn – completed two utilities optimization projects. The work was started in 2008 and by 2009 had already yielded considerable improvement in overall environmental impact.

Concerning the first project, the company – which has had an Integrated Environmental Authorization since 2007 – set the objective of reducing its energy consumption and, at the same time, decreasing its emissions to air. The goal was reached by acting on two fronts: usage of electric power and usage of methane gas for steam production. As regards electric-

per kWh of electric energy and a saving of greater than 12%. As to steam production, the installation of a new, more efficient boiler resulted in optimized gas consumption and enabled reaching the goal of 15 tons of steam produced per cubic metre of methane gas and a saving of 11.87%.

The second project involved saving water, which, although available in abundance in the zone where RadiciFil is located, is without a doubt a precious resource. The company installed well water recovery and recirculation systems in production departments, bringing about a significant reduction in the total amount of water drawn during 2009. Moreover, thanks to improvements in the water treatment plant and the rationalization of water flow, today less wastewater of better quality is generated, in accordance with the laws on discharges into rivers and streams.



ity, the installation of the latest-generation compressors, together with the rationalization of power use, led to a substantial improvement in the amount of compressed air produced



SEPTEMBER 2009

Radici Yarn SpA introduced Greenfil®, product of a collaboration with Sofila and Arkema

During the 48th Man-made Fibres Congress held in Dornbirn, Austria, in September 2009, new developments in the fibres sector were discussed. This was the ideal occasion for Radici Yarn – a RadiciGroup company engaged in the fibres sector – to introduce high-performance, eco-sustainable Greenfil® yarn, the product of a joint effort between RadiciGroup and two important European companies in the industry: Sofila, the French nylon processing specialist,

and the Arkema chemical group.

Each company contributed its specific expertise and know-how in creating this completely bio-based product. Arkema developed the polymer; RadiciGroup's Radici Yarn, the yarn; and Sofila —owner of the Greenfil® trademark —, the texturing process. Greenfil® may truly be called sustainable, as it is produced from castor oil, a 100% natural raw material extracted from a plant that grows in poor soil with little need for water and fertilizer; it is not cultivated for use in the food industry and is a non-GMO product. Rigorous research and development carried out during a two-year period led to the development of a naturally bacteriostatic, "green" yarn able to control body temperature. The processing, dyeing and finishing properties of the yarn are comparable to those of the most commonly used natural and synthetic fibres. All this and manufactured using a high percentage of renewable resources, too.

OCTOBER 2009

The RadiciGroup Sustainability Project was made official

A corporate project aimed at coordinating the sustainability efforts of the various RadiciGroup production sites by taking best advantage of potential synergies. Starting with the definition of a Corporate Ethics Policy and the desire to transform its words into action, the Group has begun developing its strategy not only for internal conduct but also for its dealings with customers, suppliers and the local community.



Many areas of activity have been considered. First of all, evaluating the overall impact of the production chain through product Life Cycle Assessment (LCA) studies and renewed commitment to the Responsible Care® programme. Then, research of technological processes and solutions leading to the use of fewer and fewer resources.

Many areas of activity have been considered. First of all, evaluating the overall impact of the production chain through product Life Cycle Assessment (LCA) studies and renewed commitment to the Responsible Care® programme. Then, research of technological processes and solutions leading to the use of fewer and fewer resources. In addition, the research and development of products manufactured using renewable energy, recycled materials and bio-based raw materials. Lastly, increasing employee awareness, so that sustainability becomes part of their daily routine. These are the goals of the RadiciGroup Sustainability Project, which will become a priority item of the corporate strategic agenda.

NOVEMBER 2009

PAY PER PAGE AND SHAREPOINT:

from cutting back on printouts to improving the flow of information

Rationalization of electric power and paper usage, together with improvement in internal communications and document exchange. Informatization of data for better accessibility inside RadiciGroup. These goals were reached in 2009 after three years of the corporate Pay



per Page project and one year of Sharepoint, the RadiciGroup intranet system. Reducing the printer points (many of which were rarely used due to their non-optimal location) from 98 to 38 in the two office buildings of parent company Radici Partecipazioni SpA based in Gandino, Italy, brought about a saving of 15% in power consumption (and thus emissions), as well as paper use.

The above results were achieved not only through rationalizing printers but also greater use of Sharepoint, the system that has become a platform for work, exchange and storage of files, and sharing information. In 2009 the system recorded 3,500 logins, with a monthly average of 300 views of the home page, where there are links to all the main sections of the intranet.



Radici Yarn SpA and Radici Spandex Corp.: two projects for sustainability

Process quality and sustainability for the customer. This philosophy has inspired the RadiciSpandex for Sustainability project and, in particular, the creation of Radelast® S RB black elastane, designed from the start to have less environmental impact than traditional products.

