2024

SOL GROUP ANNUAL REPORT

SOLGROUP
a breath of life

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SOL Spa

Registered Office
Via Borgazzi, 27
20900 Monza - Italy

Share Capital
Euro 47,164,000.00 fully paid up

Tax Code and Register of Companies of Milan, Monza Brianza, Lodi
No. 04127270157
Business Reg. No. 991655
Chamber of Commerce Milan, Monza Brianza, Lodi

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

BOARD OF DIRECTORS	**Chairman and Managing Director** Aldo Fumagalli Romario **Deputy Chairman and Managing Director** Marco Annoni **Director with special powers** Giovanni Annoni **Director with special powers** Giulio Fumagalli Romario **Directors** Alessandra Annoni Duccio Alberti Cristina Grieco (Independent) Anna Gervasoni (Independent) Antonella Mansi (Independent) Elli Meleti (Independent) Erwin Paul Walter Rauhe (Independent)
GENERAL DIRECTOR	Daniele Forni Claudio Garbellini
BOARD OF STATUTORY AUDITORS	**Chairman** Giovanni Maria Alessandro Angelo Garegnani **Regular auditors** Giuseppe Marino Paola De Martini **Alternate Auditors** Annalisa Randazzo Lucia Foti Belligambi
AUDITING COMPANY	DELOITTE & TOUCHE Spa Via Santa Sofia n. 28 20122 Milan

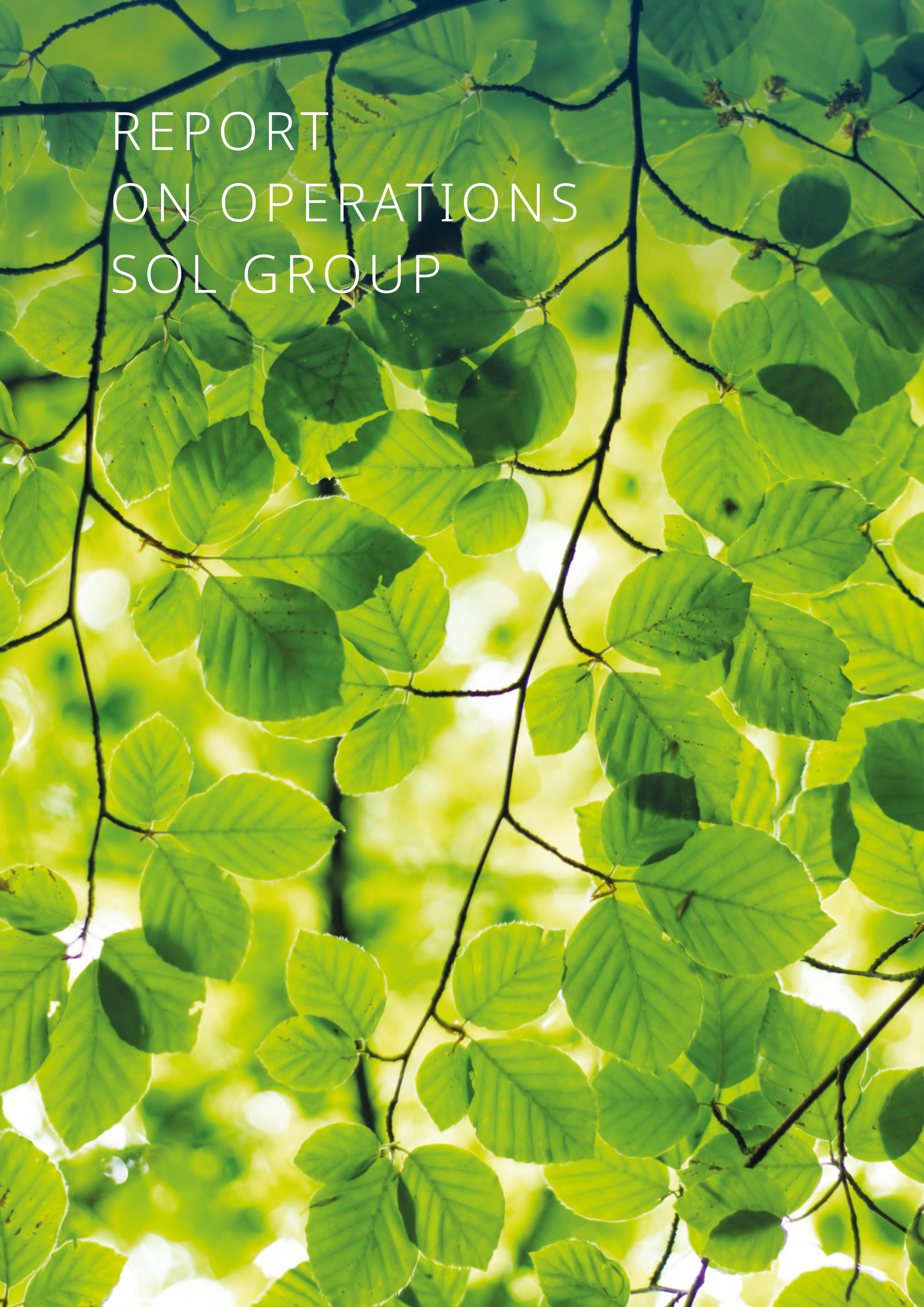
POWERS GRANTED TO THE DIRECTORS

(CONSOB Communication No. 97001574 dated 20 February 1997)

To the Chairman and Deputy Chairman: legal representation before third parties and the court; several powers of ordinary administration; joint powers of extraordinary administration, it being understood that for the implementation of the relevant acts the signature of one of the two is sufficient with written authorisation from the other; without prejudice to some specific acts of particular importance that are reserved to the competence of the Board of Directors.

To the Directors with special assignments: powers of ordinary administration relating to Legal and Corporate Affairs (Giulio Fumagalli Romario) and the Information Systems Organisation (Giovanni Annoni) with sole signing authority:

REPORT ON OPERATIONS SOL GROUP



INTRODUCTION

This Annual Financial Report as at 31 December 2024 is prepared pursuant to Article 154-ter of Legislative Decree No. 58/1998 and in accordance with International Accounting Standards (IFRS) issued by theInternational Accounting Standard Board (IASB) recognised in the European Union pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, as well as the measures issued in implementation of Article 9 of Legislative Decree No. 38/2005. These IFRS principles also include all revised international accounting standards (IAS) and all of the interpretations of the International Financial Reporting Interpretation Committee (IFRIC), previously called Standing Interpretations Committee (SIC).

Translation from the Italian original version which remains the definitive one. This document is not drawn up in accordance with the provisions of the Delegated Regulation (EU) 2019/815 of the European Commission on regulatory technical standards relating to the specification of the Single Electronic Format (ESEF).

ALTERNATIVE PERFORMANCE INDICATORS AND DEFINITIONS

The Report on Operations and the consolidated financial statements include economic and financial indicators used by Management to monitor the Group's economic and financial performance. These indicators are not defined or specified in the applicable financial reporting regulations. As the composition of these measures is not regulated by the reference accounting standards, the calculation criterion used by Management may not be consistent with the criterion used by other groups and may therefore not be comparable. The Alternative Performance Measures are constructed exclusively from the historical accounting data and are determined in accordance with the provisions of the Guidelines on Alternative Performance Measures issued by ESMA on 5 October 2015 (2015/1415) as per CONSOB Communication no. 92543 of 3 December 2015 and ESMA on 17 April 2020 are not audited ESMA Guidelines on Alternative Performance Measures (APMs).

The following Alternative Performance Measures are presented in this Report on Operations:

- Gross Operating Margin (EBITDA): It is the difference between "Revenues", "Total Costs" and "Payroll and related costs" and can be derived directly from the consolidated Income Statement. However, this indicator is not defined by *IFRS*accounting standards; therefore, it may not be homogeneous and therefore not comparable with that reported by other groups.
- EBITDA margin: It is calculated as the ratio of EBITDA to "Revenues from sales and services".
- Operating result: It represents the "Operating result" that can be derived directly from the Consolidated income statement.
- Operating result margin: It is calculated as the ratio of the Operating result to "Revenues from sales and services".
- Investments: They represent the sum of the investments shown in the explanatory notes to the consolidated financial statements under "Tangible Fixed Assets" less "Other changes" of the item "Other assets under construction and advances".
- Net financial position (net financial indebtedness): It is determined, in accordance with ESMA Guideline 32-382-1138, as the sum of net current borrowing and non-current borrowing, both of which include financial payables arising from lease agreements in accordance with IFRS 16. "Net current borrowing" is the algebraic sum of cash and cash equivalents, current financial assets (such as securities held for trading) and current borrowing.

GENERAL CONTEXT

The SOL Group is primarily engaged in production, applied research and distribution activities pertaining to industrial, pure and medicinal gases, in door-to-door medical care, as well as in the supply of related medical equipment in Italy, presently active in 24 other European Countries, in Turkey, in Morocco, in India, in Brazil, in China, in Ecuador and in Peru. The products and services of companies belonging to the Group are used in the chemical, electronics, iron and steel, engineering and foodstuff industries, as well as in sectors such as environmental protection, research and health.
The year 2024 was characterised by a continuing global political and economic environment of considerable uncertainty following the continuation of the war in Ukraine and the new conflict in the Middle East.
Economic growth in Europe was very weak and the negative trend that started in the second half of 2023 continued. Inflation has been on a slight downward trend, allowing central banks to cut interest rates, which is more pronounced in Europe than in the US.
With reference to the industrial gases sector, there was a reduction in prices following the decrease, especially in the first half of the year, in the cost of electricity and also a slight decrease in quantities sold, linked to the industrial production trend.
Activity in the area of home care showed solid growth, driven by an increase in the number of patients served.
For the year 2025, we expect a fairly stable first half-year and a potential resumption of economic growth during the second half-year.

SUMMARY RESULTS

Within the afore-mentioned context, we believe that the results achieved by the SOL Group during 2024 were very positive.
The net sales achieved by the SOL Group in 2024 were equal to Euro 1,610.4 million (+8.3% compared to those of 2023 and +6.4% on a like-for-like basis).
The gross operating margin was Euro 403.8 million, equating to 25.1% of sales, up by 5.7% when compared to 2023 (Euro 382.2 million, or 25.7% of sales).
The operating result came to Euro 237.2 million, equating to 14.7% of sales, up 4.4% compared to the figure for the same period of 2023 (Euro 227.1 million, or 15.3% of sales).
The net profit amounted to Euro 147.7 million (Euro 145.7 million at the end of 2023).
The cash flow amounted to Euro 311.4 million (19.3% of sales), up by 4.7% compared to 2023 (Euro 297.5 million).
The technical investments carried out in 2024 amounted to Euro 202.3 million (Euro 165.6 million in 2023).
The Group's net financial indebtedness was equal to Euro 439.3 million (Euro 415.8 million as at December 31, 2023).
The average number of employees as at December 31, 2024 amounted to 7,246 (6,125 as at December 31, 2023).
The application of IAS 29, Financial Reporting in Hyperinflationary Economies, had no material impact on the consolidated financial statements of the SOL Group.

MANAGEMENT TREND

During 2024, the technical gas sector showed an increase in sales of 1.5% when compared with the previous year achieving a turnover from third-party customers equating to Euro 788.3 million.
The moderate growth is mainly due to lower sales prices as a result of the decrease in the cost of electricity, to which they are indexed.

There was a slight decrease in quantities sold, linked to the industrial production trend, and a generalised increase in costs, which was partially offset by a decrease, especially in the first half of the year, in the cost of electricity and raw materials.
The home care business grew by 15.7% (of which 3.8% was due to the enlargement of the company scope following the acquisitions made), both in Italy and in foreign countries, with sales to third-party customers amounting to Euro 822.2 million.
The growth of the sector is due to the increase in the number of patients served.
Overall, in the healthcare sector, the Group's sales amounted to Euro 1,004.0 million, or 62.3% of total turnover.
The gross operating margin increased by Euro 21.7 million or 5.7% compared to 2023. The operating result increased by Euro 10.1 million compared to 2023, up 4.4%.
The Group's net indebtedness increased by only Euro 23.5 million, compared to December 31, 2023, against technical and intangible investments and acquisitions of Euro 247.5 million made in 2024.
The debt ratios remain very solid, with a debt/equity ratio of 0.40 and a cash flow cover of 1.09.
During 2024, technical gas reserves remained within the safety levels.
In 2024, the SOL Group's work force increased by 919 people, from 6,372 to 7,291. Personnel training and qualification activities, aimed at improving the qualities of our people committed to pursuing the Group's development objectives, continued on a regular basis.

SHARE PERFORMANCE ON THE STOCK EXCHANGE

SOL stock opened 2024 with a price of Euro 27.40 and closed on 12.30.2024 at Euro 37.15.
During the year, the stock achieved a maximum price of Euro 38.30, while the minimum came to Euro 25.60.

QUALITY, SAFETY, HEALTH AND ENVIRONMENT REGULATORY AFFAIRS AND SUSTAINABILITY

The focus on issues of quality, health, safety and environment was constantly active throughout 2024 with an intense internal auditing activity and with checks by third parties, both by Notified Bodies for Certification and by the Auditing Bodies of the Public Administration.
All of these checks have always had a positive outcome.
Overall, the certifications obtained over the years pursuant to international standards ISO 9001, ISO 14001, ISO 13485, ISO 45001, ISO 22000 – FSSC 22000, ISO 50001, ISO 27001, ISO 22301, ISO 17025 and ISO 17034 were not only renewed, but extended to new activities (ISO 9001) as well as operational sites of the Group. For example, with reference to the non-Italian sphere, the company Vivisol France - operating in the HC sector - extended its ISO 9001 certification to all its sites, the company MBAR, also operating in the HC sector in France, obtained its first ISO 9001 certification.
SOL Spa, VIVISOL Srl and STERIMED Srl obtained the UNI PdR 125:2022 Certification for Gender Equality, an important milestone towards a fairer and more inclusive working environment. This achievement further testifies to our Group's concrete commitment to creating a working environment that is increasingly geared towards every person. STERIMED Srl has also obtained the SA 8000 certification, a working conditions standard.
With regard to the ISO 9001 certification in the technical gas area, we extended the scope by supplementing the already existing service of "supply, fitting out and management and maintenance services for ambulances and emergency vehicles" with "design and implementation of integrated maintenance and management services for ambulances and emergency vehicles and the equipment on board".

