

Sustainability Report 2023

Essentials





“
**Commitment,
Concreteness and
Innovation underpin our
path to Sustainability.**
”

*Angelo Radici
President of RadiciGroup*

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Twenty years of reporting



2004

RadiciGroup publishes its first **Social Report**.

2008

Transition **from Social Report to Sustainability Report**.

2010

Adoption of the **Global Reporting Initiative (GRI)** reporting model.

2011

First **Sustainability Report certified** by an external body.

2021

Reporting scope of economic and financial data and scope of the Sustainability Report correspond.

2022

Transition to **GRI Universal Standards**.

in the coming years

Transition to Sustainability Reporting according to the **Corporate Social Reporting Directive**.

From the introduction to the first RadiciGroup Social Report in 2004:

"...for us the compilation of this Social Report is a journey that began long ago in our community: with the family business, which was founded many years ago in 1945 by our father Gianni and is now one of the largest industrial groups in Italy; with our passion for art, culture and sport; and with our belief that the story of our Group is also a story of people, work, adversity, and great satisfaction. (...) Our Social Report is not made up of mere slogans but expresses who we really are. We firmly believe that work furthers the progress of individual people, the company and the community as a whole and, therefore, its value is two-fold: economic and social. By taking on the responsibility of workplace quality, a business is also implementing ethical and sustainable management. Our Social Report is more than a voluntary undertaking: it is the basis on which we operate."

Since then, each year the Sustainability Report has provided a **detailed overview of the strategies and actions** undertaken by the Group to **reduce its impacts and seize the opportunities** that an optimal management of environmental, social and governance issues can offer. It provides a non-standardised snapshot, tailor-made to the Group's companies, with an **increasingly extensive reporting scope** carefully aligned to RadiciGroup's progressive expansion and internationalisation.

Compared to that first document, the Sustainability Report has undergone a profound evolution over the years – in both form and substance. The trustworthiness of our reporting has been corroborated by **external certification**.

We have given our **Stakeholders** ever greater opportunities for involvement. Many topics now justifiably form part of the reporting – from **product sustainability and traceability to Human Rights and our relationship with the Value Chain**. The **accuracy** of information and **granularity** of the data have improved, and are increasingly supported by **advanced digital tools**. Today the Report **adds strategic value** and is a tool that bolsters the Group's **reputation** with all its Stakeholders.

One thing that hasn't changed – and, if anything, is stronger than ever – is our **commitment to transparency**, that "basis on which we operate", which, since 2004, has fuelled the RadiciGroup's **voluntary choice to report**.



For the complete version of the Sustainability Report.

“

RadiciGroup has been publishing its Sustainability Report for twenty years. Arising from the desire to measure the impact of our activities, this tool has marked a turning point in our awareness and the actions we have taken to develop the Group's sustainable approach.

Measuring was the first step towards gaining knowledge, and knowledge was the first step in deciding to improve every day. From our conscious selection of renewable energy sources to reducing emissions through to the adoption of sustainable practices for managing resources, the Companies' commitment as recounted by this Report has been tangible. Our work on social-related topics has been equally concrete, with investments in safeguarding Health and Safety, the ongoing training of our People and the development of local areas.

I am therefore proud to celebrate this milestone, which few other companies can say they have achieved. At the same time, it also drives us forward to new challenges. We know what awaits us in two years' time – highly in-depth mandatory reporting, directly linked to financial reporting. This will usher in a commitment to sustainability increasingly integrated with our economic choices, and one which extends to every area of corporate activity.

For this reason, our “From Earth to Earth” sustainability plan, which we developed in 2023 and presented in 2024, will play a key role. The commitments we have set ourselves will help us to focus our efforts and resources on shared strategic objectives that leverage the synergy between competitiveness, profitability and sustainability.

Turning now to our current report, as a general consideration, I can safely say that the 2023 results show that we have substantially maintained our position in the environmental and social areas. Our economic performance has been affected by a complex situation in regards to production, exacerbated by market challenges. Nevertheless, I am pleased to share with you data relating to energy from renewable sources in line with previous years and an increase in the number of sites using green electricity; similarly, I am happy to read that our new emission abatement plant in the chemical sector has produced the desired results and to see that we continue to use water resources very carefully.

I am also pleased to observe that sustainable and circular innovation in our Group is increasingly opening itself up to external collaborations, underpinned by an approach involving co-design and strategic partnerships.

The direction we are taking should not be taken for granted; the geopolitical situation we are facing has placed companies under great pressure, with some waiving their sustainability commitments. This has not been the case for RadiciGroup.

In terms of our Workers, the Group has given care and attention to training, an area which is now very much growing again after some challenging years, and has strengthened its policies for a better work-life balance.

As the shareholders of RadiciGroup, we intend to face head-on some of the most significant challenges for businesses today: attracting young people, retaining and developing the talented people already at the company and respecting Human Rights in our value chains.

In doing so, the act of being sustainable provides us with guidelines and encourages us to raise our ambition and commitment.

We also want to continue to be a point of reference for local areas. In this regard, our Group is increasingly global, which means we must consider cultural diversity or different approaches not as a limit, but as an opportunity. For some time we have considered ourselves to be an active part of our Local Communities across the

world, adopting policies that take into account different local needs, as demonstrated by the many examples in this report.

In concluding this letter, I would like to thank all the People in our Group who make sustainable choices every day, perhaps even taking those choices with them into their personal lives. Keep up the good work.

I would also like to thank those who have created and developed this Report over the past twenty years. Today it marks both a milestone and a starting point for new challenges. It is, above all, a distinctive element of RadiciGroup's identity.

”

Angelo Radici
President of RadiciGroup

The Group



Who we are

RadiciGroup is **one of the world's leading producers of chemical intermediates, polyamide polymers, high-performance polymers and advanced textile solutions**, which include nylon yarn, polyester yarn, yarn made from recovered and bio-source materials and nonwovens 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

RadiciGroup's Code of Ethics is not an arrival point, but rather **a starting point for daily improvement**, without losing sight of our common identity, even given the diversity of corporate, social and cultural contexts, which is, on the contrary, an asset.

The Code of Ethics is at the **core** of the "**From Earth to Earth**" Sustainability Plan, which will be illustrated

below, the new **RadiciGroup Policy** and our **work on Human Rights** and **diversity** presented in this report, and it is increasingly becoming an essential guideline.

To ensure **inclusiveness and full transparency**, RadiciGroup's Code of Ethics is available on the **Group's website** to anyone who wishes to consult it.

For the full version
of the Code of Ethics.



RadiciGroup Values

Founded on the passion and commitment of a **multi-disciplinary team** of 60 Employees of different ages and nationalities, who have contributed to building a vision for RadiciGroup today and tomorrow, **the values guide our daily choices**.

They also promote the **individual's contribution** to achieving the **common goals** of growth, transparency, people-centred governance and environmental protection set out in the RadiciGroup Code of Ethics.

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

Our Group respects the law and enforces compliance by all its Companies with the Laws of the Countries where it does business. Indeed, we support the dissemination of a culture of "active" legality, firmly believing that, in the workplace as in any other environment, everyone must contribute to the values of dignity, freedom, safety and solidarity.

02. **Sustainability is our guide**

We optimise our processes, invest in reducing environmental impact and produce products with measured and limited environmental impact. We promote training and take responsibility for the Health and Safety of our Workers, because RadiciGroup recognises the centrality of people as a key principle. We work together with Local Communities, where most of our Workers are from, for sustainable harmonious growth. We put our commitment to sustainability into practice, together with our Stakeholders, to create shared value.

03. **Health and Safety at work**

For us, Health and Safety is a primary concern. This is why we are committed to complying with all the provisions of the relevant laws in force, and more. We constantly act proactively to analyse risks and prevent injuries. In our Group, the training and engagement of our Workers are what makes a difference.

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

Our strategy is Person-centred. We promote professional advancement by recognising merit, fully utilising competence and potential, and investing in training. We believe that achieving a balance between work and personal life is a key aspect in creating an optimal corporate environment.

05. Value-added features

Our Group is local and, at the same time, global. Diversity is one of our strong points and adds value to our decision-making. For this reason, we promote the principles of equal opportunity and inclusiveness and reject any discrimination based on sex, race, ethnic and national origin, age, political opinion, religious creed, state of health, sexual orientation and social economic condition.

06. Always fair and transparent

Fairness and transparency are our key principles. For every corporate process, the roles and responsibilities must be clearly defined and every decision must be motivated and made in keeping with the principle of good faith and in full respect of the rules and the People involved. Our relationships with all Stakeholders are built on a foundation of transparency, but always in keeping with our confidentiality obligations.

07. We all take responsibility

Each of us commits to take responsibility for our actions, follow the time schedule set out for our job and respect all Stakeholders. We believe that any mistake made in our daily work is an opportunity for improvement.

08. Team spirit is our best raw material

We firmly believe that sharing information and experience among the different functions within the same Company, as well as among different Group Companies, creates growth. We want to contribute to a shared culture among corporate functions and promote initiatives to strengthen team spirit, the most important raw material of all.

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.

In order to **make its contribution to the 2030 Agenda even more concrete**, between 2023 and 2024 the Group developed its **"From Earth to Earth" Sustainability Plan**, illustrated in this Report, in which **each goal's contribution to achieving the SDGs is divided into targets and actions**.



The RadiciGroup Policy

RadiciGroup's Policy was **signed in April 2024** by President Angelo Radici and Vice-President Maurizio Radici and approved by senior management for the various Business Areas. Designed by a cross-functional team, the Policy is a **governance tool** that integrates the goal of **business continuity** with the pursuit of **excellence**, achieved through **continuous improvement**.

The policy bases its principles on the **best practices underpinning ISO systems** and aims to guide the Group's **actions and decisions** on a number of **Environmental, Social and Governance (ESG)** issues. The mention of **strategic plans** and **clear and accountable goals** underlines the process of **transparency** that has been in place for years in the Group.



“

Looking ahead to **enhance the business, ensure continuity, and be inclusive to all Stakeholders** worldwide.

This is how RadiciGroup works every day, guided by its **Code of Ethics** and its **distinctive values**: putting People at the centre of every action, teamwork, respect for laws, responsibility and transparency.

It is a long-term commitment to truly **sustainable social, economic, and environmental development**, driven by **innovation and research**, essential for designing and advancing technologies, processes and products.

In a continuously evolving context, RadiciGroup, thanks to its **Management Systems**, seeks excellence through **synergy** among Business Areas, **continuous improvement, operational and communicative transparency, quality, performance, and product traceability** along the **Value Chain**.

Diligent compliance with regulations, especially regarding **Human Rights, corruption prevention, Health and Safety and environmental protection**, is fundamental for every activity of the Group. To this end, RadiciGroup companies adopt Management Systems duly certified by recognised certification bodies and based on a set of well-defined procedures, understood at all organisational levels, and maintains a transparent and collaborative relationship with the Authorities responsible for legal controls. In order to ensure the **quality** of its products and services, the

April 2024

Group has numerous tools at its disposal that enable its companies to develop **robust and reliable processes, meet Stakeholders' needs** and foster continuous improvement.

RadiciGroup works to optimise **environmental and energy performance** through publicly declared goals, structured work plans and accountable results, **measuring the environmental footprint of the main products and services** and applying, whenever possible, **eco-design principles**.

Health and Safety are top priorities for RadiciGroup, which not only complies with regulatory standards, but also aims to increase **prevention and control**, actively involving workers to minimise the risk of accidents and create an increasingly safe working environment.

RadiciGroup promotes a culture of **care for Workers** in every aspect of professional life. Along with initiatives for dialogue and involvement, the Group supports **inclusion** with policies where uniqueness and **diversity** are considered as enriching elements.

The Group also invests in **lifelong training** to enhance the skills of Human Resources, aware of how individual contribution is fundamental for reaching overall excellence.

Finally, **digitalisation** represents a key element to support Governance, foster synergies, optimise resources and strengthen management systems, enhancing their solidity and resilience

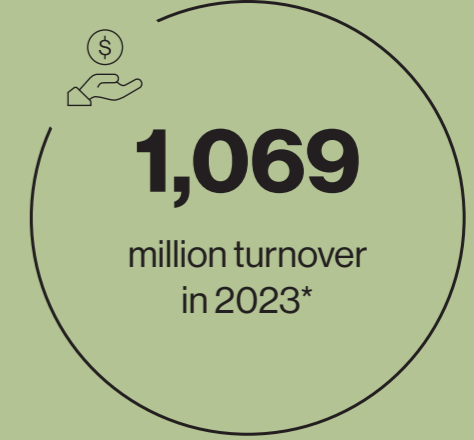
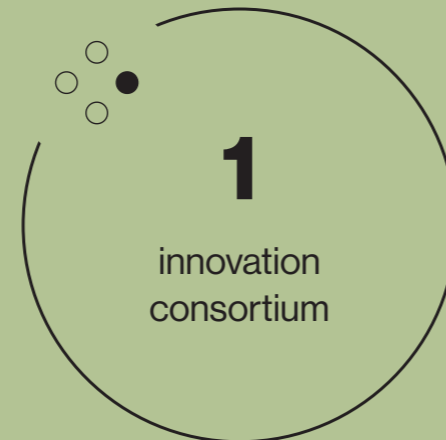
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Angelo Radici
President of RadiciGroup

Maurizio Radici
Vice-President of Radicigroup

RadiciGroup at a glance

These key figures provide an immediate overview of the size and distinctive features of RadiciGroup, a **multinational group** which at the same time is also a **family business**.



*2023 RadiciGroup consolidated turnover.

A global presence



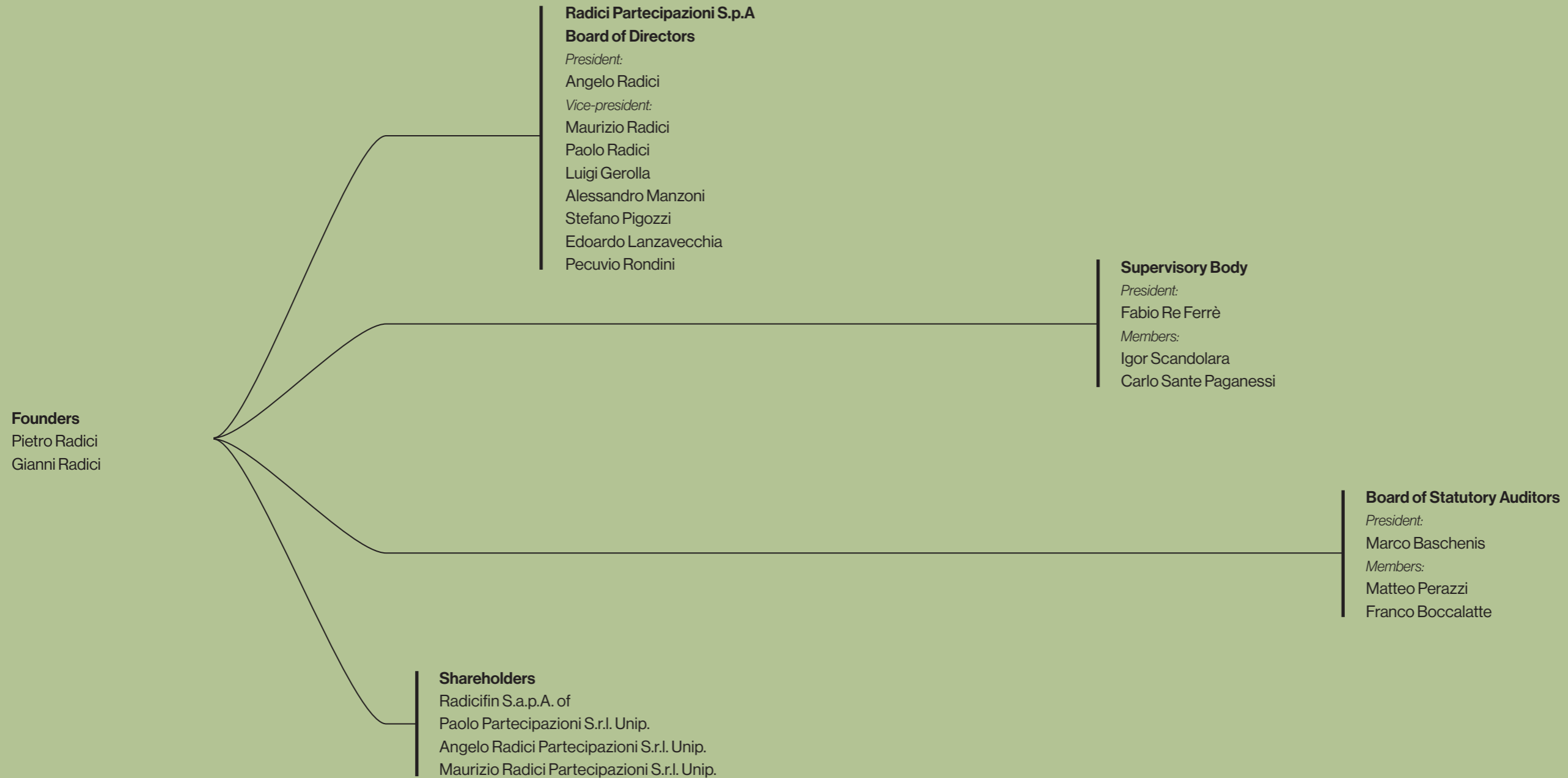
Governance



Board of Directors
Radici Partecipazioni



Governance

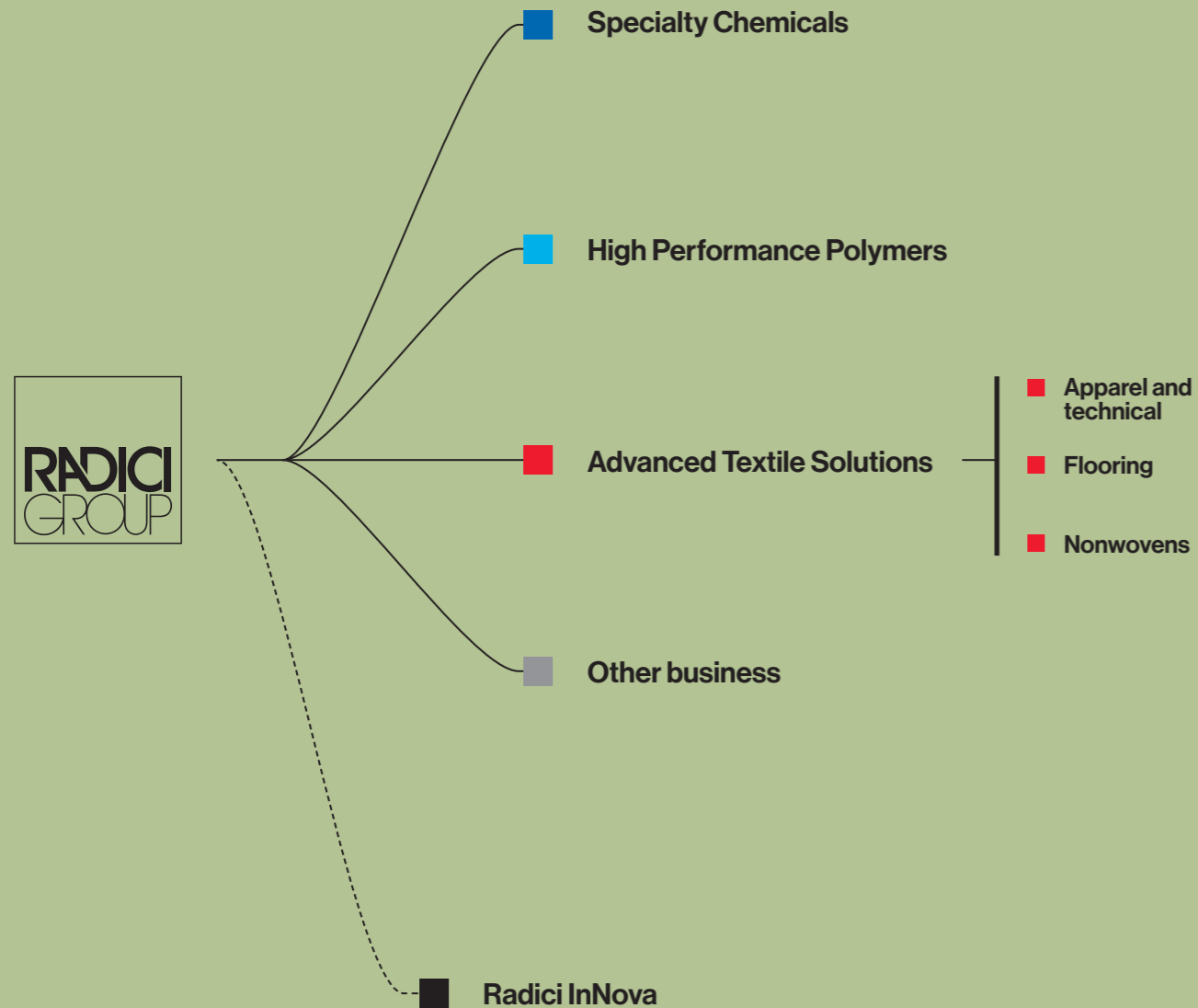


Sustainability is embedded in everything we do

Sustainability in its various social, environmental, economic and Governance aspects is **increasingly on the agenda of RadiciGroup's top management.**

- The **Board of Directors** plays a **central role** in supporting the commitment to sustainable development along the value chain and in integrating ESG issues into the Group strategy.
- In **2022, the Board of Directors of Radici Partecipazioni approved** the RadiciGroup **Code of Ethics**, which is intrinsically linked to ESG issues, and acts in accordance with this guideline by promoting its values.
- In June 2024, the **President of RadiciGroup, Angelo Radici**, took on the role of **Chief Sustainability Officer** of the newly established **Sustainability function**, with the aim of accelerating the Group's ESG policies. The **function** will be divided into **two specific areas**: the first concerns **reporting**, with specific objectives related to non-financial reporting, the transition to the Corporate Social Responsibility Directive and **aspects of social responsibility, including those along the value chain.**
- The **second area** encompasses the establishment of a **Group QHSE function** for the **coordination of Quality, Health and Safety, and Environment management systems** aimed at achieving the **objectives of the "From Earth to Earth" sustainability plan** and the development of sustainability policies and management system procedures.

