

Sustainability Policy

RADICI
CARPET

RADICI
AUTOMOTIVE

RADICI
marine

RADICI
SPORT

SIT-IN

Preamble

Introduction to the Sustainability Policy

This Sustainability Policy (the "Policy") of Radici Pietro Industries & Brands S.p.A. (hereinafter also referred to as "Radici" or the "Company") has been developed with the aim of promoting and disseminating environmental, social, and governance (ESG) sustainability principles within the organization.

These principles are an increasingly central component of the Company's daily activities, which are concretely committed to developing innovative production strategies, reducing environmental impact, managing resources efficiently, and preventing waste and emissions.

Corporate Identity and Operating Context

Radici offers a wide range of textile floor coverings – in wool, polyamide, and polyester – including Tufting and Weaving carpets, synthetic grass, non-woven needle-punched products, marketed products, and complementary services. The solutions are designed for various market sectors: residential, contract, marine, automotive, and sports.

These products, an expression of the quality and innovation of Made in Italy, are developed according to high standards of safety and environmental sustainability.

Values and Corporate Culture

Our way of operating is based on sharing, trust, and dialogue: we listen to our stakeholders, value relationships, and face challenges together to build valuable projects and contribute to a more sustainable future.

Responsibility Towards Stakeholders

Radici is fully aware of the direct and indirect impact that each business activity can have on human rights, the environment, and society. For this reason, the Company has defined clear areas of responsibility towards its stakeholders: employees, customers, suppliers, and business partners.

The Sustainability Policy guides the identification, assessment, and management of ESG factors that may generate risks but also significant opportunities for achieving corporate objectives.

Commitments for Sustainable Growth

As an industrial reality aware of its strategic role, Radici supports the respect of internationally recognized human rights and places at the center of its actions the protection of the environment, health, safety, and well-being of its collaborators.

The Company's sustainability strategies are aimed at the continuous improvement of environmental performance, quality, and workplace safety, in compliance with the Corporate Code of Ethics and the Environmental Policy.

Certifications and International References

The certifications obtained over the years – including UNI EN ISO 9001 (since 2002) and UNI EN ISO 14001 (since 2013) – attest to Radici's commitment to excellence and responsibility.

All company activities are carried out in compliance with the Code of Ethics approved by the Board of Directors and the main international references on rights and sustainability, such as:

- the Universal Declaration of Human Rights,
- the International Labour Organization Declaration on Fundamental Principles and Rights at Work,
- the Rio Declaration on Environment and Development,
- the United Nations Convention against Corruption.

Methods and Scope of Application

This Sustainability Policy enters into force from the date of issue and remains valid indefinitely, unless modifications or integrations are necessary to ensure its consistency with regulatory, strategic, or organizational developments.

Radici is committed to ensuring the maximum dissemination of the Policy's contents through informational tools, training programs, and awareness initiatives addressed to all involved parties.

The Policy is issued by the Sustainability Committee and is made public also through internal posting. The Company is responsible for keeping it constantly updated and promptly communicating any changes to the Recipients.

The Policy is also subject to annual periodic review, with the aim of:

- ensuring its consistency with internal or external changes to the organization;
- verifying its effectiveness and adequacy over time;
- confirming Radici's commitment to continuous improvement in the field of sustainability.

Objectives, Commitments, and Scope of Application

Radici's Sustainability Policy defines the strategies and guiding principles that the organization follows to integrate environmental, social, and governance (ESG) issues into its activities. In particular, the Policy focuses on four priority areas:

- Combating corruption
- Protection of human and labor rights
- Social sustainability and attention to personnel
- Environmental protection and responsible use of resources

Radici's Strategic Commitments

To pursue these objectives, Radici is committed to:

- Promoting responsible innovation by adopting advanced technologies that ensure high standards in health protection, workplace safety, and environmental protection;

- Evaluating and minimizing the environmental impact of its products and services throughout their life cycle, favoring an integrated sustainability approach;
- Using resources efficiently and consciously, pursuing sustainable development that safeguards the environment and protects the rights of future generations;
- Actively combating any form of corruption, in any manifestation and operational context, even where such practices are tolerated or not punished by local legislation;
- Preventing health and safety risks for workers by adopting organizational, technical, and health measures aimed at the constant reduction of accidents and occupational diseases, with the implementation of specific health surveillance plans for each corporate role;
- Managing the supply chain responsibly, including among supplier selection criteria environmental respect, health and safety protection at work, and activating specific monitoring tools and periodic audits.