Because of its special technical properties, the new spandex produces a deep black fabric with no variations in intensity that prevents grin-through even when the fabric is stretched. This allows downstream manufacturers to use less dye and considerably less water, thus having a positive effect on the sustainability of the production chain. Improvements were also made in packaging: the introduction of reusable plastic bobbin separators, which can

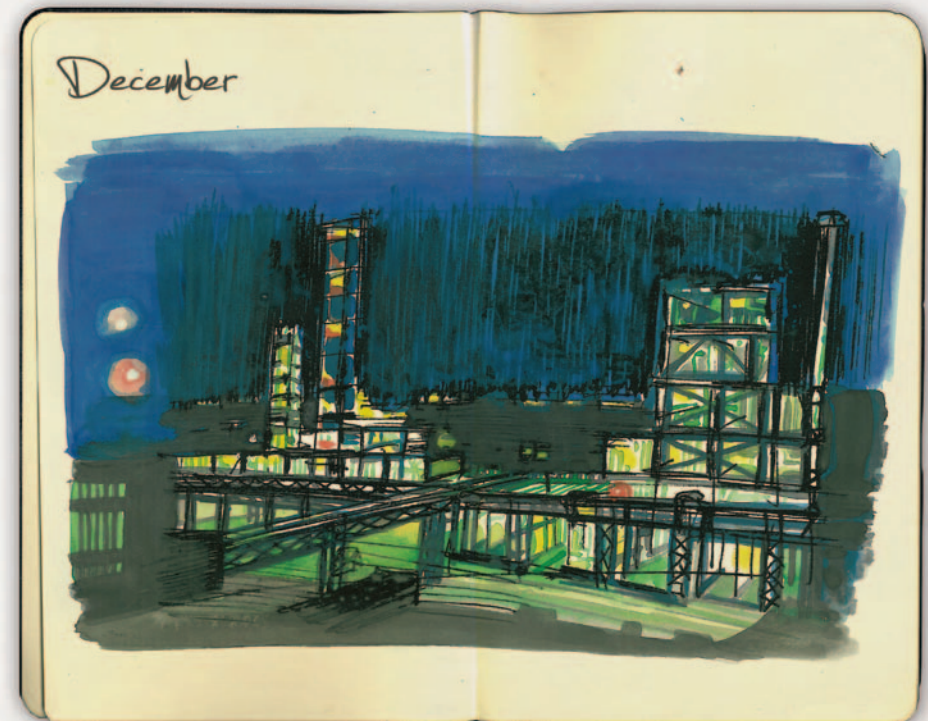
also be recycled at the end of their useful life, and Kraft paper, instead of chlorine-bleached paper.

The first step of the Radici Yarn for Sustainability project, which was taken as part of the ISO 14001:2004 certification process, was to spread environmental awareness within the plant through training courses and the development of improvement goals shared by all staff members. From here, the firm decided to launch a sustainability agenda, whose first undertaking was the organization of separated waste collection at the Villa d'Ogna and Ardesio, Italy, production sites and the drawing up of good practices by company employees.

DECEMBER 2009

RadiciGroup commissioned a Life Cycle Assessment study for PA 66 granules produced at the Radici Chimica SpA Novara plant

Conducting a study of the polyamide 66 production process in the context of the product life cycle from the "cradle" (extraction of raw materials) to the "gate" (production of granules), pointing out the changes generated by emissions into the environment and consumption of resources. This is the task that RadiciGroup gave a consulting company for its first LCA study begun in December 2009.



Specifically, the study seeks to quantify the total energy impact (using Gross Energy Requirement [GER]) and its contribution to the greenhouse effect (using Global Warming Potential [GWP100]) along the Radici Chimica SpA polyamide 66 production chain, identifying the processes having the greatest environmental impact.

Additionally, the analysis intends to compare the specific energy-environmental performance of nylon 66 produced by RadiciGroup with the average European values available in the literature, as well as with those of other polymers. This critical comparison is to be made taking into account certain product properties, such as tensile stress and elastic modulus, and considering the specific energy consumption of the Novara site (use of electric power and steam from natural gas cogeneration). The final objective of the LCA study is to point out the changes needed to reduce the environmental footprint of the processes under consideration and develop a model for similar studies of other strategic RadiciGroup products.