The certification status was also confirmed for the enforcement of the PED directive in the internal production of vaporisers and of the 93/42 Directive for the production of medical devices.
Still during 2024, the accreditation according to ISO 17025 was confirmed for the analytical methods applied in the laboratory of SGPM, of GTS (Albania), and of Sterimed (Italy - company specialised in services and solutions for health and the environment), companies that therefore maintained the status of a Testing Laboratory approved and accredited by the ACCREDIA accreditation body.
During 2024, CRYOLAB maintained the ISO 21973 certification in the transport of cells for therapeutic and research use.
The SOL Branch Belgium Wanze site maintained the ISCC Plus certification for environmental sustainability, the first company in the industry to do so for CO_2 production.
In the field of technical gases and biotechnology, ISO 9001 certification status of the individual sites stands at 42 sites in Italy, 44 in Europe (one of which belongs to the German company CT BIOCARBONIC, a jointly controlled company consolidated using the equity method), and 14 outside Europe.
In the area of food safety, the number of sites outside of Italy certified to ISO 22000 is 30 (one of which belongs to the German company CT Biocarbonic, jointly controlled company consolidated using the equity method), while in Italy, where the market requires this certification to a lesser extent in the area of food additive gases, the sites are 2.
The FSSC 22000 certified sites are 25 outside of Italy (of which 1 belonging to the German company CT Biocarbonic, jointly controlled company consolidated by adopting the equity method) and 2 in Italy.
As part of the activities related to technical gas, ISO 14001 certification was confirmed for the environmental management system for 9 sites in Italy and 23 sites outside of Italy.
The certification of the safety management system according to the ISO 45001 standard is applied in 38 sites in Italy and 20 sites outside of Italy.
The excellence certification status (ISO 9001, ISO 14001, ISO 45001) was confirmed, maintaining European EMAS Registration for the SOL Gas Primari plants of Verona, Mantova and for the head office in Monza for SOL Spa activities.
As part of home care activities, the certification status (ISO 9001) of the Vivisol sites was 23 sites in Italy and was expanded to 78 sites outside of Italy.
The ISO 14001 environmental management system certification of Vivisol Srl and 8 other sites outside Italy was also confirmed.
Certification of the safety management system according to the ISO 45001 standard, applied in 19 sites in Italy and 9 sites outside of Italy, was also confirmed.
Work also continued on the implementation of the Responsible Care Programme and in accordance with the principles of corporate Social Responsibility.

PHARMACEUTICAL-REGULATORY ACTIVITIES AND MEDICAL DEVICES

The Group's regulatory activities, both in Italy and abroad, continued in 2024 as well.
In 2024, the company SOL Kosovo was granted a licence to produce medicinal oxygen.
At the end of 2024, the Group has:

- 149 Marketing Authorisations for medical gases filed in 25 countries (18 EU and 7 non-EU);
- 64 Pharmaceutical Workshops, of which 62 are gas production workshops, plus the Sitex workshop (production of Galenic drugs) and the Diatheva workshop (production of API from Biotechnology and sterile experimental drugs in small volume packaging).

There are 14 gas production workshops in the home care area (of which 4 in Italy), and 48 in the technical gas area (of which 17 in Italy).

In 2024, 10 GMP inspections of drugs and gas production workshops were carried out by the relevant national agencies.
Medicines regulatory activity focused on the approval of educational material and on the pre-market access steps for peritoneal dialysis solutions containing icodextrin of which Vivisol is the owner and related market access activities.
The year 2024 saw the continuation of the strong commitment of the Medical Devices Regulatory Service in the follow-up of the MDR evaluation of the 4 gas technical files of which SOL Spa is the manufacturer, as well as the filing of the technical files of nitric oxide-dispensing medical devices (of which SOL GROUP LAB is the manufacturer) under the MDR.

SOL GROUP INVESTMENTS

During the financial year 2024, investments amounting to 123.8 million euros were made in the ”technical gas” area, of which 38.3 million euros were made by the parent company SOL Spa, and 95.5 million euros in the ”home care” area, as detailed below:

- In Italy, work started on the new logistics centre of VIVISOL NAPOLI
- In Italy, the new management and operations centre of CENTRO ORTOPEDICO FERRANTI in Palermo was built
- In Italy, a refrigerant gas storage and packaging site was set up at the SOL secondary production plant in Bigarello (Mantova)
- In Italy, work started on the project to build a new liquid CO_2 production plant in San Donato Val Di Comino (FR)
- In Greece and Germany, work started on new air separation plants for SOL HELLAS in Thessaloniki and SOL Spa in Frankfurt, respectively
- In India, the construction of a new SOL INDIA air fractionation plant for the production of oxygen, nitrogen and argon in Ranipet (Tamil Nadu) was completed and production started.
- Bhoruka Specialty Gases’ ultra-pure plant capacity expansion project in Indapur (India) is underway
- In Slovenia, the reconstruction of the penstock of ENERGETIKA’s Vintgar hydroelectric plant has been completed
- Work on VIVISOL AUSTRIA’S new warehouse and headquarters in Vienna has been completed, as well as work on VIVISOL PORTUGAL’S new headquarters in Condeixa-a-Nova
- The programme to improve, modernise and rationalise SOL GAS PRIMARI production plants for industrial gases continued. This activity concerned the units of Mantova and Verona in particular
- The programme for the improvement, modernisation and rationalisation of secondary production plants of technical and medical gases continued. This activity has particularly affected the units of Ancona and Padova in Italy, Wiener Neustadt in Austria and Krefeld in Germany.
- a number of on-site industrial and medical systems were built and launched in Italy as well as abroad, and means of transport, distribution and product sales have been enhanced with the purchase of cryogenic tanks, cryogenic liquid distribution reservoirs, cylinders, dewars and electrical medical devices to support the Group’s development in all sectors of activity and geographical areas
- investments continued to improve IT systems for both the technical gas and home care sectors.

MAJOR CORPORATE TRANSACTIONS

During 2024, several acquisitions were made, both in Italy and abroad. The most important ones are highlighted below:

- the subsidiary AIRSOL Srl acquired 100% of the capital of the Swiss company SPITEX ALOHA GmbH, based in Basel, which operates in the home care sector;
- the subsidiary AIRSOL Srl acquired 70% of the capital of the company MEDAIR Srl in Bucharest (Romania), active in the home care sector;
- the subsidiary AIRSOL Srl acquired 85% of the capital of the company PRONEP Sa of Rio de Janeiro (Brazil), which operates in the home care sector;
- the subsidiary AIRSOL Srl acquired 100% of the capital of the German company PAC GASSERVICE GmbH based in Herne and active in the field of industrial gases;
- the subsidiary AIRSOL Srl acquired 51% of the Spanish company SISEMED Sl based in Barcelona and specialised in the management of electromedical equipment;
- the subsidiary ORTHOHUB Srl acquired 100% of the Italian company POR GROUP Srl, which specialises in the design, production and service of custom-made orthopaedic devices;
- the German subsidiary VIVISOL DEUTSCHLAND GmbH acquired 80% of the company SOLEOMED GmbH based in Merklingen (Germany), which operates in the home care sector.

RESEARCH AND DEVELOPMENT ACTIVITIES

Research activities, which characterise and support the Group's development, continued during the year; these activities mainly comprise research associated with the development of new production and distribution technologies, with the promotion of new applications for technical gases and with the development of new services in health and home care.

SHARES OF THE PARENT COMPANY HELD BY GROUP COMPANIES

As at December 31, 2024, the Parent Company SOL Spa did not own treasury shares.
The other companies of the Group did not own shares of the parent company SOL Spa.
During the 2024 reporting year, no SOL shares were purchased or sold either by the Parent Company itself or by other Group Companies.

INTRA-GROUP TRANSACTIONS AND TRANSACTIONS WITH RELATED PARTIES

Transactions carried out with related parties, including intra-group transactions, cannot be considered as atypical or unusual, as they are part of the normal activities of Group companies. These transactions are settled at arm's length, taking into account the characteristics of the supplied goods and services.
Information on transactions with related parties, including those required by the Consob communication of July 28, 2006, are shown in the notes to the Consolidated Financial Statements as at December 31, 2024, to which reference is made.

CONSOLIDATED SUSTAINABILITY REPORTING

ESRS 2 - GENERAL DISCLOSURES

BASIS FOR PREPARATION

Disclosure requirement BP-1 - General basis for preparation of sustainability statements

This document is the Consolidated Sustainability Report (hereinafter also the ”Report”) of the SOL Group (hereinafter also ”the Group”), prepared in accordance with Legislative Decree 125/2024, issued in implementation of Directive 2022/2464/EU (”Corporate Sustainability Reporting Directive”) and the requirements of EU Regulation 2020/852 of the European Parliament and of the Council and its Delegated Regulations.

The Consolidated Sustainability Report was prepared in accordance with the European Sustainability Reporting Standards (hereinafter also referred to as ESRS) promulgated by the European Commission; the reporting scope includes the Parent Company SOL Spa and all companies consolidated on a line-by-line basis in the Group’s Annual Financial Report as at 31 December 2024.

This report is the first to be prepared in accordance with ESRS standards, replacing the previous Sustainability Report, which was prepared according to GRI standards.

In the definition of the contents of the Consolidated Sustainability Report, in particular in the analysis and assessment of impacts, risks and opportunities (hereinafter also collectively referred to as IROs), the stakeholders of the Group’s value chain were considered, both upstream, such as suppliers and partners which are crucial for the procurement of materials and services, and downstream, such as customers and patients. In this context, the IRO-related information on the value chain reported in this document refers to the policies adopted by the Group (which apply not only to the employees, collaborators and directors of SOL Group companies, but also to all those who, for various reasons, come into contact with the Group (such as: suppliers, partners, customers, etc.) and to Scope 3 GHG emissions metrics.

The Group did not make use of the option to omit specific information corresponding to intellectual property, know-how or innovation results. In addition, the Group did not avail itself of the exemption to disclose information on upcoming developments or matters under negotiation.

The frequency of reporting is annual; the Group has applied the phase-in provisions in accordance with Appendix C of ESRS 1 for ESRS S1-11, S1-12, S1-13, S1-14 for non-employees only, S1-15.

Disclosure requirement BP-2 - Disclosures in Relation to specific circumstances

In preparing the Consolidated Sustainability Report, the SOL Group adopted the definition of time horizons in line with ESRS 1 6.4.b.

In particular, the time horizons were defined as follows:

- Short period: one year (i.e., the period adopted by the company as the reference period for its financial statements);
- Medium-term: one year to five years;
- Long-term: over five years.

In preparing the disclosures, the Group needed to make use of estimates concerning data and information relating to the value chain for the calculation of Scope 3 emissions (more on this in the relevant section).

In general, where estimates have been used in the quantification of data, an appropriate indication of the methodology adopted is given under the relevant figure included in the relevant section. In any case, it should be noted that the estimates made for the purposes of this Report are not, on the whole, characterised by a high level of uncertainty, with the exception of Scope 3 emissions with a medium level of uncertainty for categories 1, 3 and 11, as attributable to the input data and emission factors used for quantification, and a medium to high level of uncertainty for categories 2, 4, 6, 7 and 13, mainly due to the nature of the activity data and thus the calculation methodology used. Please refer to the ESRS E1-6 section for more details.

The SOL Group does not include in its sustainability disclosures pertaining to other legislation requiring the disclosure of sustainability information or other generally accepted standards and frameworks for sustainability reporting with the exception of the requirements of EU Regulation 2020/852 of the European Parliament and of the Council and its Delegated Regulations.

Finally, it should be noted that the Group avails itself of the transitional provision according to which it is not required to report comparative disclosures in the first year of preparation of this Report. Indeed, the adoption of the European Sustainability Reporting Standards has provided for new reporting methods, in terms of both the scope of consolidation and the metrics adopted, which do not allow for a comparison with the qualitative-quantitative disclosures published in previous years in compliance with the disclosure requirements then in force.

GOVERNANCE

Disclosure requirement GOV-1- The role of the administrative, management and supervisory bodies

SOL's governance structure includes the following bodies: the Shareholders' Meeting, the Board of Directors with its Board committees (Remuneration Committee, Related Party Transactions Committee and Control, Risk and Sustainability Committee), the General Management, the Board of Statutory Auditors, the Financial Reporting Officer, the Preventative Employers, plus the Internal Control Department, the Supervisory Body pursuant to Legislative Decree No. 231/2001 and other corporate departments involved in the company's internal controls. The Control, Risk and Sustainability Committee, which has been operational since 1 January 2024, has the task of supporting the Board of Directors' assessments and decisions regarding the internal control and risk management system, and sustainability issues related to the Group's activities.

The Board of Directors has the main role of governance and management of thecompany, with the fundamental objective of pursuing the sustainable success of the Group, always taking into account the interests of all relevant stakeholders. All significant sustainability initiatives are evaluated by the Board of Directors. In fact, it is the Board of Directors that approves the information contained in the annual Consolidated Sustainability Report, as well as the dual materiality analysis that identifies relevant impacts, risks and opportunities for the Group in the area of sustainability. In addition, the Managing Directors and Executive Directors, together with the Executive Board, define the strategy, approve the Sustainability Plan and define the SOL Group's ESG targets.

The Board of Directors of SOL Spa consists of 11 members: there are 4 executive members (36%), 5 women (45%) and 5 independent directors (45%). There is no employee representation.

The Board of Statutory Auditors of SOL Spa, the main supervisory body, consists of 5 members: 3 men (60%) and 2 women (40%). The members of the Board have professional experience from various industry sectors, including prominent roles in ESG, which enriches their expertise in the field. There is no employee representation.

The Parent Company's Board of Directors consists of members with solid and relevant expertise in the production and distribution of technical gases, as well as in home and hospital care services. In addition, to ensure that the Board of Directors can adequately oversee any risks that may affect the sustainability of the Group's business in a medium to long-term perspective, as well as relevant impacts and opportunities, the Board includes members with experience gained in business contexts characterised by a strong focus on ESG issues, including ESG risks, in top management roles or alternatively in the public - institutional sector closely related to sustainability issues, such as sustainable finance and business conduct.