Organisational structure



RadiciGroup Business Areas

Specialty Chemicals Area

This Business Area specialises in the production of **chemical intermediates and PA6, 66, 610 and specialty 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 yarn, nylon yarn, non-woven fabrics.** All these options are available **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 areas of application



RadiciGroup products are present in every aspect of everyday life. Their properties – durability, performance, and 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.



Automotive & Mobility



Apparel



Electrical & Electronics



Medical sector



Industrial Sector



Sports



Interior & Outdoor

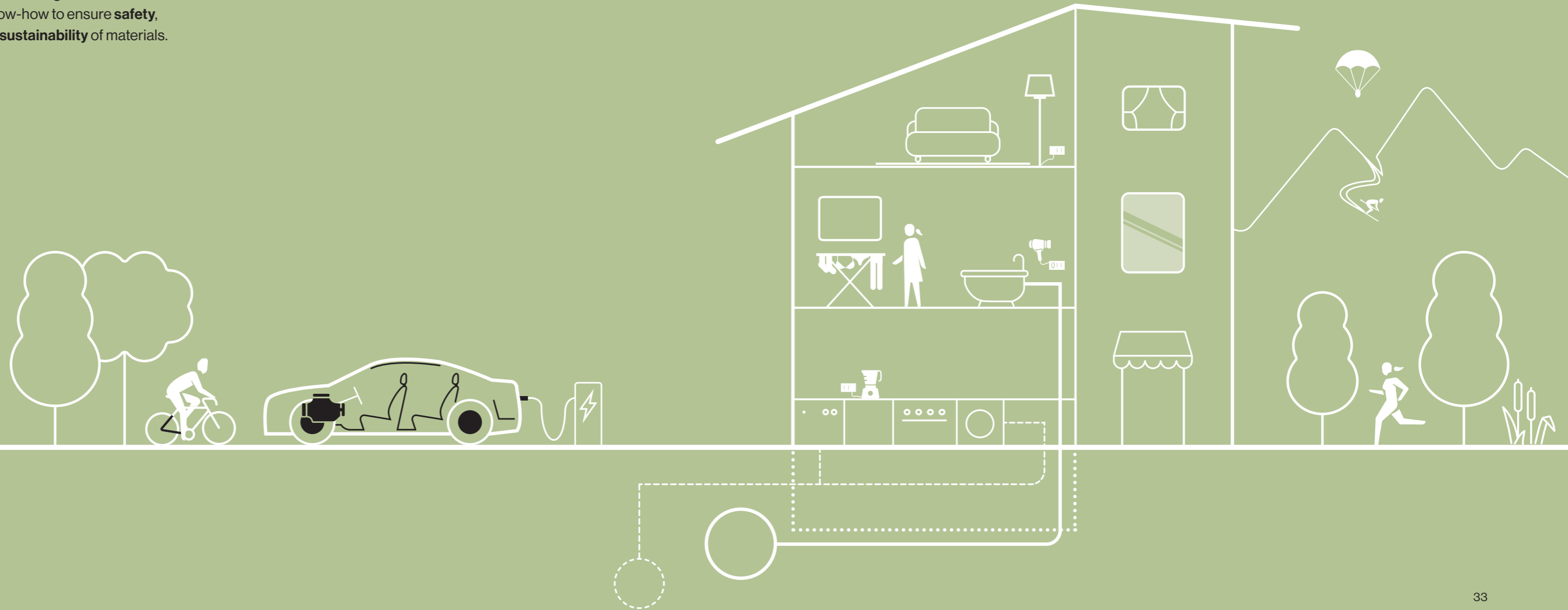


Building

Automotive & Mobility

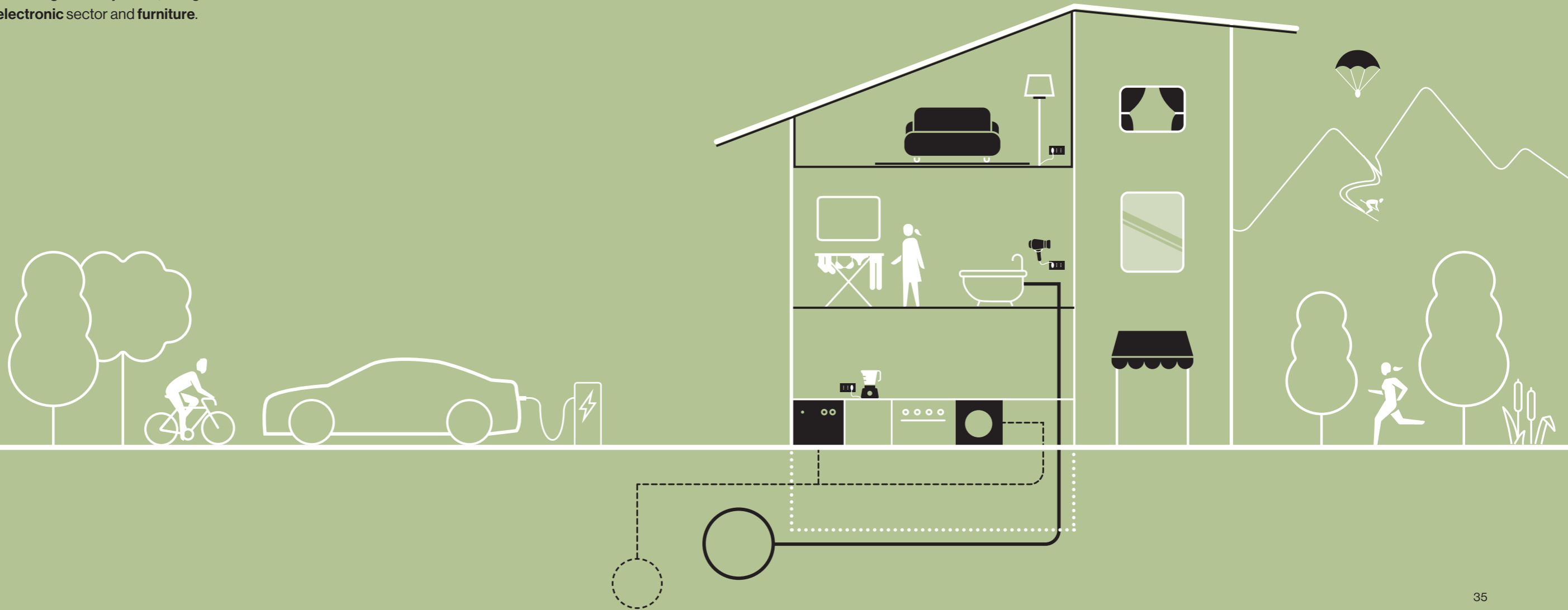
A relevant presence as for **engineering polymers in the structural parts of cars and e-bikes**, in **engine components, batteries** and the **charging systems** of electric and hybrid vehicles. **Advanced textile solutions** with yarns and nonwovens for **car interiors: mats, seats** and **trunk lining**.

A cutting-edge know-how to ensure **safety, performance** and **sustainability** of materials.



Interior & Outdoor

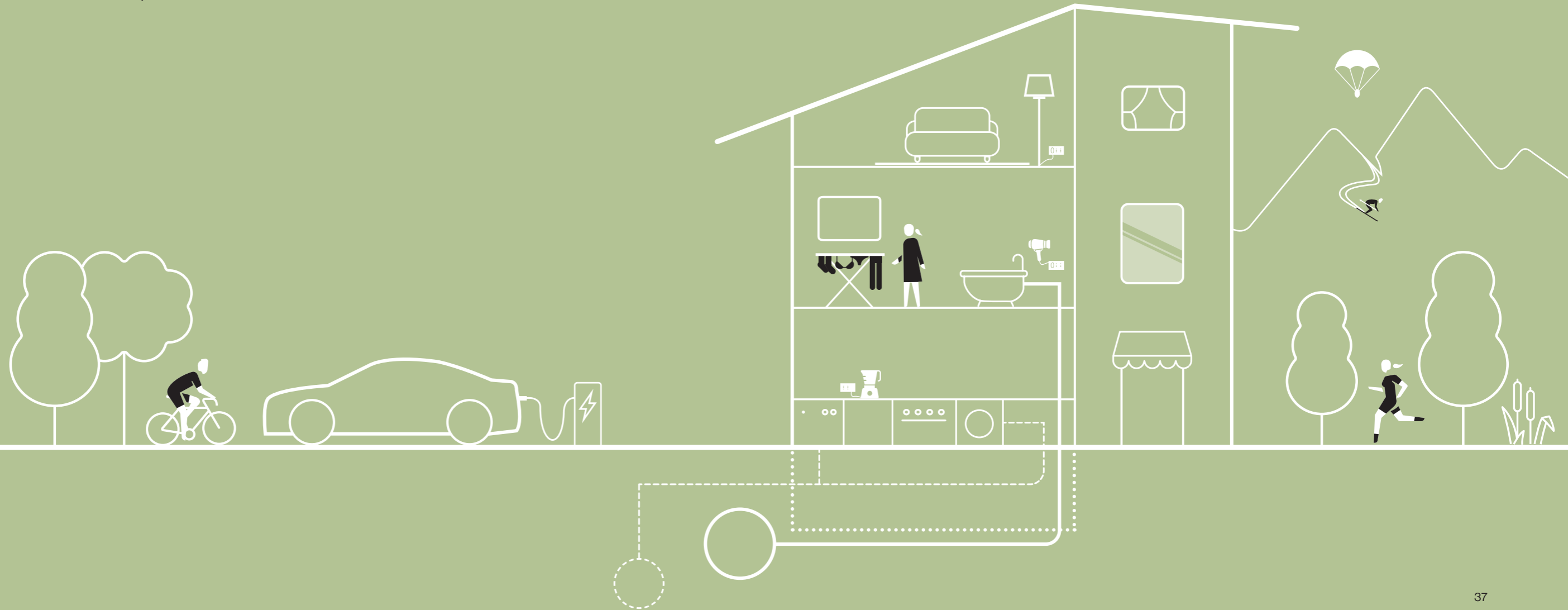
Innovative textile solutions **with yarns for flooring, curtains, sun protection systems**, upholstery of **furnishing accessories** such as sofas and armchairs. **Nonwovens** for the **construction** and **roofing** sectors. **Engineering polymers** for **household appliance components, water management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

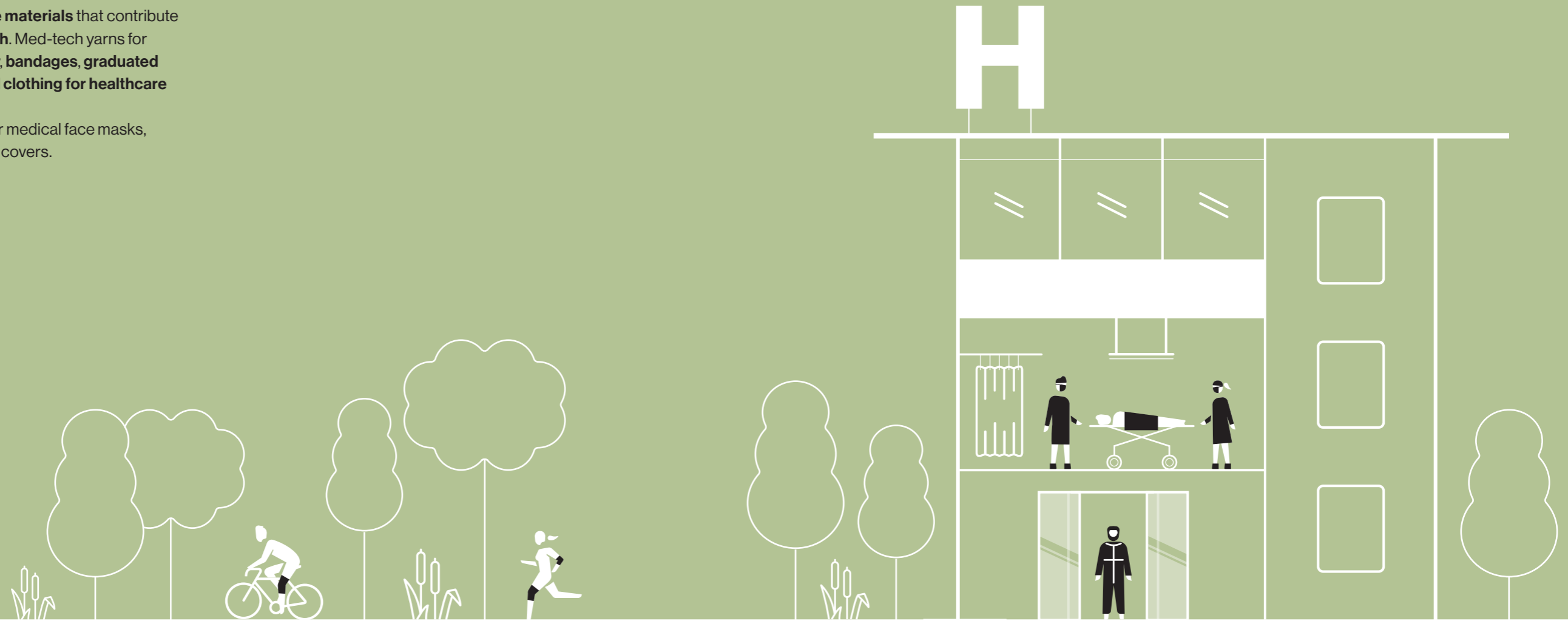
Functionalised yarns to enhance garment **comfort**, **wearability**, **durability** and **performance**, with a special focus on reducing their environmental impact.



Medical sector

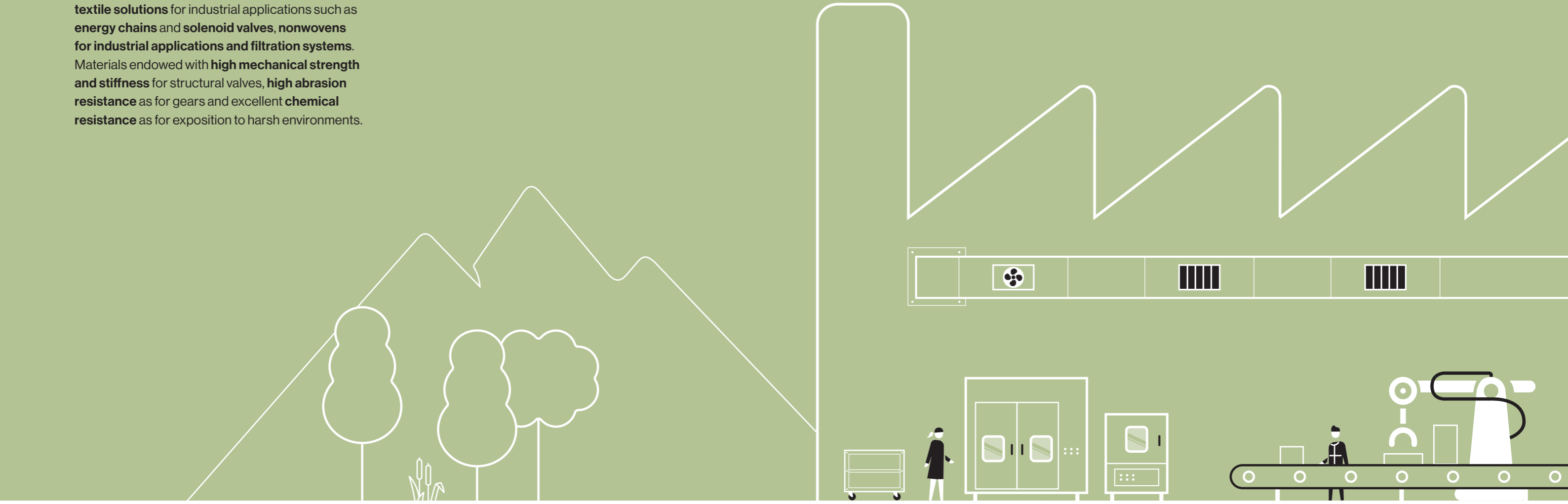
Safe and **high-performance materials** that contribute to **daily well-being** and **health**. Med-tech yarns for **braces, sheaths sportswear, bandages, graduated compression stockings** and **clothing for healthcare personnel**.

Production of **nonwovens** for medical face masks, gowns, suits, caps, and shoe covers.



Industrial Sector

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



From the Code of Ethics

We put Customers at the center, always

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.

The **Specialty Chemicals** area, strengthened by its integration in polyamide intermediates, offers a wide range of polymers used both in the **engineering polymers and fibres sector within RadiciGroup** and by **third-party companies**. The adipic acid business, in addition to its requirements for the production of its own PA66 polymer, supplies medium and large Customers in a wide range of sectors, from polyurethanes to plasticisers and other industries.

The **High Performance Polymers** area has a significant number of **medium and large companies** operating in globalised sectors such as automotive and electrical/electronics, which require both commercial and production proximity to the production centres of each sector and the ability to offer a standardised product to serve global value chains, regardless of the physical location of production.

In **Advanced Textile Solutions**, the high proportion of **small and medium-sized enterprises** in the Customer base requires a special focus on relationship management that takes into account the complex, networked and often globalised value chains in which they operate. Performance and sustainability are the watchwords in the fibre application sectors, from clothing to furniture to automotive.

All RadiciGroup Customers are manufacturing companies.

Again in 2023, 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.
- **Strengthening the sustainable solution offer** with new recyclable, recycled and bio-based 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 look for the best to provide the best: Suppliers

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.
- Where possible, we use local Suppliers. We select them for the speed of their service, the ease of obtaining references and their high standard of supply. This also retains significant portions of added value in the local area, fostering its development through related industries.

