

Sustainability Report 2021

Essentials



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The sustainable future does not belong to those who imagine it, it belongs to those who build it.

”

Angelo Radici
President of RadiciGroup



People and territories

In 2015, the United Nations developed an action programme for people, planet and prosperity, identifying 17 Goals (Sustainable Development Goals or SDGs) related to economic growth, social well-being and environmental protection. **The UN Sustainable Development Goals are charting a new course of responsibility for companies around the world.** And that is not all.

The ESG (Environmental, Social, **Governance**) factors underpinning the SDGs **increasingly influence the ability of companies to operate, grow and create value**, in the present and the long term. They are therefore opportunities that must be seized to maintain and increase competitiveness.

In this context, 11 Sustainable Development Goals refer to the social sphere and five goals are specifically dedicated to the environment. A way of emphasising that people are increasingly at the heart of any sustainability strategy, after many years focussed only on the environment. **People Sustainability is gaining a rightful place.**

In line with the vision inspired by the SDGs in the **2021 Sustainability Report, it is people and local communities that play a key role** through numerous case studies that give examples of solid commitment.

The values outlined in the new Code of Ethics are added to this, built by the Group's People for themselves and for all Stakeholders, which guide the reading and interpretation of the various chapters of the Report and help to illustrate the complexity and multiplicity of RadiciGroup's responsibility choices.

For the full version of the Sustainability Report.



“

The Sustainability Report always gives me the opportunity to look at RadiciGroup from a privileged vantage point, one that looks to the future, and to share some thoughts.

*The **UN 2030 Agenda** is our main **guideline for sustainability today**. It presents us with an ambitious scenario, urges us to confront a multiplicity of challenges that impact our organisation from every point of view. **Global markets and value chains are the other major driver** to lessen the impact of our organisation, to become stricter in terms of sourcing and supply chain social conditions.*

*Here we have the ambition to be, for those we work with, enablers or facilitators on many issues: from the **circular economy** in which we play a leading role through **eco-design** and **recycling**, to the **innovation** we put at the service of those who process and ultimately use our products. And we must also note the contribution we make to **decarbonisation**, a benefit for RadiciGroup and for Customers, Employees, local communities and all Stakeholders.*

*I am convinced that to be credible in this role, it is necessary to measure oneself to monitor the effectiveness of the path taken, and certainly the Sustainability Report is a vital tool to take stock of our results. In relation to the latter, I am particularly pleased to share with you the progressive increase of electricity **from renewable sources**, which now **exceeds 50%** across our Group. Increasingly more of our companies are using entirely green energy and making a responsible*

*choice for the environment and future generations. Similarly, the significant investments in the chemicals sector made last year have enabled us to reduce direct emissions per ton manufactured by **18,7% compared to 2019 and by 60% between 2011 and 2021**. An excellent achievement that encourages us to continue on this path: working earnestly on **state-of-the-art products that also perform well in terms of sustainability**.*

*The young people in our family look at us and ask us what our and their role will be in the years to come. The answer I share with my brothers is that our companies must continue to be places where **people are valued for their uniqueness**, can count on **safe working conditions and respect for their rights**.*

*Looking at the figures in the 2021 Sustainability Report, I am pleased to note that **our staff** is growing, with increasingly more women. The younger generation is also increasingly working alongside senior Workers, bringing skills and enthusiasm, and drawing on the valuable wealth of knowledge of those who have had their entire professional careers with us, at RadiciGroup. **I thank all of you**, our sustainability results (and more) are the result of the hard work of more than 3,000 Employees worldwide.*

*If people are one of the main keys to understanding the Report, territories are another, equally important one. The Seriana Valley where we were established, but also the Europe that saw us grow and **the world that is our horizon today**. In each of the communities where we are located, **the territory is listened to and supported**. Projects with schools, the choice to support the local*

neighbourhood or the municipality, initiatives with employees' families. Reading the Report myself I am amazed at the quality and quantity of the initiatives. In each of these choices our Values are reflected, the same ones reaffirmed by the Code of Ethics that we renewed in 2021 and which marks the chapters of the Report.

*After two years during which we were convinced that we had experienced every possible difficulty, 2022 also opened with great uncertainty. **I am confident** because in our Group, and this Sustainability Report confirms my belief, we have all the resources and potential we need to continue to do well. We know how to be responsive, innovative and tenacious while remaining true to our roots, to our style, **cultivating that pride in being RadiciGroup that makes us special**.*

”

Angelo Radici
President of RadiciGroup

The Group



Who we are

RadiciGroup is **one of the world's leading producers of a wide range of chemical intermediates, polyamide polymers, high performance polymers and advanced textile solutions**, among which nylon yarn, polyester yarn, yarn made from recovered and bio-source materials, nonwovens and personal protective equipment for the healthcare and industrial sectors.

RadiciGroup products are the result of the Group's outstanding chemical expertise and vertically integrated polyamide production chain and have been developed for use in a variety of industrial sectors. The basis of the Group's strategy is a strong focus on innovation, quality, customer satisfaction, and social and environmental sustainability.

Our Mission

- **To promote the development** of our businesses while **pursuing** our Group values and culture.
- To pursue our vision by **valorising and optimising our resources**, establishing alliances and searching for new markets, including niche markets.
- To embed **sustainability** into **new product** and application development.

The Code of Ethics

Governance underpins RadiciGroup's structure, guides its strategic choices and guides its environmental and social responsibility policies. To further strengthen its governance, in July 2021 RadiciGroup adopted a **new Code of Ethics, in line with the most advanced sustainability criteria.**

The Code of Ethics came from the passion of around 60 Employees of different ages and nationalities, with recent or established professional backgrounds, who have contributed to building the Group's vision today and in the future, without forgetting its origins. On the basis of their experience and expertise they have built the Corporate Values, laying the foundations, through principles shared with all Stakeholders, for the sustainable growth of RadiciGroup in every part of the world.



For the full version of the Code of Ethics.



Values

01. **Legality and respect for the law: a guarantee for all of us**

Our Group respects, and is committed to enforcing in all companies, the laws of the countries where it does business.

We support the dissemination of a culture of active legality, in the conviction that, even in the workplace, dignity, freedom, security and solidarity are values to which everyone must contribute.

02. **Sustainability drives us**

Our processes are optimised, we invest in reducing impacts and in producing products with measured and limited environmental performance. We promote training and are attentive to Workers' Health and Safety because RadiciGroup recognises the centrality of the Person as its key principle.

We work together with the local communities, where most of our Employees come from, for harmonious growth.

Together with our Stakeholders, we have always realised our commitment to sustainability to create shared value.

03. **Health and Safety at work**

Health and Safety are of paramount importance to us. This fuels our commitment to comply with all measures required by current regulations and beyond. We also act proactively to constantly analyse risks and prevent accidents. Employee training and involvement make the difference in our Group.

04. **Our capital, is, above all, human**

The Person is at the heart of our strategy. We promote professional development by recognising merit, valuing skills and investing in training.

We consider work-life balance a pivotal point for an optimal corporate environment.

05. Elements creating value

We are a local and, at the same time, global Group. Diversity is one of our strengths, an element that gives value to choices. That is why we promote the principles of equal opportunities and inclusiveness and reject all discrimination based on gender, racial and ethnic origin, nationality, age, political opinions, religious beliefs, health status, sexual orientation and socio-economic status.

06. Never without fairness and transparency

Fairness and transparency are among our key principles. Every process must be clear with regard to roles and responsibilities, every decision must be justified and taken without departing from the principle of good faith, respecting the rules and People. Our relationships with everyone we work with are built in the name of transparency, while respecting the obligations of confidentiality.

07. We feel responsible

Each one of us is committed to taking responsibility for our actions, to respecting the time schedule in carrying out our work, to respecting all Stakeholders. We are convinced that any mistakes made in daily work are an opportunity to grow.

08. Team spirit is our best raw material

We are confident that sharing information and experiences between different functions of the same company, as well as between different companies of our Group, helps us grow. We want to nurture a culture of collaboration between company functions and promote initiatives to strengthen our team spirit, the most important of all our raw materials.

The United Nations Sustainable Development Goals (SDGs)

When the United Nations developed the 2030 Agenda, the ambitious programme of action for people, planet and prosperity based on equitable economic growth, social welfare and environmental protection, they first called upon companies. The latter have been entrusted with an important responsibility, to put their resources at the service of all-round sustainability.

RadiciGroup has not shied away from the challenge. Year after year, **the Group shares the spirit of the SDGs and makes a real contribution to their achievement** through numerous initiatives described in this Sustainability Report and highlighted by the iconic features in the various chapters.



The Group Quality, Environment, Energy, Health and Safety Policy

This Group Quality, Environment, Energy, Health and Safety Policy is an important embodiment of the principles that inspire RadiciGroup in the implementation of the United Nations Sustainable Development Goals.

An integral part of Group Governance, it guides the ethical, compliance and quality standards that RadiciGroup has set over time.



“

Looking at added value from a broad perspective, **ensuring continuity and being inclusive of all Stakeholders**. This is how RadiciGroup brings to life its corporate values: putting people at the centre of everything it does, reliability, fairness and transparency. By following these guidelines, the Group ensures **the quality of its products, promotes occupational health and safety, and carries on business with respect and care for the environment**. A long-term commitment to the pursuit of truly sustainable social, economic and environmental development driven by innovation and research is the foundation for the engineering and advancement of the Group's technology, processes and products.

Within the above framework, RadiciGroup pursues the objective of increasing **cooperation and synergy among the functions of the Group Business Areas** to build a path towards the optimisation and excellence of each process through the **continual improvement of activities, transparency in operations and communications, and quality and performance of products and services** – all in close collaboration with Stakeholders.

Diligent compliance with the laws and regulations on the environment, occupational health and safety, and prevention of harmful incidents potentially affecting products and production processes is the fundamental basis of every Group business activity. To this end, **RadiciGroup** companies have adopted **Quality, Environmental, Energy, Health and Safety Management Systems**, duly certified by recognised certification bodies and based on a set of well-defined procedures, understood at all organisation levels.

In order to ensure the **quality of its products** and services, the Group has numerous tools at its disposal that enable

its companies to develop **robust and reliable processes**, meet the most exacting requirements and foster continual improvement. As regards the **environment and energy**, RadiciGroup is engaged in **optimising performance** and working towards targets that can be seen and measured, by investing financial, human and technological resources to monitor and reduce environmental impact. At the same time, the Group is **engaged in promoting commitment to the environment among its Customers, Suppliers and Workers**, in particular through activities aimed at getting all Stakeholders involved. The Group's environmental agenda covers its entire production value chain, including the calculation of the environmental footprints of the main products and services and feasibility assessments of **using ecodesign and circular economy principles**, wherever possible.

RadiciGroup Management is aware of the fact that worker **health and safety** is always a **top priority** and of central importance. Thus, Management ensures the application of the safety standards set out in the applicable laws and regulations, regularly verifies compliance with said standards and assesses their effectiveness, with the aim of improving accident prevention and reducing accident risk. Group Management also promotes **transparent and collaborative relationships with local authorities** and communities, furthers the implementation of **worker consulting mechanisms** and encourages worker participation in corporate processes. Moreover, the Group invests sizeable resources in **training Workers to increase knowledge and raise awareness** of how important the contribution of each single Worker is in achieving the overall result.

”

Angelo Radici

President of RadiciGroup

Maurizio Radici

Vice president of RadiciGroup

June 2019

Figures making a difference



Personnel
around **3,000**
employees

2021 Sales
1,508
million €

Network
>30
production and sales
units in Europe, North and
South America and Asia

*Consolidated 2021 turnover of RadiciGroup.



A global presence



Europe

Czech Republic

Podbořany

France

Saint Priest

Germany

Lüneburg

Selbitz

Tröglitz

Hungary

Szentgotthárd

Switzerland

Stabio

United Kingdom

Wakefield

Romania

Săvinești

Spain

Barcelona

North and South America

Argentina

Buenos Aires

Rio Grande

Brazil

Araçariguama

São José dos Campos

Mexico

Ocotlán

USA

Wadsworth

Italy

Ardesio

Buronzo

Casnigo

Chignolo d'Isola

Gandino

Novara

Villa d'Ogna

Asia

China

Shanghai

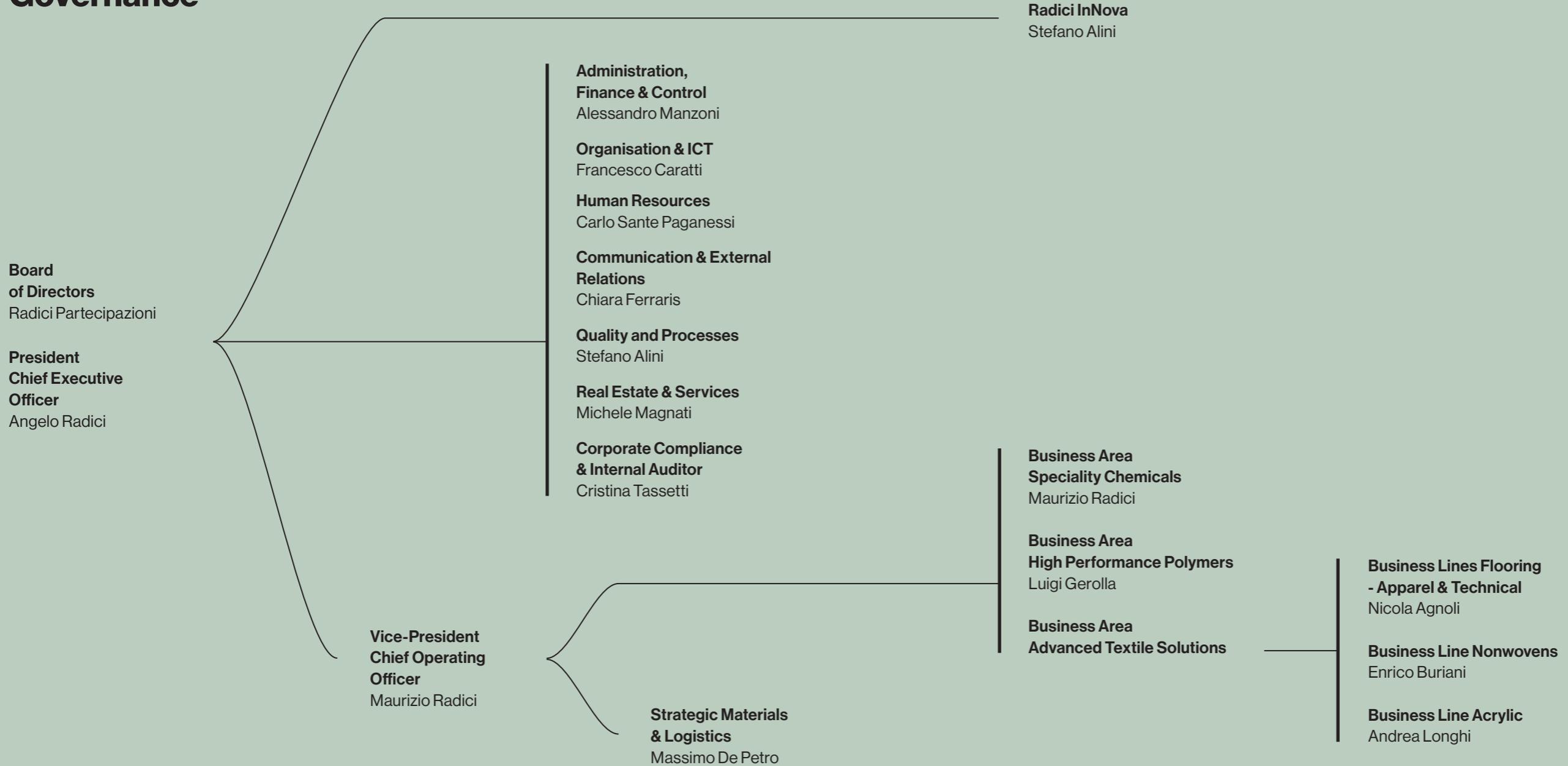
Suzhou

India

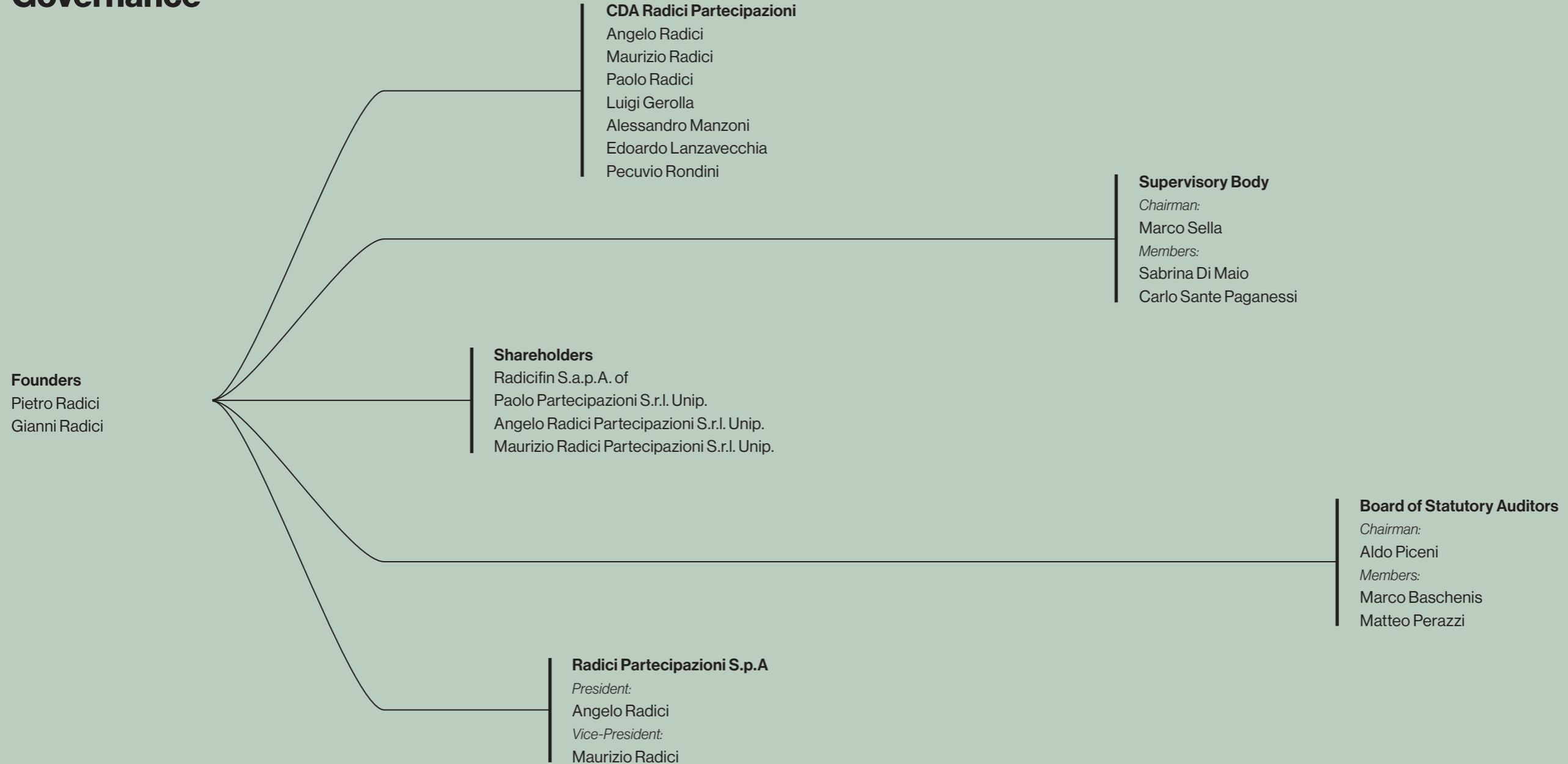
New Delhi



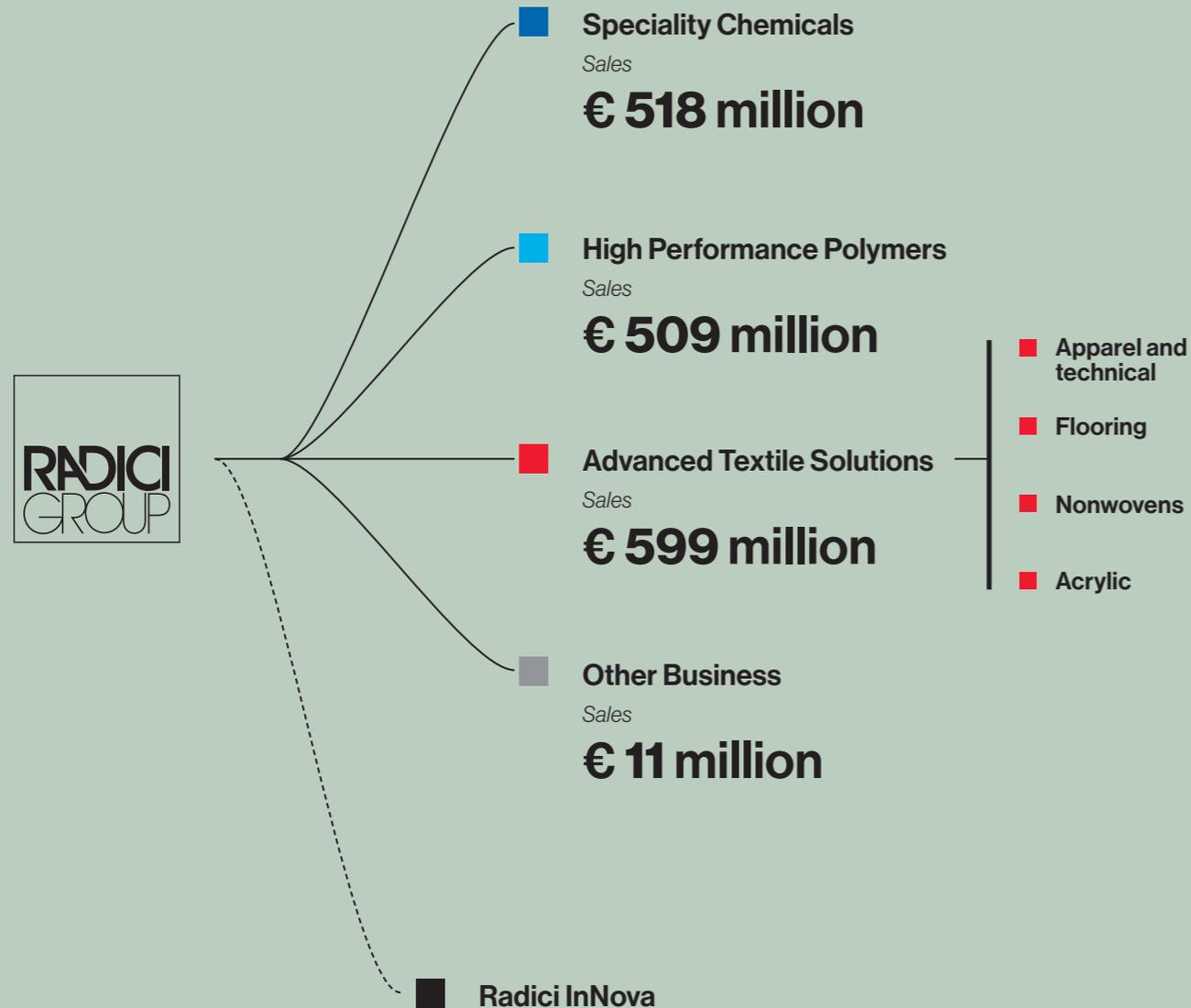
RadiciGroup Governance



RadiciGroup Governance



Organisational structure



The RadiciGroup Business Areas

Speciality Chemicals Area

This business area specialises in the production of **chemical intermediates, PA6, 66, 610 and speciality polymers**: raw materials used for the manufacture of multiple products both directly by the Group, for further processing in the high-performance polymer and fibre sectors, and by Customers.