Internal control and risk management system

The SOL Group's system of internal control and management of impacts, risks and opportunities (IRO) is an integrated system carried out by several corporate bodies and organisational units. The bodies are multi-layered: at the top there is the Board of Directors, the Risk Control and Sustainability Committee, the Director in charge of the risk control and management system, the Board of Statutory Auditors and the Supervisory Board. The first level of control is entrusted to the individual operational lines. This consists of checks carried out by those who implement certain activities in compliance with company procedures and by those who have supervisory responsibility. It ensures the smooth running of day-to-day operations and also relies on the co-operation and indications of of trade union representatives and workers' safety representatives. The second level is entrusted to structures that contribute to the definition of risk measurement methodologies, their identification, evaluation and control (Risk Management). This allows the verification of compliance with regulatory obligations (Compliance). In particular, this control is implemented, as regards IROs relating to occupational safety, quality, pharmaceutical, environmental and sustainability compliance, through the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department; as regards administrative-accounting and financial compliance, through the Financial Reporting Officer and the Departments reporting to him/her, including the Budgeting and Control Department and the Administrative Department; with regard to IT Compliance, through the Information Technology & Digital Department; with regard to Legal Compliance, through the Legal Affairs Department; with regard to GDPR Privacy Compliance, through the Group Data Protection Officer; with regard to Antitrust and Anti-Corruption Compliance, through the departments identified and dedicated to such matters. Finally, the third level is entrusted to the Internal Control Department, which reports directly to the Board of Directors and has direct access to all information.

Integrated Management System

The commitment to ESG principles is embodied in the policies that the SOL Group has adopted. In these documents, the issues arising from the dual materiality analysis are addressed in detail. The policies, approved by the Chairman, Vice Chairman and Executive Board, are a tangible expression of the Group's commitment to ESG principles.

In this context, the Group Integrated Management System represents an important tool for implementing and monitoring policies and objectives. The SOL Group has been engaged in the certification process of its units since 1994. The initial ISO 9001 certification of the main Italian sites was gradually joined by other standards relevant to the Group's activities, as the certification scope was extended to new sites and countries.

The following table shows the situation as at 31 December 2024 of the certified sites of Group companies, broken down by reference standard:

Country	Company	ISO 9001	ISO 45001	ISO 14001	EMAS	ISO 50001	ISO 13485	ISO 27001	ISO 22000
		Quality	Health and safety of workers	Environ-ment	Environ-ment	Energy	Medical devices	Data security	Food safety
Technical Gas Sector									
Albania	GTS	1	1	1	-	-	1	-	1
Austria	SOL TG	1	-	-	-	-	1	-	
Belgium	SOL BRANCH BELGIUM	2	-	1	-	-	1	-	2
	BTG	1	-	-	-	-	-	-	-
Bosnia Herzegovina	TGP	1	-	1	-	-	-	-	1
	TGT	1	-	-	-	-	-	-	
Bulgaria	SOL BULGARIA	2	2	-	-	-	-	-	3
China	SHENWEI MEDICAL GAS	2	2	2	-	-	-	-	-
Croatia	SOL CROATIA	3	-	-	-	-	-	-	-
Ecuador	SWISSGAS	3	3	3	-	-	-	-	1
France	BEH FRANCE	1	-	-	-	-	1	-	
	SOL FRANCE	3	-	-	-	-	2	-	
Germany	SOL DEUTSCHLAND	3	-	-	-	-	-	-	3
	SOL BRANCH FRANKFURT	1	-	-	-	1	1	-	1
	SOL KOHLENSÄURE	1	-	-	-	-	-	-	1
	SOL KOHLENSÄURE WERK	1	-	-	-	-	-	-	-
Greece	SOL HELLAS	5	-	5	-	-	3	-	5
India	BHORUKA SPECIALTY GASES	3	2	2	-	-	-	-	-
	GREEN ASU PLANT	1	-	-	-	-	-	-	-
	SOL INDIA	2	-	-	-	-	-	-	-
Ireland	IRISH OXYGEN	1	-	-	-	-	-	-	-
	POLAR ICE	1	-	-	-	-	-	-	-
Italy	SOL SPA	21	28	3	1	-	10	1	-
	SGP	8	8	3	2	-	-	1	2
	ICOA	1	-	1	-	-	1	-	-
	SOL GROUP LAB	1	-	-	-	-	1	-	-
	CTS	1	-	-	-	-	-	-	-
	CRYOS	1	-	-	-	-	-	-	-
	BEHRINGER	2	-	-	-	-	2	-	-
	MEDES	2	-	-	-	-	2	-	-
	MTE	1	1	1	-	-	1	-	-
	STERIMED	1	1	1	-	-	1	-	-
North Macedonia	TGS	3	3	3	-	-	-	-	3
	SOL SEE	2	2	2	-	-	-	-	1
Marocco	FLOSIT	1	-	-	-	-	-	-	-
Netherlands	SOL NEDERLAND	2	2	-	-	-	-	-	2
Romania	GTH	1	1	-	-	-	-	-	1
Serbia	SOL SRBIJA	1	-	1	-	-	-	-	1
Slovenia	SPG	1	1	1	-	1	-	-	1
	TPJ	1	1	1	-	1	-	-	1
Spain	SOL FRANCE ESPANA	1	-	-	-	-	-	-	-
Turkey	GEBZE GAZ	1	-	-	-	-	-	-	-
	SOL TK	1	-	-	-	-	-	-	1
Hungary	SOL HUNGARY	1	-	-	-	-	-	-	-

(continues)

(continues)

Country	Company	ISO 9001	ISO 45001	ISO 14001	EMAS	ISO 50001	ISO 13485	ISO 27001	ISO 22000
		Quality	Health and safety of workers	Environ-ment	Environ-ment	Energy	Medical devices	Data security	Food safety
Home-care service sector									
Austria	VIVISOL AUSTRIA	2	-	-	-	-	-	-	-
France	FRANCE OXYGENE	15	-	-	-	-	-	-	-
	MBAR	1	-	-	-	-	-	-	-
	VIVISOL FRANCE	13	1	-	-	-	-	-	-
Germany	VIVISOL DEUTSCHLAND	4	-	-	-	-	-	-	-
	MEDTEK	1	-	-	-	-	-	-	-
	PROFI GESUNDHEITS SERVICE	1	-	-	-	-	-	-	-
	INTENSIVSERVICE	1	-	-	-	-	-	-	-
	PIELMEIER	1	-	-	-	-	-	-	-
Greece	VIVISOL HELLAS	3	-	-	-	-	3	-	-
Ireland	DIRECT MEDICAL	2	-	-	-	-	-	-	-
Italy	ITOP	1	-	-	-	-	-	-	-
	VIVISOL	19	18	1	-	-	2	1	-
	VIVISOL CALABRIA	1	-	-	-	-	-	-	-
	VIVISOL NAPOLI	1	1	-	-	-	-	-	-
	VIVISOL SILARUS	1	-	-	-	-	-	-	-
Netherlands	VIVISOL NEDERLAND	1	-	1	-	-	-	1	-
Poland	PALLMED	22	-	-	-	-	-	21	-
	MEDSEVEN	1	-	-	-	-	-	-	-
Rep. Czechia	VIVISOL CZECHIA	2	-	-	-	-	-	-	-
United Kingdom	DOLBY MEDICAL	4	4	4	-	-	-	2	-
Spain	VIVISOL IBERICA	4	4	3	-	-	1	3	-
Biotechnology sector									
Italy	CRYOLAB	1	-	-	-	-	-	-	-
	DIATHEVA	1	-	-	-	-	-	-	-
	BIOTECHSOL	-	-	-	-	-	-	1	-
	PERSONAL GENOMICS	1	-	-	-	-	-	-	-
Renewable energy production sector									
Slovenia	ENERGETIKA	1	-	-	-	-	-	-	-
Total		**200**	**86**	**41**	**3**	**3**	**34**	**31**	**31**

It should also be noted that STERIMED Srl obtained SA 8000 certification in 2024, a standard focused on working conditions. In addition, theplantin Wanze, Belgium, obtained ISCC plus certification (ISCC plus is a voluntary certification system that attests the complete traceability and sustainability of raw materials).

Disclosure requirement G1 - GOV-1- The role of the administrative, management and supervisory bodies

In defining and overseeing the strategic direction of the Group, the Board of Directors of the SOL Spa is committed to promoting a corporate culture that is based on ethics and sustainability, ensuring that the Group's strategies and objectives are aligned with the values and principles defined in the Code of Business Ethics. Aware of this responsibility, the members of the Board of Directors and the Board of Statutory Auditors possess appropriate skills in business conduct that are essential to ensure proper management of the Group's activities. For more details with respect to business conduct, please refer to ESRS Section G1 Business Conduct.

Disclosure requirement GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The year 2024 is the first year in which the SOL Group has addressed the new requirements introduced by the CSRD: as it is a new process, the definition of the frequency and methods for monitoring material IROs by the Board and the Audit, Risk and Sustainability Committee are still under development. This notwithstanding, in 2024 the Board of Directors was actively involved and updated by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department. The meetings covered the regulatory changes introduced by the CSRD, the status of the CSRD compliance process and the results of the dual materiality analysis with the identification of relevant IROs.

A further official discussion forum is the Steering Committee, chaired by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, which meets annually with the aim of promoting sustainability objectives and projects, as well as coordinating and stimulating the operational structures of all Group companies on the subject. Members of the Steering Committee are the Directors, the Executive Board and the Executive Directors. The Group is committed to refining and formalising its approach to IRO governance. In this way, the company is committed to aligning its governance with the CSRD, ensuring that sustainability and material impacts are an integral part of strategic oversight.

Administrative, management and supervisory bodies take these impacts, risks and opportunities into account in their work and decisions, ensuring that sustainability and material impacts are an integral part of strategic oversight. In this context, the monitoring and control of impacts, risks and opportunities is carried out by the Board of Directors through the Risk and Sustainability Control Committee, which in turn relies on the Internal Audit Department. The operational management of IROs is delegated to the relevant Executive Departments.

The detailed listof material impacts, risks and opportunities can be found in section SBM-3 of the Sustainability Report.

Disclosure requirement GOV-3 - Integration of sustainability-related performance into incentive schemes

With regard to the Remuneration Policy, approved by the Board of Directors of SOL Spa on 27 March 2024, the weight and number of ESG components impacting the variable part of the medium-long term remuneration reserved for Executive Directors and the annual remuneration (MBO) provided for the Group's General Management has been expanded. In particular, for Executive Directors, the weighting of ESG indicators was increased to 30% by introducing a new ESG target that rewards the growth of the female staff percentage in senior manager and managerial positions in the Group. As far as General Management is concerned, the MBO was confirmed; it is attainable upon the achievement of predefined annual corporate objectives of a quantitative, financial and non-financial nature, including certain sustainability targets. It is a fundamental tool because it allows top management to direct its actions towards strategic objectives that are in line with the priorities identified by the Board of Directors and, above all, to incentivise commitment on indicators that are not only financial and quantitative, but also relating to sustainability. For some time, in fact, in addition to the performance objectives of an economic-financial nature, there are two significant objectives related to employee health and safety and quality: maintaining a contained value of the Group Severity Index , which indicates the number of days lost due to accidents per million hours worked excluding commuting accidents, and the reduction of "Critical Non-conformities", i.e. those classified as such by the procedure issued by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, which include the potential to create a damage or serious danger to the safety or health of staff, customers or patients. In addition to these two indicators, in 2024, the Gender Index was included, i.e. the goal of increasing the Group percentage of women in managerial and senior managerial roles, as further evidence of the commitment to equity, inclusion and equal opportunities. Each of the three ESG parameters contained in the MBO of the Executive Board weighs 5.5% of the total bonus, while on the three-year Long Term Incentive of the Executive Directors, each of the three weighs 10%.

Disclosure requirement ESRS 2 GOV-3 - Integration of sustainability-related performance into incentive schemes

As described in the previous section, the incentive system adopted by the Group currently includes ESG objectives related to health and safety, quality and the presence of women in managerial positions. To date, no targets for reducing greenhouse gases emissions have been included.

Disclosure requirement GOV-4 - Statement on due diligence

In order to prepare the Sustainability Report, the Group mapped the information on existing Due Diligence practices, despite the fact that no formal, structured process is in place to date. The policies adopted by the SOL Group with regard to social and environmental aspects are detailed within the chapters on ESRS topics. Below are references to safeguards to mitigate the negative environmental, social and governance impacts that the SOL Group causes or could cause to date.

Embedding due diligence into governance, strategy, and business model
ESRS 2 - General disclosures | disclosure requirement GOV-1
ESRS 2 - General disclosures| disclosure requirement GOV-3
ESRS 2 - General disclosures| disclosure requirement IRO-1

Engaging with affected stakeholders in all key steps of the due diligence
ESRS 2 - General disclosures | disclosure requirement SMB-2

Identifying and assessing negative impacts
ESRS 2 - General disclosures| disclosure requirement SBM-3
ESRS 2 - General disclosures| disclosure requirement IRO-1

Taking action to address negative impacts
ESRS E1 - Climate Change | disclosure requirement E1-3
ESRS E3 - Water and Marine Resources | disclosure requirement E3-2
ESRS E5 - Resource Use and Circular Economy | disclosure requirement E5-2
ESRS S1 - Own workforce | disclosure requirement S1-4
ESRS S2 - Workers in the Value Chain| Disclosure Requirement S2-4
ESRS S4 - Consumers and end-users| disclosure requirement S4-4
ESRS G1 - Business conduct | Disclosure requirement G1-3

Tracking the effectiveness of these efforts and communicating
ESRS E1 - Climate Change | disclosure requirement E1-3
ESRS E3 - Water and Marine Resources | disclosure requirement E3-2
ESRS E5 - Resource Use and Circular Economy | disclosure requirement E5-2
ESRS S1 - Own workforce | disclosure requirement S1-4
ESRS S2 - Workers in the Value Chain| Disclosure Requirement S2-4
ESRS S4 - Consumers and end-users| disclosure requirement S4-4
ESRS G1 - Business conduct | Disclosure requirement G1-3

Due diligence is an ongoing practice that responds to and can trigger changes in the company's strategy, business model, activities, business relationships, and operational, procurement and sales contexts.

Disclosure requirement GOV-5 - Risk management and internal controls over sustainability reporting

In 2024, the Group started a process aimed at structuring and strengthening the existing Internal Control System in order to extend it to the areas of interest for Sustainability Reporting. In this context, the SOL Group has defined an internal procedure for managing the process of preparing and approving sustainability reports, which requires, among other things, that data be collected from all Group companies through an IT platform and then validated by the corporate departments. The system allows an efficient and articulated distribution of activities (data loading and validation), thus enabling different levels of responsibility to be identified. The internal procedure also includes guidelines for calculating metrics.

In the broader context of establishing a structured internal control system over sustainability reporting, the Group has at present assessed and identified the completeness and integrity of data as a risk associated with sustainability reporting as a whole. In order to mitigate this risk by ensuring a shared understanding of terms and definitions within the data collection process, regular training sessions are organised for employees involved in data collection.