The Group's production processes are structured and complex, starting with raw materials: caprolactam, phenol, K Oil, 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 75% 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 2023

Strategic raw materials	from EUR 530 to EUR 550 million
Packaging + Transport	approximately EUR 62 million
Maintenance + Utilities	approximately EUR 138 million
Other goods or services	approximately EUR 55 million

Geographical breakdown of RadiciGroup Suppliers by turnover in 2023

Europe	around 70% of turnover*
Asia	around 10% of turnover
North and South America	around 20% of turnover

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



Work the system, always: trade associations

RadiciGroup attaches great importance to its membership of trade, industry and scientific associations. These organisations cover the whole supply chain from upstream to downstream and provide 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 2023

ABRAFAS - Associação Brasileira de Produtores de Fibras Artificiais e Sintéticas	Federchimica
AICQ	Assofibre
Association of Plastics Industry	ICESP- Italian Circular Economy Stakeholder Platform
Neamt Chamber of Commerce and Industry	IHK (Industrie- und Handelskammer)
Italian Chamber of Commerce in China	Nordostchemie
Italian-Czech Chamber of Commerce	OMA - Ohio Manufacturer's Association
CEFIC - European Chemical Industry	PINFA - Flame Retardants Association
Chemie Wirtschaftsfoerd GMBH	Plastics Europe AISBL (BE)
CIESP - Centro das Indústrias do Estado de São Paulo	Plastics Europe Italia (through Plastics Europe Brussels)
CIRFS	Proplast
Comitato Elettrotecnico Italiano	SINDTEXTIL - Sinditêtil Sindicato Indústria Fiação Tecelagem Estado São Paulo
Confindustria Bergamo	SMI - Sistema Moda Italia - TexClubTec
Confindustria Novara -Vercelli -Valsesia	Spring
IBIS Consortium	Tessile e Salute
Edana	TMP - Tecnici Materie Plastiche
Ellen MacArthur Foundation	UNIPLAST - Ente Italiano di Unificazione delle Materie Plastiche
EPCA - European Petrochemical Association	VTB: Verband der Bayerischen textil und Bekleidungsindustrie
Federazione Patronale Tessile	Wadsworth Chamber of Commerce

Among the topics in 2023, especially for European associations, it is worth noting the legislative framework that the European Union is outlining in line with the Green Deal, with the ultimate goal of climate neutrality. The Group has been particularly active on

a number of system and product issues, e.g. the Eco-design for Sustainable Products Directive proposal, the Digital Product Passport, the Corporate Sustainability Reporting Directive and the Corporate Social Due Diligence Directive.



Radici.

One company, many 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 8 production plants** and **16 branches around the world**, Itema Group generated an **overall turnover of €307.1 million** in 2023.

- 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 **Lamilfex®**, producer of components in composite materials for the textile machinery, industrial, aerospace and medical sectors. It also has a stake in **Tofflonit**, the Italian headquarters of the Asian biopharmaceutical giant Tofflon.
- **Itemalab®**, Itema®'s advanced research incubator, also offers to third-party companies' **transversal engineering systems and business process reengineering services**.

GEOGREEN

gas, power and efficiency

Geogreen is an Italian company belonging to the Radici family, established in 2000 to support businesses, specifically RadiciGroup companies, by providing renewable energy. Over time, **Geogreen's products and services have expanded**, and today this highly specialised company is capable of offering:

- supply of **renewable electricity and natural gas**.
- Production of **Energy from Hydroelectric and Photovoltaic Sources**, 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.
- Capacity for hosting **corporate meetings** and **receptions**, as well as offering **refined catering**

- **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**.

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



The keywords

- **Environmental, Social, Governance**
for an all-encompassing sustainability approach in all our Companies.
- **People**
to put our commitment to sustainability into practice, day after day, with passion, work and expertise.
- **Human Rights and Inclusion**
for a professional environment and a value chain in which each Person's dignity and uniqueness is respected.
- **Growth**
economic growth of our businesses and the human and professional growth of our Workers, both driven by sustainability.
- **Resources**
being good stewards of our resources today, with an eye to the needs of tomorrow.
- **Eco-design**
researching and implementing solutions that combine performance with minimum impact.
- **Measurement**
to be sure of the effectiveness of the solutions implemented and to identify where they have the greatest impact.
- **Innovation**
to meet the challenges of the present while looking forward to the opportunities of the future.
- **Value Chain**
to jointly build effective upstream and downstream product and system solutions.

A sustainability story, for a brighter future



1950s

Trailblazing the circular economy.

Recovering wool waste within the Group's first textile companies begins.

1980s

Turning waste into valuable resources.

RadiciGroup develops its know-how in recycling polymers and textile waste to create new high-performance polymers thanks to Radici Novacips, founded in 1981.

2000s

Renewable energy as a driver of sustainable development.

RadiciGroup builds a partnership with Geogreen for the purchase of renewable energy from hydroelectric sources.

2004

Transparency at the service of stakeholders.

Recovering wool waste within the Group's first textile companies begins.

2010 onwards

There can be no sustainability without measurement.

RadiciGroup adopts the Life Cycle Assessment (LCA) methodology to measure the environmental impact of its products.

The first **Product Category Rules (PCR) for fibres and technopolymers are defined (2013).**

RadiciGroup, through Radici Chimica SpA, becomes the first chemical group in Europe to obtain **OEF (Organisation Environmental Footprint) and PEF (Product Environmental Footprint) certificates of conformity (2014).**

2020 onwards

RadiciGroup invests in innovation and circularity and continues to work towards creating shared value with its Stakeholders.

Radici InNova, the RadiciGroup consortium for sustainability-driven innovation, is established.

Radici EcoMaterials joins the Group, a specialist in open and closed loop recycling.

today

A sustainable future belongs to those who make it happen, not to those who just imagine it.

RadiciGroup sets out its "From Earth to Earth" sustainability roadmap, steered by the United Nations sustainable development goals.

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.

In 2022 RadiciGroup revamped its materiality matrix by adding the "double materiality" dimension that also includes economic aspects in the assessment, involving around 200 internal and external Stakeholders in the process.

RadiciGroup materiality matrix - topics

Environmental	Sustainable management of energy resources
	Emissions and climate change
	Circular Economy
	Environmental footprint of products
	Materials and chemicals management
	Protection of water resources
	Responsible waste management
Social	Workers' Health and Safety
	Sustainable Research and Innovation
	Attracting, valuing and developing Human Resources
	Human and Workers' Rights
	Cybersecurity and data protection
	Relations with Territories and impact on Local Communities
Governance	Long-term value creation and business sustainability
	ESG corporate governance, risk management and compliance
	Responsible supply chain management and traceability

Stakeholders



- Trade associations
- Group companies
- Customers
- Local communities and territories
- Bodies, Institutions and Public Administration
- Suppliers and business partners
- Financial institutions
- Workers and their families
- Media
- Trade union organisations
- Schools, universities and research and innovation centres
- Third sector

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 each other's role.
- **Openness to dialogue** and mutual improvement through discussion and collaboration.

From Earth to Earth, our sustainability plan

From **Earth** to Earth. It's our **home**. We take from the Earth **everything we have**.

In return, we give back to the Earth all our **commitment**, our **care** and our **dedication**.

That is why we want to make a real contribution to achieving the sustainable development **goals** set by the **United Nations** to steer the world as a whole towards a sustainable future.

We strive to be a protagonist of a fair system of social and economic growth in a healthy environment, which we contribute to protecting.

Discover RadiciGroup's
sustainability plan.



Environmental, Social, Governance

The roadmap up to 2030 and beyond.

RadiciGroup has stepped up its **commitment to sustainability** by setting itself a series of **environmental, social** and **governance objectives** that constitute the core of the “From Earth to Earth” plan. Each objective has been framed in terms of quantitative targets, the state of the art, the contribution of our Business Areas and the deadline for its delivery.

This is just the beginning

The beginning of an **ambitious new path** that **takes RadiciGroup's commitment to sustainability to a whole new level** – for the Earth and for the generations to come.

A path marked out by milestones great and small, which we are determined to reach day after day, **together**.

Because sustainability belongs to those who make it happen, not to those who just imagine it.

E for Environmental

Material topics

- Sustainable management of energy resources
- Emissions and climate change
- Protection of water resources
- Materials and chemicals Management
- Responsible supply chain management and traceability










The Environment and Innovation are good investments


For RadiciGroup, investing in sustainability means **nurturing the inseparable combination of competitiveness and responsible growth**. To do this, the Group uses BAT for processes and pursues the **technological and digital transformation** desired at European level to increase the **efficiency of decision-making and production processes**.

In particular, the Group:

- has long invested in **reducing emissions, limiting consumption** and using **energy from renewable sources** in a business continuity logic that is mindful about the availability of resources for future generations.
- Works on **innovation**, to explore and seize the various opportunities offered by the **circular economy** mainly in terms of **eco-design, recycling** and **biopolymers** and making its portfolio increasingly sustainable.

2030 Environmental objectives

Topic/SDG	Objective
Sustainable management of energy resources  	 <p>+20% renewables increasing and differentiating consumption of electricity generated by renewables, through strategic partnerships and proprietary technological solutions.</p>
	 <p>90% coverage of Group production facilities by ISO 50001 energy management system certification, for greater energy efficiency.</p>
Emissions and climate change 	 <p>-80% total direct emissions of greenhouse gases versus 2011 by 2030.</p>
Water resource protection  	 <p>100% effort in protecting water, to limit the impact on Local Communities, the environment and biodiversity.</p>

Topic/SDG	Objective
Circular economy  	 <p>Value Chain create partnerships to build practical solutions for the circular economy.</p>
	 <p>Innovation pioneer the research of new solutions for recycling RadiciGroup materials.</p>
	 <p>Prevention think of the processes and life cycle of products to progressively reduce the waste that ends up in landfills.</p>
Environmental footprint of products  	 <p>Life Cycle Assessment (LCA) Extend measurement to 70% of products manufactured at a Group level.</p>
Materials management  	 <p>Renewable sources raise the percentage of natural sources used on an annual basis.</p>
	 <p>Packaging seek out increasingly sustainable and circular solutions.</p>

Sustainability, in facts

€ 278 million
in investment supporting
competitiveness
of the Group Companies in the
five-year period 2019-2023.

Of this,
€ 45 million
specifically invested in
2023.

The future of energy is today.
We promote the energy transition by increasing our use of renewables and diversifying sources.

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 recycle waste whenever it cannot be avoided, and we constantly work on the quality, durability and performance of our 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.

€ 4.2 million
Environmental investments in 2023
for the introduction of Best Available Techniques, increasing energy efficiency, emissions abatement, and research and development of limited impact processes and products.

€ 9 million
environmental management and protection costs (such as certification, waste disposal and water treatment costs) at Group companies.

The Environment as a privileged Stakeholder.
We protect it through strategies, investments and concrete, targeted actions.

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

Fewer 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.

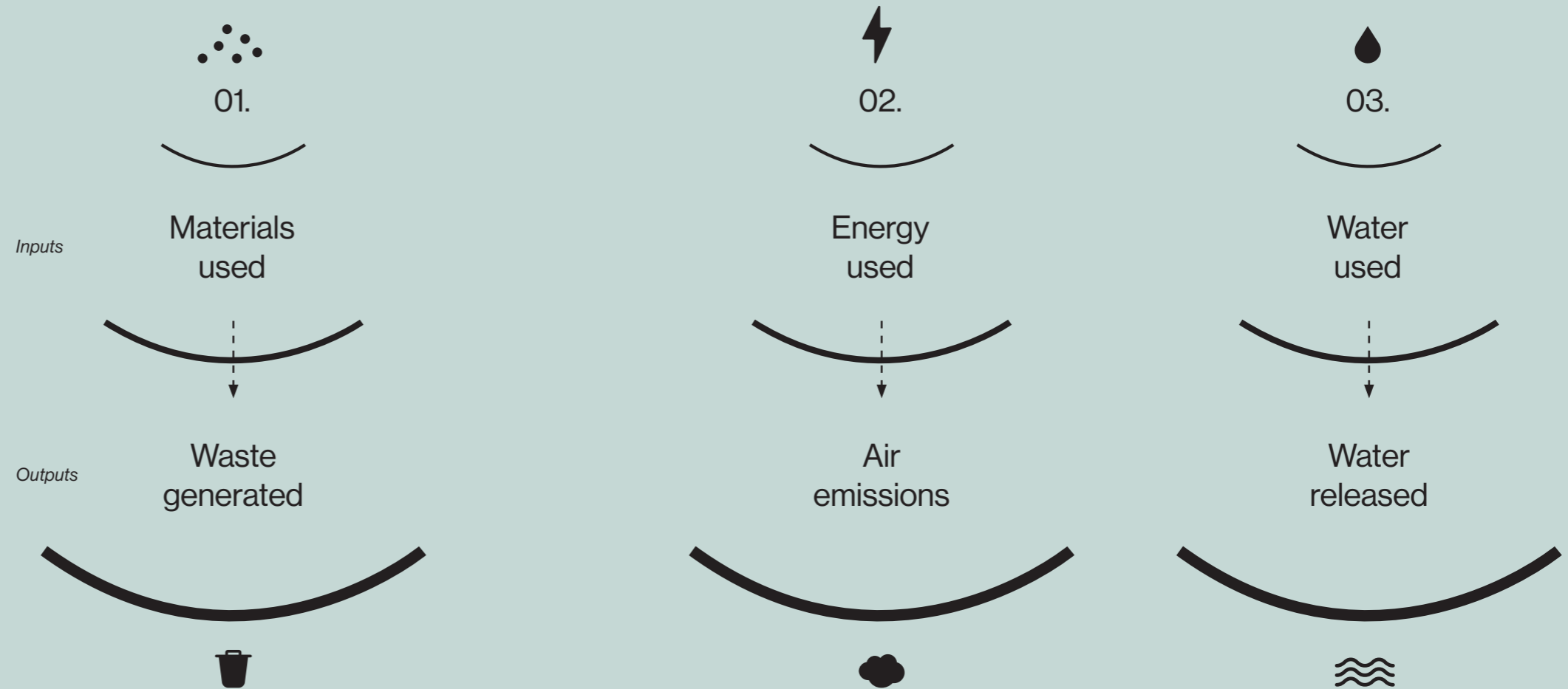
Achievements

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 should be noted that 2023 saw a decrease in productivity – or even, in some cases, the shutdown of several significant production plants – due to a challenging market, exacerbated by the unstable geopolitical situation.

While this has led to a reduction in the absolute values of waste, energy and water consumption and emissions, it has also led to a systematic deterioration in the indices that relate this consumption to the quantities processed. Every break and restart results in loss of efficiency, waste and second choices when restarting and transitioning from one production campaign to another.

Taking these considerations into account, **the Group's environmental performance in 2023 remains stable**, although the indicators may appear to be deteriorating if read without this premise.



01. Materials used

From used materials to new resources

In line with Goal 12 of the United Nations 2030 Agenda (Responsible Consumption), RadiciGroup has long promoted an **economic model capable of making the best use of resources and transforming waste into new opportunities**. This commitment was maintained in 2023, despite performance being affected by the reductions in volumes produced.

All 2023 data show a decrease in the quantities of materials used and packaging compared to the previous year.

The only exception was growth in direct renewable materials compared to 2022 (+ 551 tonnes). This was

linked to the Specialty Chemicals Business Area, which used renewable accessory materials for its production. On a positive note, suitable levels of production efficiency were maintained in the Group. Although it is not possible to give a precise figure due to the extremely diverse nature of the processes in RadiciGroup companies, it is empirically possible to state a percentage of above 90% for production yields, which is significant in view of the discontinuities in production. Indeed, processes are always subject to control systems capable of reducing faulty batches and, consequently, waste, an important fact that helped to limit the inconvenience of fragmentation in 2023.



GRI 301-1 Materials used by type and weight

Materials used by type		2021	2022	2023
t	Direct materials*	471,310	410,473	351,630
t	Accessory materials	3,102	2,126	1,753
t	Packaging	16,768	14,059	12,114
t	Total	491,180	426,659	365,497
Non-renewable materials				
t	Direct materials	469,180	409,507	350,113
t	Accessory materials	3,099	2,050	1,702
t	Packaging	1,822	1,392	1,464
t	Total	474,101	412,949	353,279
Renewable materials				
t	Direct materials	2,130	966	1,517
t	Accessory materials	3	76	51
t	Packaging	14,946	12,668	10,650
t	Total	17,079	13,710	12,218
% renewable packaging to total packaging		89.1%	90.1%	87.9%
% renewable direct materials to total direct materials		0.45%	0.24%	0.43%
% renewable materials to total materials		3.48%	3.21%	3.34%

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

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.

In a logic of circularity, **nylon-based waste from all business areas is transformed into raw materials for the industries that generated it or for other industries of RadiciGroup.** Radici EcoMaterials plays a key role in this area, consolidating RadiciGroup’s historical approach to mechanical recycling. Thanks to the technology in its plants, it can treat scraps of synthetic fibres and thermoplastic materials and obtain high-quality products.

A similar process is in place for the polypropylene scraps originating from the Group area that produces nonwovens. The scraps are collected, sorted and regranulated to create new raw material.

This logic explains the indicator shown on the right, which shows an increase in non-hazardous waste destined for internal recovery as a percentage of total non-hazardous waste destined for recovery, despite a decrease in absolute numbers due to reduced production. Indeed, the figure increased from 53% in 2022 to 56% in 2023 thanks to the ongoing work by the RadiciGroup companies that recover pre- and post-consumer waste for open and closed-loop recycling, driven by growing market demand and, increasingly, also by policies at a European level.

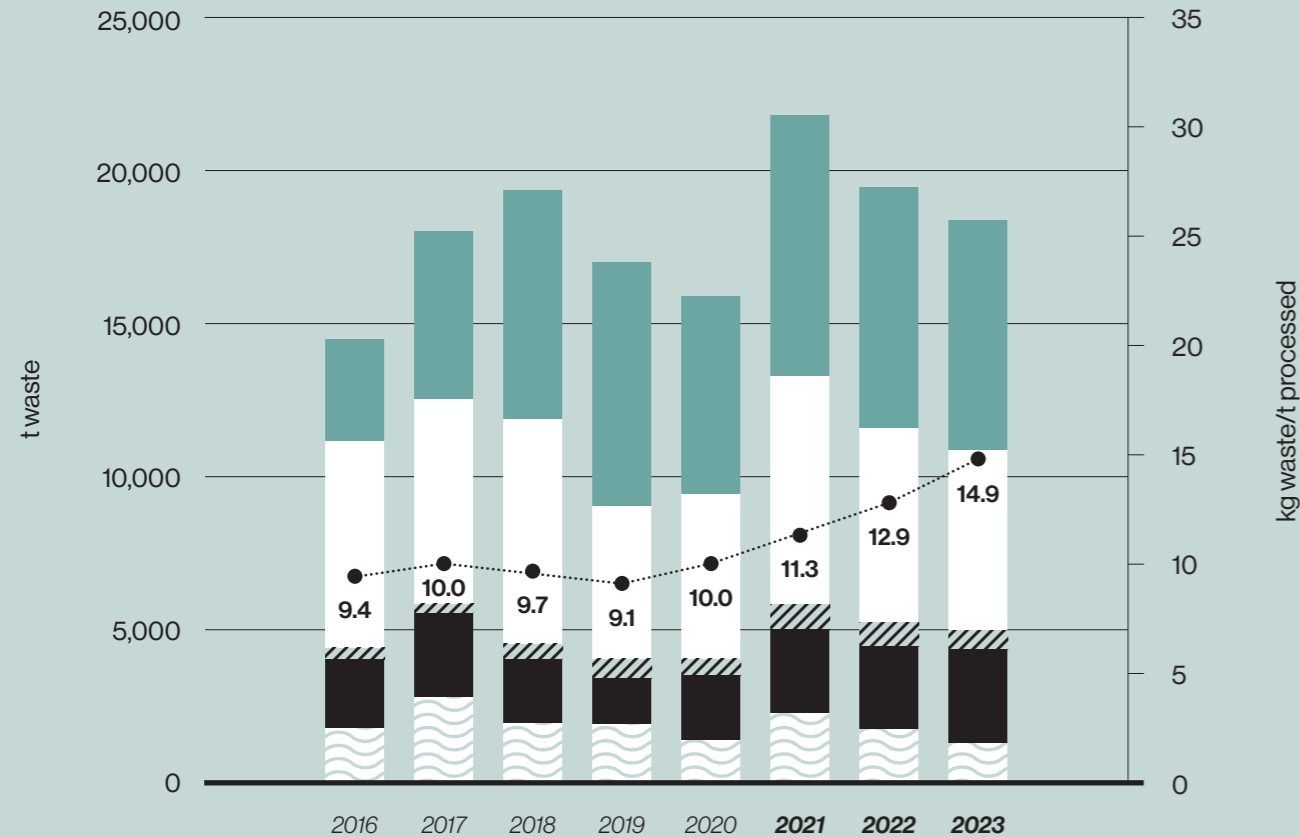


GRI 306-3 Total waste by type and disposal method*

	2021	2022	2023
t Total waste	21,818	19,566	18,381
t Total hazardous waste	3,088	2,493	2,000
t Hazardous waste directed to disposal (GRI 306-5)	2,271	1,725	1,342
t Hazardous waste directed to recovery	817	768	658
t Total non-hazardous waste	18,730	17,073	16,380
t Non-hazardous waste directed to disposal (GRI 306-5)	2,731	2,713	3,015
t Non-hazardous waste directed to recovery	15,998	14,360	13,366
<i>of which</i>			
t Non-hazardous waste directed to internal recovery within the Group	8,487	7,900	7,438
% Non-hazardous waste directed to internal recovery/total non-hazardous waste directed to recovery (GRI 306-4)	53.1%	55.0%	55.6%

