

Press Release

Bergamo, 23 September 2015

RadiciGroup releases its 2014 Sustainability Report.

RadiciGroup has once again lived up to its commitment to transparent communication with its stakeholders by releasing its <u>2014 Sustainability Report</u>, which gives as faithful as possible a picture of the Group's industrial activities and achievements in economic, social and environmental sustainability.

For the fourth year in a row, the RadiciGroup Sustainability Report has obtained external



assurance at the GRI B+ Application Level of conformity to the Sustainability Reporting guidelines (Version 3.1) issued by the Global Reporting Initiative, the most widely accepted global standard for nonfinancial reporting. The GRI - founded in 1997 and formally inaugurated in 2002 as a United Nations Environment Programme (UNEP) collaborating organization - has as its main objective the development of a reporting framework that includes the three fundamental aspects of corporate business activities: economic, social and environmental. that is not all. The standard aims to become the tool for measuring the social responsibility of a company and quantifying and monitoring not only its economic, but also its social and environmental, performance. Furthermore, it is a tool for communicating with

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stakeholders in accordance with their expectations.

* The GRI application levels reflect the extent of application of the GRI reporting guidelines (G3.1) in the preparation of the Sustainability Report. A "plus" (+) is available at each level (e.g., B+) if external assurance is received for the reliability of the data collected and used. External assurance for the RadiciGroup 2014 Sustainability Report was provided by Certiquality.

"Our Group looks at sustainability as a lever for development, an opportunity to generate value," said **Angelo Radici**, *president of RadiciGroup*. "For an organization as multifaceted as ours, adopting a sustainable management model is a complex undertaking requiring no small leap in our way of thinking."

"It is necessary to adopt a long-term vision and make substantial and consistent investments in sustainability," Mr. Radici continued. "We also need new way of producing, distributing, and recovering and regenerating products actually based on a circular economy model. Moreover, I am convinced that industry stands to reap huge benefits and advantages by the transition to a truly circular system, i.e., a regenerative system in which products are designed and produced specifically for recycling and reuse, and where waste and residues are transformed into resources. Sustainability is the road we have decided to take and follow with the utmost determination."

RadiciGroup Sustainability Report main parameters

THE CONTENT, DIVIDED INTO 7 SECTIONS, provides a cross-section of the RadiciGroup organization: a statement of the Group vision, mission and values; an overview of its guidelines in matters of sustainability; and a statement of its commitment towards its stakeholders. The Report also presents a series of indices and performance indicators regarding the Group's economic, social and environmental performance, as well as the detailed RadiciGroup improvement plan for 2015.

PUBLICATION DATE September 2015 REPORTING PERIOD Calendar year 2014

REPORTING CYCLE Annual

THE REPORTING BOUNDARY encompasses all the production companies included in the scope of consolidation of the parent company Radici Partecipazioni S.p.A., the holding company that groups together the RadiciGroup chemicals, plastics, synthetic fibres and nonwovens businesses. Radici Partecipazioni S.p.A. is controlled by the Group financial holding company, Radicifin S.A.P.A.

THE SUSTAINABILITY REPORT COVERS THE...

2,997
People
who work for
RadiciGroup

20RadiciGroup
production sites
& parent company

100% of RadiciGroup sales revenues

Concrete actions and results on the sustainability front. Let the figures do the talking...

128 million euros

Investments during the 2010-2014 period to support Group company competitiveness through:

- Research and development
- Product and service innovation
- Plant and technology maintenance and introduction of the best available technologies (BAT)
- Improvement in production efficiency
- Improvement in product and service quality
- Assurance of employee health and workplace safety

2.5 million euros (2,484,902 euros)

Investments in 2014 just for environment and safety.

Noteworthy was the introduction of Best Available Technologies (BAT) in the field of:

- Monitoring and reduction of air emissions
- Work on water treatment facilities
- Work on removal of coverings reinforced with asbestos fibre

906,508 *euros*

Total government grants received by Italian RadiciGroup companies in the 2014 financial year. The funds were designated for innovation, research and development projects.

-26%

Percentage reduction of total <u>direct and indirect greenhouse gas</u> emissions in 2014 compared to 2013. The percentage reduction in total direct emissions was -46%.

PERFORMANCE INDICATOR EN16

TOTAL DIRECT AND INDIRECT GREENHOUSE GAS EMISSIONS

EN16	EMISSIONS	2010	2011	2012	2013	2014
t CO ₂ eq	Total	1,189,111	988,331	771,993	657,191	486,944
•	Direct emissions Indirect emissions	914,613 274,498	692,515 295,816	484,214 287,779		

The percentage reduction in direct emissions in the 2010-2014 period was **78%**.