Looking forward, the Internal Audit department will be involved in the verification of the testing phases that will be defined and implemented, in the follow up on the implementation of improvement actions, as well as in the updating of the BoD, according to timeframes that will be duly defined. In the course of 2024, periodic meetings were organised with the parent company's Board of Directors to share the regulatory changes introduced on sustainability reporting, the results of the dual materiality process and the steps necessary to arrive at the first reporting in line with the requirements of the new CSRD. At present, this flow is not yet formalised as it is the first year of reporting.

STRATEGY

Disclosure requirement SBM-1 - Strategy, business model and value chain

Established in 1927 in Italy, the SOL Group conducts business in the field of production, applied research and marketing of technical and medicinal gases, homecare, biotechnologies and production of energy from renewable sources.

The Group is present today in 32 countries with 7,291 employees, distributed in Europe (85%), Asia (6%), South America (8%) and Africa (1%).

The parent company SOL Spa has been listed on the Italian stock exchange since July 1998.

In the following paragraphs, the main business sectors of the SOL Group are described with the identification of the downstream stakeholders the Group addresses.

In the industrial sector, the Group supplies technical gases (compressed, liquefied, and cryogenic), equipment, facilities, and services to customers operating in most industrial sectors: steel, metallurgy, glass and ceramics, metal fabrication, chemical and pharmaceutical, food and beverage, petroleum industry, and services for the environment and transportation of goods and people.

In the health sector, it serves hospitals (public and private), Scientific Hospitals and Treatment Centres, University Hospitals, Clinical Research Centres, Medically Assisted Reproduction Centres, nursing homes and assisted living facilities, supplying medicinal gases, medical devices for the administration and dosing of medicinal gases, equipment, gas distribution systems, facility management services, hospital environment health services, global service management services for electro-medical equipment, sterilisation plants and the turnkey construction of cryobiology rooms and laboratories.

As regards home care, the Group provides via VIVISOL services and treatments for chronic patients who, on behalf of the health systems of different countries, are cared for outside a protected setting such as a hospital. VIVISOL is able to comprehensively take care of chronic patients often suffering from crippling diseases and socially fragile conditions, or in need of life-sustaining treatments, with the aim of keeping them in their social and emotional context, thus improving their quality of life. VIVISOL provides home-based respiratory and infusion therapies as well as remote medicine and monitoring services and highly complex medical and nursing care.

VIVISOL also has extensive experience and expertise in the management and supply of medical aids, offering a service that includes: delivery to the patient's home, technical support, maintenance, sanitisation, disinfection and online software for computerising data. Thanks to consolidated experience in the sector, VIVISOL is now established among the leading home care providers in Europe and beyond.

In the biotechnology sector, the Group develops tests and analytical services in the world of human and animal clinical research and diagnostics, conducts clinical trials for the development of proprietary biotechnological molecules, performs accredited genomic and molecular genetic diagnostic services, develops bioinformatics pipelines for clinical data management, and validated production processes for biotechnological molecules such as antibodies and recombinant proteins that it produces as medicinal products.

In the field of production of energy from renewable sources, as of 2002, the Group operates 16 hydroelectric power plants in Albania, Bosnia Herzegovina, North Macedonia and Slovenia.

During 2024, the SOL Group experienced no significant changes in the markets served, products or services offered. The Group does not provide products or services that are banned in certain markets.

The centrality of customers and patients is a primary objective: the Group intends to anticipate their needs by working on product and service innovation, guaranteeing high standards of quality and safety. In the industrial sector, high-tech and innovative solutions offer safer, more economical and environmentally friendly performance. In the health sector, the wide range of services offered to hospitals (in terms of services, equipment and facilities) and to patients (through the range of home care services) puts people's care at the centre. In the field of biotechnology, innovative diagnostic products enable the prevention and early detection of potential health problems, significantly affecting people's quality of life and their treatment.

The SOL Group works to reduce energy consumption and emissions by offering highly effective and efficient oxyfuel solutions, which are widely used in metal, ceramic and cement production processes. By building plants for the on-site production of oxygen, nitrogen, hydrogen and syngas mixtures, it is possible to offer a solution with a lower environmental impact, which reduces road transport and rationalises energy consumption. The Group protects water resources by offering customers in the industrial sector a service to improve wastewater quality through the use of oxygen in purification treatment. It also contributes to the reduction of food waste and consumer safety by adopting preservative-free food freezing systems and promoting modified and controlled atmosphere preservation technologies that preserve the characteristics of consumer products.

It promotes sustainable mobility by investing in the development of technological solutions using hydrogen and Liquefied Natural Gas (LNG), including from renewable sources (BioLNG).

In the area of home care, the Group provides technology and healthcare services for complex therapies and often life-support for chronic patients on an international scale.

In a demographic context characterised by a progressively ageing population and an epidemiological landscape marked by an increase in major chronic diseases, the role of Home Care Providers becomes increasingly relevant for the optimal management of chronic patients, who are often in a frail condition of multimorbidity. Adequate models of home care delivered by specialised providers have a positive impact on the health and well-being of patients, as well as on the sustainability of national healthcare systems.

In 2021, the SOL Group drew up its first Sustainability Plan (SP), a fundamental tool to further strengthen the SOL Group's strategic vision of sustainability by translating it into qualitative and quantitative targets that the Group will pursue until 2030. The SP, which responds to some of the global challenges (United Nations Sustainable Development Goals, or SDGs), has been supplemented with initiatives, proposed by Group employees, gathered from the Little Big Innovations project. The Plan is based on the following pillars:

- Sustainable Production Process, by increasing the percentage of energy consumed from renewable sources, optimising the energy efficiency of the sites/products supplied, reducing CO_2 emissions from transport, and increasing the circularity of processes;

- Dialogue and Listening, with a strengthening of the process of listening to patients and doctors, of employees to improve the working environment, with the dissemination of Code of Ethics principles, with community support;
- Sustainability in the Working Environment, promoting an inclusive working environment, maintaining high safety standards for employees and partners working with the SOL Group;
- Sustainable Innovation, offering sustainable products/services such as BioCO_2, LNG, BioLNG and supporting our customers in improving the sustainability of their processes.

As far as the supply chain is concerned, the SOL Group is aware that the role of the supplier is becoming increasingly important in order to be able to respond effectively to the new sustainability challenges, seeking an ever greater involvement of the entire value chain. Suppliers with whom the company comes into contact are asked to make SOL's value system their own, as it is considered an effective and safe vehicle for the proper and transparent management of relations. The upstream value chain is integrated between the different business areas: it mainly includes suppliers of electricity, technical gases, medical devices, transport, maintenance and technical assistance services, and nursing services.

Disclosure requirement SBM-2 - Interests and views of stakeholders

In order to maintain an ongoing dialogue with stakeholders on sustainability issues, in 2024 the SOL Group continued the process of listening to key stakeholders through various channels. Internal and external communication activities were carried out to deepen the efforts made to ensure environmental, social and economic sustainability.

Key stakeholders include customers and patients, employees, investors/shareholders, suppliers and partners, authorities and public bodies and communities. Below is a list of some of the stakeholder engagement tools used:

- Customers and patients: customer and patient satisfaction ratings, social media channels, websites, patient apps.
- Employees: "SOL Connect" intranet portal and "SOL News" newsletter, Performance Management Programme, employee health and well-being initiatives, gender and cultural diversity initiatives, onboarding programme for new recruits, annual training programme.
- Investors/shareholders: conference calls to present results, individual and group meetings, calls, shareholders' meetings, press releases.
- Suppliers and partners: qualification questionnaires, audits, meetings.
- Authorities and public bodies: individual and group meetings.
- Community: social media.

Dialogue with stakeholders is crucial for corporate strategy and long-term value creation. Listening, also during the double materiality process, made it possible to identify the most relevant ESG issues and then to inform management about emerging priorities. The active involvement of stakeholders is crucial to define and implement an effective ESG Sustainability Plan, ensuring that the Group's actions meet their expectations.

As far as employees are concerned, the desire to inform and involve all colleagues has led to the adoption and continuous enhancement of various communication tools, on the one hand, and the development of dedicated processes, on the other. As the main internal communication tool, 'SOL Connect' is a corporate intranet that constitutes the link between the headquarters and the territory, both in Italy and internationally. It is a constantly updated platform where one can find information, news and services for employees, as well as useful tools for daily work. It is a constantly evolving tool, especially with regard to "iApps", applications that are constantly being updated and developed to ensure that existing workflows are updated and new ones created.

In order to stay constantly up-to-date on company activities and projects, the long-standing *in-house* "SOL News" newsletter, the company's *house organ* provides in-depth articles on the main news affecting the Group.

At the level of internal processes, in order to foster the dissemination of national and international initiatives undertaken by the Group, the Editorial Committee (set up in 2020 and composed of representatives from the marketing, HR and new plants departments, and coordinated by the Sustainability and Communication Depart-

ment) organises quarterly update and alignment sessions on current activities in order to plan communication activities, not only internally but also on external channels.
Another fundamental tool is the atmosphere survey: knowing the company atmosphere allows us to have a representation of its state of health, as perceived by the people who are part of it; the atmosphere influences business and people's behaviour. The survey, carried out at the end of 2024 and coordinated by the Corporate Executive Personnel and Legal Affairs Department, involved all Italian employees of the Group. Also in the Group's foreign companies, regular employee surveys are conducted.
The partners the SOL Group uses are external employees such as nurses, doctors, physiotherapists, delivery personnel and drivers who are considered key workers in the value chain and represent a key group of stakeholders for the company. For this category of workers with regard to health and safety issues and training and skills development, regular information activities, also carried out through employers (e.g. for drivers and deliverymen), are the main way of involving external collaborators. In fact, the SOL Group's prerogative is to build increasingly robust information processes that enable external collaborators to be fully aware of the activities or services provided and the procedures required by the Group, also to protect their health and safety.
It is specified that, as far as human rights are concerned, no relevant impacts related to external collaborators were identified.
Finally, with regard to patients and customers, the SOL Group integrates its strategy and business model with the welfare, interests, opinions and rights of customers and patients through corporate tools, such as the Code of Ethics, health and safety initiatives, the SOL Group's Anti-Corruption Code, the internal whistleblowing channel and, more generally, through all actions designed to ensure that human rights are always respected and working conditions improved. Moreover, as stated in the Code of Ethics, the SOL Group orients its activities towards satisfying the best and legitimate expectations of its customers and patients by providing them with quality products and services at competitive conditions, in compliance with the rules set up to protect competition and the market.
In parallel with what is already made explicit in GOV-2, the Board of Directors is also informed of the results of the dialogue with stakeholders on sustainability issues.
This paragraph also includes references to:
- Interests and views of stakeholders - S1 - SBM 2
- Interests and views of stakeholders - S2 - SBM 2
- Interests and views of stakeholders - S4 - SBM 2

Disclosure requirement SBM-3 - Material impacts, risks and opportunities and their interaction with strategy and business model

The double materiality process has enabled the identification of significant impacts, risks and opportunities related to business operations and the value chain. The following tables provide a summary of the relevant impacts, risks and opportunities that emerged from the double materiality assessment, indicating in the "scope" column whether these elements concern the company's direct operations or the entire value chain, both upstream and downstream, and specifying the expected time horizons.

MATERIAL IMPACTS

Material impacts, risks and opportunities

Theme / Sub-theme	Impact, Risk, Opportunity	Scope	Time horizon	Group Involvement
E1 - CLIMATE CHANGE				
Climate change adaptation				
Climate Change: Damage to persons, property or operations resulting from climatic hazards	Risk	Upstream, own operations, downstream	Medium-term	-
Climate Change Mitigation				
Generation of indirect climate emissions (Scope 3) in the value chain as a result of activities	Current negative impact	Upstream, own operations, downstream	Short-term	Caused by and directly connected to
Generation of greenhouse gases emissions (Scope 1 and 2), due to the production plants and transport activities carried out by Group vehicles, with negative impacts on climate change	Current negative impact	Own operations	Short-term	Caused by and directly connected to
Promotion of sustainable product design to reduce environmental impact, including in the value chain	Current positive impact	Own operations, downstream	Medium-term	Caused by and directly connected to
Need to meet increasing customer demand for "green"/low-carbon products and services	Opportunities	Own operations, downstream	Medium-term	-
Increased customer demand for "green"/ low-carbon products and services	Risk	Own operations, downstream	Medium-term	-
Energy				
Energy consumption and contribution to resource depletion with negative impacts on the environment and people	Current negative impact	Own operations	Short-term	Caused by
E2 - POLLUTION				
Pollution of air, water and soil				
Air, water and soil pollution in the value chain	Current negative impact	Upstream, downstream	Medium-term	Directly connected to
E3 - WATER AND MARINE RESOURCES				
Water consumption				
Water use in production processes affecting water availability	Current negative impact	Upstream, own operations, downstream	Medium-term	Caused by and directly connected to
E4 - BIODIVERSITY				
Direct impact drivers of biodiversity loss				
Damage to biodiversity (land use, species, etc.) due to overuse or inappropriate land use that upsets the balance, with consequences for the survival of species	Current negative impact	Upstream, downstream	Long-term	Directly connected to
E5 - CIRCULAR ECONOMY				
Inflows of resources, including use of resources				
Contribution to resource depletion through consumption of raw materials	Current negative impact	Upstream, own operations, downstream	Medium-term	Caused by and directly connected to
Waste				
Environmental impacts related to the production of hazardous and non-hazardous waste	Current negative impact	Upstream, own operations, downstream	Short-term	Caused by and directly connected to

(continues)

Material impacts, risks and opportunities (continues)