The product launch of REvive, recycled polyester yarn made by Noyfil SA

Noyfil SA - a storied RadiciGroup company active in the PET sector - perfected REvive, a line

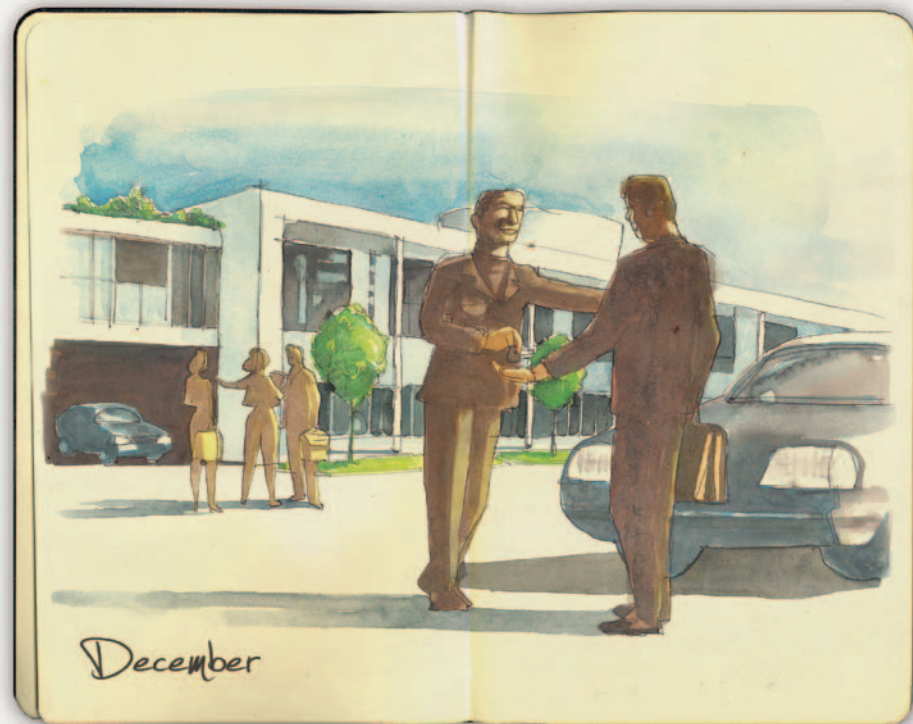


of polyester products derived from post-consumer recycled bottles.

The REvive production process involves washing the recycled bottles, shredding them into

chips, depolymerizing the chips and repolymerizing into granules. Then the PET granules are spun into yarn that boasts performance comparable to products obtained from virgin raw material. Replacing virgin raw material with recycled polyester also yields great savings in natural resources and, consequently, reduced environmental impact, because less energy consumption is required than for the production of virgin polyester. Using recycled PET for the manufacture of new products results in energy savings of up to 50% and significantly cuts CO2 emissions. Recycling 1,000 kg of PET prevents the production of up to 3,000 kg of greenhouse gasses (Carbotech 2007 study, PET Recycling Schweiz).

REvive solution-dyed yarn provides an even higher degree of sustainability: in addition to being produced from recycled materials, it is dyed during extrusion, so there is no need for further finishing treatments. This allows for a significant decrease in energy and water consumption.



Downsizing of the corporate fleet, a decision to promote sustainability and savings

During 2009, RadiciGroup downsized its high environmental impact corporate auto fleet by 50%. Today, in managing corporate fleets, finding solutions that offer savings and sustainability is an established trend.

Decreasing engine size reduces fuel consumption and, consequently, results in lower

emissions of CO2 and all other pollutants. Moreover, thanks to new technology, a smaller engine can generate the same amount of power as a bigger engine and, therefore, give the driver identical performance.

The RadiciGroup corporate fleet is undergoing rationalization: low environmental impact models requiring less maintenance cost will be introduced in 2010 and 2011.

RADICIGROUP SUSTAINABILITY MACROTRENDS

- Certification processes
- Reduction in emissions thanks to structural and technological improvements
- Special focus on the use of water resources
- Green products for a specialized and demanding market
- Awareness training on environmental issues



Responsible Care® is the chemical industry's global voluntary initiative under which companies, through their national associations, commit to continuously striving for excellence in their conduct and performance in the areas of health, safety and the environment, in order to contribute to sustainable development. Today, 175 member companies of Federchimica [the Italian Chemical Industry Federation] participate in the Responsible Care® programme. With aggregate sales revenue of EUR 23.8 billion, these companies make up 52.3% of the sales of the Italian chemical industry as a whole.

In the chemical industry, the health and safety of employees working for local chemical units is a primary commitment pursued with concrete measures. In fact, based on the injury frequency rate, the Italian chemical industry ranks second in safety after the oil industry. This is a gratifying result, which proves that, in spite of the hardships brought on by the economic crisis, the companies participating in the Responsible Care® programme and the chemical industry as a whole continued to invest and dedicate sizeable resources to health, safety and the environment.

