



# CORPORATE PRESS RELEASE



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## RadiciGroup releases its 2016 Sustainability Report

**Group emissions reduced by 51% during the last 6 years.  
51.6% of electricity used by Group plants in 2016 came from renewable sources.  
Strong emphasis on employee training, with 53,228 hours of courses in 2016.  
Real commitment to a sustainable supply chain.**

The RadiciGroup 2016 Sustainability Report has been officially released. The document – available in Italian and English – reports on the objectives and goals achieved by the Group in the field of economic, environmental and social sustainability, sets new challenges for the organization and communicates its performance to all stakeholders in a transparent way.

The 2016 edition is the Group's 13<sup>th</sup> annual Sustainability Report, which, as in the prior year, has been drawn up according to the guidelines of the Global Reporting Initiative – version 4 (GRI G4 Core). For the 6<sup>th</sup> year in a row, the Report has received external assurance by Certiquality, an accredited certification body.

In all, 21 RadiciGroup production companies, in addition to the parent company, supplied information and data for the 25 quantitative and qualitative performance indicators covered in the Sustainability Report. Over 70 people were involved in the preparation of the document.

*“I am really proud of our Sustainability Report,” said **Angelo Radici, president of RadiciGroup**. “It represents a kind of Group ‘identity card’ with an annual renewal date, which we see not only as certification of our history as a company committed to social responsibility – a trait that has defined us since our very beginning –, but also as motivation for new initiatives that will, year after year, reinforce our commitment to the social and economic development of the communities we are honoured to be a part of, operating at all times with due respect for the environment.”*

Despite the fact that the margins for improvement are getting slimmer as a result of the extensive work done by the Group during previous years, all **environmental performance indicators** in 2016 turned out positive. For instance, **51.6%** of the electrical energy used by RadiciGroup in 2016 came from renewable energy sources. This achievement was the result of a deliberate choice made by the company to shift increasingly more towards energy sources with lower environmental impact. During the past 6 years, this corporate policy led to an increase in the percentage of electricity from renewable energy sources, which went from 40.8% in 2011 to 51.6% in 2016.

In the same 6-year period, the Group also reduced its **total consumption of energy from fossil sources** per unit of product processed by **17.5%** (from 7.6 GJ/t in 2011 to 6.3 GJ/t in 2016). Finally, thanks to an improved energy mix and a corporate strategy more heavily geared towards the use of *Best Available Techniques*, the **emissions by Group companies during the last 6 years** dropped from 1.00 tCO<sub>2</sub>eq/t (2011) down to 0.49 tCO<sub>2</sub>eq/t (2016), a **51% reduction**.

Additionally, air emissions have consistently improved, with a **68% drop in pollutants**, mostly due to the implementation of the latest generation abatement technologies, which have greatly contributed to the Group's improvement in overall environmental performance.

*“Our Group has the capability to **create wealth** for all its stakeholders, but, at the same time, we are committed to **reducing the amount of resources needed** to generate it,“ stressed **Maurizio Radici**, vice president of **RadiciGroup**. “Such a goal is attained through **our experience, the tireless efforts of every single employee, and, of course, ongoing investment to improve plant technology**. We're aiming at environmental sustainability combined with economic sustainability. This **strategy of resource optimization, plant efficiency improvement and energy consumption reduction provides the Group with the conditions for continuous growth.**”*

Indeed, from the Report, it can be seen that, while the Group's **net total value added** – understood as the capability of a company to generate wealth to be distributed among its stakeholders – increased during the last few years (over EUR 206 million in 2016, +12% compared to 2015), its resource consumption decreased, yielding a “virtuous” ratio.

*“I'd say that our approach to sustainability can be summed up in these words: **ecodesign and the circular economy**,” Angelo Radici concluded. “In practical terms, it means that RadiciGroup is committed to developing **low environmental impact materials** and, what's more, having its products and processes certified. The Group can be considered an ideal upstream supplier for an **ecodesign-oriented** market, which thinks about materials even in terms of the end of their useful life, putting into practice the European Union's circular economy proposal. One of our greatest challenges, which we are concentrating on group-wide in all business areas, is the **complete recyclability of our synthetic fibres**: the goal is for all our textile products to be mechanically recycled, so they become new plastic materials for technical and industrial uses.”*

Moving in this direction is **Radici Novacips, a company in the RadiciGroup Performance Plastics Business Area** (a manufacturer of polyamide and plastics engineering plastics with headquarters in Chignolo d'Isola in the province of Bergamo, Italy). The plant specializes in plastics recovery and the recycling of polymer scrap from all Group plants (polymerization and extrusion scrap and spinning waste). An **Environmental Product Declaration (EPD) for the polyamide scrap recovery service has been independently verified and registered**. Other plants in the Group's Performance Plastics Business Area, located around the globe, can thus use both the primary polymer raw material and the secondary recycled raw material.

Concerning **social sustainability**, the Report, as in the past, highlights the Group's workers: "As a private company, where we Radici brothers are the sole shareholders, we care greatly about our employees," Maurizio Radici noted. "Not just our people who work here in Bergamo, where the Group was born and took its first steps (1,000 of the Group's 3,000 employees are based in Bergamo), but also everyone working in all the communities where the Group operates. One of the aspects we have invested in seriously in recent years is safety, and we've achieved good results. Last year alone, over 330 workers were involved in safety training sessions for a total of about 7,790 hours of classes and workshops. We plan to continue along the same lines in order to motivate all Group staff to build a real company culture of accident prevention."

Training courses on other topics were also carried out, for example: **management systems** (quality, environment, energy, etc.), introduction to the new business management **information systems, regulations and technical subjects** needed to improve company processes, for a total of **53,228 hours of training in 2016**.

However, to RadiciGroup, sustainability means more than products, production processes and organizational dynamics. **Sustainability involves the entire system**. This is why all RadiciGroup companies have published new **Supplier and Customer Codes of Conduct**: voluntary formal commitments shared with the key players in the **supply chain** to help make sustainability an integral part of business strategy. Both Codes identify the **values that should guide the business activities** of everyone who interacts – long or short-term – with the Group's companies. Legality, transparency, fairness, trust and collaboration are the principles underpinning the development of a supply chain focused not only on product and service quality, but also on the environmental, social and working conditions where the products are made.

For the full RadiciGroup Sustainability Report 2016, [click here](#)

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**RADICIGROUP** – With approximately 3,000 employees, sales revenue of EUR 946 million in 2016 and a network of production and sales sites located throughout Europe, North America, South America and Asia, RadiciGroup is one of the world's leading producers of a wide range of chemical intermediates, polyamide polymers, engineering plastics, synthetic fibres and nonwovens. These products – the result of the Group's outstanding chemical expertise and vertically integrated polyamide production chain – have been developed for use in a variety of industrial sectors, such as: AUTOMOTIVE – ELECTRICAL AND ELECTRONICS – CONSUMER GOODS – APPAREL – FURNISHINGS – CONSTRUCTION – HOUSEHOLD APPLIANCES – SPORTS. The basis of the Group's strategy is a strong focus on innovation, quality, customer satisfaction and social and environmental sustainability. With its business areas - **Specialty Chemicals, Performance Plastics and Synthetic Fibres & Nonwovens** (Performance Yarn, Comfort Fibres and Extrusion Yarn), RadiciGroup is part of a larger industrial group that also includes textile machinery (ITEMA), energy (GEOGREEN) and hotel (SAN MARCO) businesses.

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