Theme / Sub-theme	Impact, Risk, Opportunity	Scope	Time horizon	Group involvement
S1 - OWN WORKFORCE				
Working conditions				
Create channels and opportunities for communication between employees and workers to develop a collaborative working environment	Current positive impact	Own operations	Medium-term	Caused by
Promoting the well-being of employees through the implementation of dedicated wellness activities and benefits, within a healthy and stimulating working environment	Current positive impact	Own operations	Medium-term	Caused by
Accidents or other incidents in the workplace, with negative consequences for the health of workers and outsiders	Current positive impact	Own operations	Short-term	Caused by
Fair remuneration policies for employees that value the skills of workers	Current positive impact	Own operations	Medium-term	Caused by
Limited employability, need to improve internal resource utilisation: productivity and growth can be negatively impacted by limited attraction and retention of skilled talent	Risk	Own operations	Short-term	-
Equal treatment and opportunities for all				
Detection of potentially discriminatory dynamics	Potential negative impact	Own operations	Medium-term	Caused by
Improving the skills of workers through training and professional development, general programmes and technical programmes, including those linked to growth objectives and personalised assessment (e.g. career development plans)	Current positive impact	Own operations	Short-term	Caused by
S2 - WORKERS IN THE VALUE CHAIN				
Working conditions				
Accidents or other incidents in the workplace, with negative consequences for the health of value chain workers	Current negative impact	Upstream, downstream	Short-term	Directly connected to
Risk of accidents during product transport and service in the field	Risk	Upstream, downstream	Short-term	-
Equal treatment and opportunities for all				
Detection of potentially discriminatory dynamics	Potential negative impact	Upstream, downstream	Medium-term	Directly connected to
Aspects for improvement in informing of drivers/recipients: incomplete information can lead to accidents or damage to company property	Risk	Downstream	Short-term	-
S4 - CONSUMERS AND END-USERS				
Personal safety of consumers and/or end-users				
Customer satisfaction with the quality of the product or service provided, with improvements for human health	Current positive impact	Own operations, downstream	Short-term	Caused by and directly connected to
Pharmacovigilance: inadequate collection of information on drug safety could lead to regulatory impact up to and including administrative sanctions	Risk	Own operations, downstream	Short-term	-
G1 - BUSINESS CONDUCT				
Corporate culture				
Security breaches concerning privacy and cyber security	Potential negative impact	Own operations, downstream	Short-term	Caused by and directly connected to

Material impacts, risks and opportunities (continues)

Theme / Sub-theme	Impact, Risk, Opportunity	Scope	Time horizon	Group involvement
Awareness-raising and dissemination of a culture of ethics, fairness and inclusion, and respect for human rights by management, employees, business partners and other stakeholders	Current positive impact	Upstream, own operations, downstream	Medium-term	Caused by and directly connected to
Risk of low employee awareness of IT security issues: Cyber attacks can compromise sensitive data, disrupt operations and cause financial and reputational losses	Risk	Upstream, own operations, downstream	Short-term	-
Cyber attacks can compromise sensitive data, disrupt operations and cause financial and reputational losses	Risk	Upstream, own operations, downstream	Short-term	-
Management of relations with suppliers including payment practices				
Non-compliance with applicable laws, regulations and internal and external standards, with indirect economic impacts on stakeholders	Potential negative impact	Own operations	Medium-term	Caused by
Corruption and bribery				
Violation of competition laws can lead to fines, legal action and reputational damage	Risk	Own operations, downstream	Short-term	-

In general, the significant impacts, risks and opportunities (IROs) identified by the SOL Group are closely related to the strategies implemented by the Group and its key activities performed, business relationships and the entire value chain.
The expected time horizons for the material impacts identified by the SOL Group are shown in the table and correspond to short, medium and long term periods.
To date, the Group has no economic amounts directly related to sustainability risks assessed as material in this reporting.
As part of its commitment to an increasingly structured approach to sustainability, the SOL Group is committed to periodically reviewing its analyses of material impacts, risks and opportunities. However, it should be noted that, at present, the Group has not yet formalised a qualitative/quantitative assessment of the resilience of its strategy and business model in dealing with material impacts and risks.
In the double materiality process, the SOL Group has not identified any impacts, risks or opportunities that would require the adoption of entity-specific indicators.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities

The double materiality process, coordinated by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, was developed along two main lines: impact materiality and financial materiality.
The Group has followed the EFRAG IG1 guide: Materiality Assessment, to identify and assess impacts, risks and opportunities related to sustainability issues. In the first phase, concerning the understanding of the context, industry benchmarks were carried out, supported by internal analyses. In the second phase, dedicated to the identification of IROs, the Group integrated several parameters to reflect the complexity of its business, considering the geographical and sectoral diversity of its operations, while also taking into account the list of themes, sub-themes and sub-sub-themes set out in ESRS 1 Application Requirement 16. Specific methodologies have also been defined for assessing the materiality of impacts (impact materiality) and risks and opportunities (financial materiality), described in the following paragraphs.
As part of the impact materiality assessment activities, the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department has organised meetings with SOL Group management, dur-

ing which participants were asked to quantify the magnitude of each identified impact, calculated as the product of the ratings attributed to the benefit (for positive impacts) or severity (for negative impacts) and the probability of occurrence.
In this regard, the following evaluation criteria are specified:

- The benefit, rated on a range from 1 to 5, indicates the significance of the positive effect (scale) and the spread of the impact (magnitude);
- Severity, assessed on a range from 1 to 5, represents the significance of the negative effect (scale), the spread of the impact (magnitude) and the irreparable nature, without considering any mitigation actions taken by the Group;
- The probability of occurrence was assessed on a range from 1 to 5 for potential impacts, and set at 5 for actual impacts.

In particular, with regard to negative impacts on human rights, priority was given to severity over likelihood.
In addition to the management's assessment, the Group opted to involve a sample of employees through interviews, who assessed all the Group's impacts following the methodology described above.
Once all the assessments were gathered, the Group consolidated the results and set the materiality threshold at "3" (material impact). It is important to emphasise that should an impact receive a rating higher than "3" by even one group of stakeholders, that impact would be considered material for reporting purposes.
In assessing financial materiality, the SOL Group considered both the magnitudeof risks and opportunities as well as their likelihood. This process was conducted through specific interviews with *risk owners* as part of the structured *"Enterprise Risk* Management" *(ERM*) process implemented in the SOL Group. In line with the ERM methodology adopted by the Group, the approach adopted focused on assessing the magnitude of each risk in the most probable time horizon and estimating the probability, taking into account the residual risk and the effects of any mitigation measures adopted, and using EBITDA as an economic-financial parameter to measure the financial impact of risks and sustainability opportunities.
The SOL Group analysed how their dependencies influence risks and opportunities, identifying the natural, social and human resources involved in each aspect of the double materiality process. In this context, key risk and opportunity dependencies relevant to the Group include the management of security procedures, market trend analysis, investor and shareholder relations, talent acquisition and infrastructure resilience, covering natural, social and human dimensions in an integrated manner.
At the end of the evaluation process, the SOL Group calculated a score, multiplying the probability score by the risk/opportunity magnitude score, according to the following method:

- A numerical assessment (on a scale of"1" to "5")of the extent of sustainability-related risks/opportunities;
- A numerical assessment (on a scale of "1" to "5") of the probability of occurrence of sustainability-related risks and opportunities.

The threshold for assessing financial materiality was set conservatively a "5" (medium/low), on a scale ranging from "1" to "25". The results of the process were shared and approved by the Board of Directors of SOL Spa.

IRO-1 - E1 - Climate Change

The impacts, risks and opportunities related to climate change were identified through an analysis of the Group's main activities and along the value chain. In terms of impacts, Scope 1, Scope 2, Scope 3 emissions and energy consumption are significant for the Group.
With regard to risks and opportunities, one risk was identified related to climate change, and one related to the increase in demand for sustainable products and services related to climate change adaptation and mitigation issues.
The Group further deepened the assessments previously conducted in order to identify the main risk factors related to climate change, considering both physical and transitional risks, as well as any associated opportunities. At the end of these analyses, the Group considered that, among the transitional risks, the most relevant ones are related to customer demands regarding the sustainability of the supply chain and the purchased products (risks arising from the transformation of market demand), technological evolution (risks related to

the necessary technological innovations) and regulatory evolution (risks arising from laws or policies aimed at promoting change).
No formalised analyses of physical risks (with the exception of the following for hydropower plants located in Slovenia and North Macedonia) or climate-related transition risks were carried out, nor resilience analyses related to own operations and the value chain.
In relation to the hydropower plant sites located in Slovenia and North Macedonia, whose activities are considered to be aligned with the Taxonomy, analyses were carried out to identify physical risks related to relevant climate change, as well as to identify relevant solutions and adaptation measures. The analysis revealed that the most significant risks are those related to drought and water stress, for which the most suitable adaptation solutions were identified, such as the adoption of plans and tools to monitor rainfall levels. In this regard, please refer to the information provided in Chapter ”E1 - Climate Change”.

IRO-1 - E2 - Pollution

As a result of the double materiality analysis performed, the material impacts for the SOL Group, as far as pollution is concerned, are emissions into air, water and soil, which are relevant in the value chain. Indeed, the issue of pollution, as defined by the ESRS, is not relevant for the SOL Group from the point of view of its business, since the substances produced and handled by the SOL Group do not lead to either significant emissions of pollutants into the atmosphere, significant emissions into water, or contamination of the soil and subsoil, aspects that are nevertheless constantly and carefully monitored. However, the configuration of the value chain, both upstream and downstream, means that the Group is focused on this issue.
As far as the supply chain is concerned, the main products and services purchased by Group companies are electricity, resale gases, transport, maintenance, technical and nursing services, while capital goods and resale products consist of: production equipment, tanks, cylinders, for the technical gases division and medical devices for the home care division.
The sectors involved (energy, steel, transport) and the underlying production processes are characterised by the emission of pollutants into the air, water and soil; therefore, the SOL Group is committed to continuous improvement in managing impacts in the value chain, with the aim of minimising negative externalities.
In view of the irrelevance of biodiversity to the Group’s activities, the Company did not deem it necessary to conduct consultations with affected communities on sustainability assessments related to pollution. Please refer to Section E2 for more details on the analysis performed.

IRO-1 - E3 - Water and Marine Resources

With regard to the topic at hand, the materiality analysis did not lead to the detection of any relevant risks or opportunities, while the current negative impact related to the use of water in its production processes, with repercussions on the availability of the water resource, was found to be material. With regard to this impact, the Group’s own activities and those of the stakeholders in the value chain related to water and marine resources were considered. Currently, the Group has not engaged in targeted consultations with affected communities to identify impacts, risks and opportunities related to marine waters and resources.
Please refer to Section E3 for more details on the analysis performed.

IRO-1 - E4 - Biodiversity and ecosystems

With regard to the description of processes for identifying and assessing relevant impacts, risks and opportunities related to biodiversity and ecosystems, please refer to what has already been described in section IRO-1 of this document.
With the awareness that biodiversity is becoming an increasingly important issue, a mapping exercise was carried out using the Natura 2000 tool to identify and analyse its primary sites in order to manage any biodiversity problems within its sites. Natura 2000 is the European Union’s main policy instrument for the conservation of biodiversity.

None of the Group's sites are located within biodiversity-sensitive areas. Although some sites are located near key biodiversity areas, such as reservoirs or watercourses or green areas, it has been assessed that the activities of the SOL Group have a negligible impact on biodiversity. The activities of the entities in the value chain have led to the identification of the material impact related to damage to biodiversity (land use, species, etc.) due to excessive or inappropriate land use that undermines the balance, with consequences for the survival of species.
In the context of the mapping process of its impacts, risks and opportunities, the Group did not identify any impacts of its business on biodiversity and ecosystems. As mentioned in the introduction to this section, these impacts may apply to certain entities in the Group's value chain.
In view of the irrelevance of biodiversity to the Group's activities, it did not deem it necessary to conduct consultations with affected communities on sustainability assessments of shared biological resources and ecosystems.
The SOL Group operates in compliance with applicable local and EU regulations, and consequently there is no need to undertake any additional mitigation actions beyond those already taken for this purpose.

IRO-1 - E5 - Circular Economy

With regard to this topic, the Group performed a detailed review of its operations and the entire value chain to identify the impacts, risks and opportunities associated with resource use and the circular economy. The materiality analysis did not lead to the detection of any relevant risks or opportunities, while material actual negative impacts were found concerning the consumption of raw materials, which contributes to the depletion of natural resources, and the generation of hazardous and non-hazardous waste, which leads to negative environmental impacts.
From the point of view of output resources, the main waste generated comes from activities carried out at:

- Primary production facilities, related to maintenance activities: this involves both non-hazardous waste (mainly ferrous scrap, packaging and insulation materials) and hazardous waste (mainly waste oil used for machine lubrication and ammonia solution from ammonia conditioning);
- The Group's specialised maintenance centres: waste is generated from containers discarded for safety reasons during the testing of cylinders and cryogenic containers (non-hazardous waste), disposal of electrical and electronic equipment that can no longer be repaired

The only waste generated directly by a production process in the Group's plants is calcium hydrate (lime), a by-product of acetylene production which, when it cannot be sold, must necessarily be sent for disposal as hazardous or non-hazardous waste, depending on its characterisation.
Currently, the Group has not engaged in targeted consultations with affected communities to identify impacts, risks and opportunities related to the circular economy.
Please refer to Section E5 for more details on the analysis performed.

IRO-1 - G1 - Business Conduct

In order to identify the impacts, risks and opportunities related to business conduct, the Group has developed specific and punctual analyses, for the representation of which please refer to the double materiality analysis process presented in the previous paragraphs.

Disclosure requirement IRO-2 - Disclosure requirements in ESRS covered by the undertaking's sustainability statement

The following table lists the ESRS disclosure requirements that guided the preparation of the Group's Sustainability Report 2024.