High Performance Polymers Area

Specialising in the production of high-performance polymers, including from bio-based or recycled sources. RadiciGroup engineering polymers have numerous chemical-physical-mechanical properties depending on the type of application for which they are used.

Advanced Textile Solutions Area

This Business Area covers a **variety of product types ranging from polyester thread, nylon thread, non-woven fabrics from fossil, recycled and partially or wholly bio-based sources.**

Radici InNova. The Source of InNovation.

The 3 business areas are flanked by **Radici InNova**, a consortium company which **aims to develop new research and innovation projects** for the chemicals, high-performance polymers and advanced textile solutions sectors, **in line with the Group's sustainability strategy.**

The main application sectors



RadiciGroup products are present in every aspect of everyday life. Their properties – durability, performance and, in many cases, sustainability – make them the ideal choice for Customers all over the world. Below is an overview of the main products and their respective application sectors.



Apparel



Electrical & Electronic



Automotive



Medical



Industrial



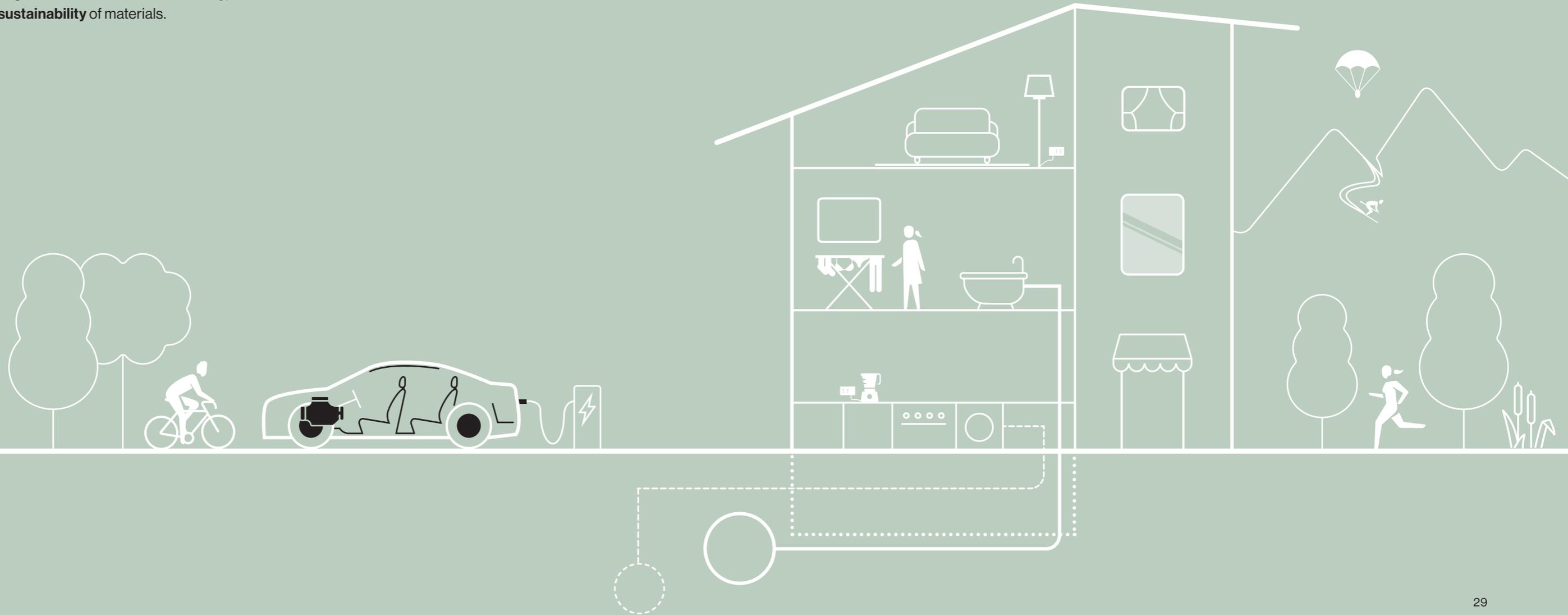
Sports



Interior & Outdoor

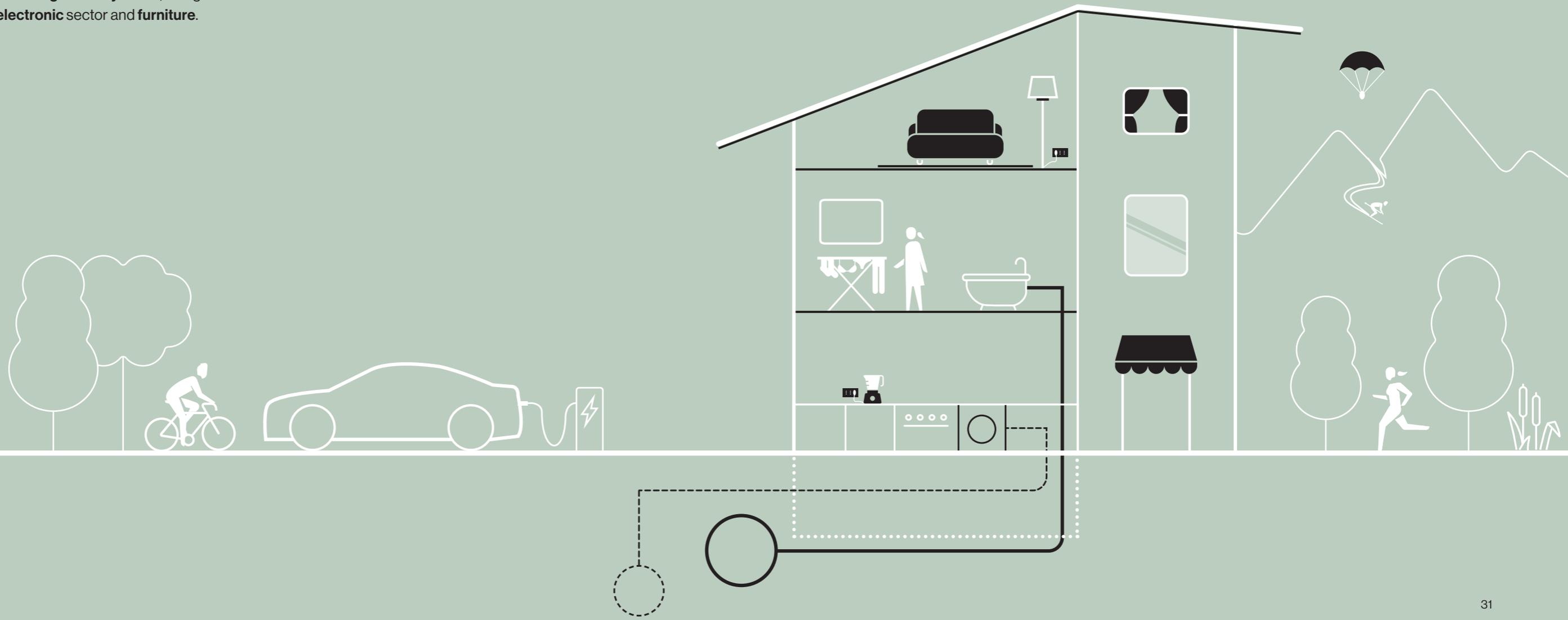
Automotive

A relevant presence as for **engineering plastics in the car structural parts** and in **engine components**, batteries and **charging systems** of electric and hybrid vehicles. Advanced textile solutions with yarns and nonwovens for **car interiors: mats, seats and trunk lining**. A cutting-edge know-how to ensure **safety, performance** and **sustainability** of materials.



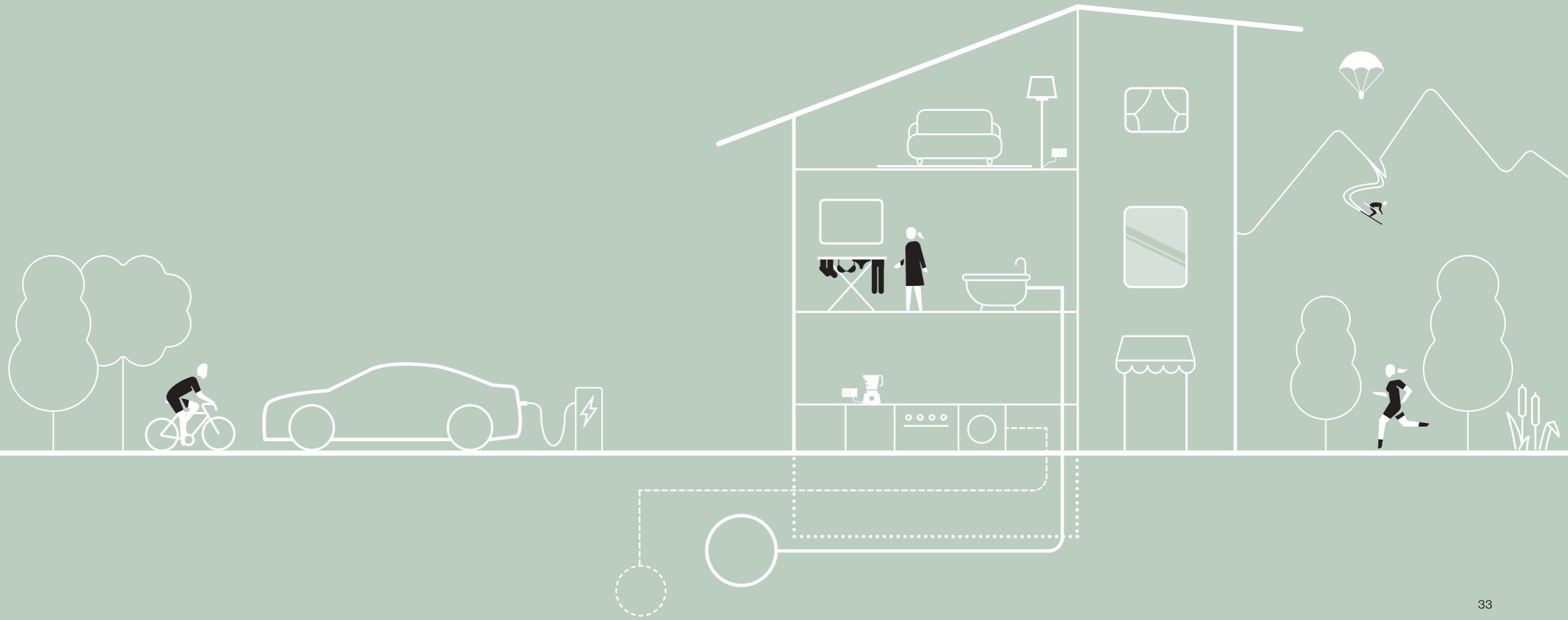
Interior & Outdoor

Innovative **textile solutions** with **yarns for flooring**, **curtains**, **sun protection systems**, upholstery of **furnishing accessories** such as sofas and armchairs. **Nonwovens** for the **construction** and **roofing** sectors. Engineering **polymers** for **household appliance components**, **water management systems**, along with the **electrical** and **electronic** sector and **furniture**.



Apparel

Cutting-edge know-how for **applications in clothing**, from **sportswear** to **underwear**, from **hosiery** to **athleisure** and **beachwear**. **Functionalized yarns** to enhance garment **comfort**, **wearability**, **durability** and **performance**, with special focus on reducing their environmental impact.



Medical

Safe and high-performance materials that contribute to **daily well-being and health**.

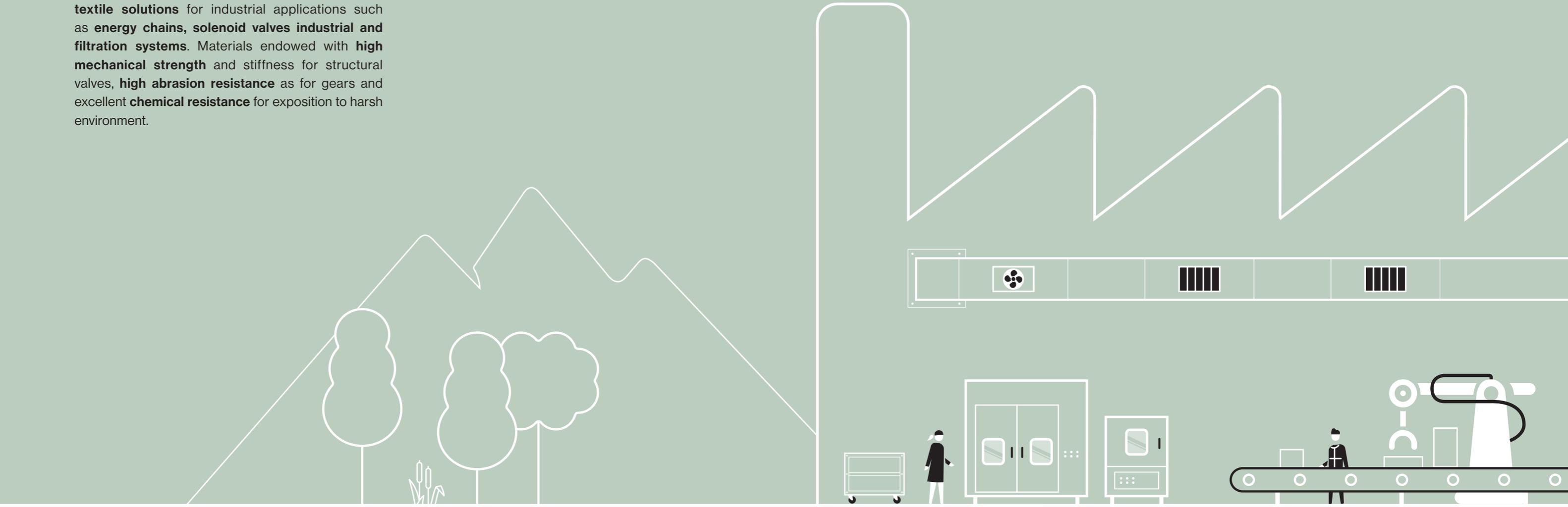
Med-tech yarns for **braces, sheaths sportswear, bandages, graduated compression stockings and clothing for healthcare personnel**.

Nonwovens for medical protective devices such as gowns, suits, caps, shoe covers and face masks.



Industrial Sector

Range of **engineering polymers and advanced textile solutions** for industrial applications such as **energy chains, solenoid valves industrial and filtration systems**. Materials endowed with **high mechanical strength** and stiffness for structural valves, **high abrasion resistance** as for gears and excellent **chemical resistance** for exposition to harsh environment.



RadiciGroup: one group, multiple worlds

RadiciGroup is a structured and multifaceted reality that, in addition to its core businesses described above, **is also part of a larger industrial organisation** that includes textile machinery (Itema), energy (Geogreen) and the hotel (San Marco) businesses.

itema

The history of Itema Group traces back to the entrepreneurial vision of **Gianni Radici** who has built, through important partnerships and acquisitions, **a solid company at the pinnacles of the textile machinery industry since 1967**. Headquartered in Colzate, **60% of the shares of Itema belong to the family of the heirs of Gianni Radici, while the remaining 40% belongs to the Arizzi and Torri families**.

With **1,099 Employees** in **7 production plants** and **15 branches** around the world, Itema Group generated an overall **turnover of € 308 million in 2021**.

- The parent company Itema® is today among the **world leaders in the supply of advanced weaving solutions**. It is also the **only manufacturer in the world** to provide the market with the top three shuttleless weft insertion technologies: **rapier, airjet and projectile**.
- Itema Group is also active in the industrial sector through **Schoch®**, manufacturer of accessories for the textile industry, and **Lamiflex®**, producer of components in composite materials for the textile machinery, industrial, aerospace and medical sectors.
- **Itemalab®**, Itema®'s advanced research incubator, also offers to third companies **transversal systems engineering and business process re-engineering services**.



An Italian group founded in 2000 as the sole energy Supplier for RadiciGroup, with its companies GeoEnergie SpA and Geogreen SpA it is now **one of the most qualified Suppliers** of an integrated system of products and services:

- Supply of **renewable electricity and natural gas**.
- Production of **Hydroelectric** and **Thermoelectric** Energy from Cogeneration.
- Development of **renewable energy** and **district heating** projects.



Prestigious **hotel in the heart of Bergamo**, at the foot of the famous medieval village that attracts tourists from all over the world.

- **Rooms equipped with the most modern comforts** and facilities with advanced technical and audiovisual services.

- **Consulting** services for energy efficiency management, **quota management** and **CO₂ emission rights**.
- **Trading of energy efficiency** certificates (white certificates) and **Guarantees of Origin from Renewable Sources (GO)**.
- With a constant awareness of the need to **protect the environment and in particular water**, a key resource for its activities, the Geogreen group operates under the most advanced standards of sustainability and in harmony with the local areas where its power plants are located and to which it **offers 100% renewable energy**.
- Capacity for hosting corporate meetings and receptions, as well as offering refined **catering and banqueting services** thanks to the **Roof Garden restaurant**.
- Cuisine that combines **traditional Italian flavours and aromas** with **innovation** and experimentation with cutting-edge techniques and products.
- It is also suitable for a **wide range of banqueting, business lunches and special occasions**.

Sustainability strategy and value creation



Balancing the different facets of sustainability. This is the challenge that RadiciGroup has taken on, with the deep conviction that economic, social and environmental interests must be harmonised for the sake of both improving corporate performance and contributing to a better future for our planet and its inhabitants.

Today, one of the most important challenges in its **sustainability strategy** is to **create lasting value shared** with Stakeholders.

A principle that year after year has many facets:

Creating value for Workers

- **Respect human rights** in every country across the globe and ensure the soundness of the employment relationship.
- **Protecting** health and safety.
- Implement continuous and voluntary training programmes that aim at **developing the skills** of each Employee in accordance with their aptitudes, work duties and professional career.
- **Involve People**, through daily dialogue and the Group's information and communication tools.

Creating value for the Environment

- Combat climate change and the exploitation of the planet's resources through ambitious **goals inspired by the 2030 Agenda**.
- Increasingly **develop circularity** as a business model and make the best use of resources.

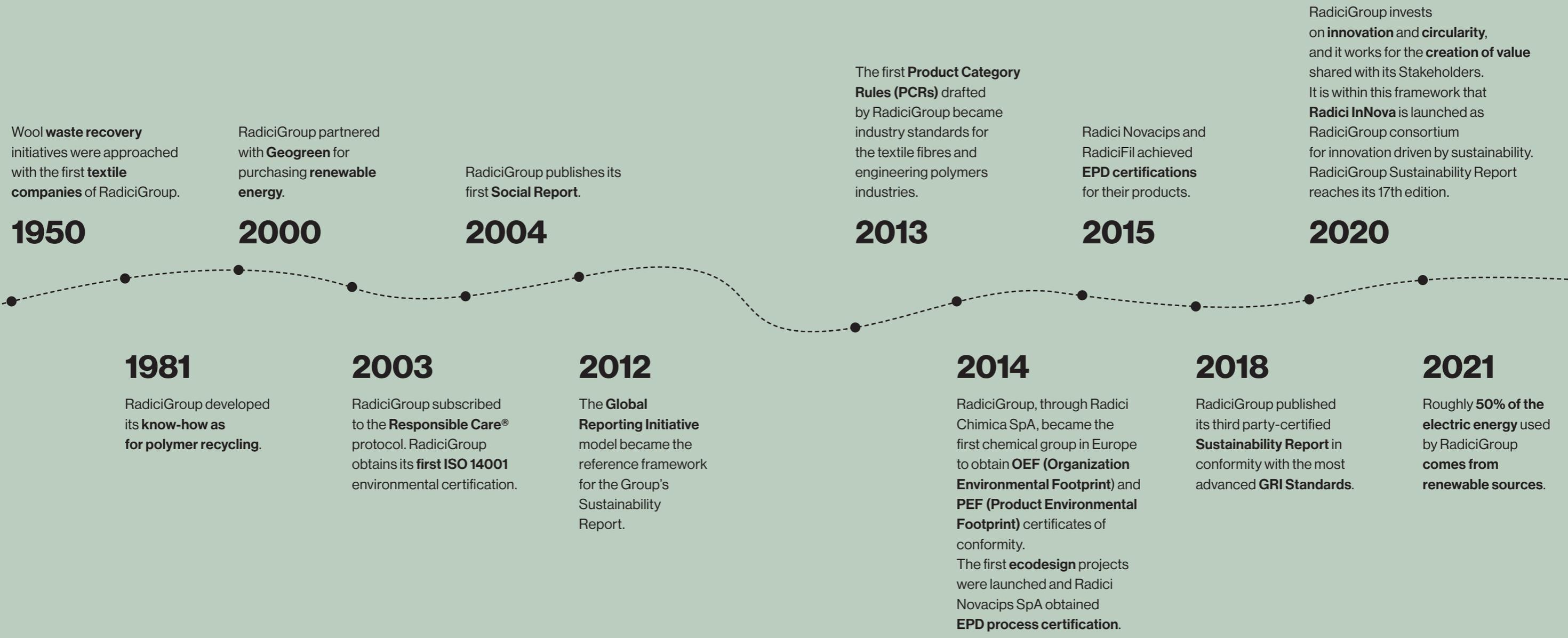
Creating value for the Value Chain

- **Invest in innovation** as a strategic driver.
- **Work** together with all players in the supply chain to produce durable, safe, high-performance products with a limited and measured impact.

Creating Value for Local Communities and Territories

- **Respond to the needs of** local areas with solutions adapted to the culture and sensitivity of local communities.
- **Specifically support** the **younger generations**, to enable them to count on Employee and growth opportunities in their communities of origin.

A Sustainability story



The materiality and sustainability matrix

The materiality matrix illustrates, with tangible topics, the translation of the concept of sustainability and value creation in RadiciGroup's daily operations. "Material" topics are the environmental, social, economic and product topics that are essential for the Group.