The considerable reduction in discharges to water and emissions to air by the companies participating in the in the Responsible Care® programme is in great part attributable to the contraction in production volumes related to the economic crisis. More specifically, concerning the reduction in greenhouse gas emissions and taking 1990 as a reference, the results of the chemical industry (-56.6% in 2008) and the companies participating in the in the Responsible Care® programme (-68.2% in 2009) have met and surpassed the objectives of the Kyoto Protocol and are already in line with the requirements set forth by the European Commission for the post-Kyoto period until 2020.

As regards efficient energy usage, in the period 2007-2008 the chemical industry increased its efficiency by 1.5%, in keeping with a longstanding tradition of improvement. Furthermore, following a 1.6% improvement in the period 2007-2008, the specific consumption of the companies participating in the Responsible Care® programme remained steady in 2009 at the prior year levels.

Source: Federchimica, 16th Responsible Care® Annual Report for the year 2009

RADICIGROUP AND RESPONSIBLE CARE®

Since 2003, RadiciGroup production sites have voluntarily collected and disclosed data on their environmental performance, according to the Responsible Care® protocol.

Worth noting among the 2009 data is the increased number of hours allocated to training on health, safety and the environment, as well as the increase in operating costs for health, safety and the environment, which include management costs and the consumption of goods and services for health, safety and the environment. In addition to these costs, there are expenses for environmental coordination, research, land reclamation and waste management.

Total investment in health, safety and the environment has decreased to around EUR 2.5 million. The lesser investment was due, on the one hand, to budget restrictions and, on the other, to the substantial investments made in prior years, which covered a sizeable portion of the company's needs.

INVESTMENT IN HEALTH, SAFETY AND THE ENVIRONMENT

INVESTMENT IN HEALTH, SAFETY AND THE ENVIRONMENT

Thousands of Euros	2003	2004	2005	2006	2007	2008	2009
Health and safety	827	1,765	1,821	785	563	2,034	1,522
Environment	2,188	968	1,921	2,266	1,932	1,726	904
Total	3,016	2,732	3,741	3,051	2,495	3,761	2,426

OPERATING COSTS FOR HEALTH, SAFETY AND THE ENVIRONMENT

Thousands of Euros	2003	2004	2005	2006	2007	2008	2009
Health and safety	2,089	2,135	1,793	1,687	1,722	1,755.10	2,003.84
Environment	5,972	6,060	5,828	7,292	13,348	6,945.77	7,255.45
Total	8,060	8,194	7,622	8,979	15,069	8,701	9,259

HEALTH, SAFETY AND THE ENVIRONMENT (HSE) TRAINING HOURS

Number of hours	2003	2004	2005	2006	2007	2008	2009
Health, safety and the environment (HSE) training hours	16,194	23,668	17,729	17,645	15,602	17,389.50	18,210.0

HEALTH AND SAFETY IN THE WORKPLACE

The reduction in preventive actions notwithstanding, overall employee safety at RadiciGroup companies has improved, with a net drop in the serious injury frequency rate and no cases of professional illness. This was the first and foremost result of the training and education activities carried out at the various production sites, especially at the chemicals and plastics production units. The safety record constitutes further proof of the spread of a new way of thinking about following the correct procedures and a more careful work approach aimed at continual improvement.

PREVENTIVE ACTIONS

	Medical checks	Clinical tests	Other tests	Workplace health monitoring tests	Per RADICI employee
2005	3,315	3,175	4,630	154	2.80
2006	3,624	2,741	3,561	66	2.46
2007	3,388	2,797	2,143	231	2.21
2008	2,925	3,093	2,559	25	2.38
2009	2,316	1,708	3,030	86	2.23

LOST TIME INJURIES OR INCIDENTS

Number	2003	2004	2005	2006	2007	2008	2009
Fatal injuries	-	-	-	-	-	-	-
1- to 3-day injuries	54	35	25	32	33	18	16
Workers' compensation injuries (>3 days)	212	212	177	172	191	178	99
Workers' compensation commuting injuries	6	13	10	10	10	14	5
RADICI frequency rate	36.33	34.69	29.62	28.60	33.26	31.32	22.00

TIME LOST TO INJURIES

Number of days lost	2003	2004	2005	2006	2007	2008	2009
1- to 3-day injuries	72	101	60	75	60,5	40	32
Workers' compensation injuries (>3 days)	6,198	5,148	4,901	5,567	6,347	5,897	3,692
RADICI Serious injury rate	0.86	0.74	0.73	0.79	0.95	0.95	0.71

PROTECTION, DISCHARGES TO WATER AND EMISSIONS TO AIR

A good part of the emission indicators, in absolute values, show a falling trend. This outcome is, of course, at least partly related to the decreased volume of products manufactured due to the economic crisis. In most cases, however, there was also a decrease in relative terms, as shown by the trend in indicators from 2003 to the present.