ESRS topic	ESRS disclosure obligation	Reference Section
ESRS 2 - General basis for preparation	BP-1 General basis for preparation of sustainability statements	General disclosures ESRS 2 - General disclosures General basis for preparation
	BP-2 Disclosures in relation to specific circumstances	General disclosures ESRS 2 - General disclosures General basis for preparation
ESRS 2 - Governance	ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	General disclosures ESRS 2 - General disclosures Governance
	ESRS 2 GOV-2 - Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	General disclosures ESRS 2 - General disclosures Governance
	ESRS 2 GOV-3 Disclosure requirement - Integration of sustainability-related performance into incentive schemes	General disclosures ESRS 2 - General disclosures Governance
	ESRS 2 GOV-4 Statement on due diligence	General disclosures ESRS 2 - General disclosures Governance
	ESRS 2 GOV-5 - Risk management and internal controls over sustainability reporting	General disclosures ESRS 2 - General disclosures Governance
ESRS 2 - Strategy	SBM-1 Strategy, business model and value chain	General disclosures ESRS 2 - General disclosures Strategy
	SBM-2 - Interests and views of stakeholders	General disclosures ESRS 2 - General disclosures Strategy
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	General disclosures ESRS 2 - General disclosures Strategy
ESRS 2 - Management of impacts, risks and opportunities	IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
European Taxonomy	Disclosures pursuant to Article8 of Regulation (EU) 2020/852 (Taxonomy Regulation)	Environmental Information The European Taxonomy
ESRS E1 - Climate Change	ESRS 2 GOV-3 Integration of sustainability-related performance into incentive schemes	General disclosures ESRS 2 - General disclosures Governance
	E1-1 Transition Plan for climate change mitigation	Environmental Information ESRS E1 - Climate Change Strategy
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental Information ESRS E1 - Climate Change Strategy
	ESRS 2 IRO-1 - Description of the processes to identify and assess material climate-related impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	E1-2 Policies related to climate change mitigation and adaptation	Environmental Information ESRS E1 - Climate Change Impact, risk and opportunity management
	E1-3 Actions and resources in relation to climate change policies	Environmental Information ESRS E1 - Climate Change Impact, risk and opportunity management

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ESRS topic	ESRS disclosure obligation	Reference Section
	E1-4 Targets related to climate change mitigation and adaptation	Environmental Information ESRS E1 - Climate Change Metrics and Targets
	E1-5 Energy consumption and mix	Environmental Information ESRS E1 - Climate Change Metrics and Targets
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	Environmental Information ESRS E1 - Climate Change Metrics and Targets
	ESRS E1-7 GHG removals and GHG mitigation projects financed through carbon credits	Environmental Information ESRS E1 - Climate Change Metrics and Targets
	E1-8 Internal carbon pricing	Environmental Information ESRS E1 - Climate Change Metrics and Targets
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option.
ESRS E2 - Pollution	ESRS 2 IRO-1 - Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	E2-1 Policies related to pollution	Environmental Information ESRS E2 - Pollution Impact, risk and opportunity management
	E2-2 Actions and resources related to pollution	Environmental Information ESRS E2 - Pollution Impact, risk and opportunity management
	E2-3 Targets related to pollution	Environmental Information ESRS E2 - Pollution Metrics and Targets
	E2-4 Pollution of air, water and soil	Environmental Information ESRS E2 Pollution Metrics and Targets
	E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities	For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option
ESRS E3 - Water and marine resources	ESRS 2 IRO-1 Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	E3-1 Policies related to water and marine resources	Environmental Information ESRS E3 - Water and Marine Resources Management of impacts, risks and opportunities
	E3-2 Actions and resources related to water and marine resources	Environmental Information ESRS E3 - Water and Marine Resources Impact, risk and opportunity management
	E3-3 Targets related to water and marine resources	Environmental Information ESRS E3 - Water and Marine Resources Metrics and Targets
	E3-4 Water consumption	Environmental Information ESRS E3 - Water and Marine Resources Metrics and Targets
	E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option
ESRS E4 - Biodiversity and ecosystems	E4-1 Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Environmental Information ESRS E4 - Biodiversity and Ecosystems Strategy

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ESRS topic	ESRS disclosure obligation	Reference Section
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Environmental Information ESRS E4 - Biodiversity and Ecosystems Strategy
	ESRS 2 IRO-1 Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	E4-2 Policies related to biodiversity and ecosystems	Environmental Information ESRS E4 - Biodiversity and Ecosystems Impact, risk and opportunity management
	E4-3 Actions and resources related to biodiversity and ecosystems	Environmental Information ESRS E4 - Biodiversity and Ecosystems Impact, risk and opportunity management
	E4-4 Targets related to biodiversity and ecosystems	Environmental Information ESRS E4 - Biodiversity and Ecosystems Metrics and Targets
	E4-6 Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option
ESRS E5 Resource use and the circular economy	ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	E5-1 Policies related to resource use and circular economy	Environmental Information ESRS E5 - Resource use and circular economy Impact, risk and opportunity management
	E5-2 Actions and resources related to resource use and circular economy	Environmental Information ESRS E5 - Resource Use and Circular Economy - Managing Impacts risks and opportunities
	E5-3 Targets related to resource use and circular economy	Environmental Information ESRS E5 - Resource use and circular economy - Metrics and targets
	E5-4 Resource inflows	Environmental Information ESRS E5 - Resource use and circular economy - Metrics and targets
	E5-5 Resource outflows	Environmental Information ESRS E5 - Resource use and circular economy - Metrics and targets
	E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option
ESRS S1 - Own workforce	ESRS 2 SBM-2 Interests and views of stakeholders	General disclosures ESRS 2 - General disclosures Strategy
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information ESRS S1 - Own workforce Strategy
	S1-1 Policies related to own workforce	Social Information ESRS S1 - Own workforce Impact, risk and opportunity management
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	Social Information ESRS S1 - Own workforce Impact, risk and opportunity management
	S1-3 Processes to remediate negative impacts and channels for own workers to raise concerns	Social Information ESRS S1 - Own workforce Impact, risk and opportunity management
	S1-4 Processes to remediate negative impacts and channels for own workers to raise concerns	Social Information ESRS S1 - Own workforce Impact, risk and opportunity management

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ESRS topic	ESRS disclosure obligation	Reference Section
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-6 Characteristics of the undertaking's employees	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-7 Characteristics of non-employee workers in the undertaking's own workforce	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-8 Collective bargaining coverage and social dialogue	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-9 Diversity metrics	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-10 Adequate wages	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-11 Social protection	The Group, as provided for by Annex C of ESRS1 made use of of the transitional provision (phase-in) for this Disclosure Requirement
	S1-12 Persons with disabilities	The Group, as provided for by Annex C of ESRS1 made use of of the transitional provision (phase in) for this Disclosure Requirement
	S1-13 Training and skills development metrics	The Group, as provided for by Annex C of ESRS1 made use of of the transitional provision (phase in) for this Disclosure Requirement
	S1-14 Health and safety metrics	Social Information ESRS S1 - Own workforce Metrics and targets. For the fiscal year 2024, which corresponds to the first year of sustainability reporting in accordance with ESRS, the Group has decided to make use of the phase-in option only for non-employee workers
	S1-15 Work-life balance metrics	As required by Annex C of ESRS1, the Group made use of the transitional provision (phase in) for this Disclosure requirement
	S1-16 Compensation metrics (pay gap and total compensation)	Social Information ESRS S1 - Own workforce Metrics and targets
	S1-17 Incidents, complaints and severe human rights impacts	Social Information ESRS S1 - Own workforce Metrics and targets
ESRS S2 Workers in the value chain	ESRS 2 SBM-2 Interests and views of stakeholders	General disclosures ESRS 2 - General disclosures Strategy
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information ESRS S2 - Workers in the value chain - Strategy
	S2-1 Policies related to value chain workers	Social Information ESRS S2 - Workers in the Value Chain - Management of impacts risks and opportunities
	S2-2 Processes for engaging with value chain workers about impacts	Social Information ESRS S2 - Workers in the Value Chain - Impact, risk and opportunity management
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	Social Information ESRS S2 - Workers in the Value Chain - Impact, risk and opportunity management
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Social Information ESRS S2 - Workers in the Value Chain - Impact, risk and opportunity management

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ESRS topic	ESRS disclosure obligation	Reference Section
	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social Information ESRS S2 - Workers in the Value Chain - Metrics and targets
ESRS S4 - Consumers and end-users	ESRS 2 SBM-2 - Interests and views of stakeholders	General disclosures ESRS 2 - General disclosures Strategy
	ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Social Information ESRS S4 - Consumers and end-users Strategy
	S4-1 Policies related to consumers and end-users	Social Information ESRS S4 - Consumers and end-users Impact, risk and opportunity management
	S4-2 Processes for engaging with consumers and end-users about impacts	Social Information ESRS S4 - Consumers and end-users Impact, risk and opportunity management
	S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Social Information ESRS S4 - Consumers and end-users Impact, risk and opportunity management
	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Social Information ESRS S4 - Consumers and end-users Impact, risk and opportunity management
	S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Social Information ESRS S4 - Consumers and end-users Metrics and targets
ESRS G1 Business Conduct	ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	General disclosures ESRS 2 - General disclosures Governance
	ESRS 2 IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures ESRS 2 - General disclosures Impact, risk and opportunity management
	G1-1 Corporate culture and business conduct policies	Governance Information ESRS G1 - Business Conduct Impact, risk and opportunity management
	G1-2 Management of relationships with suppliers	Governance Information ESRS G1 - Business Conduct Impact, risk and opportunity management
	G1-3 Prevention and detection of corruption and bribery	Governance Information ESRS G1 - Business Conduct Impact, risk and opportunity management
	G1-4 Confirmed incidents of corruption or bribery	Governance Information ESRS G1- Business Conduct Metrics and Targets
	G1-6 Payment practices	Governance Information ESRS G1 - Business Conduct Metrics and Objectives

The following table lists the information arising from other EU legislative acts, reported in this Consolidated Sustainability Report, as indicated in Appendix B of ESRS2 (List of information elements relating to cross-cutting and thematic principles arising from otherEUlegislative acts).

Disclosure requirement and related datapoint	SFDR Reference [1]	Pillar 3 Reference [2]	Benchmark Regulation Reference [3]	EU Climate Law reference [4]
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10 Table #3 of Annex 1			
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; | Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818(7), Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II	
ESRS E1-1 Transition plan to achieve climate neutrality by 2050, paragraph 14				Article 2(1) of Regulation (EU) 2021/1119
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1(d) to (g), and Article 12.2	
ESRS E1-4 GHG emission reduction targets paragraph 34	Annex I, Table 2, Indicator No. 4	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex I			
ESRS E1-5 Energy consumption and mix paragraph 37	Annex I, Table 1, Indicator No. 5			
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Annex I, Table 1, Indicator No. 6			

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Disclosure requirement and related datapoint	SFDR Reference [1]	Pillar 3 Reference [2]	Benchmark Regulation Reference [3]	EU Climate Law reference [4]
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1 and n. 2 Table #1 of Annex I	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5 (1), 6 and 8 (1)	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Annex I, Table 1, Indicator No. 3	Article 449a of Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, Template 3: Banking book - Climate change transition risk: alignment metrics	Article 8(1) of Delegated Regulation (EU) 2020/ 1818	
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 **NOT RELEVANT**			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II	
Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c) **NOT RELEVANT**		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk		
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c) **NOT RELEVANT**		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34;Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral		
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69 **NOT RELEVANT**			Delegated Regulation (EU) 2020/1818, Annex II	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex I Indicator number 2 Table #2 of Annex I Indicator number 1 Table #2 of Annex I Indicator number 3 Table #2 of Annex I			
ESRS E3-1 Water and marine resources paragraph 9	Annex I, Table 2, Indicator No. 7			
ESRS E3-1 Dedicated policy paragraph 13	Annex I, Table 2, Indicator No. 8			
ESRS E3-1 Sustainable oceans and seas paragraph 14	Annex I, Table 2, Indicator No. 12			
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Annex I, Table 2, Indicator No. 6.2			
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Annex I, Table 2, Indicator No. 6.1			

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Disclosure requirement and related datapoint	SFDR Reference [1]	Pillar 3 Reference [2]	Benchmark Regulation Reference [3]	EU Climate Law reference [4]
ESRS 2 SBM-3 - E4 paragraph 16 (a) (i)	Annex I, Table 1, Indicator No. 7			
ESRS 2 SBM-3 - E4 paragraph 16 (b)	Annex I, Table 2, Indicator No. 10			
ESRS 2 SBM-3 - E4 paragraph 16 (c)	Annex I, Table 2, Indicator No. 14			
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Annex I, Table 2, Indicator No. 11			
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Annex I, Table 2, Indicator No. 12			
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Annex I, Table 2, Indicator No. 15			
ESRS E5-5 Non-recycled waste paragraph 37(d)	Annex I, Table 2, Indicator No. 13			
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Annex I, Table 1, Indicator No. 9			
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Annex I, Table 3, Indicator No. 13			
ESRS 2 - SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Annex I, Table 3, Indicator No. 12			
ESRS S1-1 Human rights policy commitments paragraph 20	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11			
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Annex I, Table 3, Indicator No. 11			
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Annex I, Table 3, Indicator No. 1			
ESRS S1-3 grievance/ complaints handling mechanisms paragraph 32 (c)	Annex I, Table 3, Indicator No. 5			
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	Annex I, Table 3, Indicator No. 2		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Annex I, Table 3, Indicator No. 3			
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Annex I, Table 1, Indicator No. 12		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Annex I, Table 3, Indicator No. 8			
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Annex I, Table 3, Indicator No. 7			

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Disclosure requirement and related datapoint	SFDR Reference [1]	Pillar 3 Reference [2]	Benchmark Regulation Reference [3]	EU Climate Law reference [4]
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Annex I, Table 1, Indicator No. 10 and Annex I, Table 3, Indicator No. 14		Annex II of Delegated Regulation (EU) 2020/1816 and Article 12(1) of Delegated Regulation (EU) 2020/1818	
ESRS 2 SBM-3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I			
ESRS S2-1 Human rights policy commitments paragraph 17	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11			
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicators number 11 and n. 4 Table #3 of Annex I			
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Annex I, Table 1, Indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Annex I, Table 3, Indicator No. 14			
ESRS S3-1 Human rights policy commitments paragraph 16 **NOT RELEVANT**	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11			
ESRS S3-1 Non-compliance with UN Guiding Principles on Business and Human Rights, ILO principles or OECD Guidelines, paragraph 17 **NOT RELEVANT**	Annex I, Table 1, Indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
ESRS S3-4 Human rights issues and incidents paragraph 36 **NOT RELEVANT**	Annex I, Table 3, Indicator No. 14			
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Annex I, Table 3, Indicator No. 9 and Annex I, Table 1, Indicator No. 11			
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Annex I, Table 1, Indicator No. 10		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	
ESRS S4-4 Human rights issues and incidents paragraph 35	Annex I, Table 3, Indicator No. 14			
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Annex I, Table 3, Indicator No. 15			
ESRS G1-1 Protection of whistle-whistleblowers paragraph 10 (d)	Annex I, Table 3, Indicator No. 6			

(continues)

Disclosure requirement and related datapoint	SFDR Reference [1]	Pillar 3 Reference [2]	Benchmark Regulation Reference [3]	EU Climate Law reference [4]
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	Annex I, Table 3, Indicator No. 17		Delegated Regulation (EU) 2020/1816, Annex II	
ESRS G1-4 Standards of anti-corruption and anti-bribery paragraph 24 (b)	Annex I, Table 3, Indicator No. 16			

1 Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability reporting in the financial services sector (Regulation on sustainability reporting in the financial sector) (OJ L 317, 9.12.2019, p. 1).

2 Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (Capital Requirements Regulation "CRR") (OJ L 176 of 27.6.2013, p. 1).

3 Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 concerning indices used as benchmarks in the financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014 (OJ L 171, 29.6.2016, p. 1).

4 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for the achievement of climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999("European Climate Law")(OJ L 243, 9.7.2021, p. 1).