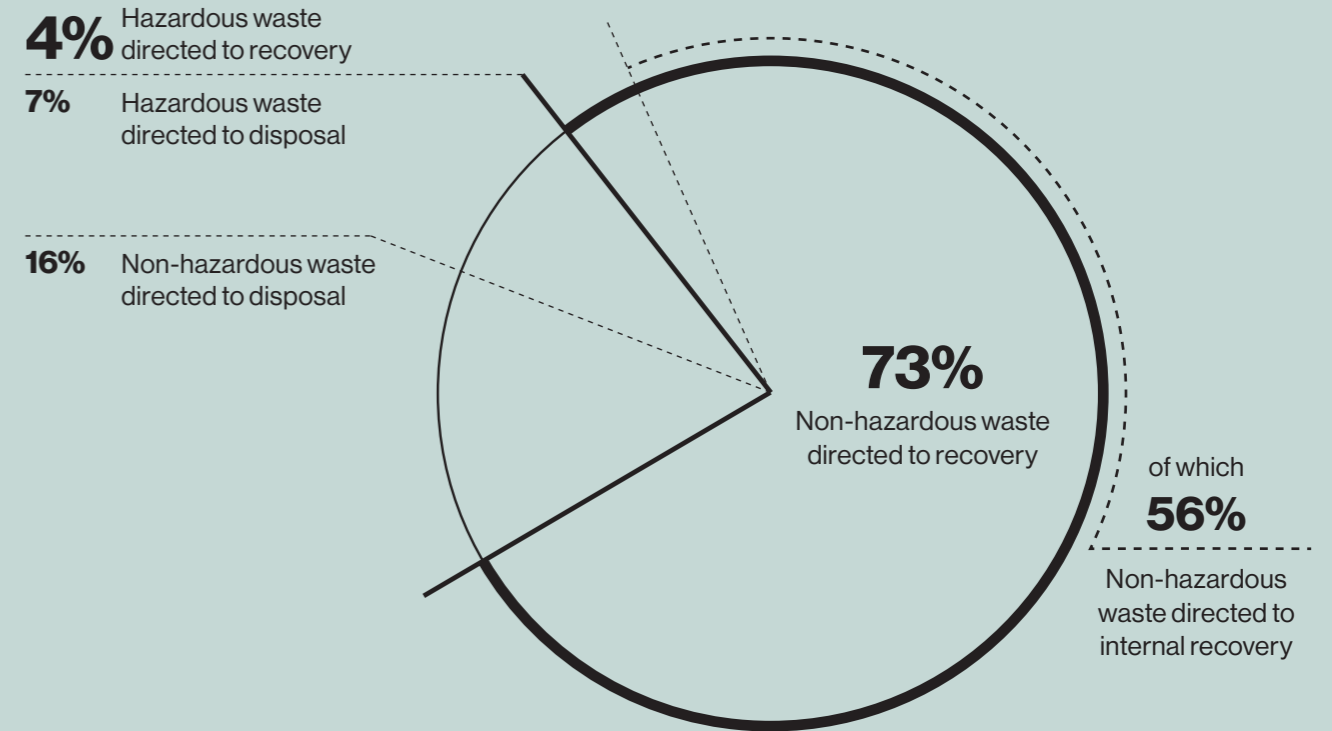
* Based on the documentation held by the Group and provided by the companies in charge of waste management and treatment, it is not possible to give more detailed information, as required by the GRI model, concerning the actual disposal method.

GRI 306-2 Waste by type and disposal method



- Non-hazardous waste (formerly by-products) directed to internal recovery
- Non-hazardous waste directed to external recovery
- Hazardous waste directed to recovery
- Non-hazardous waste directed to disposal
- Hazardous waste directed to disposal
- Ratio - total physiological process waste per unit processed

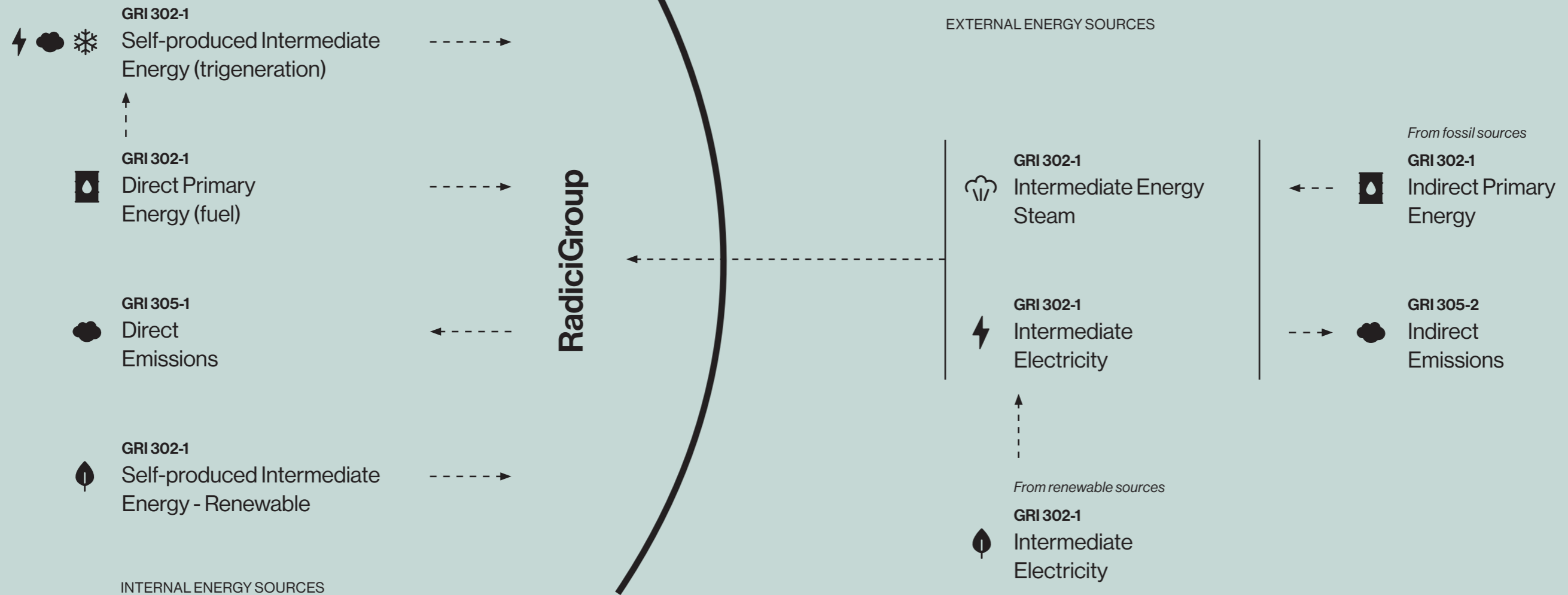
GRI 306-2 Waste by type and disposal method 2023



The ISO Quality, Environment and Health and Safety certifications, held by most of the Group companies, ensure that the best management standards are applied to all phases of the process: scrap collection, recovery and production of engineering polymers and textile polymers from the recycled scrap.

02. Energy

Our footprint on the sustainability path



02. Energy

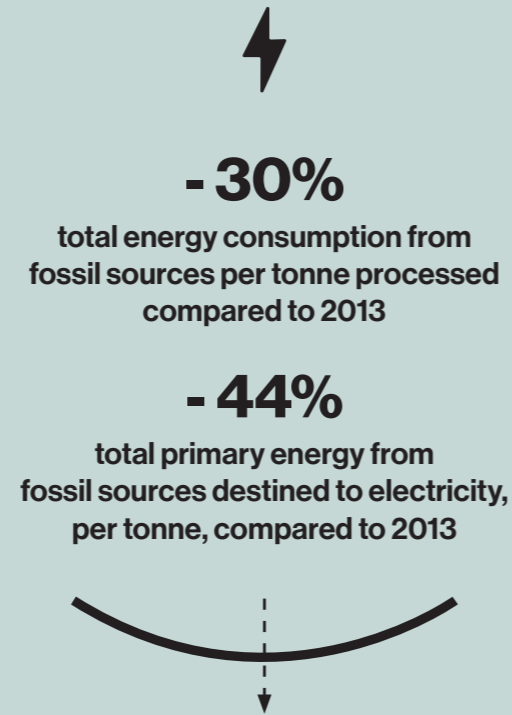
Our footprint on the sustainability path

The Group's energy consumption in 2023 was affected by the predominantly European crisis situation.

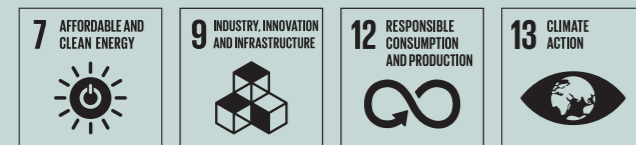
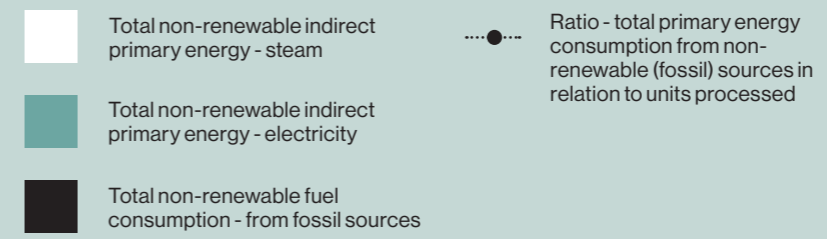
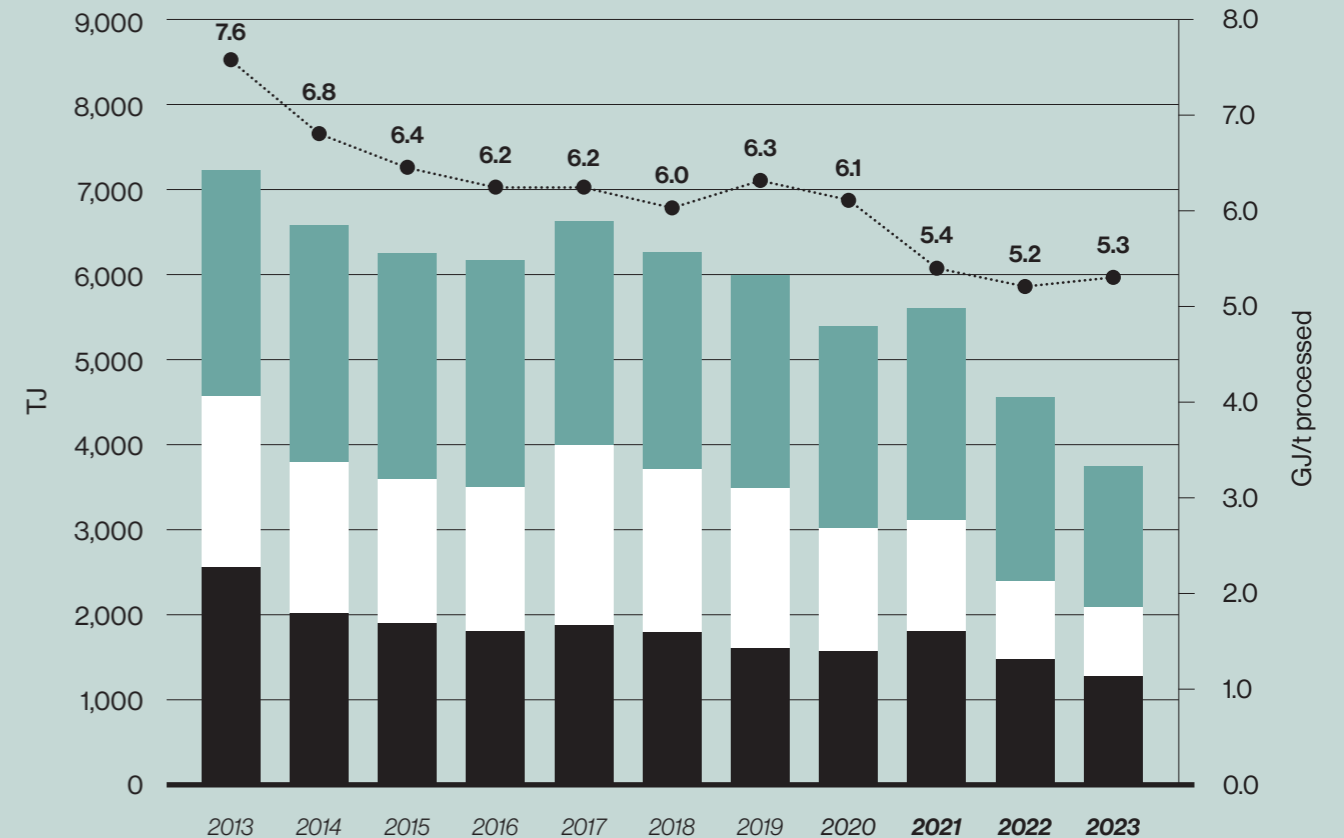
The absolute values in the following tables all show a decreasing trend and the indices that relate the different energy consumption to the quantities processed show a worsening trend.

However, when the data is viewed in a long-term context, the Group's reduction – both in an absolute sense and in relation to the quantities processed – of primary energy from fossil sources is significant.

There is, in fact, for example, a 44% decrease in the consumption of total primary energy from fossil sources destined to electricity, per tonne, compared to 2013.



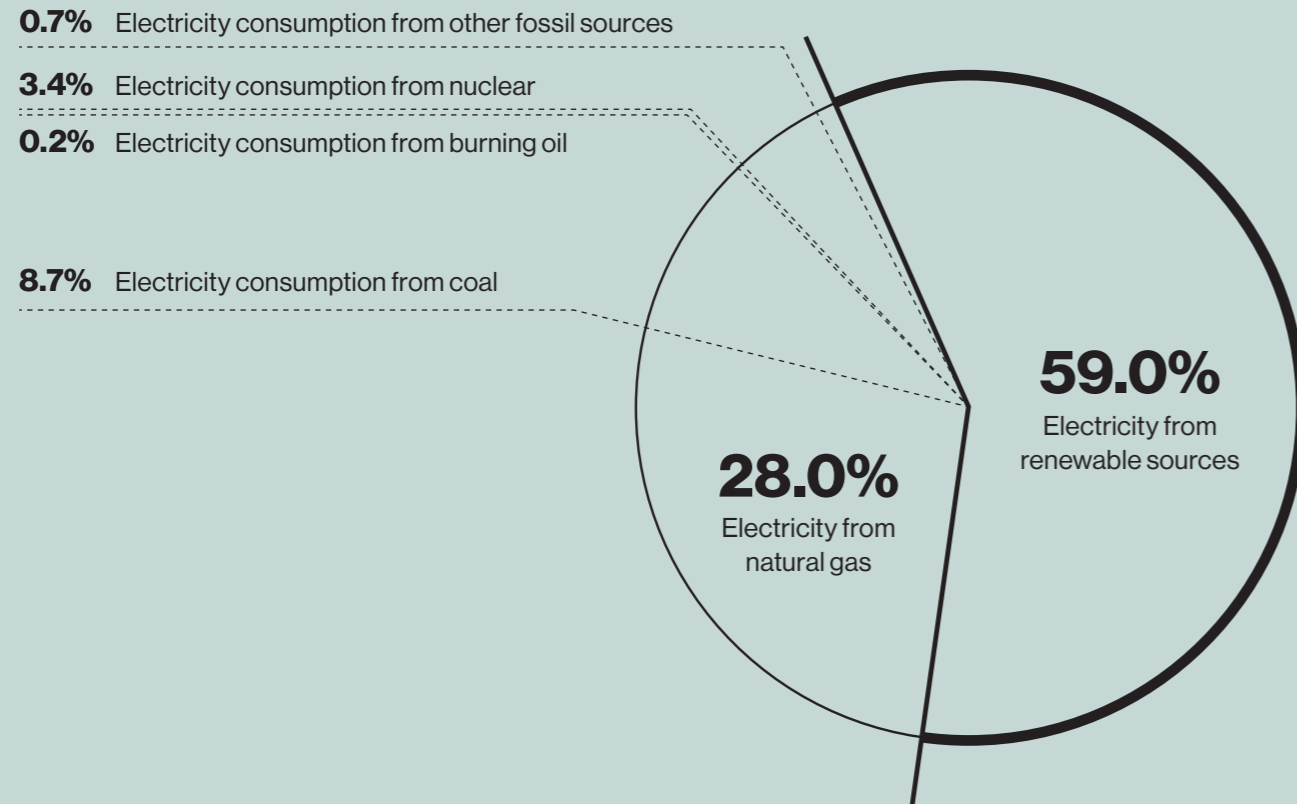
GRI 302-1 Total primary energy from fossil sources



02. Energy

Our footprint on the sustainability path

GRI 302-1 Electric energy mix - consumption



Electrical energy mix 2023

Despite the difficult scenario and altered rainfall levels that affected the hydroelectric production of Geogreen, RadiciGroup's historical partner, **the Group confirmed its commitment to the energy transition in 2023 by purchasing a significant amount of green electricity.** Today, worldwide, the Group's percentage of electricity from renewable sources is 59%, the same as in 2022. The number of companies that use 100% green energy is also expanding, with Radici Plastics Ltda in Brazil now joining the group.

The amount of green energy generated by the Group is currently limited, but the sources are being diversified and, in addition to hydroelectricity, photovoltaic power has been introduced, the share of which is expected to increase over time. Finally, it is worth emphasising the constant presence in the RadiciGroup energy mix of a share of energy from nuclear power, a non-renewable but zero-emission source.

Companies and sites using renewable energy 2023

100% renewable energy:

- Noyfil - (Chignolo d'Isola) Italy
- RadiciFil - (Casnigo) Italy
- Radici EcoMaterials - (Buronzo) Italy
- Radici Novacips - (Villa d'Ogna) Italy
- Radici Novacips - (Chignolo d'Isola) Italy
- Radici Partecipazioni - (Gandino) Italy
- Radici Plastics GmbH - Germany
- Radici Plastics Ltda - Brazil
- Radici Yarn - (Ardesio) Italy
- Radici Yarn - Polymerization - (Villa d'Ogna) Italy*
- Tessiture Pietro Radici - (Gandino) Italy



>90% renewable energy:

- FibrexNylon - Romania

>80% renewable energy:

- Radici Fibras Ltda - Brazil

* Radici Yarn Villa d'Ogna purchases 100% renewable energy to power its polymerisation plant, the remaining energy quantity is used to power the other departments, integrated with self-produced energy both from hydroelectric and from high efficiency trigeneration plants (trigeneration also produces steam and refrigeration).

Energy, design and comfort

a new site in China.



In 2023, RadiciGroup's new industrial site in Suzhou, China, was inaugurated. It is the first Group building to receive **LEED Gold** (Leadership in Energy and Environmental Design), a **prestigious international award that** certifies the building's high degree of sustainability; it also holds 2-star GBL certifications, awarded in China for buildings with **a low environmental impact**.

In conceiving and building the plant, there was a particular focus on the use of local materials and its **energy performance**; Natural lighting has been used as much as possible, and shaded glass helps to drive energy savings and provide optimal air conditioning. In addition, a photovoltaic system generates **renewable energy**, while resource waste is further reduced

by collecting rainwater for plant irrigation and use in toilets.

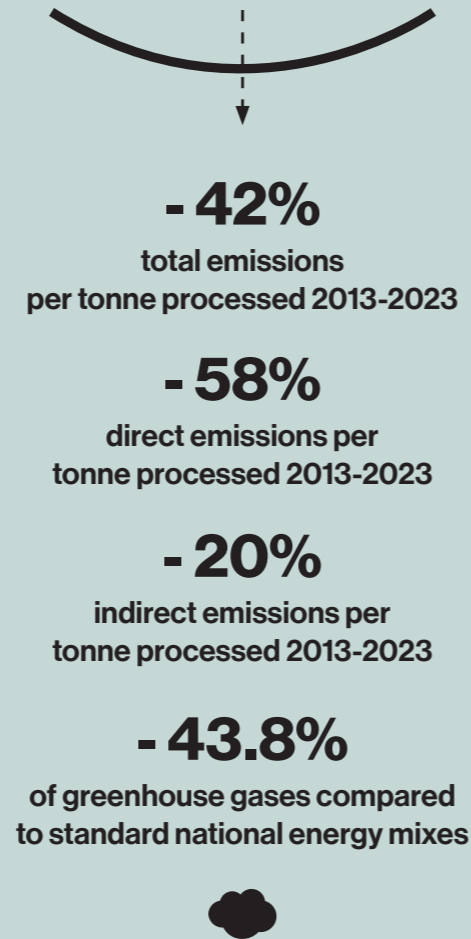
Finally, a range of aesthetic and **comfort-related** aspects have also been studied in detail; the rooms are welcoming and soundproofed, and the roof garden – a place to gather and socialise – was designed around local plants.