RadiciGroup materiality matrix - topics

Environmental Development	Energy
	Emissions
	Water
	Waste
	Raw materials
	Product sustainable innovation and measurement of product environmental impacts
Social Development	Employment
	Occupational health and safety
	Employee training and education
Economic & Management Development	Economic performance
	Customer satisfaction
	Compliance
	Certifications and integrated management systems

Stakeholders

Environment
 Trade associations
 Group companies
 Shareholders
 Board of Directors and Management
 Customers
 Communities (Discussion and interest groups)
 Local communities and territories

Competitors
 Suppliers
 Banks and insurance companies
 Workers
 Media
 Academic and research institutions
 Control and monitoring bodies
 Trade union organisations

The principles underpinning the relationship between RadiciGroup and its Stakeholders:

- **Sharing goals** for social, economic and environmental sustainable growth.
- **Joint and participatory planning**, especially with value chain players.
- **Transparent relationships and respect for the roles** of all Stakeholders and their operating context.
- **Openness to dialogue** and mutual improvement through discussion and collaboration.

Creating value for Workers

From the Code of Ethics

We care about People

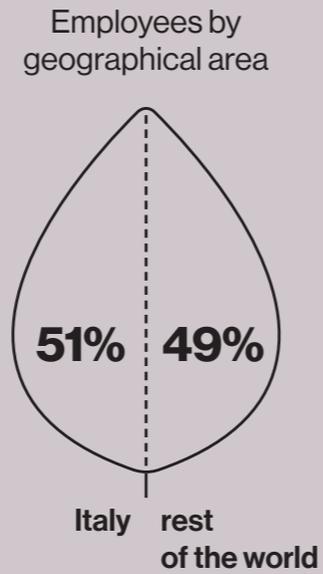
At RadiciGroup we recognise the centrality of the Person, basing our relationship with our Employees on the principles of fairness, legality and respect for national collective agreements.

- We reject all forms of child or forced labour.
- We promote merit and equal opportunities, rejecting any kind of discrimination.
- We carry out the personnel selection and recruitment process based on the suitability of candidates to meet the organisation's needs, according to equal opportunity and transparency criteria.
- We invest in the growth, training and fulfilment of People, to increase and enhance their skills and knowledge.
- We recognise and protect, in every company, the right of Employees to join trade union or political associations, promoting constructive dialogue with these associations.
- We protect labour relations from harassment, hostile and discriminatory actions intended to isolate or demean individual people or groups of Workers. Included in this principle is sexual harassment, i.e. the imposition of expressly unwelcome interpersonal relationships.

Elements creating value

- **Safeguard employment** as the primary asset with **collective, full time agreements**.
- **Respect the human rights** of Workers everywhere in the world.
- **Protect Worker health and safety** by constantly monitoring the effectiveness of risk management processes and providing training on specific health and safety topics.
- Implement continuous and voluntary training programmes that aim at **developing the skills** of each Employee in accordance with their aptitudes, work duties and professional career.
- Involve Workers through **daily dialogue**, and through all the information and communication instruments of RadiciGroup.

Employees are geographically distributed with just over half in Italy and the rest in Europe, Asia and the Americas. This highlights how important internationalisation and cultural diversity are to the Group.



GRI 102-8 Employees by region

		2019	2020	2021
Men				
n	Italy	1,292	1,249	1,249
n	Rest of Europe	597	556	587
n	Asia	70	71	88
n	North and South America	290	279	309
Women				
n	Italy	312	313	329
n	Rest of Europe	418	369	397
n	Asia	26	29	31
n	North and South America	69	76	75
Total				
n	Italy	1,604	1562	1,578
n	Rest of Europe	1,015	925	984
n	Asia	96	100	119
n	North and South America	359	355	384

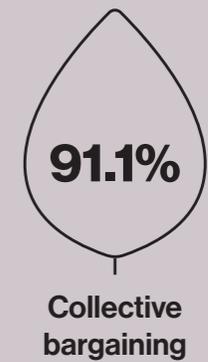
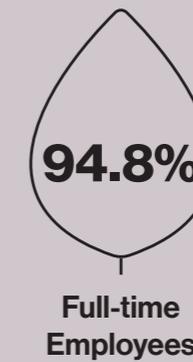
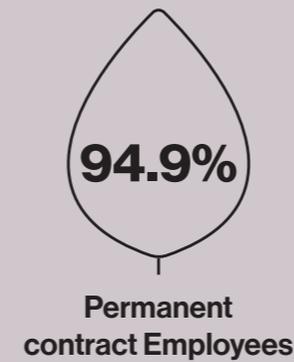
Data on RadiciGroup Workers and Employees are reported as of 31 December of each year and counted HDC (Headcount).

RadiciGroup Employees by gender, employment contract and employment type

		Men			Women			Total		
		2019	2020	2021	2019	2020	2021	2019	2020	2021
n	Total Employees	2,249	2,155	2,233	825	787	832	3,074	2,942	3,065
	<i>of which</i>									
n	Permanent contract Employees	2,146	2,062	2,135	768	732	774	2,914	2,794	2,909
n	Temporary contract Employees	103	93	98	57	55	58	160	148	156
%	Permanent Employees to total Employees	95.4%	95.7%	95.6%	93.1%	93.0%	93.0%	94.8%	95.0%	94.9%
n	Full-Time (permanent + temporary)	2,222	2,132	2,209	703	657	698	2,925	2,789	2,907
n	Part-Time (permanent + temporary)	27	23	24	122	130	134	149	153	158
%	Full-time Employees to total Employees	98.8%	98.9%	98.9%	85.2%	83.5%	83.9%	95.2%	94.8%	94.8%

Employees by bargaining agreement type

		2019	2020	2021
n	National collective bargaining agreement	2,148	2,103	2,163
n	Corporate collective bargaining agreement	627	589	628
n	Individual employment agreement	299	250	274
n	Total Employees	3,074	2,942	3,065
%	Individual employment agreement	9.7%	8.5%	8.9%
%	Collective bargaining agreement	90.3%	91.5%	91.1%



People, our most important resource

The Group has always considered Employees to be its main stakeholders. After the complex pandemic period, which also had repercussions in 2021, albeit less severe than 2020, some important commitments to people remained in place:

- **Maintaining**, under enhanced safety conditions, all possible **work activities**.
- **Financial support for Workers** through the timely application of the support instruments provided by law.
- **Training** to improve the qualities and contribution of each individual.
- **Encouraging team spirit**.

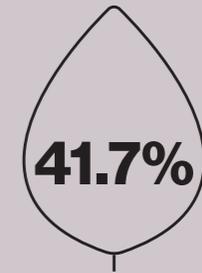
We value our Employees

Balancing the different facets of sustainability. This is the challenge that RadiciGroup has taken on, with the deep conviction that economic, social and environmental interests must be harmonised for the sake of enhancing its corporate reputation and creating a virtuous cycle of **improvement in its overall performance**.

Added value is a fundamental **link between** RadiciGroup's economic-financial strategy and its **sustainability policy**. It allows us to quantify the wealth produced and to understand how it is distributed among stakeholders.

It is in this spirit that in 2021, again, remuneration has found a prominent place in the value-added distribution statement for the approximately 3,000 Employees.

Together with the remuneration of the Public Administration, this is based on fairness and a contribution to the Group's traditional regional development.



of value added

3,065
Employees

GRI 201-1 Generation of value added

	2019	2020	2021
€ A) Production value	1,092,185,863	992,986,379	1,542,447,792
Sales and service revenue	1,091,177,501	1,017,850,797	1,507,508,410
Change in work progress, semi-finished goods and goods inventories	52,085	(25,189,105)	34,668,659
Change in contract work in progress	-	-	-
Increase in internally generated non-current assets	956,276	324,687	270,723
Other revenue and income	-	-	-
€ B) Intermediate production costs	797,060,960	709,553,569	1,145,107,360
Raw materials, supplies, consumables and goods for resale	611,032,681	489,678,028	880,164,220
Services	171,448,387	204,011,759	302,281,015
Lease and rentals	5,642,452	5,589,703	5,702,612
Change in raw materials, supplies and goods for resale inventories	6,959,604	7,959,275	(46,864,856)
Provision for liabilities and charges	200,277	215,640	503,550
Other provisions	15,971	257,738	174,853
Miscellaneous operating costs	1,761,590	1,841,425	3,145,967
€ Gross value added from operations (A-B)	295,124,902	283,432,810	397,340,432
+/- Additional and extraordinary items	9,985,738	13,432,075	16,932,725
€ Gross total value added	305,110,640	296,864,886	414,273,156
- Depreciation and amortisation	45,621,065	43,726,957	57,470,025
€ Net total value added	259,489,575	253,137,929	356,803,131

GRI 201-1 Generation of value added

	2019	2020	2021
€ Personnel wages and benefits	143,530,512	132,331,564	149,042,091
Contract Workers	6,670,341	6,097,960	7,290,50
Employees	136,860,170	126,233,604	141,751,588
Direct compensation	110,024,451	101,210,043	114,086,091
Indirect compensation	26,835,720	25,023,561	27,665,497
€ Payments to government	31,288,076	30,774,032	52,856,534
Current taxes	32,044,656	37,184,830	56,091,602
Direct taxes	28,757,519	34,314,961	52,754,312
Indirect taxes	3,287,137	2,869,869	3,337,290
Deferred taxes	(65,623)	(3,381,104)	(1,621,685)
Revenue grants	(690,958)	(3,029,694)	(1,613,383)
€ Payments to loan providers	3,504,333	2,302,863	2,296,089
Short-term loan interest	3,504,333	2,302,863	2,296,089
Long-term loan interest	-	-	-
€ Payments to shareholders	25,500,000	15,000,000	40,200,000
€ Retained value added	55,136,155	72,181,028	111,798,810
+/- Changes in reserves	55,136,155	72,181,028	111,798,810
€ Contributions and donations	530,500	548,442	609,608
€ Net total value added	259,489,575	253,137,929	356,803,131

Training courses for professional growth

In the Group, **individual training plans** are structured along a set pathway that begins with the identification **of needs**, then translated into targeted **training** and ends with an **assessment of the effectiveness** of the training.

The primary objectives of the plan include **increasing skills, improving awareness of** one's role, and **achieving full legislative compliance**.

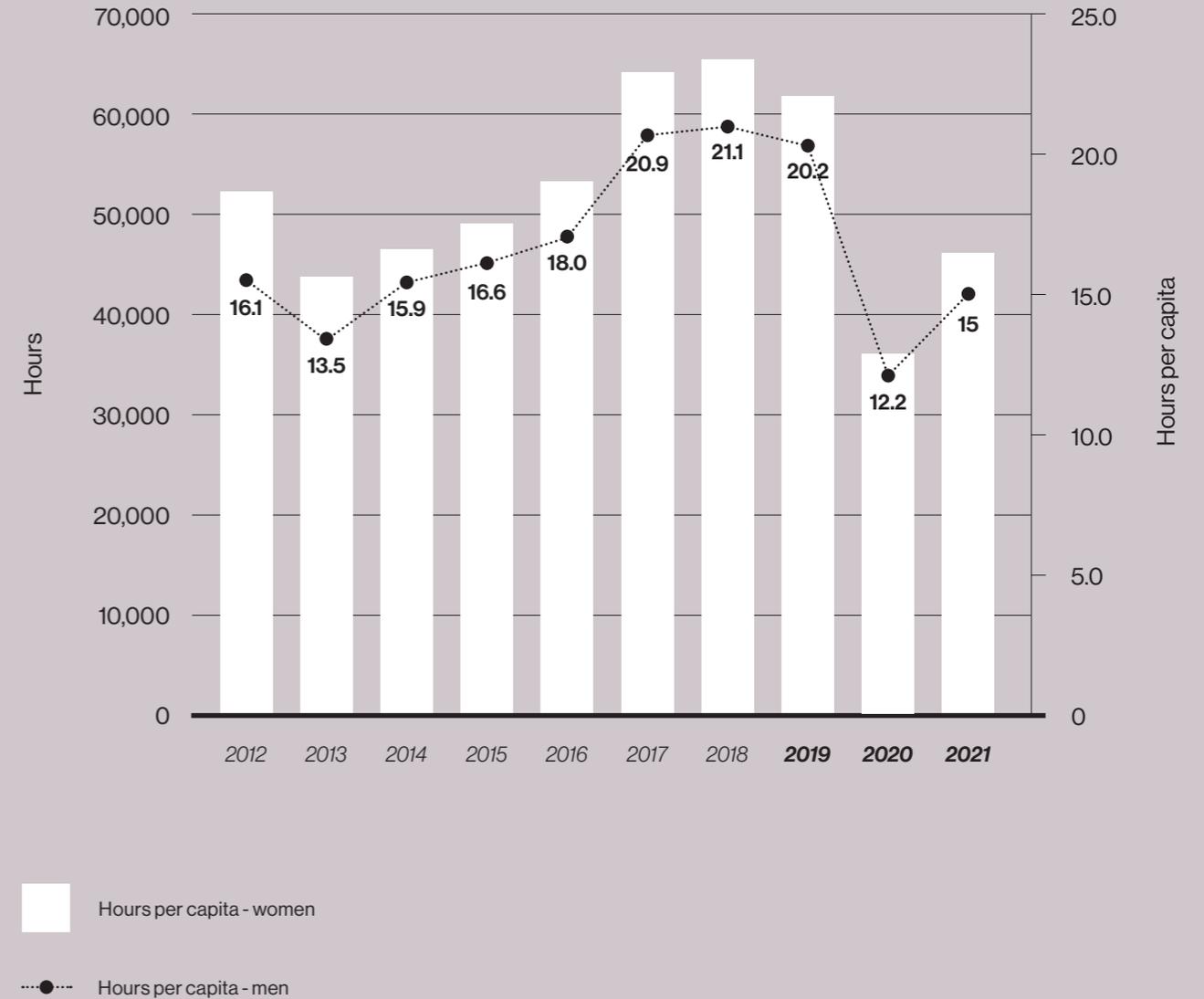
Generally, **training hours**, after a 2020 standstill, **gradually began to increase again** from 12 hours per capita in 2020 to **15 hours** in 2021. Thanks to the improvement in the general pandemic situation, RadiciGroup was able to resume the vital training of the pre-Covid period by providing **courses in mixed mode**: some Employees attended face-to-face courses, some remote. This choice made it possible to optimise management from a logistical point of view (reducing travel and use of spaces) and allowed for a broader and more cross-cutting presence, without the need to limit the number of people. The participation of personnel from several companies, bringing different experiences and challenges, is indeed considered a key factor, which increases the effectiveness of the courses.

- For new recruits worldwide, the Group organised participation in the first six modules of '**Kaspersky ASAP - Cyber Security**', an e-learning course that had already been taken by all Employees in 2020. In addition to Kaspersky, new Italian recruits had the opportunity to have immediate training on two cornerstones of the RadiciGroup's philosophy: safety and sustainability.
- For all Employees, courses on the correct use of work equipment and **health and safety** continued. The latter accounted for **55% of the Group's training hours**. Language courses also restarted, with an important new feature: the first Italian language module for international staff was launched, with a view to ever closer integration and collaboration between all Employees worldwide.
- Another new development was the **collaboration with Itema**, a world-class mechanotextile company that is 60% owned by the Radici Family. Front line staff of RadiciGroup and Itema took part together in the "**Let's build the future together**" training project. The topics dealt with are very current: from better professionalism management in all age groups to cultural integration and innovation. The ultimate goal is to manage these challenges with a common, integrated model, which sees the diversity of the two industrial groups as assets.

GRI 404-1 Training for Employees

		2019	2020	2021
hours	Hours per capita - women	62,207	35,911	45,477
n	Total Employees	3,074	2,942	3,065
hours/n	Hours of training per capita	20	12	15
Men				
hours	Hours per capita - women	50,174	28,533	36,859
n	Total Employees	2,249	2,155	2,233
hours/n	Hours per capita - women	22	13	17
Women				
hours	Hours per capita - women	12,033	7,377	8,618
n	Total Employees	825	787	832
hours/n	Hours per capita - women	15	9.4	10
hours	Total hours of training for health and safety	22,825	19,136	24,989
%	% hours of training for Health and Safety to total hours of training	37%	53%	55%
hours/n	Italy	10	6	10
hours/n	Rest of Europe	23	14	10
hours/n	Asia	48	37	34
hours/n	North and South America	53	27	41

Total hours of training



The strategic use of LinkedIn

well-structured and coordinated profiles.



*"The fastest way to change yourself is to hang out with people who are already the way you want to be."
Reid Hoffman, founder of LinkedIn.*

LinkedIn is the most popular social network in business, used to forge relationships with other users by publishing high-value content. Decision-makers use it to get in touch with key individuals from different sectors for high-level professional dialogue. In 2021, the importance of having a strategically managed corporate page and well-structured and coordinated profiles led RadiciGroup to involve around 70 Employees from Italy, France, Spain, Germany, Romania and Switzerland in a **process to get to know the tool and its potential**.

Thanks to the initiative, colleagues from sales, marketing, technical support, research

and development, as well as HR extraction teams were able to independently manage their personal LinkedIn profiles, optimising use of the platform and experimenting with active interaction with profiles of other companies, first in a guided way and later independently. In 2022, RadiciGroup plans to extend the experience to colleagues outside Europe to **create**, also through **universal training**, an exchange of knowledge and an ever-improving synergy of all Employees worldwide.

Health and Safety at work

RadiciGroup protects the Health and Safety of Workers monitoring performances as for:

- Risk analysis and management.
- Targeted health and safety projects.
- Raising the awareness of each Employee about their contribution to the safety management of the company.

A key role is assigned to the individuals responsible for the management system, mainly Employees of the various sites, who assume different job titles depending on the regulatory framework of the different organisations. For Italian sites, the person in charge of the prevention and protection service (RSPP), and the employer, in compliance with Legislative Decree 81/2008, have the specific task of organising and managing the system of risk prevention and protection.

The tasks of these professionals, whose obligations include the continuous updating of skills, include:

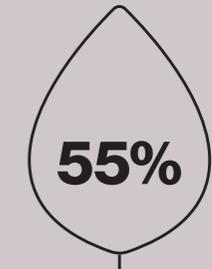
- Identifying and assessing risk factors.
- Developing preventive and protective measures.
- Worker training and information.

All Workers, not just those involved in Health and Safety, are called upon to develop and improve management systems.

As already indicated, training is considered vital: approximately **55% of the total training hours are dedicated to Health and Safety issues**. In addition to training courses, operational instructions, communications and teaching materials are among the most common means of involvement.

In addition, a **Workers' safety representative (RLS)** is elected or appointed at all RadiciGroup companies or production units in Italy. The specific task of this role is to **report Workers' requests**, with the aim of building a spirit of active participation in the practice of health and safety principles in the workplace.

Health and Safety



of overall training hours

GRI 403-9 Detailed injury situation - Workers

		Total			Men			Women		
		2019	2020	2021	2019	2020	2021	2019	2020	2021
n	Total Workers*	3,348	3,227	3,428	2,497	2,416	2,559	851	811	869
hours	Total hours worked	5,481,290	4,880,086	5,552,211	4,219,289	3,731,119	4,230,331	1,352,001	1,148,967	1,321,880
n	Number of fatal injuries	0	0	0	0	0	0	0	0	0
n	Number of hazardous injuries	14	12	16	11	12	15	3	0	1
n/200,000h	Serious injury rate	0.51	0.49	0.58	0.53	0.64	0.71	0.44	0	0.15
days	Injury lost days (days away from work)	1,130	1,380	1,423	923	1,380	1,356	207	0	67
n/200,000h	Injury days lost rate	41.2	56.6	51.3	44.7	74.0	64.1	30.6	0	10.1
n	Number of non-hazardous injuries	67	35	53	59	31	47	8	4	6
n/200,000h	Injury rate	2.44	1.43	1.91	2.86	1.66	2.22	1.18	0.70	0.91
days	Injury lost days (days away from work)	928	511	690	811	449	599	117	62	91
n/200,000h	Injury days lost rate	33.9	20.9	24.9	39.3	24.1	28.3	17.3	10.8	13.8

* at 31/12/2021 - Workers include self-employed Workers (who carry out continuous activities in RadiciGroup), temporary Workers and Employees.

From the Code of Ethics

Our capital, is, above all, human

The Person is at the heart of our strategy. We promote professional development by recognising merit, valuing skills and investing in training. We consider work-life balance a pivotal point for an optimal corporate environment.

A serene private life is important to face daily work with enthusiasm and dedication. This is a fundamental principle to RadiciGroup which favours the balance of private and work life through concrete and consistent activities and initiatives.

STOBENE RadiciGroup, the project formerly known as WHP (Workplace Health Promotion), originally conceived by ATS Bergamo and Lombardy Region to encourage Workers to adopt healthy lifestyles and positive mental attitudes, **continued in 2021**.

In addition, the Group's canteens **continued to raise awareness of balanced nutrition** through illustrated "storytelling" of the best food combinations on tray placemats. Finally, at Christmas, a number of solidarity initiatives were set up to collect used toys in good condition or material for drawing and creativity for vulnerable children.

The introduction of an integrated **corporate welfare** system in some of RadiciGroup plants.

The promotion of initiatives for Employees to increase their **physical and psychological well-being**.

Workers' engagement through internal communication and involvement initiatives **to boost their team spirit**.

Fruit Belt Project

planting today
for the harvest
of tomorrow.



The desire to do something together again after Covid, 13 different seed species, a space to cultivate. From these simple "ingredients" the "Fruit Belt Project" was launched at Radici Plastics Lta in Brazil.

More than **70 people** from all company departments **planted and tended the seeds for months**, which turned into plants and created a true "green belt" for the site.

The result? The first orchard grown by RadiciGroup, with plants and trees that produced blackberries, oranges, pomegranates, plums, cashews and tangerines, among other fruits. Not only that, the soil has been regenerated and various bird species have appeared.

And if it is true that, as they say in Brazil, "we plant today for the harvest of tomorrow" **the project can only grow. In 2022, the green belt was further developed and is now home to 28 species**, including some rare and indigenous ones, which are monitored daily by those who planted them.

Creating value for the Environment



Investing in sustainability

For RadiciGroup, investing in sustainability means **nurturing the** inseparable combination of **competitiveness and responsible growth** and addressing many of the global challenges outlined in this Report by experimenting with new ways of doing business. A strategy that translates into **choices that favour innovation, the best available technologies, circular products, Employee growth** or the strengthening of **partnership with local areas**. All this to secure their own future together with that of the generations to come.

Increasingly in the Group, **financial choices are linked to ESG** (Environmental, Social, Governance) criteria with a special focus on:

- **The climate**, with a significant focus on **reducing emissions** and selecting low-impact energy mixes.
- **Efficient management**, working on structural capacity to create **stability and resilience** to cope with a world that has proven to be extremely unstable over recent years.

Sustainability, in facts

€ 236 million
investments to support
the competitiveness
of the Group companies in the
five-year period 2017-2021.

Of wich,
€ 53 million
the amount invested
in 2021.

€ 3.1 million
environmental
investments made
in 2021
related to the introduction
of Best Available Techniques,
efficiency improvement, emission
abatement, and research and
development activities directed
at the development and adoption
of low-impact processes
and products.