Monitoring System and Continuous Improvement

Radici has implemented a structured system for monitoring its ESG performance to ensure consistency between the commitments declared in this Policy and the adopted operational practices.

The system is based on:

- periodic analysis of corporate sustainability objectives;
- detection and assessment of ESG risks and opportunities related to business activities;
- verification of compliance with current environmental, social, and governance regulations;
- staff training and engagement to promote a corporate culture oriented towards sustainability;
- adoption of internal and external audit tools to ensure the effective application of the Policy and related policies.

Data collection and analysis of the results obtained allow the definition of corrective actions and continuous improvement plans, with a view to constant evolution of business processes and increased effectiveness of ESG interventions.

The Sustainability Policy is implemented through the following ESG areas of action:

Environment

Radici firmly believes that the development of sustainable production processes is a fundamental pillar for the future of society and the preservation of the environment. The Company adopts an ethical and balanced approach in the use of resources, aiming to minimize environmental impact and improve quality of life.

Radici actively engages in researching and developing ecological and innovative solutions, constantly monitoring its environmental impact. The company's activities are aimed at:

- reducing emissions, limiting waste, and optimizing resource use efficiency;
- applying circular economy practices, using sustainable raw materials, encouraging the reuse of secondary raw materials, developing products that are easily regenerable and recyclable at the end of their life cycle, and monitoring environmental impact throughout the product life cycle.

These commitments also extend to the offer of products that generate positive environmental impacts and encourage virtuous behaviors both within and outside the organization. Radici complies

with legal obligations and environmental regulations, including local ones, and as already defined in the Environmental Policy, it is committed to:

- Promoting awareness of the “Environment as a Shared Good,” ensuring that everyone involved in production and management activities is informed and aligned with the objectives of the Environmental and Sustainability Policy;
- Investing in research and development (R&D) to improve the environmental performance of products, focusing on material selection, design, and end-of-life product management;
- Minimizing the environmental impact of operations by reducing energy consumption, atmospheric emissions, and waste production, continuously improving production facilities in terms of quality and efficiency;
- Communicating the values of the Environmental Policy and the progress made, both internally and externally, promoting a sustainability-oriented corporate culture;
- Applying sustainability objectives in supplier selection, establishing environmental and health and safety standards to ensure that choices and collaborations align with sustainability principles.

Radici continues to address environmental challenges with the goal of ensuring a sustainable future, reducing its impact, and promoting a culture of shared responsibility.

Social

Radici's sustainable approach is concretely expressed through policies for the protection and development of Human Capital, recognizing that the active contribution of each individual is essential for achieving social sustainability objectives.

Radici has always been committed to ensuring working conditions that respect personal dignity, human rights, and equal opportunities. The Company promotes a professional and participatory work environment where individual value is recognized and appreciated as an integral part of collective success.

In particular, Radici ensures that employee selection, management, and training processes are based on objective evaluations of professionalism and merit. The Company prohibits any form of direct or indirect discrimination based on gender, language, race, religion, political opinions, or personal and social conditions. This principle is the foundation of an inclusive work environment that respects the rights of every individual.

Furthermore, Radici is committed to safe work, adopting all necessary measures to ensure compliance with prevention regulations and promoting safe behaviors. The safety of employees and collaborators is a priority, not only in terms of physical integrity but also moral integrity. Radici is dedicated to strengthening a culture of safety by raising awareness of risks, developing awareness, and encouraging responsible and safe behaviors among all employees and collaborators.

With these initiatives, Radici is committed to building a work environment that not only protects the physical and psychological well-being of its collaborators but also promotes the growth and development of professional skills, creating long-term shared value for the entire corporate community.

Governance

Ethics and integrity in managing relationships with stakeholders are the pillars on which Radici's way of doing business is founded. Maintaining and protecting its reputation is essential for the Company to be perceived as an honest and reliable partner by all its interlocutors.