02. Emissions

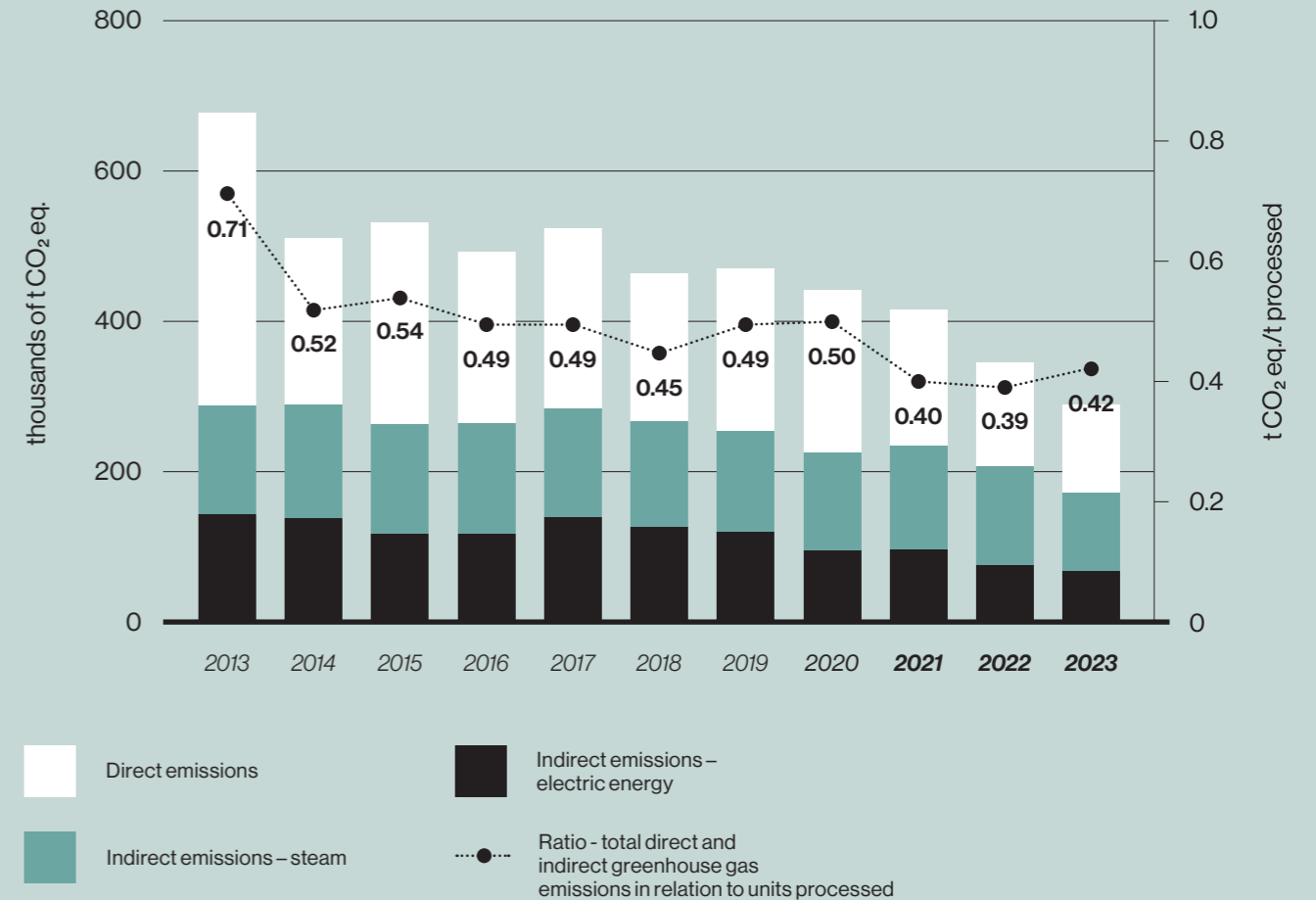
We aim low only when our target is emissions

Over time, as regards **Scope 1 emissions**, the Group has deployed various measures, from abatement using cutting-edge technologies to selecting fuels with a lower impact. In terms of **Scope 2 emissions**, there has been a progressive increase in renewable sources in the energy mix and a diversification of the production systems, as described in the parts of the report dealing with energy.

Despite the challenging situation in 2023, the commitment to decarbonisation continued, which allowed the Group to consolidate the results it had already achieved, particularly with regard to the chemical segment – the area with the greatest impact. RadiciGroup’s strategy, which comprises abatement investments and the selection of lower-impact fossil fuels (natural gas accounting for 97.4% of the energy mix and biogas for 2.2% in 2023), also involved specific choices around purchasing/self-producing green electricity. This latter element meant that in 2023 emissions “avoided” by virtue of the energy mix chosen stood at 43.8%. If the Group had simply used the standard national energy mixes of the countries in which it operates, it would have had an impact of 49,829 tCO₂eq more.



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



* Direct emissions: figures reported include the CO₂ deriving from combustion and the N₂O deriving from the production of adipic and nitric acids. In the 2023 Sustainability Report, for the sake of completeness, figures related to direct emissions once again also include the leaks of F-Gases, the fluorinated greenhouse gases RadiciGroup uses for plant cooling purposes.

Radici Chimica Deutschland

another step
forward in
reducing
emissions.



Reducing direct greenhouse gas emissions by leveraging **investments and cutting-edge technologies** is the approach that has long underpinned RadiciGroup's activities.

In 2023, the collaboration between **Radici Chimica Deutschland** GmbH and Thyssen Krupp Industrial Solutions led to the conversion of the plant's **DeNOx abatement system** into an Envinox system. This technology allows for the combined reduction of emissions of nitrogen oxides (NOx) and nitrous oxide (N₂O), a significant step forward in **alleviating the environmental impact** of the organisation and one which also brings **significant benefits**.

By further optimising and assuming an appropriate plant load, it is expected that the system can drive **the annual reduction of at least 15,000 tonnes of CO₂eq**, underlining the importance and potential impact of innovative solutions such as Envinox in the fight against climate change and RadiciGroup's willingness to invest in cutting-edge technologies for sustainability.

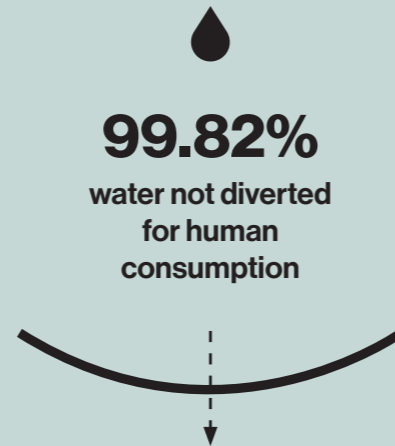
03. Water used

Caring about water is in our nature

2023 was once again a complex year from a water perspective, particularly with regard to the Group's Italian companies. This fact confirmed the strategic need to protect water more and more, also as a consequence of climate change phenomena that sees alternating periods of drought with periods of extreme rainfall, as was the case in 2023.

RadiciGroup's strategy in this area is clear: **three-quarters of its production sites have developed and maintain an ISO 14001 Environmental Management System, which focuses on preventing environmental risks, including those related to water management.**

While the Group's products contain little or no water, the production processes are heavily dependent on it: the water consumed is mainly used for industrial plant cooling. However, since water use is almost entirely limited to cooling plants through controlled systems, withdrawals do not differ significantly from discharges and dispersions are essentially identified with evaporation.



GRI 303-3 Water withdrawal by source*

		2021	2022	2023
Thousands of m³	Total	83,100	73,335	65,708
Thousands of m³	Total surface water	32,811	27,389	30,488
Thousands of m ³	from rivers/canals	32,230.1	26,916.5	30,069.2
Thousands of m ³	from springs	581.3	472.5	418.9
Thousands of m³	Total groundwater	8,542	8,132	7,452
Thousands of m ³	from wells	8,542.5	8,132.3	7,452.3
Thousands of m³	Total third-party water	41,746	37,814	27,767
Thousands of m ³	from aqueducts	141.1	134.6	122.2
Thousands of m ³	from private utilities	41,605.3	37,679.4	27,645.2
Thousands of m³/t	Ratio - Use of water resources per unit processed	0.080	0.084	0.095

* For production sites where the quantity of discharged water is not measured, this quantity is generally assumed to be equal to withdrawn water. The same applies to cases when only discharged water is measured. In this case, withdrawn water is generally considered equal to discharged water. The Group uses "fresh water" for its activities, i.e. with <1,000 mg/l of total dissolved solids.

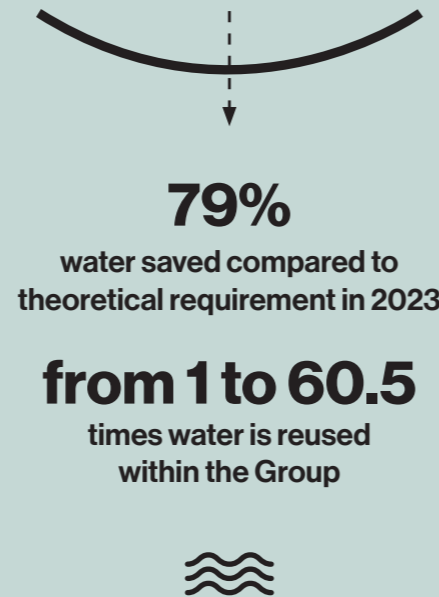
03. Water released

At the source of recycling

Considering the water stress situation relative to the countries in which the sites reported in the Sustainability Report operate, 51.6% of the water used by the Group comes from low stress areas. On the other hand, the “potential” 42.1% of the water used comes from areas of high water stress. Of the latter, almost the entire quantity (99.9%) relates to water supplied by Industrie Park Zeitz to Radici Chimica Deutschland via a loop channel. This water is reused up to 60.5 times in the plant before being discharged. The actual use is therefore far lower than the potential needs, which makes the impact of water withdrawal significantly lower in relation to the level of water stress in the area.

In regards to the data for the entire Group, in 2023 the percentage of water saved thanks to recycling was 79%, an increase on the previous year (71%).

These solutions for the recirculation of water in plants, which the Group has been implementing for some time, are extremely effective and significantly reduce the impact of production activities worldwide, especially in areas of high water stress.



Water saved and reused

Water saving		2021	2022	2023
Thousands of m ³	Water withdrawn	83,100	73,335	65,708
Thousands of m ³	Water recycled	58,753	51,889	52,125
%	Water saved	71%	71%	79%
n	Saving ratio	1.71	1.71	1.79

Water saving not including Radici Chimica Deutschland		2021	2022	2023
Thousands of m ³	Water withdrawn	41,491	35,653	38,059
Thousands of m ³	Water recycled	58,753	51,889	52,125
%	Water saved	142%	146%	137%
n	Saving ratio	2.42	2.46	2.37

Resource utilisation in relation to value added

GRI 302-3 Energy intensity ratio for the organisation

		2021	2022	2023
GJ	Total energy consumption (GRI 302-1)	5,586,749	4,531,932	3,692,141
€	Total net value added	356,803,131	234,576,786	176,985,950
GJ/€	Total energy consumption (direct+indirect) in relation to net total value added	0.016	0.019	0.021

GRI 305-4 GHG emissions intensity

		2021	2022	2023
tCO ₂ eq	Total emissions into the atmosphere (GRI 305-1 and 305-2)	416,701	343,690	288,661
€	Total net value added	356,803,131	234,576,786	176,985,950
kgCO₂eq/€	Total emissions to the atmosphere to total net value added	1.17	1.47	1.63

Water resources to net total value added

		2021	2022	2023
ML	Water resources (GRI 303-3)	83,100	73,335	65,708
€	Total net value added	356,803,131	234,576,786	176,985,950
ML/€	Water resources to net total value added	0.00023	0.00031	0.00037

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

		2021	2022	2023
t	Waste subject to disposal without recovery (GRI 306-2)	5,003	4,438	4,357
€	Total net value added	356,803,131	234,576,786	176,985,950
kg/€	Waste subject to disposal without recovery to total net value added	0.014	0.019	0.025

S for Social



Material topics

- Workers' Human Rights
- Attraction and Valuing of Staff
- Workers' Health and Safety
- Relations with Territories and impact on Local Communities
- Sustainable Research and Innovation
- Circular Economy
- Product environmental impacts
- Materials and chemicals Management
- Responsible supply chain management and traceability

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.

2030 Social objectives



Topic/SDG	Objective
Workers' health and Safety  	 <p>90% coverage of Group production facilities by ISO 45001 occupational health and safety certification.</p>
	 <p>Active training improve the sense of responsibility and personal contribution of people in relation to health and safety.</p>
Digitisation & cybersecurity 	 <p>Digitisation adopt next-generation digital solutions and dedicated software to further all sustainability processes.</p>
	 <p>Cybersecurity build and embed a Group-wide cybersecurity mindset through training and investment in the most advanced technologies.</p>
Relations with territories and impact on Local Communities   	 <p>Relations maintain and expand engagement with Local Communities through support for cultural, social and sports activities, as an expression of good corporate citizenship.</p>

Topic/SDG	Objective
Attracting, valuing and developing human resources    	 <p>Human rights, equity and inclusion actively uphold human rights, support inclusiveness and leverage the uniqueness of every person.</p>
	 <p>Employer branding, talent attraction enhance the appeal of the Group through targeted initiatives, aimed at attracting new talents and enabling Employees to build their work-life balance.</p>
	 <p>Education invest in the professional skills of employees through training; build constructive relations with schools to help young people make their way into the working world.</p>

Elements creating value

- **Respect Human Rights** everywhere in the world through monitoring and prevention systems and active safeguarding policies.
- **Ensure solid relationships** through **mainly permanent contracts** based on collective bargaining agreements.
- **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.
- Promoting **work-life balance** through flexibility measures.
- Involve Workers through **daily dialogue**, and through all the information and communication instruments of RadiciGroup.

Employees by geographical area



Data for 2023 provide a snapshot of the Group that shows a slight weighting towards employees outside Italy (1,586 out of 2,997), a factor that makes it important to enhance cultural diversity, which is also recognised in the Group's corporate values as an enriching aspect.



GRI 102-8 Employees* by region and gender

		2021	2022	2023
Men				
n	Italy	1,249	1,212	1,108
n	Rest of Europe	587	612	586
n	Asia	88	131	162
n	North and South America	309	328	338
Women				
n	Italy	329	325	303
n	Rest of Europe	397	398	373
n	Asia	31	34	37
n	North and South America	75	82	90
Total				
n	Italy	1,578	1,537	1,411
n	Rest of Europe	984	1,010	959
n	Asia	119	165	199
n	North and South America	384	410	428

* As far as the completion of the gender options is concerned, the Group will be able to include further options from the next reporting period.

RadiciGroup Employees by gender, employment contract and employment type*

		Men			Women			Total		
		2020	2022	2023	2020	2022	2023	2020	2022	2023
n	Total Employees	2,233	2,283	2,194	832	839	803	3,065	3,122	2,997
	<i>of which</i>									
n	Permanent contract Employees	2,135	2,145	2,116	774	790	770	2,909	2,935	2,886
n	Temporary contract Employees	98	138	78	58	49	33	156	187	111
%	Permanent Employees to total Employees	95.6%	94.0%	96.4%	93.0%	94.3%	95.9%	94.9%	94.0%	96.3%
n	Full Time (Permanent)	2,209	2,262	2,168	698	712	685	2,907	2,974	2,853
n	Part Time (Permanent)	24	21	26	134	127	118	158	148	144
n	Part-Time (permanent + temporary)	27	25	27	137	131	118	164	156	145
%	Full Time Employees (Permanent)	98.9%	99.1%	98.8%	83.9%	84.9%	85.3%	94.8%	95.3%	95.2%

* No RadiciGroup Company has Employees with non-guaranteed hours.

Employees by bargaining agreement type – Percentage of employees covered by bargaining agreements

		2021	2022	2023
n	Collective bargaining*	2,791	2,973	2,803
n	Individual employment agreement	274	149	194
n	Total Employees	3,065	3,122	2,997
%	Individual employment agreement	8.9%	4.8%	6.5%
%	% Collective bargaining agreement	91.1%	95.2%	93.5%

* Collective bargaining includes national bargaining and company bargaining.



People, our most important resource

The Group has always regarded its employees as key Stakeholders for its sustainable growth.

That is why it works on:

- **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.
- **Management of the relationship between the young and the mature** in the workforce with a view to the effective management of people's entire professional life cycle.
- **Encouraging team spirit**.

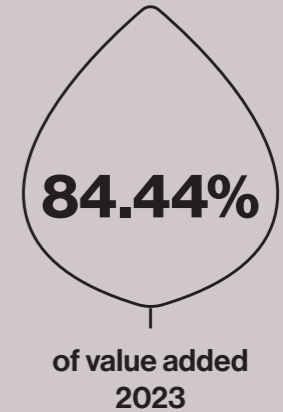
We value our Employees

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 2023, again, remuneration has found a prominent place in the value-added distribution statement for Employees.

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



2,997
Employees

Training courses for professional growth

In recent years, training at RadiciGroup has gone beyond simply expanding technical skills and has placed increasing emphasis on the **acquisition of soft skills**.

This approach **aims** to combine the **professional and personal development** of Employees. It also reflects an important change in the role of Human Resources, which no longer focuses solely on managing work-related resources to **support business activities**, but also increasingly considers **Employees' personal growth requirements**.

In 2023, there were 20 training hours per capita, an increase of 4.8 hours on the previous year. 59.3% of training was provided to manual workers and 40.7% to the remaining portion of the workforce. Training as a whole followed some key common guidelines:

- **the delivery of courses took the form of a hybrid model**, via face to-face and e-learning training, a method that has become established in recent years and that allows employees to take advantage of important opportunities without having to move from place to place, but still sharing the experience with colleagues from different companies.
- **Intercompany training**, to support the integration process of RadiciGroup Business Areas, fostering knowledge and exchange between People from different functions or companies.
- **Training** on key issues that allow the Group to **remain at the forefront** not only in terms of production and sales, but also in terms of the skills of its personnel.
- Courses with a **strong practical component** to stimulate learning through practical experience, including in unusual and innovative ways.

- For new employees and all Workers worldwide with a named mailbox, the **'Kaspersky Asap - Cyber Security'** course for the creation of a shared **IT security culture continued**.
- For all employees, courses on the correct use of work equipment and **Health and Safety** continued. The latter accounted for **42% of the Group's training hours**.

An **important training course** that took place in 2023 was "Scaling up Sustainability and Circularity". Focused **on sustainability and circularity**, it brought together a significant portion of the company's workforce – **over 200 People** – in studying RadiciGroup's sustainable objectives, positive circularity practices on the part of customers and business partners, market trends and the evolution of the regulatory landscape.