€ 5.4 million
costs for environmental
management and
protection in 2021
(certifications, waste disposal,
wastewater treatment, etc.)
at the Group companies in Italy.

**The future
of energy
is today.**
We promote energy
transition by using
renewable source
energy.

**We decouple
resource
consumption from
economic growth.**
In our production sites
the use of raw materials,
water and energy is
curbed thanks to plant
efficiency, and the Best
Available Techniques.

**Resources,
nothing is more
precious.**
We make the best use
of raw materials, reduce
the amount of waste
and scrap, recover
and recycles waste
whenever it cannot
be avoided, and we
constantly work on
the quality, durability
and performance of its
materials, which are all
recyclable.

**Light for the
environment,
transparent in
communication.**
We communicate
our activities and
achievements in our
Sustainability Report
and through all available
internal and external
communication
channels.

**The environment
as a privileged
stakeholder.**
We protect it through
its strategies,
investments and
concrete, targeted
actions.

**Eco-design,
safe and
responsible.**
We engage in the
ecodesign of reduced-
impact products,
which are safe for the
manufacturer, the user
and the environment.

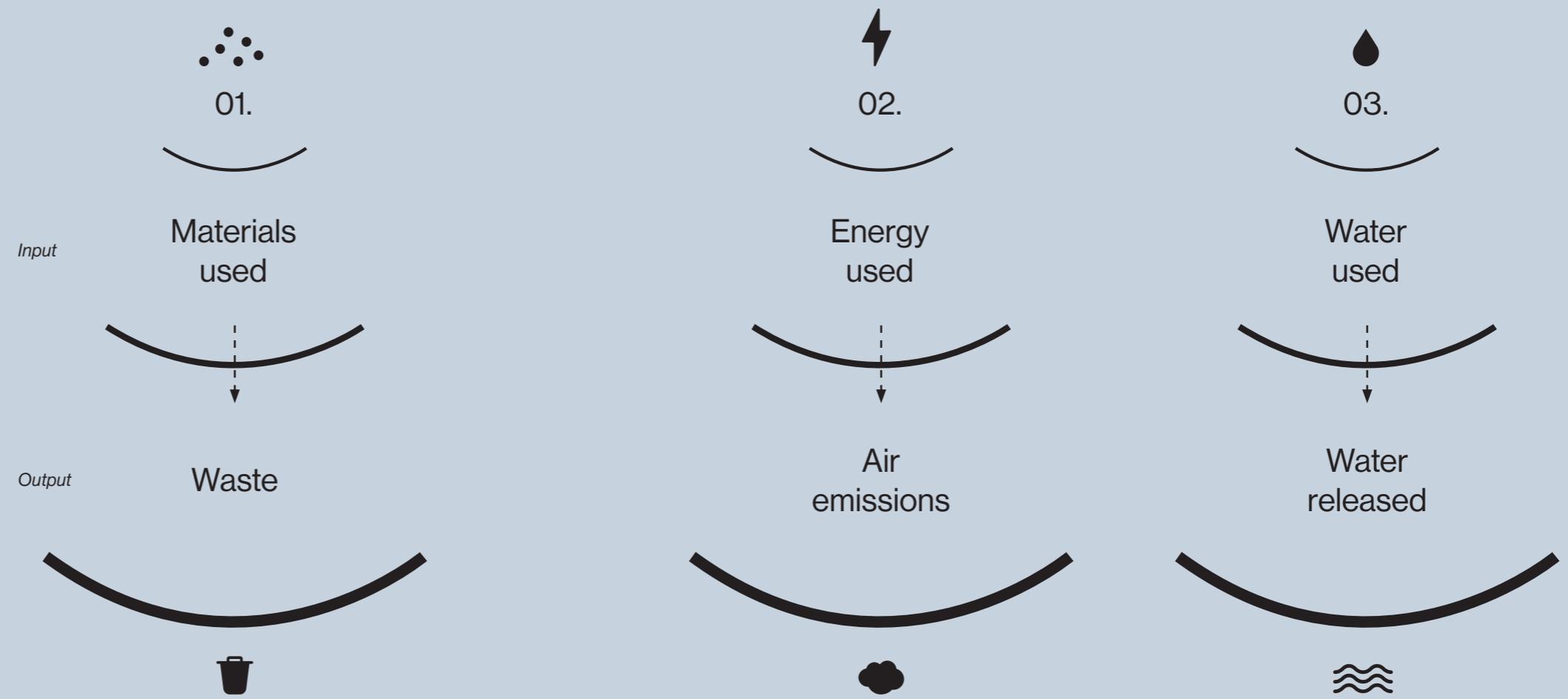
**Less emissions,
more innovative
products.**
We fight climate change
by reducing emissions
and introducing
innovative products
with a smaller carbon
footprint.

**Achievements
which help to
improve.**
We constantly measure
the performance
of all production
sites, with a view to
achieving continuous
improvement and
reducing environmental
risks.

Achievements

The following sections provide an **overview of RadiciGroup's environmental results** grouped by complementary data inputs (received from the environment) and outputs (delivered to the environment).

As a general consideration, it is necessary to point out that **the 2021 results are based on a different reporting scope** from all previous editions, as they also include some manufacturing and service companies not previously included. This is to **increase the inclusiveness and representativeness of the Report**.



01. Materials Used

From used materials to new resources

The 2021 figures show an **overall increase in used materials**, which is directly related to the increase in production activity back to 2018 levels. A figure that is matched by **high production efficiency levels**, even considering some plant start & stops. Although it is not possible to give a precise figure due to the extremely heterogeneous type of processes of RadiciGroup companies, it is empirically possible to indicate a percentage of about 95% as for production yield. With this in mind, **processes are always subject to control systems** that reduce defective batches and, consequently, rejects.

This is an important factor that, on one hand, demonstrates the close attention to the careful use of resources, especially virgin raw materials, and on the other, is a direct reflection of the progressive introduction of the best available technologies in all the Group's companies.

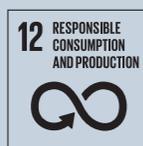
In a logic of circularity and industrial synergy, **the secondary materials** of all the Business Areas, as repeatedly noted, **are transformed into raw materials** for the industries that generated them or for other industries in the group, depending on the intrinsic characteristics of the materials and the expected performance of the secondary raw materials into which they will be transformed, meaning nothing is wasted.

GRI 301-1 Materials used by type and weight

Materials used by type		2019	2020	2021
t	Direct materials*	415,271	397,372	471,310
t	Accessory materials	2,348	1,936	3,102
t	Packaging	16,075	14,098	16,768
t	Total	433,694	413,406	491,181**
Non-renewable materials				
t	Non-renewable direct materials	413,139	395,871	469,180
t	Accessory materials	2,347	1,934	3,099
t	Packaging	1,560	1,430	1,822
t	Total	417,046	399,235	474,101
Renewable materials				
t	Non-renewable direct materials	2,132	1,501	2,130
t	Accessory materials	2	2	3
t	Packaging	14,515	12,668	14,946
t	Total	16,649	14,171	17,080
% renewable packaging to total packaging		90.3%	89.9%	89.1%
% renewable direct materials to total direct materials		0.51%	0.38%	0.45%
% renewable materials to total materials		3.84%	3.43%	3.48%

* Intra-group raw material flows, including recycled material processed by Zeta Polimeri, are not taken into account for the purposes of the disclosure, as they do not represent resources taken from outside the Group and, in general, removed from the environment.

** No significant difference in results can be found with respect to the reporting scope of the previous editions of this Report. Sales companies, financial and service companies do not use materials in significant quantities, Zeta Polimeri uses the waste materials of RadiciGroup companies as its raw materials.





Circular Economy and Packaging?

it's possible.

To maximise pallet reuse, the involvement of all PRS partners is essential.

This is the case with **Tessiture Pietro Radici, which has been an active part of the PRS network** for a number of years. The company separates the PRS pallets it receives, allowing them to be taken back and facilitating their reuse.

There are three main environmental benefits of this packaging management.

Firstly, the system **prevents a large amount of packaging waste**, because the latter, if poorly managed, has a major environmental impact.

Secondly, the reuse of pallets **creates a virtuous circle** that reduces the use of new raw materials.

Finally, reusing this packaging makes it **possible to reduce to zero the emissions** that would result from the pallet wood being sent to landfill, which would emit greenhouse gases as it degrades.

01. Waste

Too valuable to be called waste

Regarding waste, all RadiciGroup companies work to contain the generation of scrap and waste through rigorous process management.

Procedures for waste identification, sorting and storage have always been in place at all Group sites, in compliance with current legislation and voluntary standards.

Production increases have inevitably brought with them an increase in absolute volumes of waste (+28% compared to 2019). When considering this result it should be noted that 2021 also saw some batch splitting due to raw material shortages and logistical difficulties, leading to an increase in waste that occurs whenever production lines are stopped and restarted or the types of materials produced are changed. The Group chose to offset Supplier difficulties and Customer needs as much as possible between by absorbing some of the inconvenience caused by the situation. In addition, the reclassification of waste in some production facilities meant that significant quantities of materials previously defined as second-choice or by-products entered the non-hazardous waste category for recovery in 2021, many of it reprocessed by Zeta Polimeri.

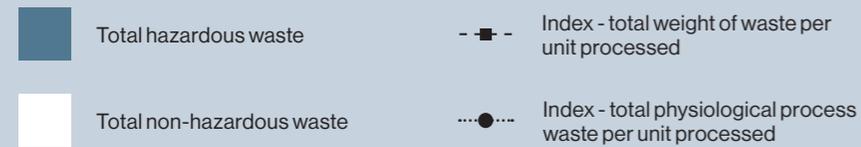
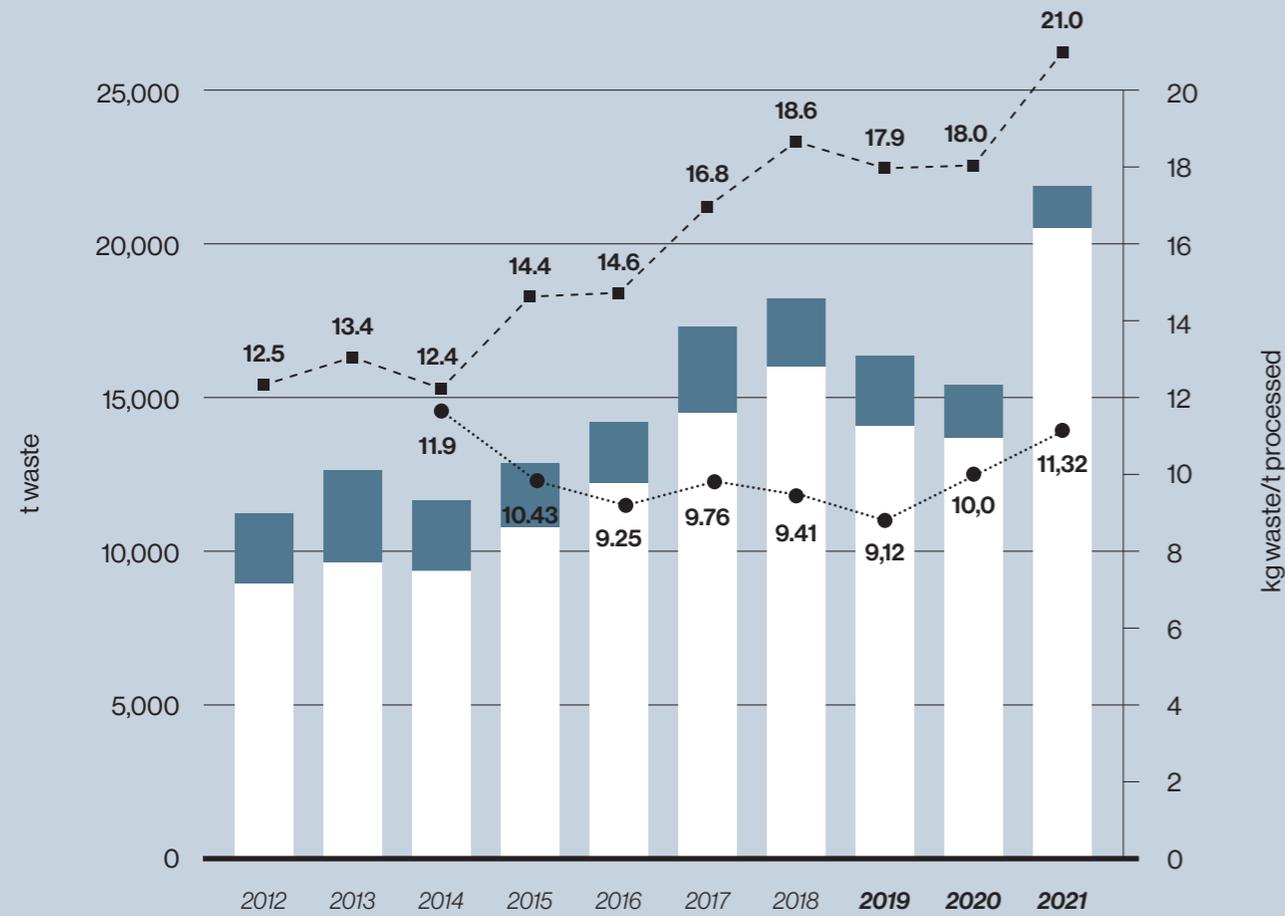


GRI 306-2 Total waste by type, disposal method and weight*

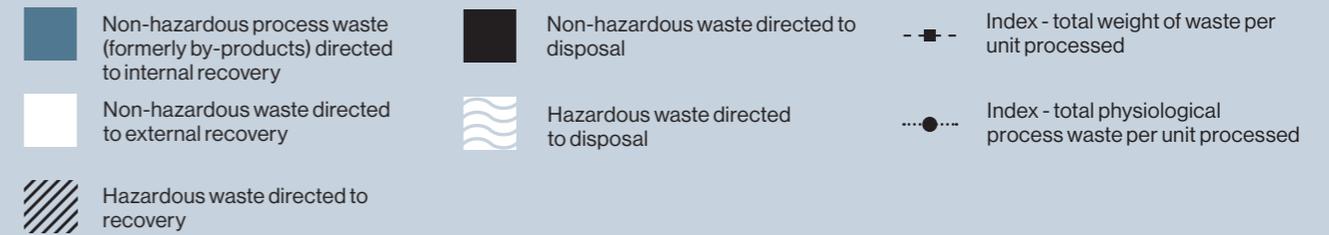
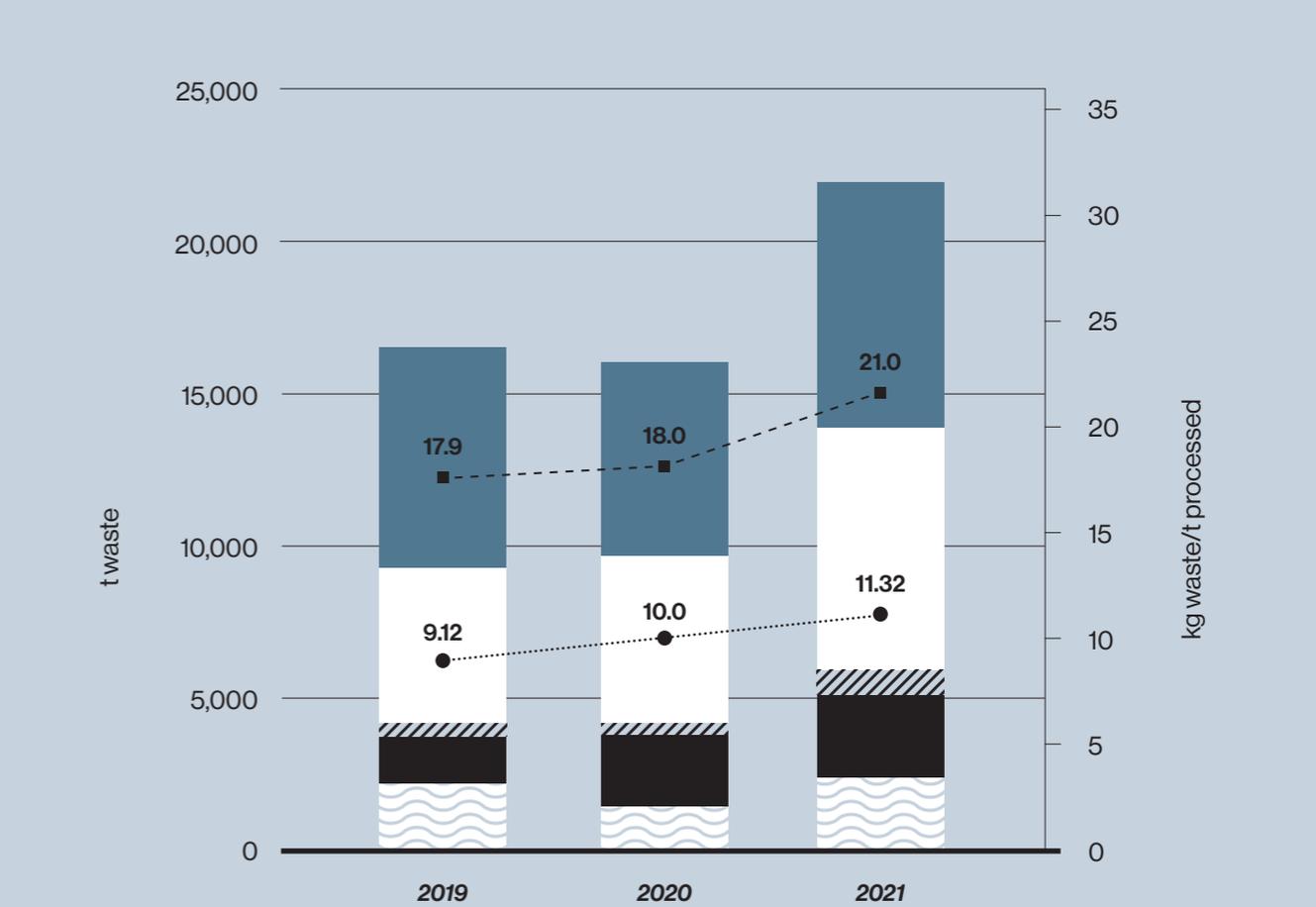
	2019	2020	2021
t Total	17,015	15,917	21,818**
t Total hazardous waste	2,591	1,949	3,088
t Hazardous waste directed to recovery	690	561	817
t Hazardous waste directed to disposal	1,901	1,388	2,271
t Total non-hazardous waste	14,424	13,968	18,730
t Non-hazardous waste directed to recovery	12,935	11,852	15,998
t Non-hazardous waste directed to disposal	1,489	2,116	2,731
<i>of which</i>			
t Occasional non-process waste (building renovations, maintenance, etc.)	390	565	1,581
t Non-hazardous process waste (formerly by-products) directed to internal recovery	7,966	6,494	8,487
t Process waste directed to external treatment	8,659	8,858	11,750
kg/t Ratio - Process waste per unit processed	9.12	10.0	11.32
kg/t Ratio - Total waste per unit processed	17.92	17.96	21.02

* Based on the documentation held by the Group and provided by the companies in charge of waste management and treatment, it is not possible to give more detailed information as required by the GRI model concerning the actual disposal method.
 ** In 2021, the new reporting perimeter had an impact of + 7.6% compared to the perimeter of the previous editions of this Report.

GRI 306-2 Waste by type



GRI 306-2 Waste by type and disposal method 2019 - 2021





Waste target? Zero!

no internal waste was finally conveyed to landfill.

Zero waste to landfill: this is the ambitious goal achieved by Radici Plastics Brazil, which in 2021 obtained the **'Aterro Zero' label, the certification that no internal waste was finally conveyed to landfill.**

This meant carefully selected and managed waste, sent directly to the most appropriate recovery chains, optimising transport to be transformed into secondary raw materials or, the remaining non-transformable part, managed as materials destined for waste-to-energy plants for the production of thermal energy.

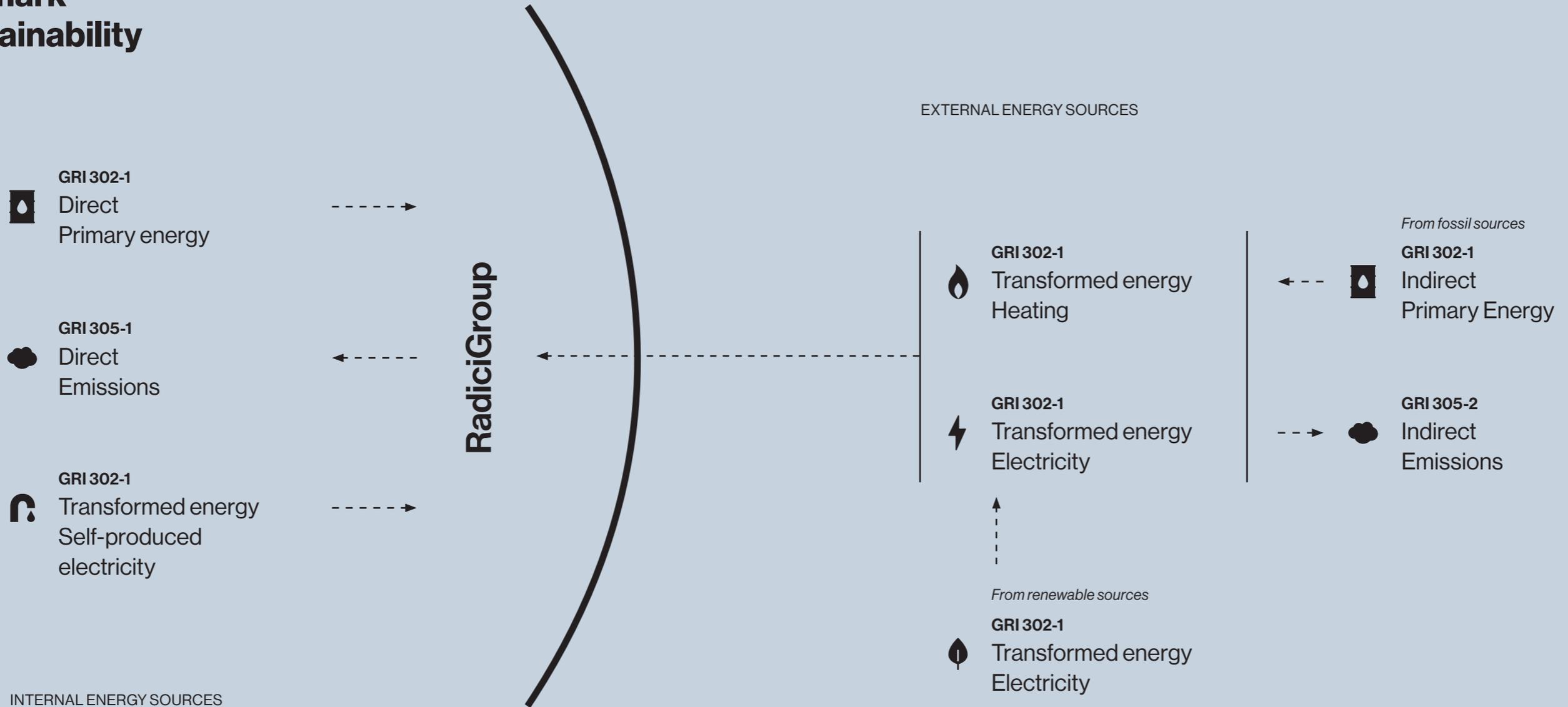
The **benefits of the project are numerous,** added to the elimination

of waste to landfill, is the realisation of the principles of the **circular economy** and the **reduction of atmospheric emissions** from waste transport.