In particular, Radici is committed to preventing corruption and promoting an ethical business environment through a series of rules of conduct, control tools, and procedures that allow verifying how business activities are conducted. The goal is to prevent and eliminate any form of unethical or corrupt behavior.

To ensure compliance with these principles, Radici adopts and respects the laws and regulations of the countries in which it operates, in addition to international conventions on corruption and illegal practices, implementing effective measures to prevent them.

For this purpose, Radici has adopted the following fundamental tools:

- Organization and Management Model pursuant to Legislative Decree 231/01
- Code of Ethics

These tools are used to mitigate operational and reputational risks and prevent crimes provided for by Legislative Decree 231/2001. The Code of Ethics was drafted to establish a series of corporate ethics principles, aiming to recommend, promote, or prohibit certain behaviors beyond what is provided for by legal regulations.

Radici does not tolerate any form of corruption or unethical behavior, considering them a risk to sustainable economic development, good governance, and correct business practices.

The Company adopts a Governance system oriented towards enterprise risk control, market transparency, and safeguarding the interests of all stakeholders. This approach allows balancing corporate objectives with stakeholder expectations, ensuring consistent and responsible operations.

Performance Indicators

To evaluate the achievement of the objectives defined by the Sustainability Policy, Radici uses a series of qualitative and quantitative indicators, periodically updated, that allow objective and transparent measurement of business performance.

Main indicators include:

Environment:

- Energy consumption per product unit;
- CO₂ and other greenhouse gas emissions;
- Waste production and recovery percentage;
- Use of recycled or renewable raw materials.

Social and Personnel:

- Injury and occupational disease rate;

- Training hours provided per employee.

Governance and Compliance:

- Cases of non-compliance or ethical violations detected;
- Awareness and anti-corruption interventions carried out.

These indicators are reported in the annual Sustainability Report, allowing stakeholders and partners to transparently evaluate Radici's journey towards responsible and lasting development.

Recipients

The recipients of this Sustainability Policy are:

- the Company's corporate bodies;
- all employees of Radici Pietro Industries & Brands S.p.A.;
- external collaborators and any person operating on behalf of the Company, in any capacity.

The Policy is disseminated internally to all personnel and made publicly accessible to ensure full knowledge and sharing of the ESG principles that guide Radici's actions.

The Company undertakes to:

- promote a corporate culture oriented towards sustainability, ensuring that the values set out in the Policy are concretely applied in employees' and collaborators' daily behavior;
- constantly improve the Policy and related programs through the adoption of procedures, rules, and operating instructions;
- actively involve all members of the organization in the path towards responsible and sustainable management.

Through the implementation of this Policy, Radici aims to contribute to building a fairer, more inclusive, and environmentally respectful future, offering present and future generations better living conditions.

Commitment

The ESG principles outlined in this Sustainability Policy are intrinsically linked to the distinctive values that have always characterized Radici's operations and have significantly contributed to its long-term success.

In this perspective, Radici is committed to integrating sustainability principles into all its activities, constantly pursuing:

- responsible innovation by adopting advanced solutions that protect the environment, ensure employee well-being, and respect human rights;
- respect and protection of the environment through concrete actions to reduce the environmental impact of operations, optimize resource use, and combat climate change;
- protection of the rights and well-being of people by promoting a safe, inclusive work environment centered on respect for dignity and fundamental rights of all;

- implementation of good governance practices ensuring transparency, ethics, and accountability in all corporate decisions.

These principles not only define Radici's approach to sustainability but also form the basis for continuous development and strengthening of the Company's leadership position in its sector.

Reporting

The concrete implementation of Radici's sustainability commitments will be presented annually through a Sustainability Report. This document will detail all activities, initiatives, and results achieved by the Company in the various ESG areas (environmental, social, and governance).

The Sustainability Report will provide a comprehensive overview of the actions taken by Radici to:

- monitor and continuously improve ESG performance;
- measure the effectiveness of the adopted policies and strategies;
- communicate transparently with stakeholders by providing a clear and verifiable account of activities carried out and objectives achieved.

The report will be prepared in accordance with principles of transparency and accountability, following the best international reporting practices in the field of sustainability, and will be available to all interested parties, helping to maintain an open and constant dialogue with Radici's stakeholders.

Cazzano S. Andrea, 20 June 2025

The General Manager
Ivan Palazzi