GRI 404-1 Training for Employees

		2021	2022	2023
hours	Total hours of training	45,477	47,492	59,812
hours	Total hours of training for Health and Safety	24,989	27,562	25,098
%	% hours of training for Health and Safety to total hours of training	55%	58%	42%

Training per capita and by gender

n	Total Employees	3,065	3,122	2,997
hours/n	Total hours of training per capita	14.8	15.2	20.0

Male

hours	Total hours of training	36,859	38,313	47,081
n	Total Employees	2,233	2,283	2,194
hours/n	Total hours of training	16.5	16,8	21.5

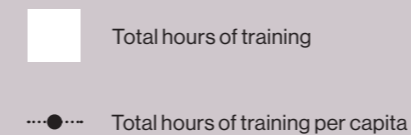
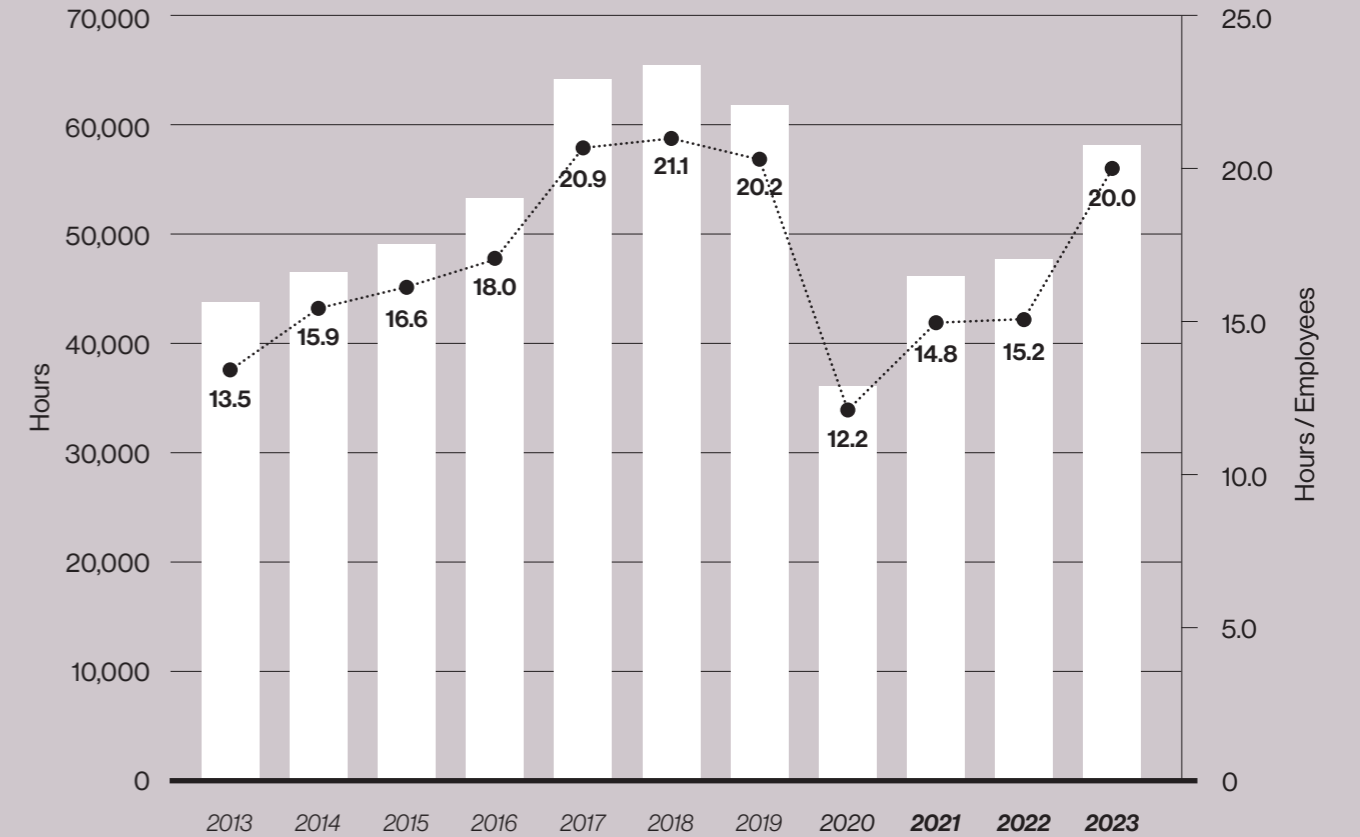
Female

hours	Total hours of training	8,618	9,179	12,731
n	Total Employees	832	839	803
hours/n	Total hours of training	10.4	10.9	15.9

Training per capita and per geographical area

hours/n	Italy	9.9	11.1	14.8
hours/n	Rest of Europe	10.1	10.5	12.2
hours/n	Asia	33.9	21.7	53.0
hours/n	North and South America	41.5	39.6	38.9

Hours of training





Scaling up sustainability and circularity

a practical guide to sustainability.

In autumn 2023, “Scaling up sustainability and circularity” took place. This was the first **large-scale training** course on **sustainability** and **circularity** organised by RadiciGroup.

The course was designed to provide around **240 participants** with a solid knowledge base to help them respond to the growing need of **transmitting skills** acquired externally, thereby making them “ambassadors” for sustainable practices.

In addition, classes made up of staff from different functions and companies promoted a collaborative and synergistic approach to learning, and participants developed their awareness of the numerous ESG initiatives implemented by RadiciGroup.

“Scaling up sustainability and circularity” involved **seven teachers** across **13 training modules** and comprised about **1,500 training hours** overall. It represented a significant investment by the Group in the professional and personal growth of employees, while also emphasising their key role in the implementation of RadiciGroup’s sustainability strategy.

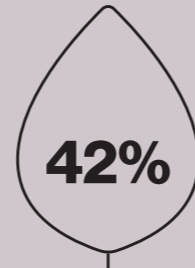
Health and Safety at work

RadiciGroup safeguards the Health and Safety of Workers by monitoring performance in terms of:

- **risk analysis and risk management** through robust management systems, to translate Health and Safety concepts into every aspect of daily business.
- **Compulsory and voluntary training**, starting with newly recruited Workers, as a distinctive factor, making people an active part of safety.
- **Raising the awareness** of each Employee about their contribution to the safety management of the company.
- **Organising initiatives to promote healthy lifestyles and support prevention** as a means of tackling some of the most serious or widespread diseases.



Training on Health and Safety



of overall training hours

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 Italian 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: about **42% of the total hours of employee training were dedicated to Health and Safety topics**. 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.



GRI 403-9 Work-related injuries

		Total			Men			Women		
		2021	2022	2023	2021	2022	2023	2021	2022	2023
n	Total Workers*	3,428	3,451	3,311	2,559	2,561	2,454	869	890	857
hours	Total hours worked	5,552,211	5,480,135	5,384,413	4,230,331	4,132,779	4,084,929	1,321,880	1,347,356	1,299,484
n	Number of fatal injuries	0	0	0	0	0	0	0	0	0
n	Number of high-consequence injuries	16	9	12	15	7	8	1	2	4
n/200,000h	High-consequence injury rate	0.58	0.33	0.45	0.71	0.34	0.39	0.15	0.30	0.62
days	High-consequence injury lost days (days away from work)	1,423	1,192	1,544	1,356	757	985	67	435	559
n/200,000h	High-consequence injury days lost rate	51.3	43.5	57.4	64.1	36.6	48.2	10.1	64.6	86.0
n	Number of non-high-consequence injuries	53	70	67	47	60	65	6	10	2
n/200,000h	Injury rate	1.91	2.55	2.49	2.22	2.90	3.18	0.91	1.48	0.31
days	Injury lost days (days away from work)	690	1,001	848	599	875	796	91	126	52
n/200,000h	Non-high-consequence injury days lost rate	24.9	36.5	31.5	28.3	42.3	39.0	13.8	18.7	8.0

* at 31/12/2023 - Total Workers includes: contract Workers (who work continuously for RadiciGroup, e.g. tradespeople, external companies, etc.), temporary Workers and Employees.

A leader in safety

RadiciGroup #SiCura.

#SiCura



Behavioural Based Safety is an approach to safety that focuses on identifying, observing and continuously improving behaviour in the workplace to nurture and strengthen safety. It does this through a system that rewards the **active participation** of individuals in the collective safety process.

This methodology formed the basis of the RadiciGroup #SiCura course that Radici Novacips, the lead company in the HPP division, organised in 2023. A group of leaders followed a training course aimed at developing the skills necessary to implement the **behavioural safety process**. The subsequent goal was to transmit the notions they learned to colleagues and collaborators and implement the process of behaviour observation

and analysis through checklists and indicators, periodically evaluating performance and putting in place **measures for continuous improvement**.

The entire **Radici Novacips organisation contributed to the project**, including through the creation of videos in which multiple contributors – on the basis of their role and own insight – set out the meaning of the concept of safety from a personal or corporate perspective.

A guide to winning leadership

a challenging programme of human and professional growth.



Being a leader does not mean acting in an individualistic way.

On the contrary, the growth of colleagues and collaborators, the establishment of a **climate of trust** and **creating valuable relationships** are key to successful and positive leadership.

With this in mind, in 2023 all Safety Managers within the Italy area of the Advanced Textile Solutions BA took part in a **challenging programme of human and professional growth**. There were numerous objectives in what was a very active and well-attended training programme, which saw the **80 participants**, drawn from different Companies, engage in a lively discussion on their role as managers and share their experiences and visions.

Relationships with colleagues, conflict management, the ability to delegate, engage in active listening and constructive dialogue emerged as enabling elements within a programme that addressed **workplace safety** from the perspective of managers, who play a key role in identifying risks, supervision, communication and involving colleagues.

From the Code of Ethics **Our capital is, above all, human**

The Person is at the heart of our strategy. We promote professional advancement by recognising merit, fully utilising competence and potential, and investing in training. We believe that achieving a balance between work and personal life is a key aspect in creating an optimal corporate environment.

The Group also continuously promotes initiatives aimed at increasing the physical and mental well-being of Employees. Since 2015, the project formerly known as WHP (Workplace Health Promotion) has been running and has been gradually rolled out to the various Italian and foreign companies under the name of “StoBene” (I’m well), to encourage Workers to adopt healthy lifestyles and positive mental attitudes.

The following initiatives were a feature of 2023:

- **Radici Chimica Deutschland** took part in a **Dragon Boat competition** with other local companies; a crew of Italian colleagues from Radici Chimica also came to Germany specifically to participate.
- **Radici Plastics Mexico** launched an original **challenge**: for one month **26 participants** accepted the challenge of **maintaining a balanced diet and exercise to lose weight**. They were then recognised by the company for their achievements.
- In **Yarnea in Romania** **team building activities in the mountains were organised**, with participants given the opportunity not only to walk and increase mental and physical well-being, but also to **“train” their resilience** through group experiences.
- Holding company **Radici Partecipazioni** gave all employees of Italian companies the opportunity to take part in an **evening on the snow with the option of skiing, snowshoeing or simply walking along slopes and paths** in the moonlight.



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

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

The consolidation of **agile working two days a week** for Italian Workers.

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

Hourly flexibility rules as a result of the agile model.

Starting from childhood

the importance of the environment and health for children.



For some years, Radici Plastics Ltda, a Brazilian company in the engineering polymers segment, has been working closely with local schools; in 2023 it created an interesting **project on health and the environment** with the Escola Municipal Emeif Ilda Vieira de Moraes in Araçariçuama.

The work was divided into five phases: the company was directly involved in the creation of a book to stimulate awareness of **recycling**, which was followed by an actual lesson on the environment and plastic packaging. Radici Plastics then supported the school in **planting fruit trees** with the collaboration of local experts who helped the children.

In addition, the company donated recyclable materials for making

percussion instruments that were used in a **musical project**.

As the final step, Radici Plastics donated **an oral hygiene kit for children**, in the belief that a commitment to corporate citizenship can also be expressed through a healthy smile.

Innovation and products



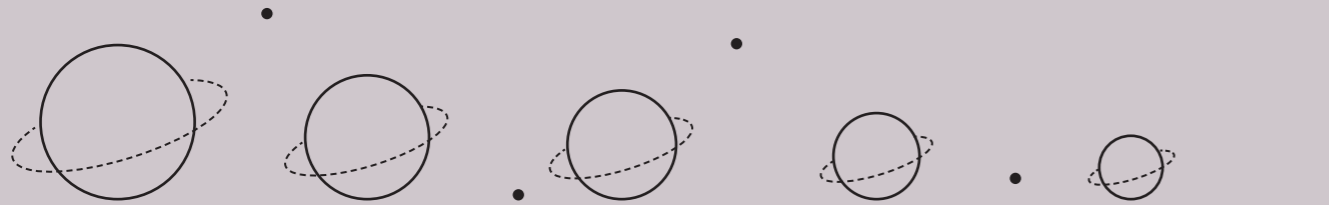
A quality-based value chain, also for the Environment

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.**



RadiciGroup the product sustainability story comes from afar



For over 40 years **For over 20 years** **For over 15 years** **For over 10 years** **For around 10 years**

extrusion **lines** have been in operation **that reuse production waste** from the entire Group and beyond, avoiding any raw material waste.

our Group Companies have used **green energy** for processes and **bio-based raw materials** for products.

RadiciGroup has been reporting on its overall sustainability strategy through the Sustainability Report.

we have used **post-consumer materials** to make PET yarns and engineering polymers.

we have measured the environmental impact of main product families through systems based on **Life Cycle Assessment**.

we have been actively researching and **co-designing** low-impact product solutions with **others in our supply chains**.

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 and performance.
- **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.

Full traceability for **virgin and post industrial recycled materials** handled in-house.

High traceability for **post consumer recycling materials** purchased on the market.

Traceability governed by management **software that monitors every step.**









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.
- **Solution-dyed**, thus significantly reducing water and energy.
- A **limited carbon footprint** measured through the **LCA methodology**, an advantage for the entire value chain.
- Manufactured using **green energy**, which decreases dependence on fossil fuels.
- **Bio-based**, i.e. made wholly or partly from **renewable natural raw materials**.
- **Biodegradable**: i.e. **able to be broken down into their different components** through biochemical processes.

The materials are **all recyclable and durable**, key factors in circularity.

From sustainable companies to sustainable products

Product	BA	 Energy from renewable sources	 Bio-based	 Solution-dyed	 Recycled	 Durable Recyclable	 Biodegradable
Renycle®	Cross-Business Area	●		●	●	●	
Repetable®	Cross-Business Area			●	●	●	
Responsible®	Cross-Business Area	●		●	●	●	
Biofeel®	Cross-Business Area	●	●	●		●	
Biofeel® Eleven	Cross-Business Area	●	●	●		●	
Biofeel® PLA	Cross-Business Area		●	●		●	●
Radipol®	Specialty Chemicals	●				●	
Radipol® 6.10	Specialty Chemicals		●			●	
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	●		●		●	

Water management products

an ethical and strategic choice.



Water is an increasingly limited and vital resource. For this reason, adopting practices that conserve water reserves has become absolutely key. In addition, the **creation of products that respect water** – especially where drinkable – has become both an ethical and strategic factor.

For some time now, RadiciGroup has been working not only on saving water in its processes, but also on a **product portfolio** that can guarantee water quality or help to maintain its availability. Companies in the High Performance Polymers Area provide a **complete range of engineering polymers** that meet the most stringent water management criteria and constitute **viable alternatives to traditional materials**, such as brass and metal alloys, for

numerous applications, including components for water meters, taps or boilers.

Tessiture Pietro Radici's Radimelt® filter materials, on the other hand, are specifically made to meet the most complex **water purification** needs. They form an integral part of technical solutions to minimise the risks of contamination for public health and production processes. The range comprises **nonwovens designed for applications in critical sectors**, such as the food and beverage industry, industrial processing and filtration.

Transparency, you see

RadiciGroup considers it essential for itself and the entire value chain to have **robust**, accurately and scientifically obtained **reference values** for the environmental impact of its products. For this reason, RadiciGroup has long used **Life Cycle Assessment** studies and has set up a team of in-house experts, coordinated by Radici InNova, to provide a **specialised and strategic LCA service** to all its companies. Life Cycle Assessment (LCA) is a scientific, analytical

and systematic methodology that assesses the environmental footprint of a product throughout its entire life cycle. This is the only way to objectively **measure the environmental impact** of the product/organisation and to implement truly valid and targeted reduction solutions to concretely **improve the environmental footprint**, also in line with Best Available Techniques (BAT).

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 in the Group as the basis for the Environmental Product Declaration (Environmental Product Declaration) and the PEF (Product Environmental Footprint).

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, BA High Performance Polymers has developed and published EPDs. 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

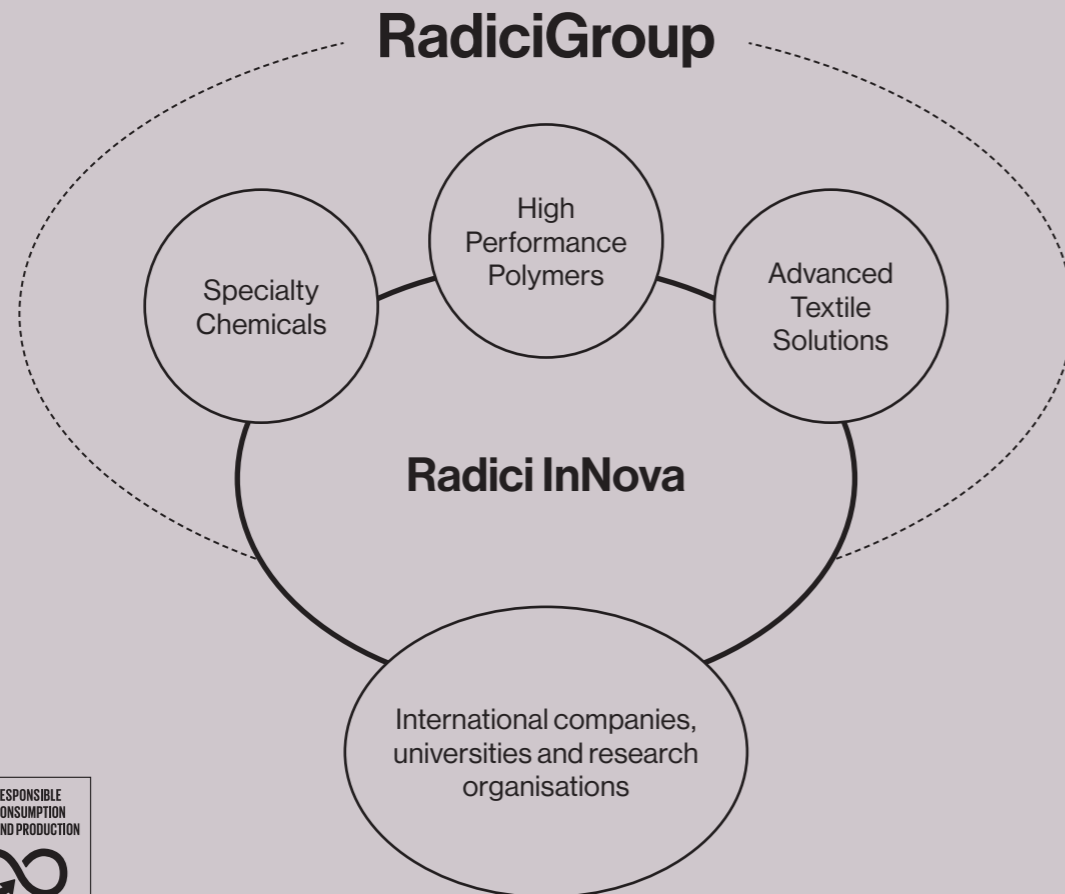
(Product Environmental Footprint)

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 Specialty Chemicals and Advanced Textile Solutions Business Areas.

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 2023

Radici InNova operates on the basis of a **multi-Stakeholder collaboration logic**, involving the companies of RadiciGroup, research institutes, clusters and qualified partners able to provide infrastructure resources and technical and scientific support for the implementation of projects.

Every year, the consortium carries out numerous projects. In 2022, the main action lines were:

- the **Circular Economy**, with studies and experiments on different forms of nylon recycling, in particular on identifying the best solutions for processing post-consumer mixed thermoplastics, with a particular focus on the industrial scalability of processes.
- **Eco-design**, with experiments in collaboration with Customers and Suppliers to support a successful, yet sustainable economic model such as the circular model right from product conception.
- The **study of new polymers**, experimenting with solutions for products not currently available in the RadiciGroup portfolio and with specific characteristics (e.g. flame retardant) for use in special applications in the textiles and plastics sector. There is also a special focus on the study and development of solutions that can be applied to materials that ensure traceability along the entire supply chain.

- **Nylon-based biopolymers**, seeking solutions to improve know-how acquired to date on new bio-based polymer matrices and the analysis of alternative and sustainable processes to make the intermediates necessary for the production of biopolymers available.
- **Filtration materials**, especially polypropylene nonwovens for the automotive sector for cabin air filtration and air-conditioning systems.

During 2023, Radici InNova also increased its **participation in working groups for the circular economy and advanced materials**, collaborating with various stakeholders in the chemical, engineering plastics and textile sectors for the **construction of circular supply chains** dedicated to high-performance polymers, recycling and bio-based materials.

To meet the growing needs of its consortium members and downstream Customers, Radici InNova has bolstered the **measurement of the environmental impacts** of its processes and products by expanding the scope of **certified LCA studies**.