The whole company was involved in the implementation of the different project phases: from mapping waste production to assessing possibilities to prevent or reduce it, from classifying the waste itself to identifying the most suitable and **environmentally sustainable** disposal systems.

02. Energy

Our footprint is our mark of sustainability

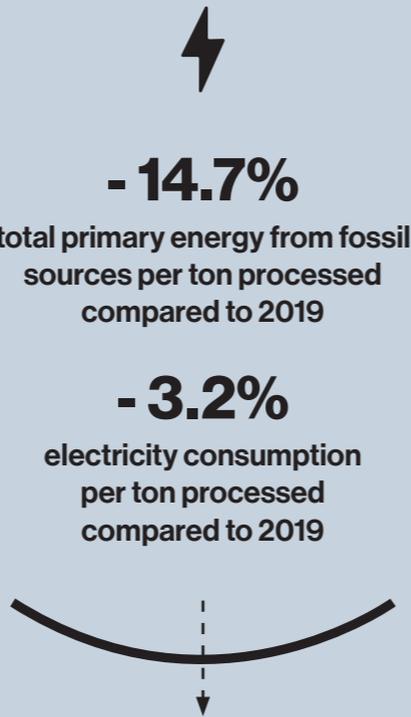


02. Energy

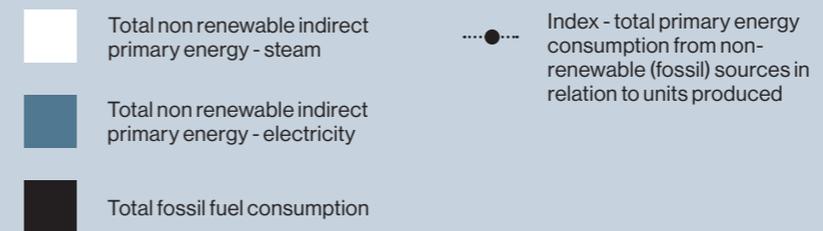
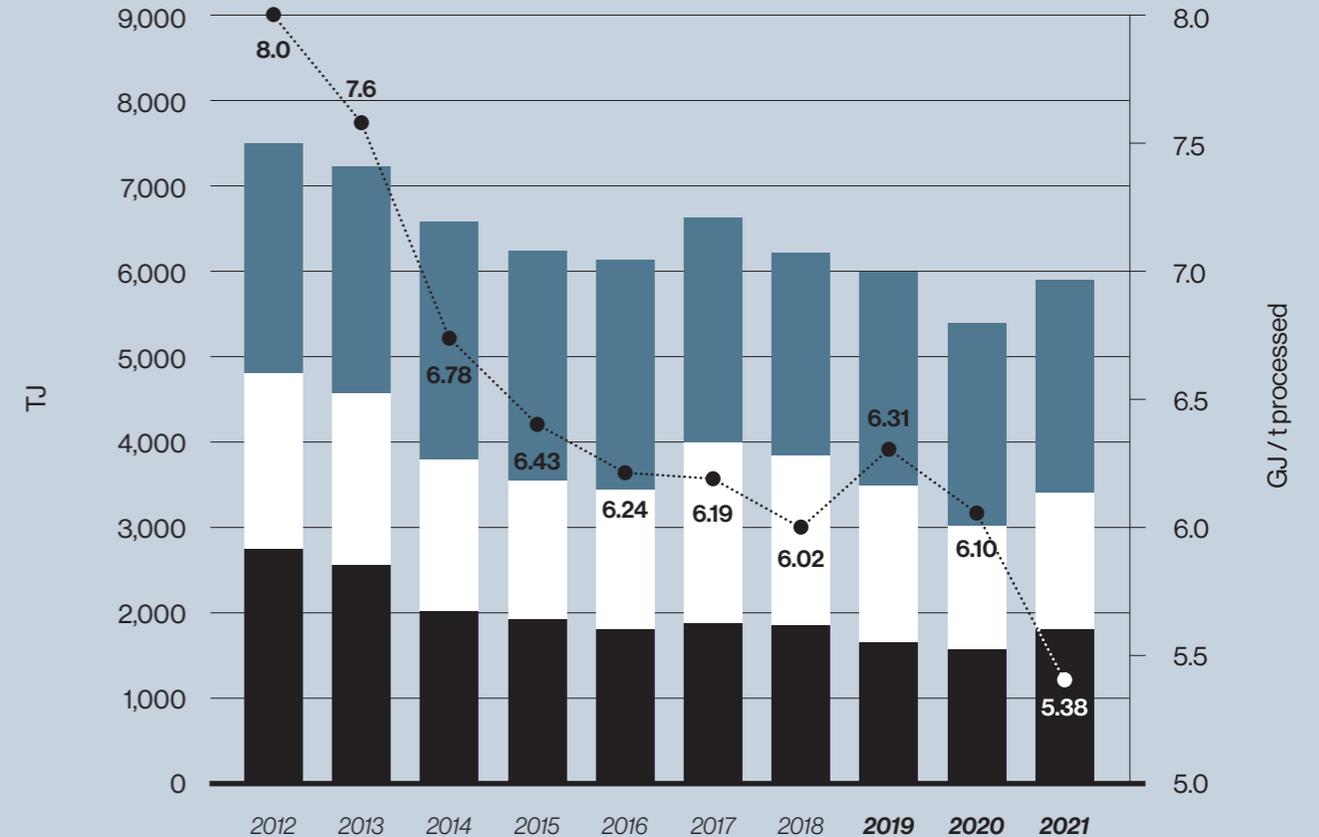
Our footprint is our mark of sustainability

The Group's total energy consumption for 2021 was at 2018 levels and up from 2019. The energy consumption index per ton processed is in line with the three-year period and improved on 2020. The index for specific electrical energy per ton processed also improved by 3.1% compared to 2019, a very good result. Less energy is therefore being used to manufacture products than in 2020. Analysing the index of total primary energy from fossil sources used per ton processed, the 2021 figure shows a decrease of 14.7% compared to 2019. RadiciGroup products are therefore made with increasingly less non-renewable energy. As far as the latter is concerned, it is useful to note that the Group's leading source of supply also in 2021, remains methane, the least polluting fossil fuel.

This means that the Group's products are becoming more "light", i.e. they carry increasingly less of an emission load. This is an undoubted competitive advantage for RadiciGroup, but it also resonates with Customers.



GRI 302-1 Energy consumption within the organisation



02. Energy

Our footprint is our mark of sustainability



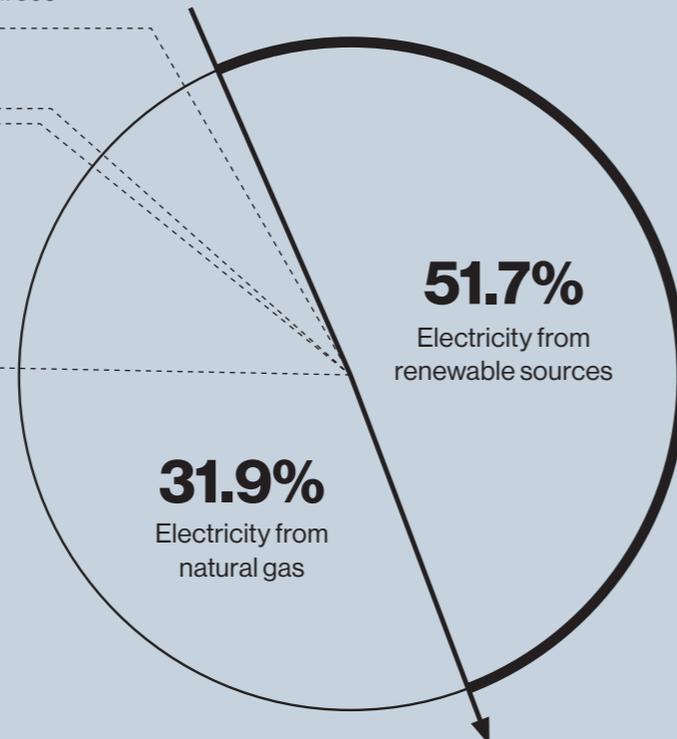
GRI 302-1 Electric energy mix

1.4% Electricity consumption from other fossil sources

5.4% Electricity consumption from nuclear

0.4% Electricity consumption from burning oil

9.2% Electricity consumption from coal



Electrical energy mix 2021

In 2021, the commitment to the ecological transition continued through the purchase of significant amounts of renewable electricity. In particular, the green share of electricity exceeds 51% and allows a good number of production sites to be powered by 100% renewable sources, or slightly lower percentages. The green energy needs of RadiciGroup's Italian companies are essentially met by Geogreen, a Supplier-partner active in hydroelectric power and consulting and efficiency services.

An important role for the Italian sites is also played by the two high-efficiency cogeneration units (a cogeneration unit involving Radici Chimica in Novara and a trigeneration unit involving Radici Yarn in Villa D'Ogna), which can optimise the use of natural gas, produce different energy vectors with a single primary fuel and reduce emissions.



Companies using 100% green energy

- Radici Novacips - (Villa d'Ogna) Italy
- Radici Novacips - (Chignolo d'Isola) Italy
- Radici Plastics - Brazil
- Radici Plastics - Germany
- Radici Yarn - (Ardesio) Italy
- Radici Partecipazioni - (Gandino) Italy
- Tessiture Pietro Radici - (Gandino) Italy

Plants using 100% green energy

- Polymerization Radici Yarn - (Villa d'Ogna) Italy
- Polymerization RadiciFil - (Casnigo) Italy

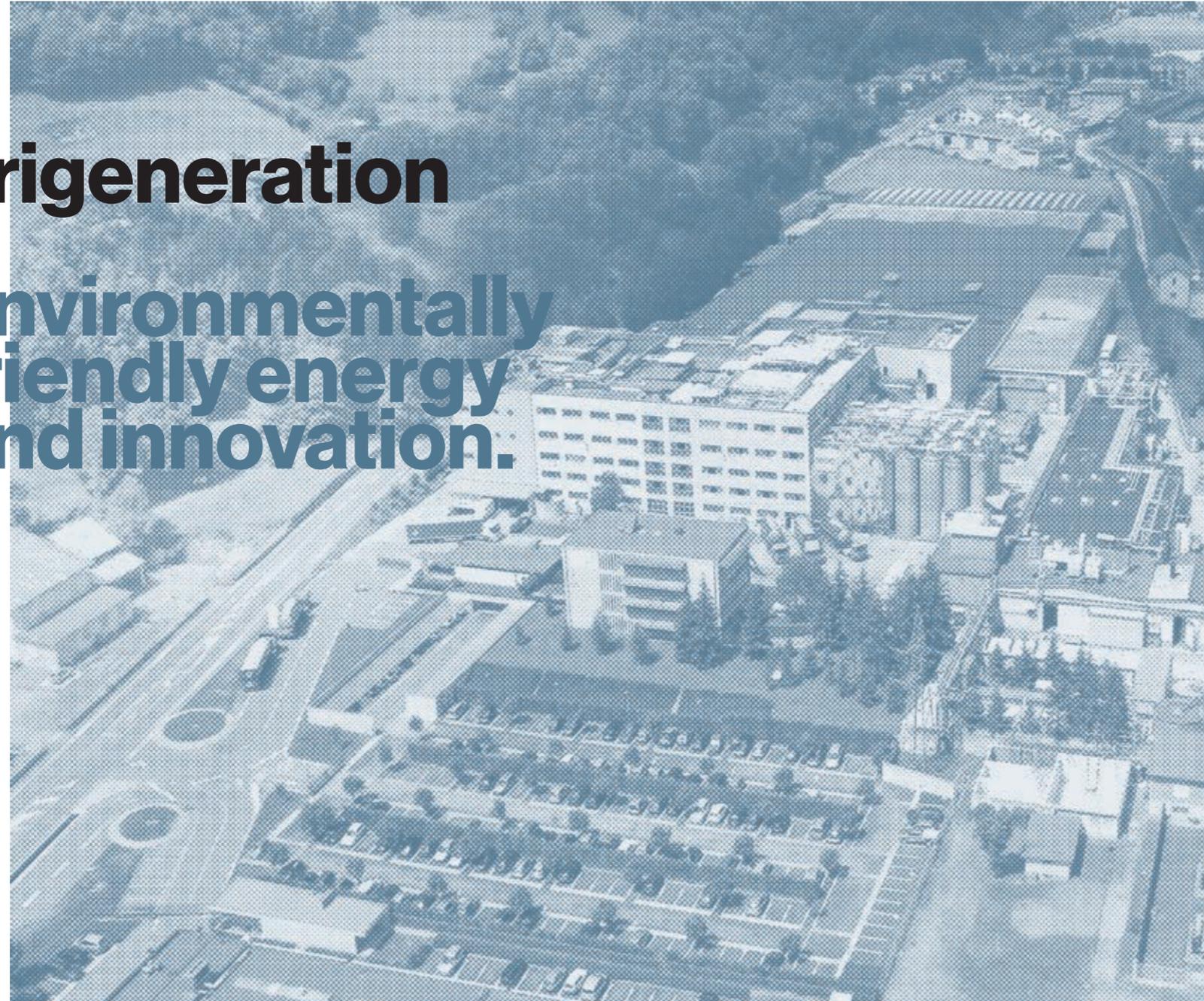
Companies using more than 80% green energy

- Radici Fibras - Brazil

+30% renewable electricity in the three-year period 2019-2021

Trigeneration

environmentally friendly energy and innovation.



An innovative high-efficiency trigeneration plant at Radici Yarn, a plant in the RadiciGroup ATS area, was installed in 2019, and became fully operational in 2020. The plant, which runs on methane gas, is used for the simultaneous production of steam and electricity, typical cogeneration factors, plus the production of chilled water used for the industrial process.

Trigeneration offers significant advantages, firstly the use of a single fuel for the **production of three different energy vectors** (electricity, heat and cooling) in a single plant with **optimised efficiencies,** thus far higher than three separate productions, and with **significantly reduced emissions.**

Radici Yarn's trigeneration complies with the stringent emission constraints of the Lombardy Region, the most rigorous in Italy. Because it is a high performance plant it allows the company to obtain TEEs, the negotiable energy efficiency certificates, awarded by the Gestore Servizi Energetici only for **technological and performance excellence.**

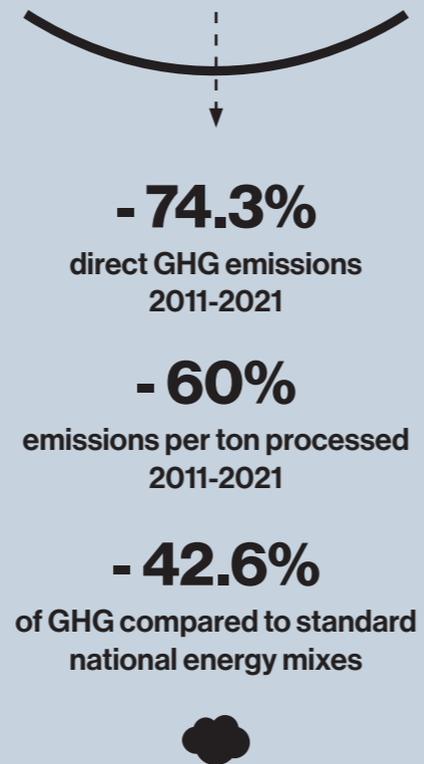
The role of Geogreen, RadiciGroup's clean energy Supplier-partner, was fundamental to the trigeneration plant, playing an advisory role in the choice of the plant, high-efficiency recognition and TEE management.

02. Emissions

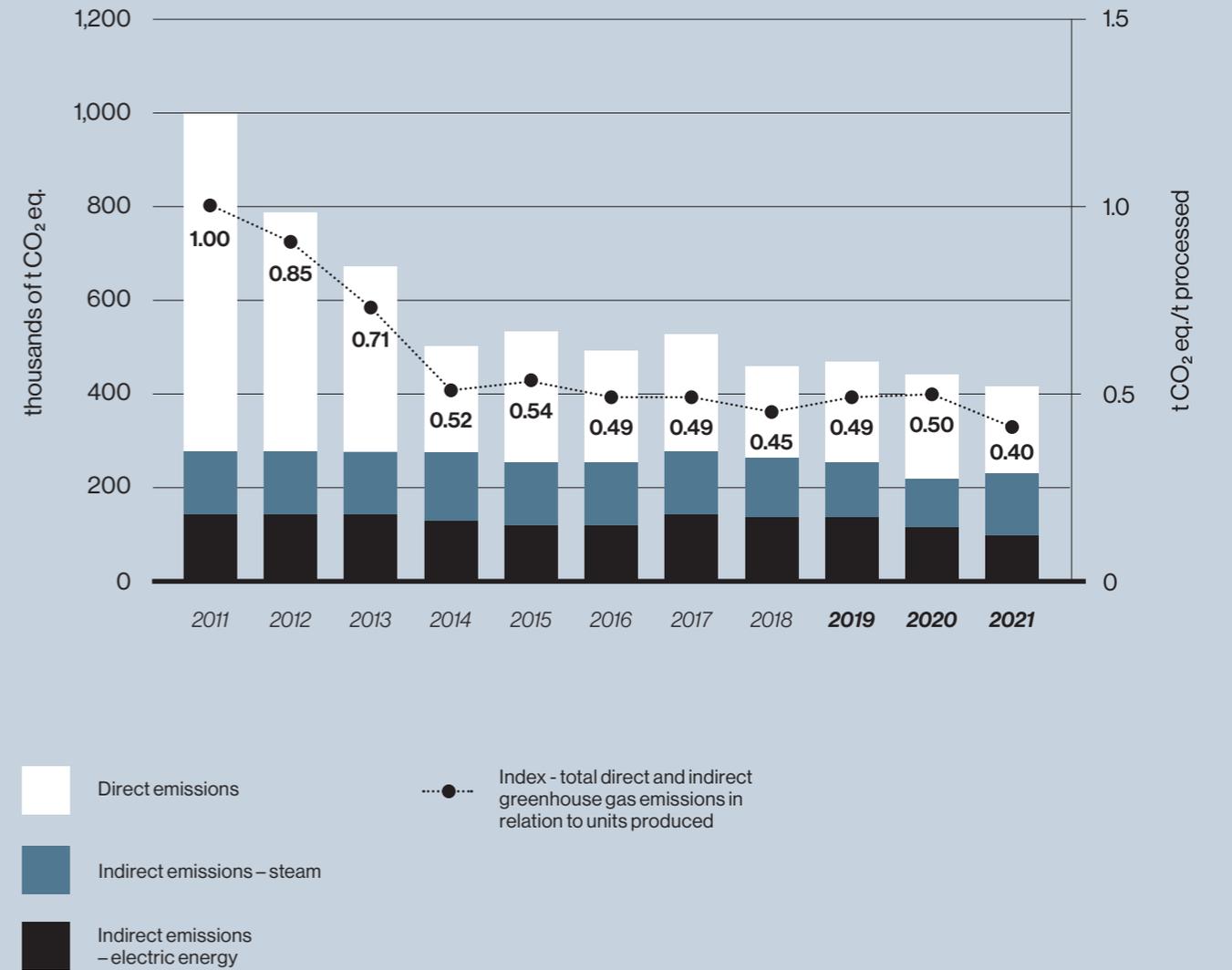
We aim low only when our target is emissions

In 2021, the Group's emissions per ton processed fell by 18.7% compared to 2019. A very good result achieved mainly thanks to the major investment in the chemical sector. An additional nitrous oxide abatement plant was installed in the latter to abate nitrous oxide from the chemical reactions in the production of nitric acid and adipic acid, among Radici Chimica's core products. As a result, the Novara plant was able to reduce direct emissions by 38.4% compared to 2020, with an absolute decrease of 42.6 kt and a reduction in the index per ton processed from 0.31 to 0.18. The Radici Plastics Suzhou plant in China also reduced direct emissions by 70.6% compared to the year 2020 thanks to the adoption of electric forklifts over diesel-powered models. This is undoubtedly a smaller decrease in absolute numbers, but nonetheless an important step towards reducing the site's environmental impact.

As noted above, the Group chooses an energy mix for electricity that makes use of more than 51 per cent renewable energy. By comparing the emissions generated by this specific mix with those that would result from the standard national energy mixes of the countries where RadiciGroup companies are located, it emerges that in 2021 the Group avoided 42.6% of greenhouse gas emissions into the atmosphere (23.8% in 2019).



GRI 305-1 / GRI 305-2 Total (direct and indirect) greenhouse gas emissions



03. Water used

Saving water is our second nature

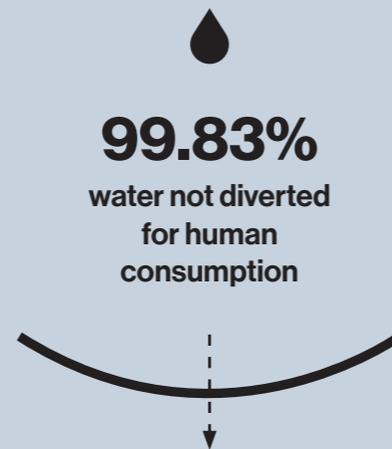
Water is precious for our life, and it is equally precious for RadiciGroup, since it is essential for cooling purposes in plants.

All the ancestral companies of the Group are located in Northern Italy, an area characterised by good water availability in the form of surface water and groundwater, which has always been considered a strategic factor for local development.

Considering the water stress situation related to countries in which the reported sites operate, 44% of the water used by the Group comes from areas with low stress. On the other hand, 50% of the water used comes from areas with high water stress. Almost all these quantities (98.8%) relate to water supplied from Industrie Park Zeitz to the company Radici Chimica Deutschland via a ring channel, water reused up to 60.5 times before being discharged.

The Group uses little or no water in its products and does not create long-term water reserves for its production activities that could deprive local communities of their

water supply. The same water is used several times within the plants for cooling purposes, then treated in accordance with the legislation in force in the various countries in which the Group operates and, finally, is returned intact to the environment, mainly into surface streams.



GRI 303-3 Water withdrawal by source*

	2019	2020	2021
ML Total	86,029	77,010	83,100**
ML Total surface water	38,279	32,056	32,811
ML Other water	0	0	0
ML Freshwater	38,279	32,056	32,811
m ³ from rivers/canals	37,755,178	31,452,056	32,230,090
m ³ from springs	523,829	603,606	581,306
ML Total groundwater	9,436	8,085	8,542
ML Other water	0	0	0
ML Freshwater	9,436	8,085	8,542
m ³ from wells	9,436,032	8,084,676	8,542,491
ML Total third-party water	38,314	36,870	41,746
ML Other water	0	0	0
ML Freshwater	38,314	6,870	41,746
m ³ from aqueducts	135,576	126,942	141,125
m ³ from utilities	38,178,805	36,743,061	41,605,352

* For sites where the quantity of water discharged is not measured, such quantity is set equal to the water withdrawn. Similarly, in those cases where only water discharged is measured, the water withdrawn is generally set equal to the water discharged.