ENVIRONMENTAL INFORMATION

EUROPEAN TAXONOMY

Regulation (EU) 2020/852 (Taxonomy) is part of the regulatory framework outlined by the European Union starting in 2018 with the publication of the Action Plan to finance sustainable growth and subsequently relaunched in 2019 with the European Green Deal, with the ultimate goal of meeting the challenges posed by climate change and ensuring the continent's ecological transition to carbon neutrality by 2050, with an intermediate target of a 55% reduction in greenhouse gas emissions by 2030.
Acknowledging the decisive role of the financial sector in mobilising the resources needed to achieve these ambitious objectives, the European Commission, with the Taxonomy, wanted to create a common language for the benefit of all market players that would allow an unambiguous definition of "environmentally sustainable" activities with reference to the following environmental objectives: mitigation of climate change; adaptation to climate change; sustainable use and protection of water and marine resources; transition to a circular economy; prevention and reduction of pollution; protection and restoration of biodiversity and ecosystems.
In particular, according to the Taxonomy, economic activities that contribute to at least one of the environmental objectives are considered "environmentally sustainable", provided that they do not cause significant damage to any of the environmental objectives (DNSH), that they are carried out in compliance with minimum human rights safeguards, and that they meet the criteria laid down in the Regulation's delegated acts.
As of January 1, 2025, all companies that have to prepare sustainability reports according to Legislative Decree 125/2024 are required to provide details regarding the portion of their turnover, the percentage of capital expenditure (CAPEX) and the percentage of operating expenditure (OPEX) pertaining to the Group's economic activities that qualify as both potentially sustainable ("eligible"), and actually environmentally sustainable ("aligned") (i.e. meet the aforementioned requirements set out by Art. 3 of the Regulation).
This joint assessment covers for the year 2024 the economic activities eligible for all climate and environmental targets, namely:

i) climate change mitigation;
ii) climate change adaptation;
iii) sustainable use and protection of water and marine resources;
iv) transition to a circular economy;
v) pollution prevention and control;
vi) protection and restoration of biodiversity and ecosystems.

With regard to the climate change mitigation (CCM) objective, the SOL Group identified the following activities as eligible:

- Activity 3.10 - Manufacture of hydrogen
- Activity 3.14 - Manufacture of organic basic chemicals, with regard to the Group's acetylene production activities
- Activity 4.5 - Electricity generation from hydropower
- Activity 7.3 Installation, maintenance and repair of energy efficiency equipment
- Activity 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- Activity 7.6 Installation, maintenance and repair of renewable energy technologies

These activities were then subject to verification of the technical screening criteria in Annex I of Delegated Regulation (EU) 2021/2139 concerning the climate change mitigation (CCM) objective, compliance with the principle of not significantly harming any of the other environmental objectives (DNSH), and compliance with the minimum safeguards. This assessment identified as an eligible activity electricity generation from hydropower(Activity 4.5), limited to plants located in North Macedonia and Slovenia.

The criterion of substantial contribution to the climate change mitigation objective was fulfilled as the power plants are run-of-river with no artificial reservoir. In order to verify that the identified activity 4.5 would not significantly harm the other objectives applicable to it - climate change adaptation (CCA); sustainable use and protection of water and marine resources (WTR); and protection and restoration of biodiversity and ecosystems (BIO) - an analysis of existing environmental procedures, global procedures and national regulations in force in the countries where the plants in question operate was performed, and compliance with the authorisations for their operation was verified.

In addition, a specific assessment (conducted according to the requirements ofAppendix A of Annex I of the Climate Delegated Act) was carried out to identify the physical climatic risks relevant to the plants under analysis, and the relevant solutions and adaptation measures. From this analysis, the risks related to drought and water stress emerged as most significant, in relation to which the most appropriate adaptation solutions were identified (e.g. adopting rainfall monitoring plans and tools). In any case, the Group believes that these interventions are not urgent at this time, nor do they require significant investments. In terms of respecting minimum social safeguards, the SOL Group guarantees and promotes the protection of human rights, operating within the framework of the principles and criteria defined by the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the relevant principles of the International Labour Organisation. With this in mind, the Group has adopted a Code of Ethics, a system for evaluating suppliers according to social and environmental criteria, and - where applicable - a 231 Organisational Model and an Anti-Corruption Code. It should also be noted that the same activity 4.5, carried out at the Group's remaining plants, was only assessed as eligible, in the absence of compliance with the alignment requirements as described above. Finally, the SOL Group reported financial metrics for each eligible activity by turnover (Turnover), capital expenditure (CapEx) and operating expenditure (OpEx).

The analyses were conducted with a prudential approach, taking into account current interpretations of the Taxonomy regulation, as well as official clarifications provided by the EU Commission regarding the practical application of the regulation and the preparation of relevant disclosures. In line with evolving interpretations and regulatory requirements, the information presented in this chapter may be subject to further updates and revisions.

The Turnover KPI represents the portion of net revenues derived from services or products, including intangible products, that originate from eligible-aligned economic activities (numerator) divided by the total revenues (denominator) corresponding to the item "net sales" in the consolidated financial statements. Of the total revenue of EUR 1,610,444 thousand, EUR 15,720 thousand is included in the taxonomic analysis. Of the scope subject to analysis, 0.98% of the revenues are eligible, of which 0.16% are eligible and aligned, namely, Activity 4.5 - Electricity generation from hydropower; the remaining 99.02% are non-eligible revenues. The Turnover KPI was presented in tabular format using the template in Annex II of Delegated Regulation (EU) 2021/2178.

Share of turnover derived from products or services associated to economic activities aligned to the taxonomy - Disclosure for the year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency €/000	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmental sustainable activities (Taxonomy-aligned)									
Electricity generation from hydropower	CCM 4.5	2,623	0.16%	Yes	No	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1) (d)		2,623	0.16%	0.16%	0%	0%	0%	0%	0%
Of which enabling		0	0%						
Of which transitional		0	0%						
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Manufacture of hydrogen (e)	CCM 3.10	3,598	0.22%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of organic basic chemicals (e)	CCM 3.14	2,579	0.16%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower (e)	CCM 4.5	6,919	0.43%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		13,096	0.81%	0.81%	0%	0%	0%	0%	0%
A. Turnover of Taxonomy eligible activities (A.1+A.2)		15,720	0.98%	0.98%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy-non-eligible activities		1,594,724	99.02%						
Total		**1,610,444**	**100.00%**						

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate Change Mitigation: CCM
- Climate change adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Prevention and reduction of pollution: PPC
- Biodiversity and ecosystems: BIO

(b) Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL – not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings.
An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.16%	0.81%
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may align with only one or more environmental objectives for which it is eligible
(e) The same activity may be eligible and not aligned with the relevant environmental objectives
(f) EL - Taxonomy eligible activity for the relevant objective
N/EL - Taxonomy non-eligible activity for the relevant objective

DNSH criteria (Does Not Significantly Harm)(h)									
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
N/A	Yes	Yes	N/A	N/A	Yes	Yes	0.20%		
N/A	Yes	Yes	N/A	N/A	Yes	Yes	0.20%		
						Yes	0%	A	
						Yes	0%		T
							0.20%		
							0.18%		
							0.67%		
							1.04%		
							1.24%		

As for the second indicator required by the taxonomy, the CapEx KPI was calculated by dividing the capital expenditures related to eligible-aligned assets (numerator) by the value constituting the total CapEx (denominator) corresponding to the commentary notes 8 "Tangible fixed assets", 10 "Other intangible fixed assets" of the consolidated financial statements. Specifically, the numerator for the calculation of CapEx is represented by additions to tangible and intangible assets and usage rights during the year, before depreciation, any revaluations and excluding changes due to fair value. The denominator, on the other hand, includes total capital expenditures and additions to usage rights, before depreciation, any revaluations and excluding changes due to fair value. Of the Group's capital expenditure, 0.08% is for investments in taxonomy-eligible activities totalling EUR 231,000; these are the installation of energy efficiency devices, installation of charging stations for electric vehicles, and installation of renewable energy technologies (such as solar panels). Leases that do not result in the recognition of a right of use on the asset side have not been counted as capital expenditures, but as operating expenditures, avoiding double counting in the numerator of the KPI when allocating capital expenditures to the various economic activities. The details of the template required by Annex II of the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 for the CapEx KPI are given below:

Share of capital expenditure resulting from products or services associated to taxonomy-aligned economic activities - Disclosure for the year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities (1)	Code (a) (2)	CapEx (3)	Share of CapEx, year 2024 (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency €/000	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmental sustainable activities (Taxonomy-aligned)									
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) (d)		0	0.0%						
Of which enabling		0	0%						
Of which transitional		0	0%						
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Installation, maintenance and repair of energy efficiency equipment (e)	CCM 7.3	150	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (e)	CCM 7.4	19	0.01%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies (e)	CCM 7.6	61	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		231	0.08%	100%	0%	0%	0%	0%	0%
A. CapEx of Taxonomy eligible activities (A.1+A.2)		231	0.08%	0%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-non-eligible activities		281,542	99.92%						
Total		**281,773**	**100%**						

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective
- Climate Change Mitigation: CCM
- Climate change adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Prevention and reduction of pollution: PPC
- biodiversity and ecosystems: BIO

b) Yes - Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective
No - No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective
N/EL - not eligible, Taxonomy-non-eligible activity for the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings.
An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.08%
CCA		
WTR		
CE		
PPC		
BIO		

DNSH criteria (Does Not Significantly Harm)(h)									
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023 (18)	Category (enabling activity or) (19)	Category (transitional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
							0.00%		
								A	
									T
							0.03%		
							0.16%		
							0.21%		
							0.21%		

(d) The same activity may align with only one or more environmental objectives for which it is eligible
(e) The same activity may be eligible and not aligned with the relevant environmental objectives
(f) EL - Taxonomy eligible activity for the relevant objective
N/EL - Taxonomy non-eligible activity for the relevant objective

Finally, with reference to the third KPI, i.e. operating expenses, an analysis of consolidated costs was carried out, and thus net of *intercompany* costs. The numerator corresponds to the portion of operating expenses of eligible assets included in the denominator related to non-capitalised direct costs associated with research and development, building renovation, short-term rental maintenance and repair, and any other direct expenditure related to the day-to-day maintenance of property, plant and equipment, and the denominator corresponds to the total OpEx related to the above categories. The main cost categories within the scope of analysis are maintenance costs.

The analysis showed that 2.22% of the costs incurred and analysed were eligible and 0.78% also aligned. The remaining 97.78% were ineligible. The economic activity with operating expenses aligned with the Taxonomy is Electricity generation from hydropower in the amount of EUR 401,000.

The OpEx KPI is shown in tabular format.

Share of operating expenditure resulting from products or services associated to taxonomy-aligned economic activities - Disclosure for the year 2024

Financial year 2024	Year			Substantial contribution criteria					
Economic activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		Currency €/000	%	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)	Y; N; N/EL; (b)(c)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmental sustainable activities (Taxonomy-aligned)									
Electricity generation from hydropower	CCM 4.5	401	0.78%	Yes	No	N/EL	N/EL	N/EL	N/EL
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1) (d)		401	0.78%	0.78%	0%	0%	0%	0%	0%
Of which enabling		0	0%						
Of which transitional		0	0%						
A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)									
				EL; N/EL	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)
Manufacture of hydrogen (e)	CCM 3.10	287	0.56%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture of organic basic chemicals (e)	CCM 3.14	90	0.17%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Electricity generation from hydropower (e)	CCM 4.5	362	0.71%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		739	1.44%	1.44%	0%	0%	0%	0%	0%
A. OpEx of Taxonomy eligible activities (A.1+A.2)		1,140	2.22%	2.22%	0%	0%	0%	0%	0%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-non-eligible activities		50,219	97.78%						
Total		**51,359**	**100%**						

(a) The Code constitutes the abbreviation of the relevant objective to which the economic activity is eligible to make a substantial contribution, as well as the section number of the activity in the relevant Annex covering the objective, i.e.:
- Climate Change Mitigation: CCM
- Climate Change Adaptation: CCA
- Water and Marine Resources: WTR
- Circular Economy: CE
- Pollution Prevention and Control: PPC
- Biodiversity and Ecosystems: BIO

b) Yes - Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of financial undertakings while avoiding double counting. In their respective KPIs, where the use of proceeds from the financing is not known, financial undertakings shall compute the financing of economic activities contributing to multiple environmental objectives under the most relevant environmental objective that is reported in bold in this template by non-financial undertakings. An environmental objective may only be reported in bold once in one row to avoid double counting of economic activities in the KPIs of financial undertakings. This shall not apply to the computation of Taxonomy-alignment of economic activities for financial products defined in point (12) of Article 2 of Regulation (EU) 2019/2088. Non-financial undertakings shall also report the extent of eligibility and alignment per environmental objective, that includes alignment with each of environmental objectives for activities contributing substantially to several objectives, by using the template below:

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.78%	1.44%
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may align with only one or more environmental objectives for which it is eligible

(e) The same activity may be eligible and not aligned with the relevant environmental objectives

(f) EL - Taxonomy eligible activity for the relevant objective
N/EL - Taxonomy non-eligible activity for the relevant objective

DNSH criteria (Does Not Significantly Harm)(h)									
Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1) or eligible (A.2) OpEx, year 2023 (18)	Enabling activity category (19)	Category (transitional activity) (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	A	T
N/A	Yes	Yes	N/A	N/A	Yes	Yes	0.96%		
N/A	Yes	Yes	N/A	N/A	Yes	Yes	0.96%		
							0%	A	
							0%		T
							0.47%		
							0.39%		
							1.79%		
							2.65%		
							3.61%		

Nuclear energy related activities		
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3.	he undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

With reference to the disclosure pursuant to Article 8(6) and (7) of Delegated Regulation (EU) 2021/2178, which provides for the use of the templates provided in Annex XII for the disclosure of nuclear and fossil gas activities, it should be noted that templates 2 to 5 have been omitted as they are not representative of the company's activities.

ESRS E1 - CLIMATE CHANGE

STRATEGY

Disclosure requirement E1-1 - Transition plan for climate change mitigation

In 2021, the SOL Group drew up its first Sustainability Plan, a fundamental tool to further strengthen the SOL Group's strategic vision of sustainability by translating it into qualitative and quantitative targets that the Group will pursue over time. The objectives of the Plan are reviewed annually, on the one hand, by verifying the results achieved and, on the other hand, by taking into account new initiatives that might be initiated.
Sol Group's Sustainability Plan responds to some of the global challenges (United Nations Sustainable Development Goals, or SDGs), and has been supplemented with initiatives, proposed by Group employees, gathered from the Little Big Innovations project.
To date, the SOL Group does not have a climate change mitigation transition plan; however, the objectives of the current Sustainability Plan, grouped into four environmental and social pillars, provide the basis for the medium-term development of a strategy to align its business and sustainability goals with those of the Paris Agreement. The first pillar, "Sustainable Production Process", includes increasing the percentage of energy consumed from renewable sources, optimising the energy efficiency of the sites/products supplied and reducing CO_2 emissions from transport.