45.3%

The percentage of RadiciGroup's 2014 energy consumption from renewable resources (mostly hydroelectric energy). In 2013 the percentage was 44.3%.

63%

The percentage of water saved in 2014.

Stakeholders: the centre of RadiciGroup sustainability.

The main RadiciGroup stakeholder categories

EMPLOYEES SHAREHOLDERS CUSTOMERS SUPPLIERS

LOCAL COMMUNITIES SCHOOLS TRADE ASSOCIATIONS

SCIENTIFIC AND CULTURAL ORGANIZATIONS MEDIA

The key words for RadiciGroup's relationship with its stakeholders

EMPLOYEES... Training, health and safety, communication and engagement

SHAREHOLDERS... Dialogue, listening, timely information

CUSTOMERS... Listening, dialogue and improvement in product and service quality

SUPPLIERS... Dialogue and collaboration in the implementation of a sustainable supply chain

LOCAL COMMUNITIES... Dialogue, openness, transparent relationship and support

SCHOOLS... Synergies between schools and companies, and collaboration

TRADE ASSOCIATIONS... Active participation, collaboration and constructive debate

SCIENTIFIC AND CULTURAL ORGANIZATIONS ... Participation, collaboration and exchange

MEDIA...Clarity, transparency and continual relationship

The RadiciGroup 2015 improvement plan includes...

- To define and validate a complete materiality matrix including aspects more relevant to RadiciGroup stakeholders and businesses.
- To initiate a plan for stakeholder mapping and engagement based on the related materiality matrix.
- To redefine the corporate Code of Ethics to include explicit references to the issues of corruption prevention and respect for human rights, and to continue disseminating the Code at all levels of the Group.
- To implement a communication plan and take specific action to build a culture of safety at all Group companies.
- To develop guidelines for Group risk management in accordance with the ISO 9001:2015 standard.
- To work, within the context of the WHP (Workplace Health Promotion) pilot project, on promoting a healthy lifestyle among collaborators, concerning diet, physical activity, smoking, etc.
- To continue the collaboration with suppliers and include strategic raw materials in the sustainable supply chain project and, in particular, work on the supplier code of ethics and criteria for evaluating suppliers based on their sustainability level.
- To complete the certification of the parent holding company procedures, which are going to serve as guidelines for all subsidiaries.
- To promote sustainable design, or ecodesign, by extending ecodesign to all the Group business areas, specifically working on the circular economy aspect.
- To add more sustainable products to the Group portfolio with special focus on biopolyamides.
- To continue the process of certifying production sites to the ISO 50001 energy management system standard, with the objective of having at least 5 companies certified.

Sustainability is our great beauty...

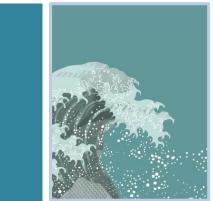
Inspired by a recent communication campaign, **Sustainability is out great beauty**, RadiciGroup decided to illustrate its 2014 Sustainability Report with a series of images recalling the works of great artists such as Botticelli, Magritte, Warhol, Pelizza da Volpedo, Kanagawa and Michelangelo...



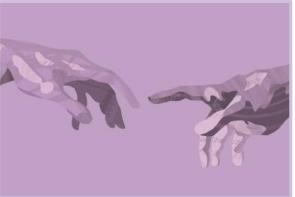












The complete Sustainability Report 2014 is available in the SUSTAINABILITY section of the RadiciGroup website: www.radicigroup.com/en/documentation/corporate/report

RADICIGROUP – Sales revenues 2014 of EUR 1,025 million. Production and sales sites in Europe, North America, South America and Asia. Diversified businesses focusing on chemicals, plastics, synthetic fibres and nonwovens. Know-how. Vertically integrated nylon production. Constant commitment to guaranteeing its customers quality, sustainable innovation and reliability. All this is RadiciGroup, a leader in nylon chemicals. RadiciGroup products are used in applications such as: APPAREL – FURNISHINGS – AUTOMOTIVE – CONSUMER GOODS – CONSTRUCTION – ELECTRICAL AND ELECTRONICS – HOUSEHOLD APPLIANCES – SPORT. RadiciGroup, with its Chemicals, Plastics, Synthetic Fibres and Nonwovens Business Areas, is part of a larger industrial group that also includes textile machinery and energy businesses.

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