** In 2021, the new reporting perimeter had an impact of + 0.07% compared to the perimeter of the previous editions of this Report.

03. Water released

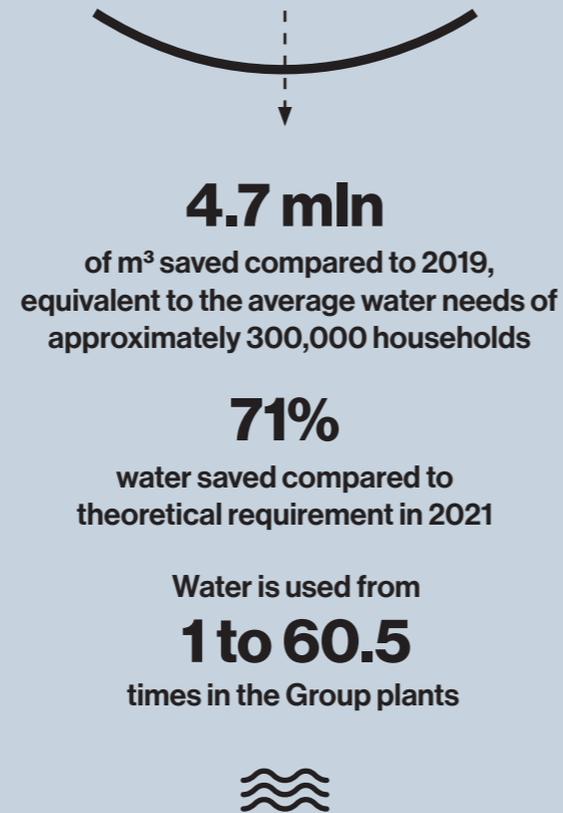
At the source of recycling

In 2021, the percentage of water saved through recycling was confirmed at 71% (+1% compared to 2020, or 4.7 million m³).

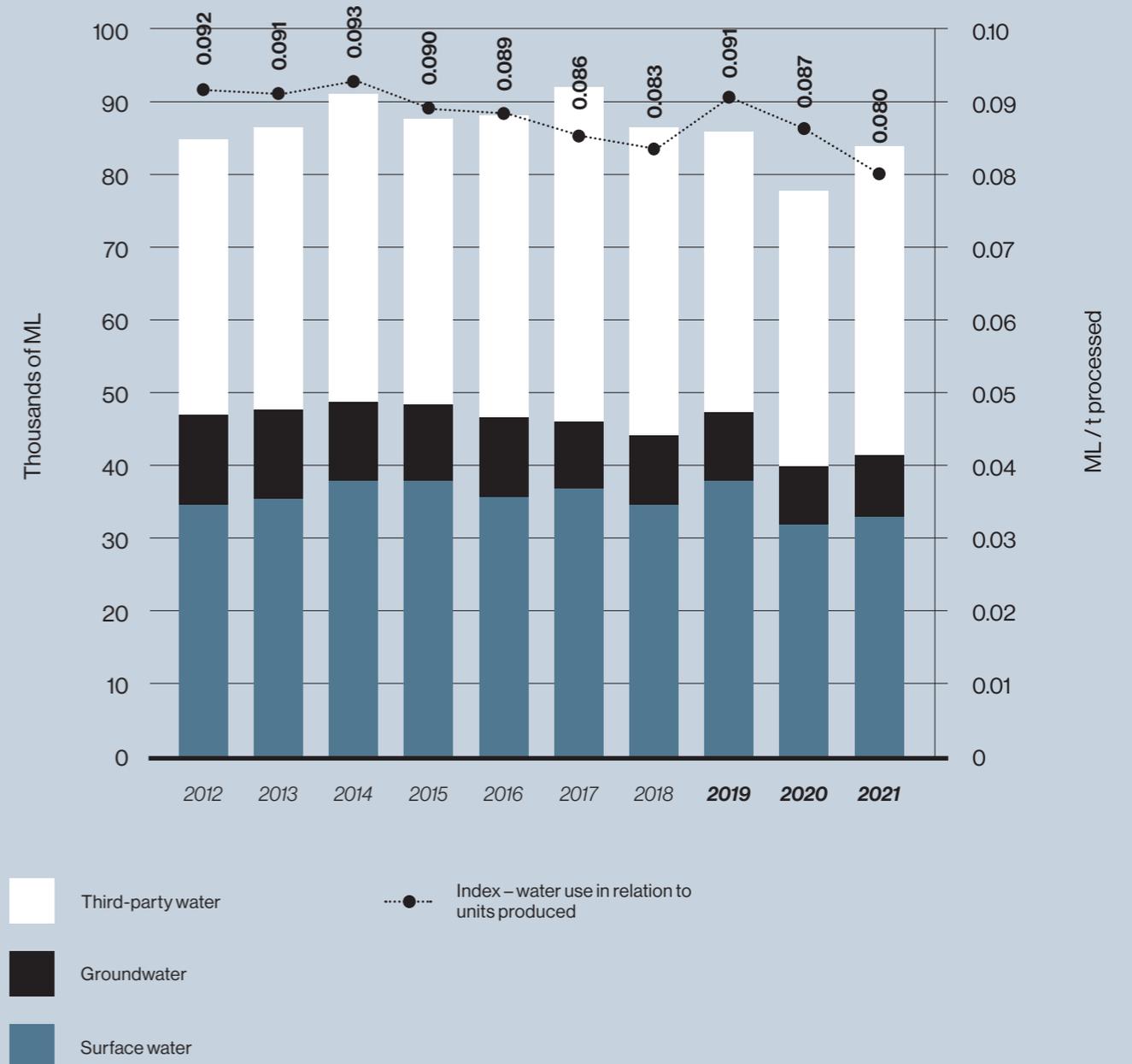
The water utilisation index in relation to the units produced improved by 11.6% compared to 2019.

As in every year, Radici Chimica Deutschland GmbH adopted a specific water management policy: for the operation of its plants, it draws the resource from a water loop, managed by the industrial park to which it belongs; The same consortium also deals with the recycling of output water.

Formally, the recycling activity takes place outside the company gates, so the contribution of Radici Chimica Deutschland GmbH to the savings ratio indicator is zero. Excluding the German company from the scope, the percentage of water saved in 2020 rises to 142%.



GRI 303-3 Water withdrawal by source





Hydrogeological risk prevention

advantages for the company and the local community.

Radici Yarn and Radici Novacips, among RadiciGroup's main production sites, are both located along the Serio River, the area's main waterway. Between March and April 2021, Radici Novacips, in cooperation with Geogreen, carried out **extraordinary maintenance work on the Serio riverbed** to improve hydraulic runoff in the vicinity of its plant. However, the works, whose main purpose was to protect the site from possible flooding after the incident that affected the company in October 2020, also had a significant positive side effect: the cleaning and landscaping of a long neglected section of the riverbed. The operation resulted in the removal of 3,170 m³ of inert material accumulated on the right bank, and the relocation of 100 m³ of material placed on the left bank.

The Serio river bed was thereby cleaned up and made safer in the event of possible future floods. As a further measure to protect against the risk of flooding, work began to rebuild the embankment wall from January 2022, **protecting both the farm and the surrounding land and provincial road**. This is land and road heavily affected by the 2020 flooding, with traffic disruption, the evacuation of some families and considerable damage to homes.

GRI 302-3 Energy intensity ratio for the organisation

		2019	2020	2021
GJ	Total energy consumption (GRI 302-1)	5,991,117	5,408,531	5,586,749
€	Net total value added	259,489,575	253,092,544	356,803,131
GJ/€	Total energy consumption (direct+indirect) in relation to net total value added	0.023	0.021	0.016

GRI 305-4 GHG emissions intensity

		2019	2020	2021
tCO ₂ eq	Total emissions into the atmosphere (GRI 305-1 and 305-2)	469,139	441,059	416,701
€	Net total value added	259,489,575	253,092,544	356,803,131
kgCO₂eq/€	Total atmospheric emissions	1.81	1.81	1.17

Water resources index to net total value added

		2019	2020	2021
ML	Water resources (GRI 303-3)	86,029	77,010	83,100
€	Net total value added	259,489,575	253,092,544	356,803,131
M/€	Water resources index to net total value added	0.00033	0.00030	0.00023

Index of waste subject to disposal without recovery in relation to net total value added

		2019	2020	2021
t	Waste subject to disposal without recovery (GRI 306-2)	3,390	3,504	5,003
€	Net total value added	259,489,575	253,092,544	356,803,131
Kg/€	Waste subject to disposal without recovery as a proportion of total net value added	0.013	0.014	0.014

Creating value for the Value Chain



A quality-based value chain, also for the environment

Our value chain is made of values before being made of products.

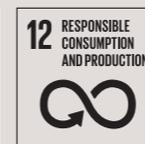
It is made of dialogue and constant collaboration with our Suppliers, our Customers all our Stakeholders.

Our value chain looks at the **future of our planet** to create high quality, sustainable products **for the good of all.**

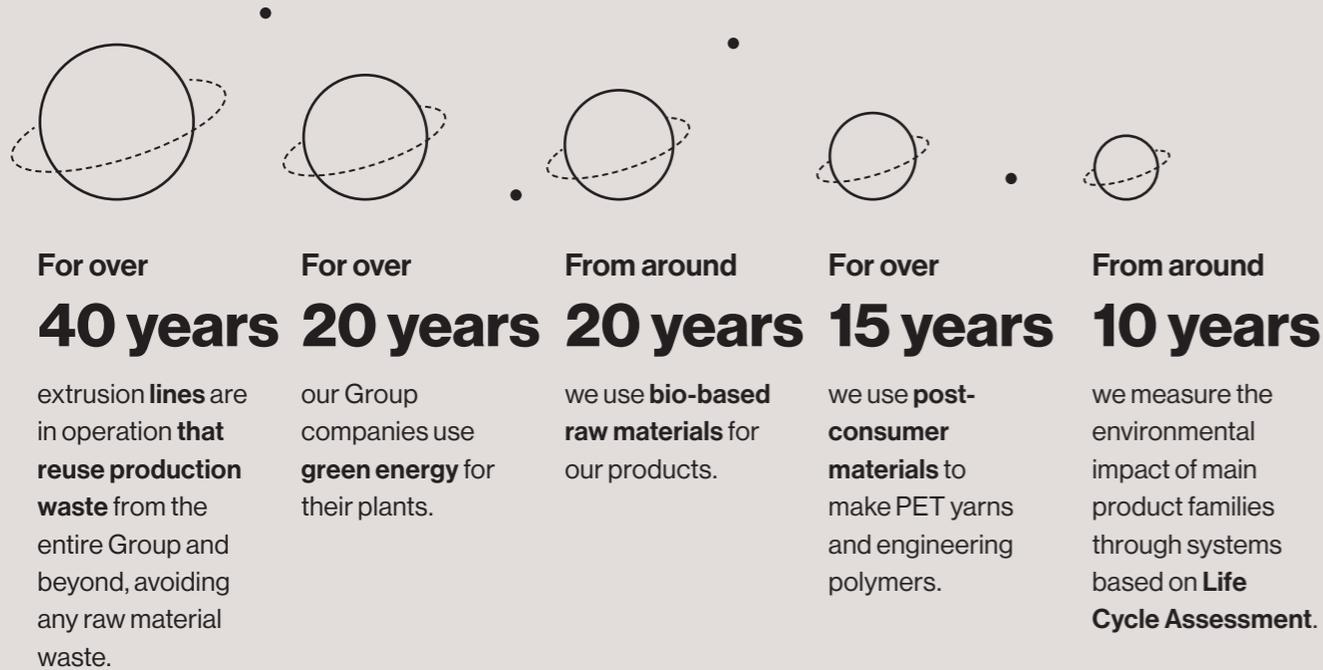
Sustainability is our most important investment

In line with its established strategy and EU guidelines, RadiciGroup continued **to invest in 2021 in decarbonisation, energy transition, use of renewable resources and production efficiency** at all its plants.

This was accompanied by significant investment in **innovation**, detailed in the Radici InNova section of this document.



RadiciGroup product sustainability story comes from far away



Today, RadiciGroup's low environmental impact products are developed and produced, while focusing on the following commitments:

- To develop new concepts through **innovation**, particularly circular, process and product innovation.
- **To rationalise** the use of raw materials, choose renewable energy sources and reduce scrap and waste.
- **To measure the impacts** using scientific methods, so as to ensure the Group can make sound decisions and act with transparency in the market.
- **To consider product end of life** from the beginning of product development, fostering the use of raw materials with low environmental impact and better recyclability, coupled with formulations that consider the entire life cycle in terms of high durability, performance and potential recycling with high added value.
- To **optimise** processes thanks to targeted investments.
- To work with Suppliers, Customers, associations and partners towards a **sustainable production chain**.

Traceability becomes a system

In recent years, as a result of the growing awareness of the importance of each production step from the standpoint of Quality, Health, Safety and compliance with applicable regulations, the ability to precisely trace the various steps in the procurement or processing of materials has become a key factor in RadiciGroup's sustainability strategy.

RadiciGroup traceability is:

- Full for virgin and post industrial recycled materials handled in-house.
- The presence of GRS certification or the main ISO standards applied by RadiciGroup or Oeko-tex certification requires the traceability of post-consumer recycled materials purchased on the market.
- Governed by management software that monitors every step of the production chain. This makes it possible to trace each batch back to detailed information on the raw material, the production line, the different processes used and packaging or shipping data.



Why choose RadiciGroup low-environmental impact products?

Because they can be:

- Manufactured using **recycled materials** to reduce the use of valuable virgin raw materials and give new life to pre - and post-consumer scrap.
- Manufactured using **green energy**, which decreases dependence on fossil fuels.
- Bio-based, i.e. made wholly or partly from **natural raw materials**, making use of plant waste that does not compete with food crops.
- Biodegradable: i.e. **able to be broken down into their different components** through biochemical processes.
- **Solution-dyed**, thus reducing water, energy and emissions.



RadiciGroup low-environmental impact products

Product	BA	 Energy from renewable sources	 Bio-based	 Solution-dyed	 Recycled	 Durable Recyclable	 Biodegradable
Radipol®	Speciality Chemicals	●				●	
Radipol® 6.10	Speciality Chemicals		●			●	
Heramid®	High Performance Polymers	●			●	●	
Radilon®	High Performance Polymers	●				●	
Radilon® D	High Performance Polymers		●			●	
Radilon®	Advanced Textile Solutions	●		●		●	
Radifloor®	Advanced Textile Solutions	●		●		●	
Dorix®	Advanced Textile Solutions			●		●	
Radyarn®	Advanced Textile Solutions			●		●	
Starlight®	Advanced Textile Solutions			●		●	
Dylar®	Advanced Textile Solutions	●		●		●	
Radimelt®	Advanced Textile Solutions	●		●		●	
Radipeople®	Advanced Textile Solutions	●		●		●	
Renycle®	Cross-Business Area	●		●	●	●	
Repetable®	Cross-Business Area			●	●	●	
Responsible®	Cross-Business Area	●		●	●	●	
Biofeel®	Cross-Business Area		●	●		●	
Biofeel® PLA	Cross-Business Area		●	●		●	●

Transparency, you see

A transparent, replicable and **scientific quantification** of life cycle environmental impacts is essential to qualify the products illustrated above as sustainable.

In matters of product environmental communication, the Group's job is facilitated most of all by the **ISO standards governing environmental labelling**.

In particular, for the High Performance Polymers

and Advanced Textile Solutions Business Areas, the registered and public Environmental Product Declarations (EPDs), based on Life Cycle Assessment (LCA) studies, completed and prepared according to the related product rules, aid the **Group in maintaining a high level of transparency**.

LCA

(Life Cycle Assessment)

The LCA method has been employed by the Group for all of its main polyamide and polyester based products since 2010, and **each product has been examined over the entire life cycle to fully reveal its interactions with the environment**. LCA data are used by the Group, both to simulate the potential environmental impact of a new product in the pre-industrial phase and as a basis for creating an Environmental Product Declaration (EPD) and calculating the Product Environmental Footprint (PEF).

EPD

(Environmental Product Declaration)

An EPD, issued by a company running an ISO 14025-certified EPD process, **communicates the environmental performance of a product**. As of today, EPDs have been developed and published by the RadiciGroup High Performance Polymers and Advanced Textile Solutions Business Areas. All EPDs are published online on a dedicated site operated by an EPD programme operator. For this service, the Group has chosen the International EPD® System, one of the world's most reputable EPD programme operators.

PEF

(Product Environmental Footprint)

The Product Environmental Footprint (PEF) is a methodology, promoted by the European Union, **that establishes the rules for calculating, assessing and communicating the environmental performance of goods and services to Stakeholders**. PEFs have been issued by the RadiciGroup Speciality Chemicals and Advanced Textile Solutions Business Areas.

Life Cycle Assessment

Life Cycle Assessment (LCA) is a **scientific, analytical and systematic methodology** that assesses **the environmental footprint of a product throughout its entire life cycle**, from the extraction of raw materials, to production, distribution, use and final disposal, giving the environmental impact values associated with each phase. It is an important technical foundation, allowing targeted actions to increase product sustainability through precise impact quantification.

A methodology that has been widely used by RadiciGroup for more than a decade, it was also used by numerous companies.

Below is an overview of the LCAs, or LCA-based environmental impact studies, carried out on strategic products for the Group till 2021.



Radici Chimica Novara S.p.A.	Third-party verified PEF study for nitric acid, adipic acid, hexamethylenediamine, bicarboxylic acid mixture (RADIMIX), PA66, PA610, PA66/6 5% CPL, PA66/6 10% CPL, PA XT.
Radici Chimica Deutschland GmbH	Third-party verified PEF study for KA oil, adipic acid, bicarboxylic acid mixture (RADIMIX).
Radici Novacips S.p.A.	EPD (Environmental Product Declaration) certified for Radilon® A and S 25%, 30% and 35% glass fibre compounds, for Heramid® A tenacity-enhanced and 30% glass fibre additivated compounds.
Radici Yarn S.p.A.	Third-party verified LCA study for Radipol® - polymer PA6 SD for POY, Radipol® - polymer PA6 SD for staple, Radilon® - PA6 POY 55F10 SD, Radilon® - PA6 SO 44F10 SD, Radilon® - PA6 staple 3.3 dtex SD, Renycle® - POY 55F10 SD, Renycle® - staple 3.3. dtex SD, Renycle® - SO 44F10 SD.
	Comparative PEF study of garment-dyed PA6 socks compared with PA6 socks made from solution-dyed yarn.
	PEF study on a PA6 and elastane jacket in cooperation with Customers.
RadiciFil S.p.A.	PEF study on PA510 DTY 40F30 SD and PA66 DTY 40F30 SD in the framework of the Lombardy Region POR FESR 2014-2020 call: Smart Fashion and Design.
	EPD third-party certified for PA6 and PA66 BCF yarns; Third-party certified LCA for Renycle BCF 50%.
Noyfil S.p.A.	LCA study for raw and dyed PET and r-PET Starlight®, Radyarn® and Repeable® yarns.

In relation to the HPP area, in addition to the above, around a hundred predictive LCA studies were carried out, in cooperation with Customers, to assess the

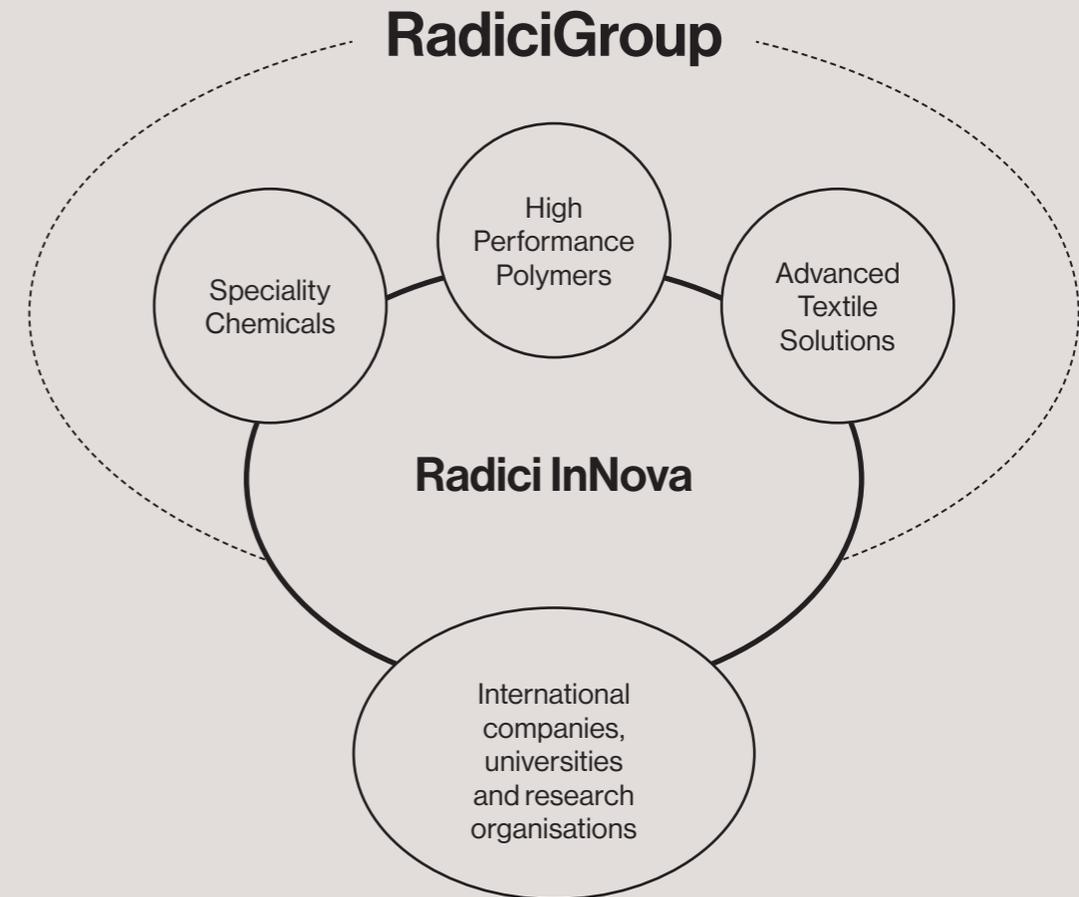
impact of a particular type of compound before its actual production and to assess the best choices from an environmental performance point of view.