There remain a few critical areas where we need to take action, in particular, carbon dioxide emissions from liquid and gas fuel, as well as greenhouse gas emissions. On the plus side, we managed to achieve zero heavy metal emissions to air and drastically reduced discharges to water of the same metals.

As regards water resources, we point out our success in rationalizing water use, as reported in the case histories of some Group companies, and the related reduction in water consumption. The 2003-2009 mains water usage trend shows that consumption from this source has been halved, while the use of river water, the most important source for RadiciGroup companies, exhibits an even more favourable trend.

In the area of waste management, hazardous waste in particular, we report no change in on-site disposal and reclamation, but, on a positive note, an increase in off-site waste reclamation, following the slump in the 2007-2008 period.

DISCHARGES TO WATER

Tons	2003	2004	2005	2006	2007	2008	2009	
COD	280.3	1,589.6	2,869.1	4,792.3	3,352.3	2,391.6	2,501.7	Chemical oxygen demand
N	591.1	440.0	465.2	188.0	301.0	308.4	219.0	Nitrogen
SUSPENDED SOLIDS	0.5	74.3	77.2	221.7	132.3	111.3	106.2	Suspended solids
P	1.7	1.9	2.6	0.8	2.4	2.3	7.6	Phosphorous
HG	-	-	-	-	-	-	-	Mercury
CD	-	-	-	-	-	-	-	Cadmium
PB	-	-	-	-	-	-	-	Lead
CrVI	1.7	2.0	1.7	2.0	1.9	-	0.1	Chromium VI
AS	-	-	-	-	-	-	-	Arsenic
ZN	1.1	0.4	0.3	0.2	0.6	0.6	0.1	Zinc
CU	4.1	4.1	1.8	1.4	0.9	0.8	1.9	Copper
NI	0.2	0.2	0.2	0.2	0.4	0.3	0.3	Nickel
TOTAL HEAVY METALS	7.2	6.7	4.0	3.7	3.8	1.8	1.1	

EMISSIONS TO AIR

Tons	2003	2004	2005	2006	2007	2008	2009	
SO2	649.5	579.3	455.0	867.8	12.1	19.0	6.1	Sulphur dioxide
NOX	976.7	2,569.8	889.5	1,140.2	596.0	518.6	453.7	Nitrogen oxides
DUSTS	82.7	79.6	70.2	19.2	20.3	22.1	21.6	Dust
COV	48.8	67.2	69.3	105.8	143.5	130.3	83.9	Volatile organic compounds
CIV	-	-	-	-	6.1	7.2	3.0	Volatile inorganic compounds
CO	29.7	27.6	27.5	47.3	7.3	19.4	14.1	Carbon monoxide
HG	-	-	-	-	10.8	0.6	-	Mercury
CD	-	-	-	-	-	-	-	Cadmium
PB	-	-	-	-	-	-	-	Lead
CR	-	-	-	-	-	-	-	Chromium
AS	-	-	-	-	-	0.1	-	Arsenic
NI	-	-	-	-	-	-	-	Nickel
TOTAL HEAVY METAL	-	-	-	-	10.8	0.7	-	

ENERGY CONSUMPTION

Units: TEP (Tons of oil equivalent)	2003	2004	2005	2006	2007	2008	2009
Solid fuels	-	-	-	-	-	-	-
Liquid fluids	27,222.6	28,555.9	23,816.9	2,700.1	2,135.9	1,976.1	1,640.1
Gas fuels	97,604.4	89,023.5	66,443.5	82,703.8	78,561.4	70,945.2	61,182.3
Steam purchased	9,599.3	17,718.8	40,738.5	40,438.1	42,493.0	38,095.5	37,372.1
Steam sold	10,023.4	9,582.5	9,938.0	9,535.0	9,755.0	8,590.3	7,369.0
Total	124,402.8	125,715.7	121,060.9	116,307.0	113,435.3	102,426.6	92,825.5

ELECTRICITY PURCHASED

Units: TEP (Tons of oil equivalent)

	2003	2004	2005	2006	2007	2008	2009
Electricity purchased	468,959	534,651	553,839	517,564	621,027	533,911	431,464

TOTAL ENERGY CONSUMPTION

Units: TEP (Tons of oil equivalent)