Radilon® Chill-fit

innovating
for comfort.



Radilon® Chill-fit is RadiciGroup's 2023 offering to maximise the qualities of **breathability and freshness** that a fabric can deliver.

The result of a significant research and development process that led to the creation of a highly functional nylon yarn, it guarantees **thermal regulation of the fabric** without the need for additional treatments.

Radilon® Chill-fit, launched by the Apparel and Technical Business Line to coincide with the Techtextil fair, leaves those who use it with a pleasant and long-lasting feeling of comfort and freshness.

The **innovative technology**, implemented by the Group, combines the yarn's quality of generating intrinsic freshness with the ability to absorb sweat by evaporating it quickly.

This gives a particular "flow" to garments made with Radilon® Chill-fit.

This new engineering process ensures that thermal regulation is an intrinsic and permanent part of the yarn without the need for additional fabric treatments, all while offering **high UV protection**.



Cooperation in the value chain for sustainability.

In 2023, Radici Fil, a specialist in flooring solutions, together with its customers Kleen-Tex and Lindström, worked to design a range of sustainable products based on **cooperation at the value chain level**.

The use of recycled materials is one of the most effective means of helping textile solution provider **Lindström** move forward on its path to net-zero.

The **RadiciGroup Renycle®** yarn, made from pre-consumer recycled nylon 6, proved to be the ideal solution in terms of reducing waste, conserving resources and reducing the carbon footprint.

Carpet manufacturer **Kleen-Tex** is similarly committed to minimising its impact on the environment. Currently, all of its new products include recycled

content, with Renycle® once again proving the optimal solution.

In addition, solution dyeing was chosen by the partners as an option to create an interesting selection of colour tones with very low water use.

This **multi-stakeholder collaboration** led to the launch of a **sustainable rug collection** in which sustainability principles have been translated into concrete commitments.

Open innovation

Open innovation, based on the concept of co-evolution, **promotes collaboration and resource sharing**, as well as ideas that go beyond traditional organisational boundaries. This approach encourages companies to seek out **innovation through collaboration** with Customers, Suppliers, scientific partners or independent experts.

It acts as a bridge, involving a global network of external innovators to make the organisation more receptive to a potentially unlimited range of stimuli. It also helps to mitigate and share the risk associated with the most innovative research projects.

Recently, **RadiciGroup has used open innovation on several occasions to develop innovative technologies or materials** and explore shared solutions with business partners or with the Group's internal partners.

- The **High Performance Polymers** area has worked with a partner in the automotive area on strategic applications in the e-mobility sector using polymers with high EMI shielding power. The BA then worked with another customer in the automotive sector to train both its own technicians and the customer's technicians in agile methodology, before going on to jointly design limited-impact tyre reinforcement materials that can replace traditional market solutions. Finally, together with the Specialty Chemicals Business Area, the HPP division has studied the formulation of intrinsically flame-retardant polymers as part of open innovation within the Group.
- The **Advanced Textile Solutions** area, meanwhile, has launched a "Call for Textile Sustainability" in partnership with customer Decathlon to research sustainable and circular textile solutions.
- For its part, the **Organization and ICT** function participated in the first hackathon in the history of RadiciGroup, in collaboration with supplier Var Group.

In 2023, therefore, open innovation was a decisive factor in stimulating a **Group culture that is increasingly open to change and contact with different areas of knowledge.**

“Demo Day” sustainable innovation or innovative sustainability?



“Demo Day”, a presentation event at the headquarters of Confindustria Moda in Milan in December 2023, marked the successful conclusion to the Open Innovation Call supported by the Made in Italy Cluster in collaboration with RadiciGroup and **Decathlon** Produzione Italy, dedicated to the promotion of sustainability in the textile supply chain.

The key theme of the Call was **Innovation for Sustainability in the Textile Sector** – a set of solutions, know-how, technologies, processes and ideas that can boost companies’ journey towards the ecological transition.

The Call was supported by the collaboration of institutions and organisations involved in research and innovation across Italy. Innovation proposals were

received from 61 startups, 40 small and medium-sized enterprises, 18 institutions, organisations and research groups, 9 business projects and 8 individual innovators. They focused mainly on **circular economy topics, innovative materials, digital solutions and new sustainable business models**, demonstrating the resounding success of the initiative.

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. Circularity is the basis of most of the sustainability choices made by RadiciGroup, for which it:

- **is a driver of process and product innovation**, particularly thanks to **eco-design**, 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.



RadiciGroup's circularity principles

- **Eco-design:**
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 creation of products 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 and longevity:**
RadiciGroup products are based on **high-performance, carefully selected** raw materials from traceable and qualified supply chains. Nylon, in particular, is designed to last over time and confer the same characteristic to its 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.

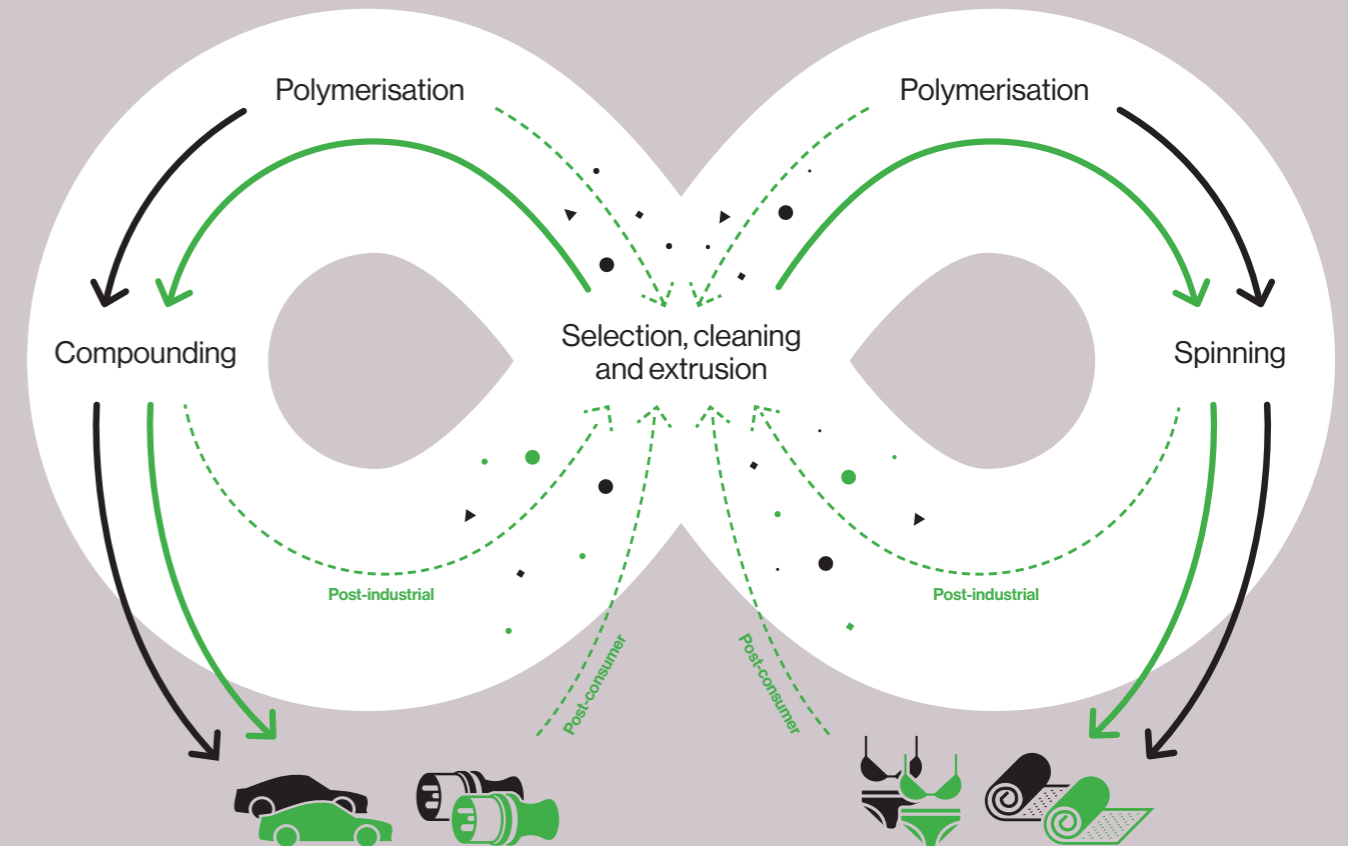
The nylon recycling system for circularity

RadiciGroup, thanks to its long-standing know-how in material formulation and recycling, is able to convey scraps either in the same industry which originated them or in a different one. This is done on the basis of the specific characteristics of the materials and the performance expected from 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.



RENYCLE[®]
nylon after nylon



Key

- Virgin raw materials
- Recycling materials
- Recycling process
- Scrap

Not just nylon...

fibre-to-fibre recycling in polyester is possible too!



In 2023, RadiciGroup carried out a research and development project on **fibre-to-fibre recycling** in the polyester sector in collaboration with Sportstex, a company specialising in sportswear, and **Pure Loop**, an expert in recycling machinery, who helped to identify the optimal technology for obtaining new textile fibres.

The three teams, coordinated by Radici InNova, obtained an initial result using a **mixed recovery technique**, in other words by “dosing” variable percentages of polyester granules from the recovery of bottles to granules from recovered fabrics, gradually fine-tuning the processes to obtain a **yarn made entirely from recovered textile waste**.

Once industrialised, this system will mean that recycled polyester garments can be produced and

then **recovered again at the end of their life cycle**.

One company, **Shimano**, immediately embraced this initiative, putting its own brand on the first t-shirts to result from the collaboration, presented during the Itma fair in Milan.

The research project has highlighted a new form of recycling for a **textile-on-textile Closed Loop with no effect on the quality and technical performance** of the products.

Territory



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 the Group was established and operates.

- **The first** Group company, still in operation today, **was established over 80 years ago in Val Gandino**, one of the areas of choice of Bergamasque textile entrepreneurs. Over the years, the company has changed its type of production, market and technology several times, but it has never moved its headquarters.

- **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 Group maintains a strong **relationship with local suppliers**, especially in Italy and the rest of Europe, and considers them an active part of the local area and its economy.

From the Code of Ethics

RadiciGroup and Local Communities: a single entity

The identity of RadiciGroup has been profoundly shaped by its local roots.

- Our companies are a guarantee of **employment**, professional **development** and **innovation** in the territories.
- The Group promotes a wide-ranging **Health** and **Safety** culture that has a positive impact on Local Communities.
- We establish and nurture an ongoing dialogue with local educational institutions to create a positive cross-fertilisation between the world of **education** and the world of **work**.

As we consider Local Communities to be one of our most important Stakeholders, in 2022 we approached a number of representatives of territories (local authorities, schools, associations) around the world to make them an active part of the review of our materiality matrix.

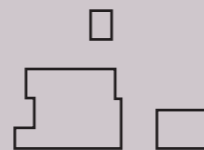


From RadiciGroup to Local Communities

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

From Local Communities to RadiciGroup

- **Support and closeness**, seen also by their excellent attendance at public events organised by the Group.
- **A unique and special 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 in 2023

In a logic of **active corporate citizenship**, Group companies support Local Communities in different ways, according to the different needs they identify.

- **Youth competitive sport**

Radici Partecipazioni SpA (Italy) supports the RadiciGroup Ski Club, a historic association with over 100 local athletes between the ages of 6 and 18.

- **Hiking in the mountains to learn to love nature**

Yarnea SRL (Romania) supports the Neamt Alpine Association which promotes mountain culture and respect for nature through inclusive hiking, open to people of all ages.

- **Health of Employees and their families**

Yarnea SRL (Romania), through the Gianni and Luciana Radici Foundation, supports Employees and local residents, especially children, undergoing treatment for serious illnesses.

- **Sport as a vehicle for growth**

RadiciFil SpA (Italy) supports the Gianni Radici Juvenes Sports Academy, whose sports development project goes hand in hand with an innovative educational development project.

- **Science and cultural popularisation**

Radici Partecipazioni SpA (Italy)

For many years, the Group has been a partner of the BergamoScienza Festival, a science popularisation event founded in 2003, which every year involves the city and province of Bergamo with an increasingly international outlook.

- **Environmental awareness in children**

Radici Plastics Ltda (Brazil) works with the youngest children in the local area to teach them to respect nature and care for the environment through guided sessions of tree planting and maintenance.

- **Infrastructure design for territorial development**

Radici Chimica Deutschland (Germany) works together with local authorities to design infrastructure for collective use to sustainably develop the local area using green hydrogen.

- **Collection of plastic materials to support children's cancer care**

Radici Plastics S. de R.L. de C.V. Mexico (Mexico) supports its Employees in collecting plastic caps which are placed in a container and awarded to a local association which use the proceeds from their sale to support children with cancer and their families.

- **Scientific and cultural education**

Radici Chimica SpA (Italy), through the Donegani Club, contributes to the development of the annual programme of scientific and cultural education open to the citizens of Novara, the company's headquarters.

- **Collaboration on social and environmental projects**

Logit s.r.o. (Czech Republic) collaborates with the local municipality on numerous projects, including the redevelopment of urban green space through the planting of an area of the city, the organisation of a "children's day" and the creation of a recreational centre with social-based games for younger children.

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. Now in its **10th edition**, the project aims to develop ever closer collaboration between the Group and educational institutions. Aligning study programmes with the skills required by companies is an increasingly important challenge; RadiciGroup intends to contribute through the following initiatives:

- **company internships** involving students from local vocational schools.
- **University internships.**
- **Extra-curricular internships** enabling students to be included in site workforces.
- **Visits, company lessons 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.



Sport to train as you grow

The education of 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.

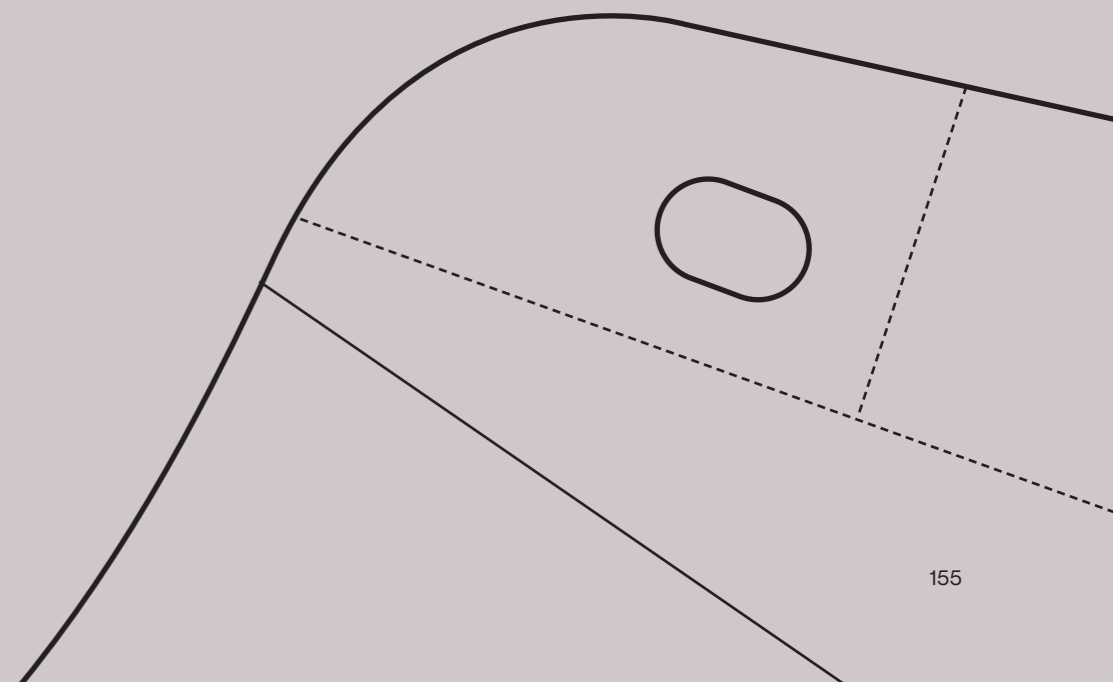
That is why RadiciGroup **supports sports associations** – local, mainly youth sector, clubs that not only teach sport, but also contribute to the growth of young people. One example is the **support for the RadiciGroup Ski Club**, a Bergamo organisation with over 100 athletes between the ages of 6 and 18.



Attention and support for:

Schools

Sports associations



Build the future rewarding the value of education.



In December 2023, the ceremony took place for the award of **study grants** to the sons and daughters of Employees who graduated in 2021 or 2022.

The tradition is a regular occurrence **to celebrate the value of education** and support training by rewarding, in a concrete form, merit and effort.

41 graduates were awarded; around 15 belonged to Group companies based abroad and therefore joined remotely.

The study grants were awarded to students who gained degrees in a range of different subjects with a minimum grade of 100/110.

The initiative is one of the highlights of RadiciGroup's **Education project**, which has been investing resources for ten years to **establish and strengthen its relations with local educational institutions.**



Social cohesion through sport and the local area.

For many years, Yarnea, a company in the Advanced Textile Solutions area of RadiciGroup based in Săvinești (Romania), has played an active role in its local area through not only its industrial activities but also through a special connection to sport – something that is in line with the **Group's social policies**.

In Yarnea's view, support for sporting activity contributes to **increasing the quality of life in the local community**, as well as being a tool for growth and social cohesion for young people.

For this reason, in 2023 the company focused on two main objectives: **supporting the development of local sporting talent and promoting an active lifestyle among young people**.

To this end, the company provided support for swimming, martial arts and tennis, all disciplines that require dedication and a constant commitment to improvement – values that both sport and the corporate culture share.

There was also a particular focus on climbing and hiking initiatives in the mountains; these disciplines were chosen because, in addition to developing physical qualities, they build **awareness of the environment and respect for nature**.

G for Governance

Material topics

- Long-term value creation and business sustainability
- ESG Corporate Governance/Risk Management/Compliance
- Cybersecurity and data protection

The importance of Governance

In an ESG context, the term Governance is very often associated with economic performance issues, one of the key factors in measuring a company's performance. Nevertheless, Governance should be understood in a broader sense, to the extent of encompassing transparency and Compliance as well. The latter in particular represents an ability to respond effectively and proactively to the challenges posed by developments in the regulatory landscape, including the capacity to seize the opportunities that such developments bring.

2030 Governance objectives



Topic/SDG	Objective
<p>Long-term value creation and business sustainability</p> 	 <p>Leadership and competitiveness maintain a leading position in the Group's key business sectors, underpinned by ESG principles, to create long-lasting value to be shared with stakeholders.</p>
<p>ESG corporate governance, risk management and compliance</p> 	 <p>Shared values ensure the Code of Ethics is shared and endorsed at all levels of the Group and throughout the global value chain, to promote the RadiciGroup's principles and their incorporation into day-to-day business.</p>
<p>Responsible supply chain management</p> 	 <p>Engagement encourage Suppliers to play an active part in the sustainability process by building strategic partnerships for the development and creation of products consistent with ESG principles.</p>

When analysing environmental, social and governance factors, the “G” factor is often relegated to second place behind the consideration of risks and opportunities related to the environment or social aspects. However, **“good corporate governance” is the cornerstone of a sound system both from a general and from an ESG risk and opportunity point of view.**

RadiciGroup:

- sees the **active participation of top management in sustainability policies.**
- Understands business sustainability not only in terms of return on invested capital, but also in terms of **sharing added value with Stakeholders.**
- Uses **robust management systems in each company** to base its choices and operations on recognised models aligned with international best practices.
- Increasingly considers **digitalisation** not only as a part of business management, but as an **enabling factor of its environmental and social sustainability policies**, and potentially increasingly strategic.

We want to be there... for the long term

In RadiciGroup's vision, the **creation of long-term value** in a logic of sustainability goes far beyond the concept that the profit generated must exceed the costs incurred to obtain it.

The economic dimension, which is focused on increasing profit, is combined with the environmental and social dimensions, which have the **ultimate goal of generating positive external effects that benefit people, the community and the planet.** In addition, this approach requires that the **sustainable value created be shared**, both materially and immaterially, with the Stakeholders (Employees, Customers, Suppliers, Communities, Public Authorities) who have contributed to the Group's success.

By translating these principles into tangible actions, RadiciGroup pursues a logic of prudent investment with a medium- to long-term return without chasing immediate profit. This provides "breathing space" for the projects undertaken, and is a guarantee of security and continuity for RadiciGroup employees as well as Suppliers and Customers.