Innovation is nothing new for RadiciGroup

Innovation is a **key factor** that has set RadiciGroup apart over the years, allowing the Group to expand into different sectors and offer the market competitive, cutting-edge solutions. By pooling the know-how and skills of the various Business Areas, it has been and is possible for RadiciGroup to **develop integrated advanced research projects, in line with the 2030 Agenda** and thereby inspired by the principles of environmental respect and circular economy, ensuring steady growth and a better future for future generations.

Radici InNova. The Source of InNovation

At the end of 2019, Radici InNova, a Consortium for Research and Innovation, was founded. The new company **will play a key role in RadiciGroup's sustainable growth** and provide crucial support for the Group's strategic decision-making.



Projects of strategic importance in 2021

Below are some of the **main strategically important projects** that met their initial targets during 2021. A common and distinctive feature of all these projects is that they are **based on collaboration**.

Customers, Suppliers, Scientific Partners and Group Companies have made significant contributions in terms of know-how and vision, with a view to mutually supporting and improving Radici InNova's activities.

- In the area of **new applications**, acquired health sector knowledge and expertise, strongly influenced by three years of the Covid-19 pandemic, was an important starting point for the development of **innovative materials**. In particular, **advanced filtering materials for the environmental and automotive sector**, and **materials for the technical and textile-clothing sector** were researched. In addition, to support the new business related to personal protective equipment, **recyclable and circular textile solutions** were put in place for the medical and workwear sectors.
- In 2021, Radici Innova began an important partnership in **a new area for the RadiciGroup**: the design of **prototype clothing for the space sector**, capable of **being comfortable to wear** while being **able to detect the wearer's physiological and vital parameters**. This project was the first experience in developing "smart clothing" capable of collecting, storing and exchanging information such as heartbeat, respiration, body temperature from and to the surrounding environment. It marked a first important goal at the beginning of 2022 with the realisation and test use of the first space clothing prototypes made with Group materials.
- Another important activity led to the research and development of **alternative processes to obtain the chemical intermediates** needed to manufacture the Group's polymers from **renewable raw materials**. The **patent application** filed in 2020, for **RadiciGroup's process** for the **purification of bicarboxylic acids**, was granted in Italy and Europe in 2021.
- As has been the case for some years now, research into the development of **polyamides from renewable sources** continued. **Numerous Customers have expressed an interest** in both chemical intermediates and polyamides from renewable sources. Therefore, an exploratory phase of possible **application collaboration** was launched.
- In relation to the circular **economy**, one of **Radici InNova's core objectives**, projects for the research and development of recycling processes (mechanical, chemical and by dissolution) from post-industrial and post-consumer waste continued. At the same time, **ecodesign** activities continued **to assist Customers in their design process**, one of the main results of which was the production of the **first recyclable racing ski suit** in 2021.
- The **strengthening of the internal structure for the life cycle analysis** of products and processes designed or manufactured by RadiciGroup has enabled Radici Innova to meet the **ever-increasing needs of Group Customers to measure the environmental performance** of products and processes to **demonstrate their commitments to sustainability**.
This is a significant recognition of RadiciGroup's decision to systematically base its assessments on **scientific and reliable measurement systems**.
- At the same time, for each of the **Group's Business Areas**, the activities necessary for the **improvement/performance development of products** continued, with a focus on **optimising costs, improving quality** standards and **reducing the environmental impact** of production processes.

The first circular ski suit

innovation and zero km supply chain.



At the end of 2021, RadiciGroup launched the first "circular" ski suit, made according to ecodesign principles and with a zero-kilometre design in collaboration with DKB, a company specialising in technical sportswear.

The suit features a fabric made of Renycle[®], a RadiciGroup yarn derived from the mechanical recycling of polyamide (nylon), which allows significant savings in terms of water and energy, as well as reduced CO₂ emissions. The suits padding and range of accessories, including zips, velcro straps and buttons are also made of polyamide. This milestone was achieved thanks to the vital supply chain partnership with entrepreneurial excellences in the area, for the research and development of chemically related materials that can be used in an application requiring high technical performance.

The virtually mono-material composition of the suit significantly facilitates the recycling of the garment at end-of-life, through its mechanical transformation into new polymeric material to produce, for example, ski boots and binding components for applications in other demanding sectors such as automotive or furniture.

RadiciGroup and its partners began with an ambitious aim: building a **solid example of sustainability and circularity** at the height of the Bergamo mountains, where the project was launched and implemented. The goal was achieved.

Circular economy, all-round sustainability

The circular economy is a **new way to design, produce and use** things and services within the boundaries of our planet, its resources, limitations and opportunities. It is a conceptually and operationally regenerative system that can today count on a favourable normative framework, thanks to the EU Circular Economy package and the European Green Deal, as well as a financial context distinguished by big global operators investing in circularity. The latter is what guides most of the Group's sustainability choices:

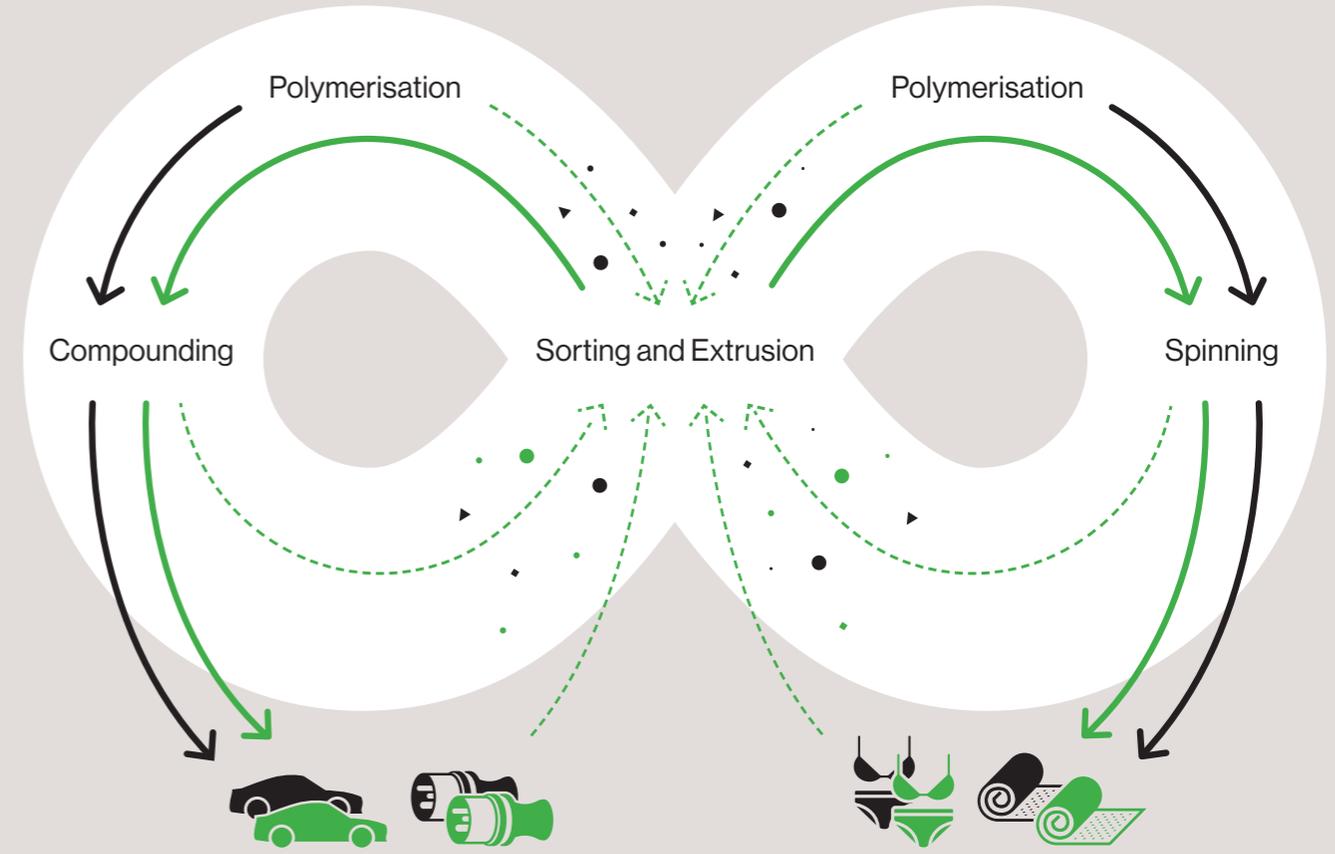
- **It is a driver of process and product innovation**, particularly thanks to **ecodesign**, and also offers development opportunities in unexplored sectors, thanks to RadiciGroup's range of 100% recyclable materials and recycled and bio-based products offer.
- **Motivates production and system efficiency** through the **reduction of waste and operating costs**.
- **It is an important lever for value chain transformation and integration**, through partnerships for implementing best-practice or supporting best technologies, optimising transport, chemical safety of materials and sharing values such as the health and safety of Workers.
- **Contributes to the creation of highly specialised and resilient local production chains**, "light" because they are local and flexible, capable of reacting swiftly in a changing situation, as happened in the production of personal protective equipment for medical use during the Covid-19 crisis and described elsewhere in this Report.

RadiciGroup's circularity principles

- **Ecodesign**: RadiciGroup is increasingly working with Customers and suppliers to design circular products. There is a particular focus on the concept of **monomateriality**. The concept is based on the realisation of objects using a single material, or very few chemically related ones, that can meet all the necessary performance needs and be immediately recycled at the end of life, possibly mechanically, requiring only the disassembly of the different components.
- **Materials**: the production offer is largely based on **recyclable, durable and recycled materials**. Through Radici InNova, the Group is investing in a further area for new and increasingly sustainable sources of raw materials, also obtained through innovative and technologically pioneering processes.
- **Processes**: the Group invests in **optimising every aspect of production**, from the use of raw materials to energy resources, combating all forms of waste. Processes are scientifically and rigorously measured to verify their impact.
- **Durability**: RadiciGroup products are based on **high-performance, carefully selected raw materials** from traceable and qualified supply chains. Nylon, in particular, is designed for durability and to lend the same feature to Customers' products.
- **Recyclability**: **all Group materials can be recycled** at the end of their life through a mechanical process with limited energy and environmental impact. They can thereby be transformed into new polymers for the most challenging sectors, from automotive to technical textiles.
- **Quality recycling**: the Group is able to **select different waste materials** by exploiting their intrinsic qualities and direct them to the most appropriate second life, based on the desired technical, environmental and market performance.
- **Renewable resources**: renewable resources, especially energy resources, **are a key factor in RadiciGroup's sustainability policy**. Thanks to its 20-year partnership with Geogreen, the Group has long had more than 50% clean energy in its mix.
- **Extended producer responsibility**: RadiciGroup is inspired by extended producer responsibility schemes to implement structured, controlled and efficient circular economy models.

The nylon recycling system for circularity

RadiciGroup, by virtue of its know-how in materials formulation and recycling, is able to **channel waste to the industry of origin or a different one** depending on the specific characteristics of the materials and the expected performance of the final applications, **choosing the most sustainable solution**. This applies to **pre-consumer recycling**, i.e. related to the process of industrial waste, and to **post-consumer recycling**, i.e. related to actual objects that have already lived a first life.



- Key**
- Virgin raw materials
 - Recycling materials
 - Recycling Process
 - Scraps



Radipeople[®]
**recyclable
protective
equipment.**

In October 2021, RadiciGroup unveiled its new entity dedicated to personal protective equipment (PPE) for industrial use. Radipeople[®] was launched, the brand that identifies these garments, as the result of an entirely Italian supply chain, with a focus on raw materials and product quality.

Radipeople[®] equipment offers excellent defence against external agents, high protection against biohazard and infectious agents and high robustness and lightness to optimise protection and comfort. **The entire Radipeople[®] range is produced from traceable materials** and the PPE is packaged in eco-designed packaging.

The focus on health and safety, which is one of the pillars of the Group's sustainability strategy, is tangible in the Radipeople[®]

range and in particular in **Radipeople[®] Eco, the first, innovative "circular" protective suit, immediately recyclable at the end of its life because it is made of 100% polypropylene.** This allows immediate recycling of the garment at the end of its life, without the need to separate the different components, through a mechanical recycling process with limited environmental impact.

Fashiontech underwear and sportswear find their virtuous circle.



In June 2021, Fashiontech, **a major technical eco-design project**, was completed at Radici Yarn, aiming to produce hosiery and garment products using circular knitting technology. All using recycled raw materials, possibly also recyclable, with limited environmental impact, while maintaining performance levels.

Several design phases and results were achieved, first the development of polyamide yarns mass dyed by adding the dyes directly during the extrusion phase.

This solution made it possible to **significantly reduce the environmental impact**

by eliminating the dyeing step, which requires significant water consumption. The reduced impact of the garments was measured in the second phase of the trial, thanks to a PEF study comparing a mass-dyed product

designed within the project, a black sock, with a similar garment-dyed product. The latter was found to have more significant environmental impact than mass-dyed black socks, with a 60% reduction in water use, a **53% reduction in emissions and**, in relation to energy, a 47% reduction.

With a view to circularity, the following design phase, i.e. the development of a totally mono-material 100% polyamide, recycled, solution-dyed and textured item, also had encouraging results.

From the Code of Ethics

We put our Customers at the centre of everything we do

At RadiciGroup we are constantly working to meet customer expectations and foster the business relationship.

- We work with our Customers according to the principles of fairness, following contractual specifications.
- We are committed to offering quality service and products, at competitive conditions, in compliance with the law. We work together to develop and use low-impact products, through processes that reduce the use of resources and the generation of waste and emissions.
- All our products come with the documentation required by current legislation.
- We provide and ask for comprehensive information from our Customers so that they can always make informed decisions.
- We expect compliance with the agreed conditions and, in turn, we adhere to these same conditions. We never carry out services without an appropriate contractual relationship.



RadiciGroup has a **worldwide customer network**, served both through a global distribution network and an internationalised manufacturing operation with plants in major markets. RadiciGroup's production sites and sales offices have followed the evolution of markets with different characteristics by area and sector.

In the **polymers and engineering polymers** areas, the considerable presence of **medium and large-sized companies** operating in globalised sectors such as automotive and electrical/electronics requires proximity to the production hubs of each area from a commercial and often also a production perspective. In the **fibre area**, which involves numerous **small to medium-sized players**, it is important to manage the customer relationship taking into account the complexities of highly articulated value chains. **All RadiciGroup Customers are manufacturing companies.**

Again in 2021, RadiciGroup provided Customers with:

- **Robust upstream integration with optimised and controlled processes.**
- An **extensive production, distribution and sales network**, a guarantee for the Customer of proximity and continuity of supply.
- **Constant awareness of the challenges of different sectors**, from **circularity to green chemistry, from sustainable fashion to electric mobility and med-tech.**
- **Strengthening the sustainable solution offer** with new recyclable and recycled products.
- **R&D activities**, with a strengthening of **projects in the area of circularity and process and product sustainability, also on the basis of eco-design**, to develop high-performance solutions and materials, where possible based on sustainable intermediates, that can be translated into **safe, durable, light-impact and recyclable** products, in line with the most pressing market demands.

From the Code of Ethics

We seek the best to provide the best

In our Group, we choose our Suppliers based on criteria of competitive advantage, equal opportunity, cost-effectiveness, quality, sustainability, as well as on the basis of objective assessments that protect the interest and reputation of our companies.

- We select Suppliers after we have established their reliability, their ability to provide adequate goods and services, and their guarantee of compliance with applicable regulations with a particular focus on legislation on occupational health and safety and environmental protection. To do this, we use objective and verifiable criteria that do not preclude potential access to all those Suppliers who meet the necessary requirements.
- We work with Suppliers according to principles of transparency, loyalty and fairness with a view to stable and enduring business relations.
- To ensure maximum transparency and efficiency of the procurement process, we have set up an adequate traceability system in each Group company, storing the relevant documentation, in compliance with current regulations.
- We require Suppliers to comply with the agreed conditions and we also adhere to them.

The Group's production processes are structure and complex, starting with raw materials: caprolactam, phenol, olon, ammonia, adiponitrile, polypropylene and polyethylene or polyester polymers, materials that are indispensable for RadiciGroup's processes.

There **are around 70 Suppliers of strategic raw materials, operating worldwide**, and they are linked to the Group by framework agreements. They **cover around 65% of the Group's procurement expenditure** and are essential for every Group activity.

The Group's Suppliers in relation to turnover and geographical location

breakdown of RadiciGroup Supplier types by turnover in 2021

Strategic raw materials	between EUR 800 and 830 million
Packaging + Transport	approximately EUR 68 million
Maintenance + Utilities	approximately EUR 148 million
Other goods or services	approximately EUR 133 million

Geographical breakdown of RadiciGroup Suppliers by turnover in 2021

Europe	around 85% of turnover*
Asia	around 10% of turnover
North and South America	around 5% of turnover

*Of which around 20 key Suppliers account for a turnover of over EUR 10 million.

RadiciGroup and Versalis

commitment to sustainable logistics.



In a 2021 that saw the need to leverage every part of the supply chain, **RadiciGroup finalised a major investment project by opening the railway connection at the Versalis plant in Mantua** for the transport of olone to Radici Chimica SpA in Novara.

Olone (KA Oil) is one of the main chemical intermediates used in the production of adipic acid and in the polyamide 66 chain, Radici Chimica's core business, and the basis for subsequent RadiciGroup processing. Versalis, Eni's chemical company, produces it at the Mantua plant from which RadiciGroup takes several tens of thousands of tons a year. Before construction of the junction, this intermediate left the Versalis site in Mantua by truck to the nearby railway yard. As a result of this investment, the olon

travels exclusively by rail-tanker with increased safety in material handling and transport as well as undoubted environmental benefits. Since it became fully operational, **RadiciGroup and Versalis have achieved an 80% reduction in CO₂ emissions and a primary energy saving of 75%.**

This is yet another sustainable logistics initiative implemented by Radici Chimica in line with RadiciGroup's policy for a production system with low direct and indirect emissions.

Work the system, always. Associations and competitors

RadiciGroup attaches great importance to its membership of trade, industry and scientific associations. These organisations cover the whole production chain from upstream to downstream and are an important pre-competitive context, where it is possible to:

- **Develop research projects and address key present and future challenges collectively**, related to products and systems.
- **Share competencies and potential risks in the development of common solutions** to meet new needs arising from the market.
- **Have one's voice heard at the institutional level and give authoritative support to government bodies** in their decision-making and legislative processes, as well as work to build consumer awareness and culture.

The membership, in these associations, of numerous Group competitors, providing for open and direct dialogue, testifies to RadiciGroup's full respect for all players in the scenario and for the rules of commercial fairness.

RadiciGroup memberships in trade and other associations in 2021

ABRAFAS - Associação Brasileira de Produtores de Fibras Artificiais e Sintéticas

AICQ

Association of Plastics Industry

Camera di Commercio e Industria di Neamt

Camera di Commercio italiana in Cina

Camere di Commercio Italo-Ceca

CEFIC - European Chemical Industry

Chemie Wirtschaftsfoerd GMBH

CIESP - Centro das Indústrias do Estado de São Paulo

Cirfs

Comitato Elettrotecnico Italiano

Confindustria Bergamo

Confindustria Novara -Vercelli -Valsesia

IBIS Consortium

Edana

Ellen MacArthur Foundation

EPCA - European Petrochemical Association

Federazione Patronale Tessile

Federchimica Assofibre

ICESP-Italian Circular Economy Stakeholder Platform

IHK (Industrie- und Handelskammer)

Nordostchemie

OMA - Ohio Manufacturer's Association

PINFA - Flame Retardants Association

Plastics Europe AISBL (BE)

Plastics Europe Italia

Proplast

SINDTEXTIL - Sinditêtil Sindicato Indústria Fiação Tecelagem Estado São Paulo

Sistema Moda Italia - TexClubTec

Spring

Tessile e Salute

Tecnici Materie Plastiche

Uniplast-Ente Italiano di Unificazione delle Materie Plastiche

VTB: Verband der Bayerischen textil und Bekleidungsindustrie

Wadsworth Chamber of Commerce

In 2021, thanks to its membership of the most recognised association and institutional venues, RadiciGroup actively participated in new industry projects to structure collection, management and recycling systems for end-of-life textiles and waste throughout the textile supply chain, in view of the EU Commission's future regulatory interventions for the

sector. Working with major stakeholders in the textile supply chain, always in compliance with fair competition regulations, is crucial for the achievement of objectives. In particular, RadiciGroup has been involved in REHubs initiatives, which promotes the creation of national hubs for sorting and recycling post-consumer textile waste and products at the European level.

RadiciGroup in China

the first
“Panda Award”
for Radici Plastics
Suzhou.



In 2021 Radici Plastics Suzhou, a Chinese company belonging to the High Performance Polymers area, received the **prestigious “Panda Award”** during the annual event organized by the Italy-China Chamber of Commerce under the patronage of the Italian Embassy. The award is intended for Italian and Chinese companies and individuals who have **contributed most to the strengthening and development of bilateral economic relations** between Italy and China.

This is the first “Panda Award” received by Radici Plastics Suzhou. The reason for this prize is particular and significant: the resilience put in place and the ability to conduct the business profitably despite an extremely complex scenario.

The investments made and the ability to quickly adapt to the

changing context were also recognized.

The Grand Awarding Ceremony saw the participation of over 500 entrepreneurs and representatives of Chinese and Italian institutions and was an excellent opportunity to promote the Made in Italy and the Italian lifestyle in China.

With this recognition, Radici Plastics Suzhou enters a small group of 16 companies qualified as excellent and proves **to be able to combine the Italian-Chinese entrepreneurial spirit at best.**

Media

RadiciGroup's media presence was significant in 2021. The press review and social media monitoring figures once again showed the strong interest among all stakeholders in the Group, its strategies, new product developments and the choices made for the environment, people and local areas.

In the area of communication, along with a structured transparency strategy, RadiciGroup has also benefited from the well-established and excellent relationship with the generalist and trade press. Similarly to other stakeholders, **the Group builds solid, long-term relationships with the media.** During a complex 2021, it was also important to communicate on a regular basis, benefiting not only the press, but the entire value chain.

As far as sustainability is concerned, in 2021, RadiciGroup again adopted the principles of balance and accuracy in communicating its performance and results, always making use of up-to-date data and information to demonstrate the validity of the choices made. It was particularly important to translate the complexity of the Group's sustainability choices into a comprehensible language, able to stimulate and "engage" stakeholders.

2,000 releases in online and print media, both Italian and international.

Focus on **Italian newspapers: about 1,000 releases.**

Focus on **international newspapers: around 900 releases** in newspapers in various countries where the Group is present.

Among the main **keywords** detected were: **sustainability, environmental impact** and **circular economy**, consistent with the Group's communication and information strategy for stakeholders.

As far as **social media presence** is concerned, **LinkedIn, Facebook, Twitter, Instagram** and **YouTube** had **more than 200 posts** published in 2021. There has been a steady increase in followers and interactions on all the main platforms, an important sign of both interest in RadiciGroup's activities and the intention to directly contact the Group, often to express appreciation for its activities.