	2003	2004	2005	2006	2007	2008	2009
Total energy consumption	611,433	674,342	686,239	643,136	745,568	647,002	533,045

EMISSIONS OF GREENHOUSE GASES FROM ADIPIC ACID, NITRIC ACID AND CYCLOHEXANOL

Tons of CO2 eq.	2003	2004	2005	2006	2007	2008	2009
Nitrous oxide (N2O)	6,341,001	7,682,502	6,286,224	1,827,590	1,240,471	850,038	999,890
Other greenhouse gases	33,400	35,562	58,347	59,352	56,612	68,495	62,185

EMISSIONS OF CARBON DIOXIDE FROM LIQUID AND GAS FUELS

Tons of CO2 eq.	2003	2004	2005	2006	2007	2008	2009
Emissions of carbon dioxide (CO2) from gas fuels	100	91	68	85	80	73	63
Emissions of carbon dioxide (CO2) from liquid fuels	100	105	87	10	8	7	6

WATER USAGE

m ³	2003	2004	2005	2006	2007	2008	2009
Mains water	6,785,957	6,757,151	4,292,678	5,694,027	5,698,716	10,572,504	3,847,219
River water	12,212,126	7,274,070	6,732,361	3,342,255	4,150,234	5,073,198	2,203,925
Sea water	-	-	-	-	15	-	-
Well water	5,612,120	6,299,776	6,719,992	4,912,610	5,045,044	4,779,084	4,037,233

WASTE MANAGEMENT

Tons	2003	2004	2005	2006	2007	2008	2009
Hazardous waste	2,981.3	2,798.2	2,453.1	1,795.4	1,923.1	2,866.8	2,116.9
Non-hazardous waste	9,377.5	10,422.5	8,548.1	9,527.0	8,192.0	7,675.92	7,936.39

HAZARDOUS WASTE MANAGEMENT

Tons	2003	2004	2005	2006	2007	2008	2009
Incineration on site	1.00	1.00	1.00	0.75	-	-	-
Incineration off site	2,328.26	1,798.78	1,369.58	1,699.11	2,045.04	1,837.25	1,341.71
Dumping on site	-	-	-	-	-	-	-
Dumping off site	1,182.47	1,415.75	1,327.59	466.6	1,353.31	1,083.56	695.54
Reclamation on site	15.00	19.00	19.00	14.00	12.00	12.00	12.00
Reclamation off site	3,479.05	3,088.21	3,179.73	3,991.66	1,799.65	1,839.42	1,994.37
Other destinations	243.15	378.96	235.57	162.46	181.43	150.46	22.29

CERTIFICATIONS



Radiaci Group Site	Norm ISO 9001:2000	Norm ISO 9001:2008	Norm ISO/TS 16949:02	Norm ISO 14001:2004	OHSAS 18001:2007	External organization	Notes
FIBRES							
Casnigo - Italy		X				CERTITEX	Oeko Tex Standard 100
Villa D'Ogna - Italy	X			X		CERTITEX	Oeko Tex Standard 100
Ardesio - Italy	X					CERTITEX	Oeko Tex Standard 100
Savinesti F&I - Ro	X			X	X	SRAC ROMANIA	
Savinesti IND - Ro	X					SRAC ROMANIA	
Sao José dos Campos - BR	X					FUNDAÇÃO VANZOLINI	
Chignolo d'Isola - Italy		X				RINA	Oeko Tex Standard 100
Stabio - Switzerland	X					DNV	Oeko Tex Standard 100
Andalo Valtellino - Italy		X				RINA	Oeko Tex Standard 100
Tuscaloosa - USA	X					National Quality Assurance USA	
Gastonia - USA		X				National Quality Assurance USA	
PLASTICS							
Villa D'Ogna - Italy		X	X	X		IIP	
Chignolo d'Isola - Italy		X				IIP	
Lünenburg - Germany	X		X			TUV	
Araçariçuama - Brazil		X	X			BVQI	
Suzhou - China		X				TUV	
CHEMICALS							
Novara - Italy		X		X		CERTIQUALITY	
Zeitz - Germany		X		X			DQS safety management system according to incident regulation (12. BImSchV)
TNT							
Gandino, Italy	X					CERTITEX	Oeko Tex Standard 100 + FIRA