RadiciGroup promotes the **training and upskilling of its personnel.**

The Group works on **innovation** to seize the opportunities offered by the **circular economy.**

RadiciGroup increase its competitiveness by investing in **technological and digital transformation.**

There was a complex backdrop to trading in 2023. This was due initially to energy costs and subsequently to a very aggressive competitive environment and the multiple geopolitical instabilities driven by conflicts.

The Group's financial results remained positive overall, despite the inevitable effects of the broader situation mentioned above.

In terms of environmental sustainability, in 2023 the Group continued to pursue an **environmentally friendly investment policy.** This is driven by an ethical commitment to sustainability, the demands of strategic markets and increasingly pressing European legislation to transform the EU into a low-carbon, resource-efficient, green and competitive economy.

RadiciGroup pursues an **environmentally friendly investment policy.**

The Group has a strong **ethical commitment to sustainability.**



GRI 201-1 Generation of value added

	2021	2022	2023
€ A) Production value	1,542,447,792	1,598,575,559	1,028,199,149
Sales and service revenue	1,507,508,410	1,542,700,014	1,069,019,308
Change in work progress, semi-finished goods and goods inventories	34,668,659	55,582,801	(41,141,558)
Change in contract work in progress	-	-	-
Increase in internally generated non-current assets	270,723	292,744	321,400
Other revenue and income	-	-	-
€ B) Intermediate production costs	1,145,107,360	1,346,838,660	856,603,971
Raw materials, supplies, consumables and goods for resale	880,164,220	1,039,396,583	587,656,333
Services	302,281,015	329,543,044	214,137,654
Lease and rentals	5,702,612	5,638,125	5,836,246
Change in raw materials, supplies and goods for resale inventories	(46,864,856)	(31,630,511)	46,534,246
Provision for liabilities and charges	503,550	704,714	212,407
Other provisions	174,853	196,501	121,711
Miscellaneous operating costs	3,145,967	2,990,203	2,105,375
€ € Gross value added from operations (A-B)	397,340,432	251,736,899	171,595,178
+/- Additional and extraordinary items	16,932,725	43,196,382	67,260,327
€ Gross total value added	414,273,156	294,933,281	238,855,506
- Depreciation and amortisation	57,470,025	60,356,496	61,869,555
€ Net total value added	356,803,131	234,576,786	176,985,950

GRI 201-1 Generation of value added

	2021	2022	2023
€ Personnel wages and benefits	149,042,091	153,848,590	149,445,514
Contract Workers	7,290,503	7,422,809	6,609,470
Employees	141,751,588	146,425,782	142,836,043
Direct compensation	114,086,091	117,002,249	114,230,894
Indirect compensation	27,665,497	29,423,532	28,605,149
€ Payments to government	52,856,534	(4,515,136)	(21,588)
Current taxes	56,091,602	21,758,717	11,522,948
Direct taxes	52,754,312	17,971,746	8,702,561
Indirect taxes	3,337,290	3,786,971	2,820,387
Deferred taxes	(1,621,685)	123,478	(2,528,881)
Revenue grants	(1,613,383)	(26,397,331)	(9,015,655)
€ Payments to loan providers	2,296,089	4,100,952	5,782,566
Short-term loan interest	2,296,089	4,100,952	5,782,566
Long-term loan interest	-	-	-
€ Payments to shareholders	40,200,000	49,980,000	-
€ Retained value added	111,798,810	30,581,430	21,234,910
+/- changes in reserves	111,798,810	30,581,430	21,234,910
€ Contributions and donations	609,608	580,949	544,548
€ Net total value added	356,803,131	234,576,786	176,985,950

The 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 that touch every aspect of corporate life and are therefore a **valuable tool for sustainable management**.

They have been in place at RadiciGroup since 1993, the year of the first certification, and offer numerous advantages:

- they are one of the Governance cornerstones in the Group's **ESG transformation**, in monitoring and in maintaining its **compliance with legislation**.
- Through **“The RadiciGroup Policy”** they are an important **guideline** for all Companies and Employees, who are expected to identify with its principles.
- They bring a systemic, **process-based approach** to the organisation, **streamlining processes** and **creating synergies between different companies** or Business Areas to manage common goals.
- They ensure the principle of **continuous improvement** that drives RadiciGroup to set ambitious targets.

- They contribute to **activating and maintaining the involvement of internal (Workers) and external Stakeholders** in the Group's quality, health, safety and environmental policies and ensure a **response to stakeholders’ concerns**.
- They ensure internal and external **customer satisfaction**.
- They make it possible to understand the context and to identify or take account of the **expectations of Stakeholders**.
- By **assessing process performance**, they support the necessary management actions.

In the context of management systems, the **principle of risk-based thinking** is of particular relevance to governance, as a tool that enables users to approach decisions with the support of a structured assessment of the possible consequences, positive or negative, of the choices to be made. For RadiciGroup, it is a valuable tool for approaching the whole spectrum of possible decisions in the field of sustainability and beyond, with a rational vision that takes into account the present and future context.

Management system **certifications confirm and substantiate RadiciGroup's commitment to quality, safety, the environment and energy**, as well as to transparent, Stakeholder-oriented communication that is verified by third parties.



RadiciGroup Certification Table (updated 1 June 2024)

RadiciGroup Site	ISO 9001	IATF 16949	ISO 14001	ISO 45001	ISO 50001	VDE	ISO IEC 17025
Corporate							
Radici Partecipazioni SpA	●						
BA: Specialty Chemicals							
Radici Chimica Novara SpA	●		●	●	●		
Radici Chimica Deutschland GmbH	●		●	●	●		
BA: High Performance Polymers							
Radici Novacips SpA - Villa d'Ogna	●	●	●	●		●	
Radici Novacips SpA - Chignolo d'Isola	●		●	●			
Radici Plastics GmbH	●	●	●	●	●		
Radici Plastics Ltda (Brazil)	●	●	●	●			
Radici Plastics (Suzhou) Co., Ltd.	●	●	●	●			
Radici Plastics Usa, Inc.	●	●	●	●			●
Radici Plastics Mexico S. de R.L. de C.V.	●	●	●	●			
Radici Plastics India PVT. LTD.	●						
Radici EcoMaterials Srl	●						
BA: Advanced Textile Solutions							
RadiciFil SpA	●		●	●	●		
Logit s.r.o.	●		●	●	●		
Radici Yarn SpA - Villa d'Ogna	●		●		●		
Radici Yarn SpA - Ardesio	●		●		●		
Yarnea SRL	●		●	●			
Radici Chemiefaser GmbH							●
Radicifibras Indústria e Comércio Ltda	●						
Noyfil SpA - Chignolo d'Isola	●			●			
Noyfil SA - Stabio	●		●				
Cordonsed SA							
Tessiture Pietro Radici SpA	●		●	●			

Sustainability and digitalisation: a new priority for the Group

The **link** between **sustainability and digitalisation** is now recognised as **key** to addressing environmental, social and economic challenges. Indeed, digitalisation has become a driving force in supporting more effective resource management, better data security, greater transparency and more widespread Stakeholder participation in business processes.

Considering this vision, the Group:

- supports **digitalisation**, with a positive impact on performance in terms of **agile decision-making and executive processes**.
- Exploits the potential offered by digitalisation not only to **improve the performance of industrial processes**, but also to **improve their environmental and social sustainability**.
- Has adopted and is progressively deploying **advanced data management application solutions**.
- Works towards **more efficient and effective data management** in terms of **accuracy, granularity and accessibility**.



In 2023, the Group:

- further **extended the SAP ERP system**, replacing fragmented on-premises installations and introducing **significant benefits** in terms of information tracking, structured and easily documentable management of compliance actions with internal and external regulations and a reduction in paper document flows.
- **Implemented**, through its Management Systems, **the Metrics module of the Enablon system** for the collection of data and the processing of ratios for LCA studies and the Sustainability Report.
- Started the **SuccessFactors application** project, with ambitions that go beyond regulatory compliance, aggregation and accessibility of personnel data, extending to **the complete profile management of each member of staff**, including from a training and career progression perspective.
- Supported innovative solutions that **bring the digital workspace closer to its physical counterpart**. These projects, in addition to the Group's **smart working policies**, are primarily aimed at promoting a **healthy work-life balance**.



**Time to build,
be brave and
move a step
beyond**

**RadiciGroup's
first
hackathon.**

The first hackathon involving RadiciGroup was held in 2023; it was an intensive event dedicated to collaboration and design with the aim of **devising concrete solutions underpinned by digitalisation and advanced technologies**. 10 teams made up of **students with cross-functional skills** from Italian universities and laboratories worked together over just 32 hours to take on “challenges” posed by a selection of leading companies in their respective sectors, including RadiciGroup.

The challenge set by RadiciGroup was to **develop a system to speed up and facilitate the data collection phase** required for the Life Cycle Assessment methodology, used to measure the environmental footprint of products, all while ensuring the integrity and reliability of the data.

The final results were interesting, with the **presentation of a solution with a high degree of usability** to orchestrate data collection, certify the origin and make it more accessible to the relevant Stakeholders.

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.

Nicola Agnoli
Stefano Alini
Marcio Alvarenga
Guillermo Ambrosio
Pierluigi Arrighetti
Tiziana Arrighetti
Fabio Artimiak
Luca Arzuffi
Violeta Avram
Petra Bannert
Rita Barbaini
Eva Bassanelli
Roberta Beltrami
Jiri Benes
Elias Bernardo
Flavio Bertin
Maria Teresa Betti
Matteo Bettinaglio
Simone Bispo
Flavio Bonandrini
Alessandro Bonarini
Brian Boyle
Mayara Branco
Martina Caccia
Ottavio Calia
Eleonora Caldara
Alessandra Campana
Jane Campos
Paola Capella
Stefano Cappon
Antonio Carannante
Francesco Caratti

Marco Carrara
Marisa Carrara
Sara Carrara
Alessandra Cassera
Claudia Castelli
Lucie Cecrova
Maurizio Cerina
Claudia Ciurcan
Teresa Chen
Cesare Clausi
Paola Corbani
Mattia Cornolti
Andrea Corona
Mauro Corsellini
Giancarmine Cutillo
Diego De Carvalho
Samuele De Filippis
Edi Degaspero
Massimo De Petro
Anna De Sio
Sara Di Fiore
Doria Dong
Silvio Dorati
Daniele Dossi
Arnaldo Enis
Humberto Estrada
Teresa Estrada
Chiara Ferraris
Chiara Filisetti
Pamela Fleischer
Krishan Gahalan
Andrea Galla

Marco Gamba
Adolfo Gandarillas
Jorge Gasca
Pio Gazzini
Elisa Gelmi
Luigi Gerolla
Alberto Giana
Cristina Giromini
Neeraj Gosai
Laura Grassini
Marzia Gritti
Alessia Guadagni
Marco Guerini
Riccardo Guerini
Fabio Guerrini Usubini
Francesca Gussago
John Hippli
Carsten Homp
Bertrand Honneger
Felix Hua
Gritt Hultsch
Anna Imberti
Antonella Imberti
Maida Indigeno
Mauro Invernizzi
Michael Jordan
Susan Krause
Jiří Kubica
Miroslav Kuthan
Marta La Porta
Aliz Lassen
Brian Lavoie

Anna Leonardi
Stefania Locatelli
Walter Locatelli
Zaira Locatelli
Andrea Longhi
Camilla Lorenzi
Andrea Lucchi
Marco Lupato
Rachel Ma
Michele Magnati
Alessandro Manzoni
Fabrizio Mastandrea
Elena Matei
Maria Mazzoleni
Silvia Meloncelli
Jens Metzner
Reagan Meusborn
Danilo Micheletti
Ana Caroline Monteiro
Jessica Moretti
Paolo Nava
Valentina Nava
Andrea Nencetti
Lisa Nicoli
Junior Oliveira
Giorgio Ongaro
Ervedo Oprandi
Maddalena Orsini
Carlo Sante Paganessi
Monica Paganoni
Alessandro Pagnini
Giulia Palamini

Fabio Pandolfi
Paola Panzeri
Monika Pathak
Francesca Pedrini
Elenice Pedroso
Nicolangelo Peduto
Vince Peng
Federico Percassi
Anderson Pernambuco
Giorgio Pezzoli
Gerhard Pfeiffer
Andrea Pitton
Sergio Plascencia
Christin Pleger
Matteo Poma
Murilo Pretti
Enza Prisco
John Rae
Alessandra Ramos
Ashish Rathore
Angela Reuther
Lucio Riboldi
Miguel Rodrigues
Antonio Rottigni
Fiorella Rottigni
Rosa Alba Santagata
Erivaldo Santos
Alfonso Sanz
Maurizio Sarracino
Anna Savoldelli
Rossella Scandale
Nicole Seidel

Filippo Servalli
Alberto Sessolo
Ding Shan
Parul Singh
Carlos Sotelo
Rafael Sousa
Juliana Souza
Bernardo Staiano
Aaron Sun
Katia Sutil
Cristina Tasseti
Mariagrazia Tateo
Marta Uglietti
Gabriela Ursache
Stefano Valsecchi
Vanessa Villasenor
Gabriela Vital Herrera
Uwe Wedekind
Greg West
Lu Xian
Shea Xu
Antonella Zaffaroni
Cristian Zanchi
Marius Zavada
Dolly Zhang
Chiara Zilioli
Daniela Zulato
Laura Zulato

Assurance statement*



Certiquality Srl
Via G. Giardino, 4
20123 Milano - IT
Ph. +39 02 8069171
certiquality.it

C.F. e P.I. 04591610961
R.I. MI 04591610961
R.E.A. MI 1759338
Cap. Soc. € 1.000.000 i.v.
info@certiquality.it

REPORT ON THE 2023 RADICIGROUP SUSTAINABILITY REPORT

Scope

Certiquality S.r.l. has been engaged by Radici Partecipazioni S.p.A. to perform a limited assurance engagement of RadiciGroup's 2023 Sustainability Report – Italian version, to verify its compliance with the GRI (Global Reporting Initiative) Standards 2021 version, consistently with the statement of use “in accordance with GRI”, which requires the reporting of all general disclosures as per the GRI 2-2021 Standard, the materiality analysis according to the GRI 3-2021 Standard, and the quantification of all relevant performance indicators for each aspect identified as relevant (or “material”).

This letter outlines the activities performed, reports the verification results, and provides recommendations for improvement.

The verification was carried out with reference to the “GRI Standards” published in 2021 by the Global Reporting Initiative, specifically covering:

- Verification of the reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability);
- Correct definition of the report's scope.
- Compliance of the report's contents with those required by the GRI Standards 2021 guidelines.

The verification was conducted in accordance with the procedures adopted by Certiquality for audits in compliance with the UNI EN ISO 19011:2018 standard. The verification was carried out partly in person and partly remotely (particularly for foreign companies), by interviewing the relevant functions via videoconference and reviewing the documentation shared on-screen.

Methods

The activity was carried out according to the following operational procedures:

- Analysis of the document “RadiciGroup 2023 Sustainability Report” Italian version, with reference to the principles and contents provided by the GRI Standards 2021 guidelines;
- Interviews with the functions involved, directly or indirectly, in the drafting of the document and in the data and information management process (from collection to subsequent processing);
- Examination of documents and records at the operational headquarters of Radici Partecipazioni S.p.A. in Gandino (BG) and at a representative sample of the production plants included in the scope of the Report: Radicifil S.p.A. in Casnigo (BG); Radici Novacips S.p.A. in Villa d’Ogna (BG); Radici Chimica S.p.A. Italy, plant in Novara (NO); Radici Plastics Mexico S. de R.L. de C.V. (from Casnigo); Noyfil Sa Switzerland (remotely); Radici Plastics Ltda Brazil (remotely);
- The analysis covered both the procedures adopted for the collection, storage, and processing of data, and the technical-regulatory aspects of the activities carried out.

The verification activities related to the management of the data and information contained in the Report were carried out on a sample basis, ensuring adequate coverage of all aspects addressed in the document.

Regarding some specific indicators characterized by the absence of specific facts or events (e.g., party financing, various types of sanctions, cases of discrimination), considering the intrinsic difficulty in verifying non-existent events, we requested statements from the management of the companies within the reporting scope.



* Referring to the full document on the website



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Certiquality Srl
Via G. Giardino, 4
20123 Milano - IT
Ph. +39 02 8069171
certiquality.it

C.F. e P.I. 04591610961
R.I. MI 04591610961
R.E.A. MI 1759338
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info@certiquality.it

The economic-financial data derives from the consolidated financial statements of Radici Partecipazioni S.p.A., which have already undergone voluntary audit (as per Deloitte & Touche S.p.A. letter dated 28/05/2024), and were therefore not further verified.

Results and Recommendations

The RadiciGroup 2023 Sustainability Report Italian version, which encompasses the entire consolidation perimeter of the economic-financial statements (excluding only environmental indicators for purely commercial, financial, and service companies, given the minimal relevance of such aspects), confirms the Group's ability to address global issues, as demonstrated in previous years. The document is clear and provides a comprehensive overview of the Group's approach to sustainability, also referencing the “From Earth to Earth” Sustainability Plan developed in 2023 and presented in 2024.

To further align with the GRI Standards requirements, additional information has been integrated (e.g., governance and organization details of RadiciGroup's new Sustainability function, data on spending with local suppliers, etc.). Indirect greenhouse gas (GHG) emissions (scope 3) have been calculated and reported for most relevant categories for the High-Performance Polymers Business Area, with the aim of extending this reporting to the other two Business Areas. For other numerical indicators not previously included, such as employee turnover and training provided to employees categorized by contractual level, the information has been improved but could be further enhanced. Data on energy consumed outside the organization remains unavailable, justified by the difficulty in obtaining such information in certain Business Areas and geographic regions, where methods and tools for calculation are being implemented in the new data management system.

In several cases, the indicators are reported with more extensive information than the minimum requirement, referencing earlier and more detailed versions of the GRI standards or, as in the case of generated and distributed value, other authoritative sources in sustainability reporting (Social Balance Sheet Group), without compromising the completeness of information required by current standards.

The data collection and processing system is sufficiently structured and documented at the central level. The new integrated data management system, named Enablon, has been implemented in the High Performance Polymers and Specialty Chemicals Business Areas and will gradually replace the previous data management system in all Business Areas. The verification conducted at the Business Areas, Italian and foreign companies, and plants included in the selected sample for this year allowed us to confirm its effectiveness in data collection, processing, and evidence archiving.

Compared to previous years, particularly where the new data management system has been implemented, and also for the sampled foreign sites, there has been an improvement in the homogeneity and quality of the data, despite very different contexts and regulations (for example, regarding the classification and destination of waste, the mandatory nature of health and safety training). There are still areas for improvement, certainly for some entities and foreign sites, but it is worth noting the commitment from the interviewed responsible functions to overcome these difficulties and provide increasingly better-quality information and data. Therefore, it is recommended to continue the process of spreading and implementing the new data management system to support sustainability reporting in all the Group's Business Areas and to continue raising awareness among the involved functions. This approach has undoubtedly contributed to achieving the very positive results obtained so far.

One aspect that is recommended for future editions is to combine the progressive improvement of reported data and indicators with equivalent attention to ensuring that the Sustainability Report meets the equally important need to inform all its intended stakeholders clearly and transparently.



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certiquality.it

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R.I. MI 04591610961
R.E.A. MI 1759338
Cap. Soc. € 1.000.000 i.v.
info@certiquality.it

Conclusions

The verification of the "RadiciGroup Sustainability Report" Italian version for 2023 did not reveal significant deficiencies regarding compliance with the principles of the GRI Standards 2021 guidelines and the content in terms of information and performance indicators, although some areas for improvement remain. Specifically, certain indicators related to relevant aspects will be completed in future editions, as clearly stated in the GRI content index. Based on the verifications performed and the above findings, the RadiciGroup Sustainability Report for 2023 is declared assured at the "in accordance" application level of the GRI Standards 2021 guidelines.

Milano, 31 luglio 2024

Certiquality S.r.l.
Il Presidente
Marco Martinelli

To learn more about
the Sustainability Report:
Communication & External Relations
Via Ca' Antonelli, 55
24024 - Gandino (BG) - Italy
communication@radicigroup.com



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Member degli Istituti di Mutuo Ricambio (IRI) - AF n. 1 AC,
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EMAS n. 0081 - IRI n. 0010 - IRI n. 0010

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