Focusing on **LinkedIn**, the main social media networking site used by RadiciGroup, it recorded an **increase of more than 7,600 followers compared to 2020**, a very good result for a business-to-business company. To improve the skills of teams using LinkedIn for Customer contact, a major training course was organised in 2021, which is described in the training part of this report.

1,350 online posts and articles in which RadiciGroup was mentioned.

Online, RadiciGroup has a **daily average of 4 mentions.**

Creating Value for Local Communities and Territories



A reference point in the territory, for the territory

To us, **the territory** is much more than a physical space in which to operate.

It is a part of us, **it is in our very roots**: we were born and grew here, we founded our companies here. Here, every day, we devote all our efforts and passion to create new opportunities and value.

For this reason **we want to improve our territory**, and make it, day by day, a **safer and healthier place** in which to grow and to live.

In our Group, we are aware of the leading role we play in the territories in which we operate.

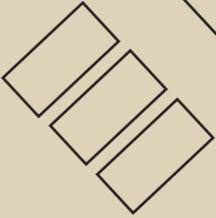
- We plan our actions with the interests and characteristics of the local area in mind and are committed to cultivating transparent and proactive relationships with local communities.
- While respecting the rules we have set for ourselves, in particular the ban on supporting any political organisation, we strongly support the institutions and associations in the area engaged in cultural, social and sporting activities.



The territory is in our roots



- **RadiciGroup is a family business**; some members of the Radici family, including the shareholders, reside and are physically present in the areas where RadiciGroup was established and operates.
- **All the historic RadiciGroup companies are located near urban areas**, or are even part of the urban fabric itself.
- At the same time, many of these companies are also located in **mountain areas**, or in close contact with **rivers, woods, protected areas and cultivated fields** which RadiciGroup respects.
- The **Workers** are the residents of the host community. **About 80% of RadiciGroup Workers in Italy actually reside within a 20 km radius from the Group company where they work.**

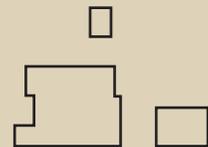


From the Code of Ethics

RadiciGroup and Local Communities: a single entity

In our Group, we are aware of the leading role we play in the territories in which we operate.

- We plan our actions with the interests and characteristics of the local area in mind and **are committed to cultivating transparent and proactive relationships** with local communities.
- While respecting the rules we have set for ourselves, in particular the ban on supporting any political organisation, we **strongly support the institutions and associations in the area** engaged in cultural, social and sporting activities.



15
nations

5

different languages

From RadiciGroup to Local Communities

- Production culture with **high health and safety standards** in all the world.
- **Promotion of local social sustainability** through welfare policies in the various countries.
- Engine of **development in emerging countries** and a solid employment opportunity for the younger generation in mountain areas.

From Local Communities to RadiciGroup

- **Support and closeness** witnesses also by their excellent attendance at public events organised by the Group.
- **A unique and special manufacturing know how**, a vocation that local schools have cultivated.
- An inclination for **organisational and production flexibility** typical of local communities.
- **Local Suppliers**, with whom RadiciGroup has established a relationship of trust and loyalty.

RadiciGroup and the territory 2021

In a logic of **active corporate citizenship**, the Group is attentive to the needs of the territories and responds through **projects** designed for **different cultural contexts** and needs.



- **Family**

Radici Novacips SpA and Radici Yarn SpA (Italy) support the community nursery.

- **Youth Sport**

RadiciFil SpA (Italy) supports Juvenes Gianni Radici.

- **Inclusion**

Radici Chimica SpA (Italy) actively responds to the integration needs of the S. Agabio district.

- **Training**

Radici Partecipazioni SpA (Italy) created and maintains the Education Project for relations with schools.

- **Employees**

Radici Chimica Deutschland GmbH (Germany) organises and supports sports events for Employees and the territory.

- **Engagement and biodiversity**

Radici Plastics Ltda (Brazil) grows the first corporate orchard for biodiversity.

- **Social needs of the territory**

Logit Sro (Czech Republic) supports the foundation of the same name and the Podbořany community.

- **Healthcare**

S.C. Yarnea Srl (Romania) through the Gianni and Luciana Radici Foundation is active in the prevention and treatment of serious illnesses of Employees and their families.

- **Public health, the fight against Covid**

Radici Plastics India Pvt. Ltd (India) contributes to the government's PM Cares fund for Covid to support research into the virus.

- **Youth competitive sport**

Radici Partecipazioni SpA (Italy) supports the RadiciGroup Ski Club, with more than 100 local athletes between the ages of 6 and 18.

- **Flowerbeds and public gardens**

Cordonsed Argentina SA (Argentina) works with the municipality for street furniture and supplies materials to municipal gardeners for the maintenance of flowerbeds and public gardens.

- **Child safety**

Radici Chemiefaser GmbH (Germany) supported, in cooperation with the police, the production of a colouring book to explain to children how to react correctly in different situations.

- **Help for families in difficulty**

Radici Plastics Inc. (USA), through the contribution of all Employees, supports families in need with special help at Christmas with the Salvation Army's "Adopt a Family" project.



Radici Chimica Novara and the S. Agabio district

a special
relationship.

In 1986 Gianni Radici, the Group's founder, decided to buy and put back into production the former Montedison factory in Novara, which was a part of the industrial "small town" surrounded by the Sant'Agabio district. Over time, the neighbourhood has increasingly become a multi-ethnic residential area with a strong sense of **inclusiveness, a path that Radici Chimica has embraced for many years, reflecting the RadiciGroup philosophy.**

Among the cultural and social organisations present, supported by Radici Chimica, is the Cassiopea Voluntary Association, which has been preventing school drop-outs and bullying, and promoting cultural improvement by facilitating the social integration of families since 1997. School remedial and support activities are also carried

out in coordination with the Istituto Comprensivo Statale C.T. Bellini, which is located in the heart of the district. The most recent initiative in 2021, thanks in part to the support and contribution of Radici Chimica, was the "School Against Bullying and Cyberbullying" course: a training course, aimed at students and their parents, on the conscious use of the Internet and social media, in cooperation with the police. In addition, the institute has set up a psychological support desk for the children and their families to provide an **active presence and real support.**

The mutual recognition and respect between Radici Chimica and the Sant'Agabio district has been maintained and increasingly consolidated. In fact, the neighbourhood sees Radici Chimica as a reference point growing in importance over time.

The future belongs to generations to come

In particular, **the Group gives special attention** to the **younger generations** who are the ones that will bring life to local communities and foster dialogue and relations with companies in the future.

It is on these foundations that the **Education project** was launched, which for years has been establishing and strengthening effective partnerships between the Group and the educational institutions in the territories where its companies operate.

In spite of the emergency situation, Education continued working, mainly online, offering:

- **Company internships** involving students from local vocational schools.
- **University internships.**
- **Extra-curricular internships** that enabled students to be included in site workforces.
- In-person **company visits and lectures** during permitted periods, and meetings with local entrepreneurs.
- **Career guidance interviews** with RadiciGroup Management to help young people shape their training path towards a career.
- **Webinars** held by RadiciGroup experts.

Even in 2021, despite the restrictions still in place, **Education ensured that numerous students were able to get in touch with the Group**, mostly online, to get to know the companies better. In particular, **the Group's companies took part in Informagiovani**, an initiative aimed at engaging with young people to help them understand the skills required by the labour market, and **in SME Day**, a day dedicated to telling the story of companies committed to creating a better future with a special focus on sustainability.

Finally, the Group's HR representatives took part **in the Job Festival**, an initiative during which more than twenty individual interviews were conducted with final-year students from various technical institutes in the province of Bergamo to find out more about their abilities, aptitude and aspirations.

Sport that coaches for life

The education of the new generations also involves sport. After all, **sport and work share the same values:** sacrifice, hard work and the desire to constantly improve to reach new ambitious goals.

That is why RadiciGroup supports sports associations, local mainly youth sector clubs that not only teach sport, but also contribute to the growth of young people.

One example is the **support for the RadiciGroup Ski Club**, a Bergamo organisation with over 100 athletes between the ages of 6 and 18.

Furthermore, **RadiciGroup is an official Sponsor of the Atalanta Bergamo Football Club**, a team very close to Bergamo local communities and to all Group Employees, who are invited to special engagement events featuring the participation of the Atalanta players.



Attention and support for:

Schools

Sports associations



Case Study



A.S.D. Juvenes Gianni Radici

educating through sport.



A.S.D. Juvenes Gianni Radici is a sports club founded in 2016 with the **aim of making sport one of the fundamental factors in the healthy growth of local children.**

The company runs a sports centre opposite RadiciFil, a Group company specialising in yarns for textile flooring.

The company supports A.S.D. Juvenes not only because of its social and community value, but also in view of its cutting-edge mission. The cornerstone around which the Society's activities are developed is the Children's Charter of Rights in Sport, drawn up by Unesco in Geneva in 1992. The Juvenes Gianni Radici project **offers families an educational and growth programme for young people** through play and football. Sport teaches determination, sacrifice and the

desire to constantly improve, values that have always been at the core of Gianni Radici's way of working as well. **By putting children at the heart of the project, A.S.D. Juvenes takes up the legacy of Gianni Radici** and is committed to a quality educational programme.



**Team spirit
wins**

**in business
as in sport.**

Radici Chimica Deutschland:
In business as in sport, team spirit
wins.

**Two mixed teams with
one goal:** training for the
Firmenlauf, the popular regional
relay race for company Employees.
With this spirit, Radici Chimica
Deutschland and its "athletes"
tackled the race in the summer of
2021 and secured very respectable
placings. Riders of the two teams
sporting special limited edition
'Radifix' t-shirts in the traditional
corporate "Speciality Chemicals
blue".

Participation was encouraged by
the company as one **way to
reconnect with sport
after the Covid period.**

Sport, especially team sport,
contributes to well-being and
health, as well as fostering

**trust and cooperation
between people, which
are also essential
factors in business
success.**

Not just running. The annual dragon
boat races are also famous in
Radici Chimica Deutschland, held
in the area's old lignite quarries,
which have been converted into
artificial lakes. Fiercely contested
and physically challenging, the
last edition of the competition
before the pandemic saw the
company team challenge German
and international teams in paddle
strokes, as well as "friends-rivals"
from Radici Chimica SpA, its sister
company in Novara.



A sustainability system

Management systems

Voluntary quality, safety, environmental and energy management systems, implemented according to the most advanced and recognised international standards, make up a framework of best practices and **valuable tools for sustainable management**. Over time, RadiciGroup has developed a path to sustainability, which is now a process in its own right, by making management systems a **pivotal part of its strategy**, which goes far beyond mere compliance. For the Group, the benefits of having management systems in place, from a sustainability perspective and beyond, are numerous:

- Built on the basis of the risk-based thinking approach, which involves the accurate analysis of business context and processes, they **make it possible to measure, monitor and manage risks and opportunities** from the perspective of, for example, the environment, energy and the use of resources.
- They bring to the organisation a **systemic and process-oriented approach** that **streamlines procedures and creates synergies** between different companies or business areas for a shared management of objectives, related, for example, to Health and Safety matters.
- Through the documented and verified management of processes and the common language of the systemic approach, they make it possible, with a view to strategic planning, to **assess results achieved over time both by individual companies and across functions**.
- Through **certification instruments**, which are increasingly an indispensable condition for access to certain markets and highly specialised applications, **they can be an important factor in acquiring new business opportunities**.

The certifications, in particular, attest to and solidify RadiciGroup's commitment to Quality, Safety and the Environment as well as to transparent and third-party verified product environmental impact reporting.

RadiciGroup Certification Table (updated 30 May 2022)

RadiciGroup Site	ISO 9001	IATF 16949	ISO 14001	ISO 45001	ISO 50001
Corporate					
Radici Partecipazioni S.p.A.	●				
Business Area: Speciality Chemicals					
Radici Chimica Novara S.p.A.	●		●	●	●
Radici Chimica Deutschland GmbH	●		●	●	●
Business Area: High Performance Plastics					
Radici Novacips S.p.A. - Villa d'Ogna	●	●	●	●	
Radici Novacips S.p.A. - Chignolo d'Isola	●		●	●	
Radici Plastics GmbH	●	●	●	●	●
Radici Plastics Ltda (Brasil)	●	●	●	●	
Radici Plastics (Suzhou) Co. Ltd.	●	●	●	●	
Radici Plastics Usa, Inc.	●	●	●	●	
Radici Plastics Mexico S. De R.I.	●	●	●	●	
Business Area: Advanced Textiles Solutions					
RadiciFil S.p.A.	●		●	●	●
Logit Sro	●		●	●	●
Radici Yarn S.p.A. - Villa d'Ogna	●		●		●
Radici Yarn S.p.A. - Ardesio	●		●		●
S.c. Yarnea Srl	●		●	●	
Radici Chemiefaser GmbH					●
Radicifibras Ltda	●				
Noyfil S.p.A. - Chignolo d'Isola	●			●	
Noyfil S.p.A. - Andalo Valtellino	●			●	
Noyfil Sa - Stabio	●		●		
Tessiture Pietro Radici S.p.A.	●		●	●	

Other strategic certifications in 2021

Environmental Product Declarations (EPDs), which are based on ISO standards and comprehensive Life Cycle Assessment studies drawn up in accordance with the respective Product Category Rules, contribute to maintaining a high level of transparency.

The EPDs cover products from the High Performance Polymers area - with Heramid A (PA66), Radilon® S (PA6) and Radilon® A (PA66) - and the Advanced Textile Solutions area - with Radifloor® (PA6 and PA66) Bulk Continuous Filament and Refined Yarns.

The latter business area also sees the presence of the Global Recycled Standard (GRS) certification for nylon-based (Renycle®) and polyester-based (Repetable®) recycled products, and the ISCC PLUS (International Sustainability and Carbon Certification) certification for traceability for circular materials in the nonwovens area.

Assurance statement*



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VERIFICATION OF THE 2021 YEAR SUSTAINABILITY REPORT OF RADICI GROUP

Scope

Certiquality S.r.l. received by Radici Partecipazioni S.p.A. a limited assurance engagement for the Sustainability Report of Radici Group relating to the year 2021 (Italian version), in order to assess its consistency with the guidelines of the GRI (Global Reporting Initiative) Standards, with reference to the option “core”, which indicates that the report contains the minimum information needed and the quantification of at least one performance indicator for each identified material topic. This letter describes the activities carried out, it reports on the audit findings and the recommendations for improvement.

The verification has been carried out with reference to the “GRI Standards” published in 2016 by the Global Reporting Initiative and partly updated at a later time, and it has concerned in particular:

- the verification of the definition principles of the report content (stakeholder inclusiveness, sustainability context, materiality, completeness);
- the correct definition of the report boundary;
- the verification of the principles for guaranteeing report quality (balance, comparability, accuracy, timeliness, clarity, reliability of the data and information management system);
- the compliance of the report contents with the ones set out by the GRI Standards guidelines for the “core” implementation level.

The verification has been carried out in compliance with the procedures implemented by Certiquality for audits complying with the UNI EN ISO 19011:2018 standard. The audit has been partially carried out on site, partially off-site and partially remotely, by interviewing relevant staff in videoconference and examining the shared documentation.

Methods

The activity has been carried out in accordance with the following operating methods:

- analysis of the “2021 Sustainability Report of Radici Group” Italian version document, with particular reference to the principles and contents set out by the GRI guidelines (definition of the report boundary, standard information and performance indicators);
- interviews with the positions directly or indirectly involved in the drawing up of the document and in the processing of data and information (from collection to further processing);
- examination of documents and records in place at the operative site of Radici Partecipazioni S.p.A. in Gandino and at a representative sample of production sites included in the report boundary: S.C. Yarnea Srl (Romania); Radici Yarn S.p.A. (Italy); Radici Chimica S.p.A (Italy).; Logit Sro (Czech Republic); Radici Novacips S.p.A. (Italy); Radici Plastics Mexico S. de R.L. de C.V.;
- the analysis has concerned both the procedures implemented for the collection, filing and processing of data and the technical-normative aspects of the activities carried out.

The economic-financial data are taken from the consolidated balance sheet of Radici Partecipazioni S.p.A., that already underwent a voluntary auditing of accounts (as per letter by Deloitte & Touche of 31/05/2022), therefore they have not been further checked.

The verification activities concerning the management of the data and information contained in the report have been carried out on samples, taking care of ensuring that all the aspects handled in the document have been adequately covered.

Results and recommendations

The “2021 Radici Group Sustainability Report” (Italian version), extended for the first time to the entire scope of consolidation of the economic-financial report, confirms Radici Group capacity to respond to the problems encountered at a global level, already highlighted in previous years. The document is clear and complete and provides an exhaustive overall picture of the relationship of the group companies with the context in which they operate.



* Refer to the full document on the website



Member degli Accordi di Mutuo Riconoscimento EA, IAF e ILAC
Signatory of EA, IAF and ILAC Mutual Recognition Agreements.
802 n. 0084 - 804 n. 0010 - 807 n. 0027 - F04 n. 0001
P02 n. 0088 - D04 n. 0028
801 n. 0078 - 802 n. 0008 - 803 n. 0005 - 806 n. 0010
E045 n. 0047 - ITX n. 0044 - P03 n. 1000



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Numerical performance indicators are represented over the 3 years 2019-2021, with some references in the text to a wider period, in order to enable an evaluation of the trend of performances since the start of the GRI project. The information is reported in a clear and balanced way and the language used, supplemented where necessary by some explanatory notes, allows it to be understood even by a not strictly technical public. The treatment of environmental aspects is organized according to thematic strands (materials used - waste; energy consumption - atmospheric emissions; water consumption – waste water) which make reading more effective.

As far as the report boundary is concerned, there are no significant exclusions, especially after the extension of the scope to commercial, financial and service companies; the closure of one of the factories, which took place at the end of 2021, has no impact on the reporting period and the same is therefore reasonably included until the end of the period, also with regard to personnel data.

Both the standard disclosure and the representation of the indicators show a good degree of consistency with the requirements of the GRI Standards guidelines, with further progress compared to previous years, although there are still some limited margins for improvement.

In some cases the indicators are reported in a more exhaustive and complete way than the minimum requirement of the Standards (e.g. energy, waste water), referring to previous and more articulated versions of the GRI standards or, as in the case of the value generated and distributed, to other authoritative sources in the field of sustainability communication (Social Report Group), without however derogating from the completeness of the information required by the reference standard.

With regard to some indicators, characterized by the absence of certain facts or events (e.g. absence of party funding, absence of various types of sanctions, absence of discrimination cases), given the difficulty in verification, it was requested to produce declarations the management of the companies or BAs being audited.

The data collection and data processing system is sufficiently well-structured and documented at the central level and has been improved at the local level, even if from the verifications carried out on the sample sites some margin for improvement is confirmed, especially with respect to foreign sites.

The audits carried out confirm some specific margins for improvement of limited relevance, inherent, for example, to the homogeneity in the collection of data in different contexts even in the face of very different regulations (e.g. classification and destination of waste, accidents) or to some insubstantial details on the reporting methods (eg water stress, training by employee categories). More generally, it is recommended to pursue further the constant improvement of the data management system, especially as regards the information transmitted to foreign sites regarding the criteria for data collection and the checks to be carried out on the collected data.

Conclusions and asseveration

The verification of the “Sustainability Report of Radici Group” (Italian version) concerning the year 2021 has not given rise to any significant issues, neither as regards compliance with the principles of the guidelines of the GRI Standards, nor as regards its content in terms of reported information or Performance Indicators, while still leaving some room for improvement.

In view of the above, the Sustainability report of Radici Group relating to the year 2021 is declared to be asseverated to the “core” option requirement level of the GRI guidelines.

July 21st, 2022

Certiquality S.r.l.
The President
Cesare Puccioni



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P02 n. 0088 - D04 n. 0028
801 n. 0078 - 802 n. 0008 - 803 n. 0005 - 806 n. 0010
E045 n. 0047 - ITX n. 0044 - P03 n. 1000

Our places



Monte Pora, Bergamo - Italy

A special place in the Bergamo area, but also in the heart of the Radici family. Here, the beauty of nature blends with tradition and a sporting passion for skiing. Extensive facilities and the new floodlit slope are the main training ground for the more than 100 athletes belonging to the historic RadiciGroup Ski Club.



Val Gandino, Bergamo - Italy

Here, in 1941, in this narrow valley surrounded by the Bergamasque Prealps, Pietro Radici founded Tessiture Pietro Radici SpA. Today, RadiciGroup is one of the leading manufacturers of polyamide (nylon) polymers and chemical intermediates, engineering polymers and advanced textile solutions.



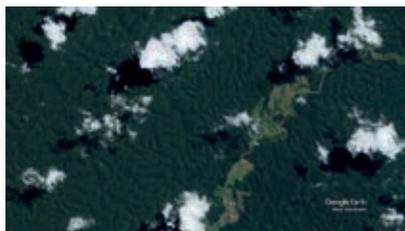
Planet Earth

This Sustainability Report is dedicated to the Earth. The Earth contains RadiciGroup world, here every day we develop new ideas to grow and concrete solutions to respect the Planet and make it a better place for generations to come.



Lüneburg - Germany

In 1998, thanks to the acquisition of an important German compounder in Lüneburg, Radici Plastics GmbH is founded. It is a global reference point in the production and sale of engineering plastics.



Amazon rainforest - Brazil

Brazil is one of the countries where RadiciGroup operates. Here can be found one of the most precious world heritage sites, on which the entire existence of our planet depends: the Amazon Forest. It covers 6.7 million square kilometres and holds the largest pluvial forest and the richest fluvial system in the world.



Stabio - Switzerland

Noyfil SA, located in the Canton of Ticino, in the Advanced Textile Solutions Business Area, is active in the design, production - by extrusion and spinning process - and sale of continuous polyester yarn (PET) and polylactide-based yarn (PLA) in raw, solution-dyed and additivated versions.



Samsø - Denmark

Samsø is not only a beautiful Danish island, it is also a symbol par excellence of sustainability, having achieved 100% energy independence in less than five years. This makes it a very special place for RadiciGroup, a model to be inspired by every day.



Wadsworth - USA

Thanks to the acquisition of American compounder Michael Day of Wadsworth, which has now become Radici Plastics USA, the Bergamo-based group is continuing its development strategy in the major polyamide engineering plastics sector markets, especially in the plastic components sector for the automotive market.



Villa d'Ogna, Bergamo - Italy

Two of the Group's main companies are based here:

- Radici Novacips, headquarters of the High Performance Polymers area, one of the most qualified multinational companies in the field of polyamide and polyester-based engineering plastics;
- Radici Yarn, Europe's leading manufacturer of a wide range of nylon yarns and staple fibres.



Bernina Glacier - Switzerland

Situated between Lombardy and the Canton of Graubünden, it is one of the main and highest mountain massifs in the Alps and symbolically represents RadiciGroup's link with the Noyfil industrial company in Switzerland.

Sustainability Report

collaborators

An important group of people collaborated on preparing the Sustainability Report, making a major contribution to the commitment to transparency and reporting made by the Group starting in 2003.



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