VALUE ADDED

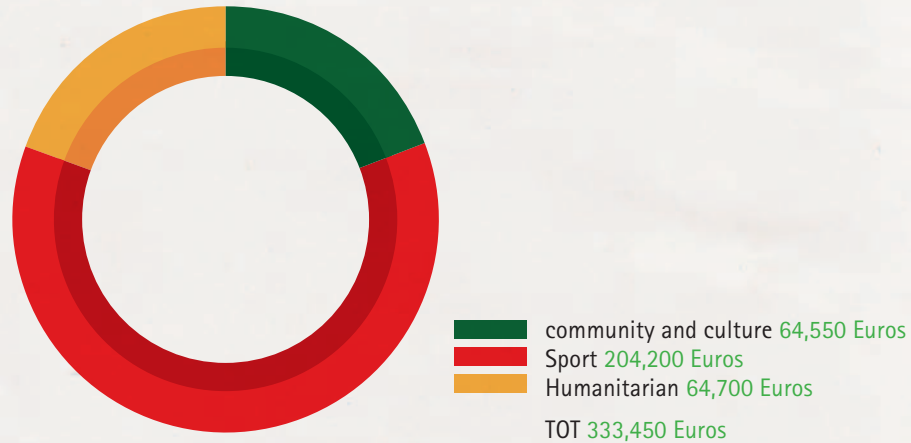
CALCULATION OF VALUE ADDED

ITEMS	31/12/09	31/12/08
A) PRODUCTION VALUE	739,522,464	957,628,728
1. Sales and service revenue	773,653,864	959,932,416 a)
2. Change in work in progress, semi-finished goods and finished goods inventories	(34,607,930)	2,935,374
3. Change in contract work in progress	-	17,775
4. Increase in internally-generated non-current assets	476,531	649,461
5. Other revenue and income	-	-
B) INTERMEDIATE PRODUCTION COSTS	584,192,007	812,312,256
6. Raw materials, supplies, consumables and goods for resale	403,282,816	597,292,603
7. Services	165,260,036	207,289,007 b)
8. Leases and rentals	3,707,821	3,891,610
9. Change in raw materials, supplies and goods for resale inventories	10,609,918	1,882,032
10. Provisions for liabilities and charges	247,781	938,620
11. Other provisions	-	-
12. Miscellaneous operating costs	1,083,634	1,018,383 c)
GROSS VALUE ADDED FROM OPERATIONS (A-B)	155,330,457	145,316,472
+/- Additional and extraordinary items	9,991,422	1 3,691,231
GROSS TOTAL VALUE ADDED	165,321,878	159,007,703
- Depreciation and amortization	46,298,374	54,160,108
NET TOTAL VALUE ADDED	119,023,504	104,847,595

DISTRIBUTION OF VALUE ADDED

A) PERSONNEL COMPENSATION	112,610,852	127,745,773
Contract workers	6,280,980	6,850,720
Employees	106,329,872	120,895,053
a) Direct compensation	84,040,072	95,989,264
b) Indirect compensation	22,289,799	24,905,789
B) GOVERNMENT TAXATION	5,739,172	734,650
Direct taxes	3,105,407	-1,696,496
Indirect taxes	2,715,084	2,955,049
- Revenue grants	81,319	523,903
C) COST OF DEBT CAPITAL	17,396,113	29,365,547
Short-term loan interest	17,396,113	29,365,547
Long-term loan interest	-	-
D) COST OF EQUITY CAPITAL	0	0
Dividends (net income distributed to shareholders)	0	0
E) RETAINED VALUE ADDED	-16,722,633	-52,998,375
+/- Change in reserves	-16,722,633	-52,998,375
F) CHARITABLE CONTRIBUTIONS	333,450	484,200
NET TOTAL VALUE ADDED	119,023,504	104,847,595

BREAKDOWN OF CHARITABLE CONTRIBUTIONS



As in prior years, in 2009 RadiciGroup made a significant commitment to support the social organizations working in the communities where its companies operate.

In the field of sport, the Group made a special contribution to the **RADICI GROUP SKI CLUB**, which has embraced the educational values of sport since its very beginning, promoting them through a very rigorous program of sport and human growth. A strongly motivated technical team coached almost 100 athletes between 5 and 25 years of age, helping them achieve good results in both local and national competitions. Because of its efforts in promoting sport among young people, the Radici Group Ski Club is now the third-highest ranked amateur ski club in Italy.

Among the health and prevention organizations supported by RadiciGroup, there are two of special importance: the **GIANNI AND LUCIANA RADICI FOUNDATION**, which operates in Romania, and the **ENVIRONMENT AND HEALTH DEPARTMENT OF THE MARIO NEGRI INSTITUTE FOR PHARMACOLOGICAL RESEARCH** in Milan, Italy. In 2009 the Gianni and Luciana Radici Foundation was closely involved in providing health assistance to 22 employees suffering from severe illnesses who work for Yarnea and Fibrex Nylon, two Romanian companies belonging to RadiciGroup. Furthermore, the foundation provided assistance to 7 youths affected by severe pathologies, some of whom were members of employees' families.

