

MODICA, APRIL 2023

Few words before coming back home

R. VAGHEGGI

Thank you to the speakers

The 5th meeting (in 1,5 year) has gone.

- The first was in Pieve Vergonte.
 - The focus was on the Esseco Industrial Division creation, on Q1 2022 results and on the new industrial corporate vision.
- The second was in Biella.
 - Focus on supply chain and logistic matters.
- The third was in Florence.
 - Focus on Budget 2023 and on Chlorinated paraffin issues.
- The fourth was in Artimino
 - Focus on forecast 2022, SHS, Energy, IT, marketing strategy.
- The fifth here in Sicily
 - Focus on Q1203, on forecast, on marketing scenario, on energy, on ESG, on IT....a lot of people involved..a very good job, indeed.

What did we learn in these days?

- We took a look on our quarterly results, trying to collect info for the future. Spreading info and numbers.
- Now, we know we have to resist and probably to fight more.
- Now, we know that our Engineering team is working together, to increase our strength in our plants.
- Now, we know that we are modifying our marketing model, to be more efficient.
- Now, we know that we can learn from KPI how we are performing. We can learn from other expertise.
- Now, we know ESG, we know about IT and where we are going in several projects.
- But these items are the excuse, the traditional job we did: the main job we did is the next one:

- The real reasons for those meetings:
- To become a group
- To transform different companies in one entity
- To create a common way of doing
- To learn from each others
- To underline strategic vision
- To involve the best talents, we have, in this project
- To collect and launch new ideas
- To attract new talents to grow the Group
- To leave important messages for your day-by-day activities

To become a group

Working together, learning from each others, transform different companies in one brand.

- How are we doing, and which is the status of art?
- A common supply chain strategy
- A common commercial and marketing strategy
- Following the fil rouge of ESG
- Corporate Insurance Program to optimize costs and risk reductions
- An engineering group was born
- IT projects, giving same instruments to everyone
- KPI project to evaluate where we can get better

Ideas and strategic vision

We grew a lot in the last 12 years. From 200 millions up to 600.
And now?

- The first new strategic vision is now clear (E of ESG):
 - To become independent and green for all our electricity consumption.
 - To complete decarbonization asap
- It's a hard project, costing millions, but giving a future to what we produce in Europe.
- We are looking for biomass, biogas, geothermal energy, photovoltaic, hydroelectric linked to H2, wind and solar thermal.
- A very difficult target, because producers are protecting their core business, ready only for PPA.

- This first vision (E of ESG) is also linked to our Social activity (S of ESG):
 - Using geothermal energy in a circular economy investment.
 - Consuming local raw materials (glycerine or Sodium brine)
- We are involving local University for our new ideas, to enrich our territory in this competitive period.
- We are sharing good results with employees (adding voluntary salary increase to the National Contracts).
- We continue with our charity and donation programs.
- We continue with our climate analysis in our main plants, to increase our sense of community.

- G of ESG
- Corporate insurance.
- Same rules and procedure everywhere.
- Sustainability reports.
- Decarbonization targets for all the plants.
- Global governance able to attract talents.

- M&A period
- Merging different legal entities to integrate brand and opex.
- Acquisitions to grow, due to our mature business
- Acquisitions, not only in Italy, where we already represent a strong chemical company.
- To reduce market instability
- Reinforcing some products under Asiatic attack.

Leave few messages

To drive our job everyday, in this difficult period, let's try to capture and to, strongly, adsorb the main messages we launched in this meeting.

- All our colleagues, in their presentation, transferred messages to all of us, but, before leaving...
- Few words from me:
- The market moment is not good. It's very difficult to sell any volumes. Europe is not consuming as before, probably because we lost some industrial activities, due to very high costs (raw materials and energy).
- What can we do?

What can we do? ALLOW ME TO BE RHETORICAL.

- Stay together, working together to be faster than alone
- Thinking, studying, exploring new fields
- Make proposal, listen to customer needs
- Be creative, be innovative if possible
- Be brave: it's a fighting period, let's go
- Be curious
- Be unselfish, don't claim, think how to solve issues
- Think how you can help your colleagues
- Abandon negative approach, ask for help in case you need

-*thanks again and bye-bye!*