Special support was also given to the Environment and Health Department of the Mario Negri Institute for Pharmacological Research, which ranks among the international centres of excellence in the field. The Environment and Health Department investigates environmental factors and their effects on human health, with a focus on surveying toxic substances and assessing the risks of human exposure. The Environment Delegation of the "Friends of Mario Negri" Committee, an organization created to promote and support the communication and education activities of the Environment and Health Department, is a regular RadiciGroup collaborator in organizing cultural and educational events aimed at raising environmental awareness.

The **DAY NURSERY "TOYLAND"** in Villa d'Ogna, Italy, is one of RadiciGroup's community-oriented social endeavours in the field of education and training. In 2009, as in prior years, the nursery was managed externally on behalf of Radici Novacips SpA. In addition to receiving support from Radici Novacips SpA, the nursery received contributions from Radici Yarn SpA and GTR SpA, two other RadiciGroup companies located in Villa d'Ogna. The nursery has been successfully operated since 2003, thanks to the collaboration of the Villa d'Ogna municipality, which has management responsibilities. The nursery accepts children between the ages of 1 and 3, giving enrolment priority to the children of employees, who also pay reduced monthly fees. It provides a high-quality educational experience and fosters the personal growth of the children by using the latest educational tools and methods. RadiciGroup provided economic support, or other types of assistance, to numerous other local institutions and associations engaged in social or charitable activities.

PRINCIPLES OF THE RADICIGROUP CHARITABLE CONTRIBUTIONS POLICY

In keeping with the "TO BE GLOCAL" philosophy, which is the underlying theme of RadiciGroup policy, the organizations eligible to receive RadiciGroup support are:

- Local organizations and institutions of excellence operating in the communities where Group companies are based;
- National organizations and institutions with recognized scientific and ethical values.

PROFESSIONAL TRAINING

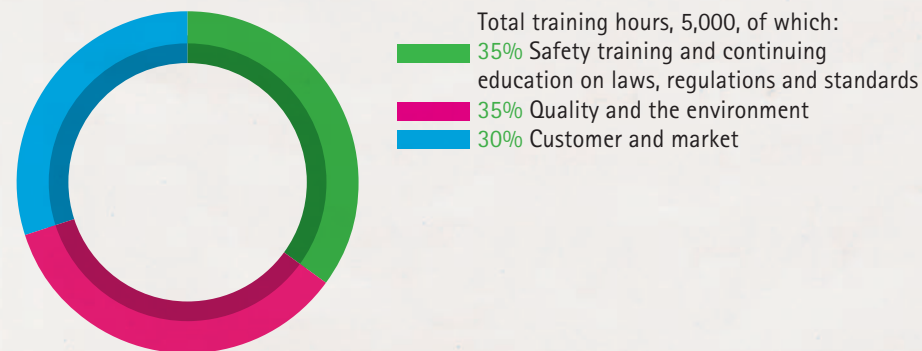
Whereas in 2008 our professional training programme was mostly dedicated to updating management skills and supporting intercompany improvement projects, in 2009 the focus and goals of our training activities were redefined based on an analysis of internal needs and the professional skills required by the market.

Practical and theoretical tools were used to help every employee develop an awareness of safety, quality and the environment as a frame of mind, as an element of value and profitability intrinsic to every business activity.

From these basic objectives, the training programme was designed to serve as an important tool with diverse potential functions:

- To prod critical thinking on safety and environmental issues.
- To expand professional knowledge through the acquisition of specific skills.
- To promote increased safety and sustainability awareness in everyday activities.

By tapping the resources of the Fondimpresa System Account, in addition to funding from individual RadiciGroup companies, the amount of professional training in 2009 was maintained at very good level, despite the economic difficulties. The 2009 case par excellence was Radici Chimica SpA, which provided about 8 hours of training per employee, for a total of 2,500 training hours during the year. Issues covered by the 2009 training programme included process safety and quality, in particular, with special attention to process and product risk prevention. Radici Novacips SpA, a company in the RadiciGroup Plastics Area, administered about 5 hours of training per employee, for a total of 745 training hours, with an emphasis on safety issues. Radici Yarn SpA, part of the RadiciGroup Fibres Area, organized similar training activities. The results of these efforts are reflected in the steadily improving trend in RadiciGroup employee health and safety data that has been collected within the framework of the Responsible Care® initiative since 2003. Corporate level training focused on topics such as international marketing, product development and project management. About 40 employees from across RadiciGroup took part in these training activities, for an average of 32 hours per employee. In this case, the focus was on the development of professional, market-oriented competences and skills, with special attention to strategic development issues and methods.



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