Disclosure requirement ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The risk analysis, carried out according to the methodology indicated in SBM-3, has led the SOL Group to identify and examine certain impacts, risks and opportunities related to the climate change phenomenon, which have or could have an effect on the context in which the Group operates, or even have a non-negligible influence on the Group's business.
The analysis of the Group's activities and its interaction with its value chain, upstream and downstream, showed that the nature of the business is directly linked to the occurrence of current negative climate impacts, i.e. the direct and indirect production of greenhouse gases emissions.
The SOL Group's greenhouse gases emissions can be allocated to the following categories:

- Direct emissions from production facilities and the use of vehicles under the direct control of the Group (Scope 1);
- Indirect emissions from electricity consumption (Scope 2). Furthermore, the use of fossil fuels for power generation not only has an effect on global temperature rise, but also contributes to the depletion of natural resources;
- Indirect emissions occurring along the Group's value chain (Scope 3). That is, the emissions resulting from the production of the materials used, the transport of the products and the use of the products by consumers.

In addition, electricity consumption is to be taken into account as an actual negative impact on the climate, in relation to the Group's activities and its value chain. Indeed, the SOL Group uses electricity, methane and steam as energy carriers. Electricity consumption in primary production plants takes on the most significant weight in terms of negative climate impact since both gas compression and liquefaction are highly energy-intensive operations.
From the point of view of physical climate-related risks, a resilience analysis of their strategy and business model in the face of climate change has not been conducted to date. However, by virtue of the types of activities carried out and the geographical location of the plants, as well as historical experience, the materiality analysis showed that the possibility of suffering damage or business interruption as a result of weather events attributable to climate change should not be considered relevant for the Group in the short term. In this context, as

previously reported, in relation to the hydropower plant sites located in Slovenia and North Macedonia, whose activities are considered to be Taxonomy-aligned, analyses were carried out to identify physical risks related to relevant climate change, as well as to identify relevant solutions and adaptation measures; these analyses were carried out according to two IPCC scenarios: RCP 4.5, which represents an intermediate assumption, and RCP 8.5, a more pessimistic scenario, and considering both chronic and acute risks with time horizons to 2030 and 2050, also taking into account the physical risk factors covered by Annex A of EU Delegated Regulation 2021/2139. The analysis revealed that the most significant risks, in the medium-term, are those related to drought and water stress, for which the most suitable adaptation solutions were identified, such as the adoption of plans and tools to monitor rainfall levels.

The Group considers that among the transitional risks, aspects related to customers' demands on the sustainability of its supply chain and purchased products, i.e. risks arising from changing market demand that may require adaptation, innovation and investment, are more relevant. On the other hand, the SOL Group believes that finding more sustainable solutions for customers to help them lower their emissions can also be a significant opportunity.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement E1-2 - Policies related to climate change mitigation and adaptation

The environmental policies of the SOL Group are formalised in the documents "Environmental Principles of the SOL Group Companies" and "Energy Policy of the SOL Group", signed by the Chairman and Vice Chairman, General Management and the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, which is then responsible for its implementation. These documents set out the fundamental principles and strategic objectives in environmental matters. In addition, the Group's Code of Ethics addresses environmental aspects, integrating specific policies.

First and foremost, the "Environmental Principles of the SOL Group companies" promote the Group's companies' commitment to sustainable growth by behaving responsibly with regard to environmental and climate issues. The principles not only apply to the management of material impacts, risks, and opportunities related to climate change related to its own activities, but also to the involvement of both its suppliers of products and services, including transport, and its end-users.

The topics addressed by the "Environmental Principles of the SOL Group companies" are:

- Energy efficiency, also implemented through the adoption of an environmental management system that is certified in many production sites according to the ISO 14001 standard and, for some of them, EMAS registration (see chapter GOV-1 for more details).
  The objective is also pursued through a programme of activities for the maintenance and energy efficiency of its facilities according to the Best Available Technologies. Regarding the relationship with stakeholders and the supply chain, the SOL Group is committed to researching and developing technological solutions to offer customers environmental and energy improvements in their processes, and more efficient and less energy-consuming equipment for home patients.
- Use of renewable energy, since electricity is the main raw material for its production, the Group's companies are committed to reducing the environmental impact on the climate and resource consumption through the production of electricity from renewable sources and the purchase of certified *green* electricity.
- Efficient use of water resources - given the impact Group companies have on water consumption, they are committed to intensifying the recovery and reuse of water in their processes.
- Waste - the aim of which is to minimise its production, including through its constant monitoring and proper disposal.

Secondly, the SOL Group's energy policy aims to improve energy efficiency and is based on the ISO 50001 standard. The main objective is to control and improve the efficiency of energy consumption. The policy focuses on understanding energy consumption, monitoring energy requirements per unit of product and compliance with legislative requirements. Although the document does not explicitly mention climate change mitigation, climate change adaptation or the dissemination of renewable energy, it does address the Group's material impacts related to the release of greenhouse gases into the atmosphere linked to its activities and electricity consumption, in fact, the focus on energy efficiency can directly contribute to climate change mitigation.
The policy applies to all energy aspects of the SOL Group's activities, including production and heating processes, and also includes supply management. The document does not mention a specific monitoring process, but emphasises the importance of defining energy targets and indicators to be monitored regularly. The policy is integrated into the SOL Group's quality, safety and environmental management system.
Finally, the SOL Group's Code of Ethics outlines the values and principles that guide the actions and behaviour of employees and all those who come into contact with the Group. While not directly addressing climate change mitigation or adaptation, or the dissemination of renewable energy, the Environment section refers to climate protection, as it is considered an asset to be protected, and to the promotion of energy efficiency through the optimisation of processes and the better use of energy resources. In addition, the document mentions the development of technologies and services that help customers improve their environmental efficiency.

Disclosure requirement E1-3 - Actions and resources in relation to climate change policies

Following the results of the analysis of impacts, risks and opportunities, and consistent with the implementation of its Sustainability Plan, the Group has identified specific actions aimed at managing risk factors, with a view to minimising, in the foreseeable future, the possible consequences on its business activities.
As far as physical climate-related risks are concerned, exposure is constantly monitored with respect to infrastructures (both existing and new ones, right from the design phase), in order to adopt appropriate mitigation measures, paying particular attention to the most critical sites.
From the point of view of the relevant impacts of the Group's activities, as far as electricity consumption is concerned, it is essential to implement measures to reduce it.
To this end, the process of renovating and improving the efficiency of the plants continues, through the care, design and management of the production sites, geared towards process optimisation.
Furthermore, awareness of the environmental impact of the Group's primary activities, which are highly energy intensive, has led the SOL Group to resort to the procurement of energy from renewable sources through various means, with the aim of reducing greenhouse gases emissions generated both directly and indirectly:

- Starting in 2002, the Group began to invest in the generation of energy from renewable sources. To date, 16 hydroelectric power plants are in operation in Albania, Bosnia-Herzegovina, North Macedonia and Slovenia, with a total installed capacity of approximately 31 MW. The electricity produced and sold to the grid in 2024 was 80,124 MWh, which corresponds to the avoided emission of 34,628 tCO_2eq into the atmosphere.
- As of 2024, 30% of the electricity consumption of the Group's companies operating in the industrial gases sector in Italy and Germany is covered by Guarantees of Origin (GO), an estimated 58,007 tCO_2eq of emissions into the atmosphere have been avoided.
- In Slovenia, SOL PLIN GORENJSKA Doo in 2024 avoided the emission of 19,827 tCO_2 eq into the atmosphere by covering the entirety of its electricity consumption with green energy, thanks to certification through Guarantees of Origin (GO), mostly from the hydropower production of ENERGETIKA-ŽJ, Doo.
- SOL INDIA has signed a *Power Purchase Agreement* (*PPA*), which allows wind and solar energy to cover 43.51% of energy consumption, avoiding the emission of 7,705 tCO_2eq into the atmosphere. Also in India, GREEN ASU PLANT PRIVATE Ltd was acquired in 2022, which powers all its plants with self-generated renewable energy from its wind farm, avoiding the release of 21,627 tCO_2eq into the atmosphere in 2024.
- In Greece, SOL HELLAS signed a PPA that allowed the company to cover part of its electricity consumption while avoiding the emission of 1,536 tCO_2eq into the atmosphere.

- New investments are planned for the installation of photovoltaic panels at some of the Group's production plants.
- In Albania, solar panels were installed in 2024, covering 62% of the electricity consumption of the company GTS ShPK.
- DOLBY MEDICAL Ltd, operating in the UK, has been CARBON NEUTRAL® since 2020. The path towards CARBON NEUTRALITY has involved various corporate departments and stakeholders in projects and initiatives that have led to increasingly ambitious targets for calculating, reducing and offsetting carbon emissions; an estimated 2,706 tCO_2eq will be avoided by 2024.

Finally, in the coming years, the Group aims to gradually increase the percentage of energy consumed from renewable sources.
In order to remedy the actual negative impacts of the Group and its value chain in terms of producing greenhouse gas emissions, the SOL Group has been investing for several years in facilities capable of recovering carbon dioxide from production processes, preventing it from being released into the atmosphere. In this way, carbon dioxide can be purified and subsequently marketed in liquid form. The main plants dealing with the treatment of CO_2 obtained from bioethanol are those in Bulgaria (Ihtiman) and Belgium (Wanze). In 2024, 76,315 tCO_2 were recovered.
With regard to climate-related transitional risks and opportunities, the Group intends, on the one hand, to strengthen the offer to customers of products/services using hydrogen and Liquefied Natural Gas (LNG), also from renewable sources (BioLNG), and, on the other hand, to support customers in improving the sustainability of their processes through solutions related to the use of technical gases.
The company also provides cutting-edge technologies such as oxyfuel, which optimises combustion processes in sectors such as metal, ceramic and cement production, reducing consumption and emissions. Furthermore, where the characteristics of the gas and the customer's needs allow it, the installation of self-production plants at the customer's premises (called on-site) minimises the environmental impact of transporting gas by road, as well as rationalising energy consumption, as they have a lower specific consumption than centralised production plants. It is estimated that 52,294 tCO_2 equivalent will be saved thanks to this in 2024.
With regard to the exposure of tangible assets (plants, buildings) to physical risks related to climate change and the business continuity risk resulting from these factors, the Company considers that the overall risk is medium/low and has not identified any need for urgent action or significant investment.
The Group invests in the concrete implementation of the planned actions.
It should be noted that, at present, the economic resources allocated to climate change actions are not significant.

METRICS AND TARGETS

Disclosure requirement E1-4 - Targets related to climate change mitigation and adaptation

At the moment, although the Group has defined a Sustainability Plan outlining strategic guidelines, no quantitative targets have been set in relation to climate change mitigation and adaptation, which will be defined in the medium term.

Disclosure requirement E1-5 - Energy consumption and mix

The most relevant environmental aspect of the SOL Group's activities is the use of electricity in primary production facilities. These are units where gases are produced from raw materials (air fractionation units (ASU), units for the production of nitrous oxide, hydrogen, sulphur dioxide, acetylene and carbon dioxide). The latter consist of units where gases are conditioned and packaged, normally using the gases coming from the first transformation units, in the physical form (gaseous, compressed or cryogenic liquid) and in the containers (cylinders, cylinder packs, drums or tanks) most suitable for their distribution to end-users (Filling Plants, CO_2 Purification Plants). Mixtures of technical, medicinal, pure and ultra-pure gases are also produced in these units.

To calculate the Group's energy consumption, the primary production plants and some secondary plants (units where gases are conditioned and packaged in containers such as cylinders and cylinder packs) were initially considered, where consumption monitoring is punctual. This consumption amounted to 712,715 MWh, or 96% of the electricity consumption of the entire Group. The remaining 4% of electricity consumption was estimated from the costs incurred for energy in the countries where the Group companies operate.
Energy consumption from fossil sources, in addition to electricity, derives from the consumption of methane and steam in primary production plants and from the consumption of fuels from crude oil and petroleum products, which is due to the company fleet, consisting of both company cars and company-owned vans used for deliveries.
The data reported refer to energy consumption in MWh related to its own activities.

	2024
Overall energy consumption	**814,454 MWh**
Share of consumption from fossil sources in total energy consumption (%)	76%
Share of consumption from nuclear sources in total energy consumption (%)	0%
Share of consumption from renewable sources in total energy consumption (%)	24%
Total fossil energy consumption	617,926 MWh
- Consumption of fuels from crude oil and petroleum products	51,576 MWh
- Consumption of coal and coal products	-
- Consumption of fuels from natural gas	16,581 MWh
- Consumption of fuels from other non-renewable sources	-
- Consumption of electricity, heat, steam or cooling from purchased or acquired fossil sources	549,769 MWh
Total energy consumption from nuclear sources	-
Total renewable energy consumption	196,527 MWh
Consumption of fuels from renewable sources	-
Consumption of electricity, heat, steam or cooling from purchased or acquired renewable sources	196,501 MWh
Consumption of self-generated renewable energy without using fuels	26 MWh

The energy intensity indicator has been calculated on the basis of the data for the Technical Gases Area, which includes the Companies operating in the field of production, applied research and marketing of technical, pure and medicinal gases, belonging to the sector C - MANUFACTURING ACTIVITIES as listed in Sections A to H and Section L of Annex I of Regulation (EC) No. 1893/2006 of the European Parliament and of the Council (as defined in Commission Delegated Regulation (EU) 2022/1288).
Energy consumption related to the Technical Gas Area was 751,960 MWh, while net revenues related to the same category amounted to 788,265 k€. For a reconciliation of net revenue, please refer to section "1.Revenue from sales and services".

Year	Total energy consumption (MWh)	Net sales (k€)	Energy intensity (MWh/k€)
2024	751,960	788,265	0.95

Net revenues from activities in high climate impact sectors used to calculate energy intensity	788,265 k€
Net revenue (other)	822,180 k€
Total net revenue (balance sheet)	1,610,444 k€
Share of consumption from nuclear sources in total energy consumption (%)	0%

Disclosure requirement E1-6 - Gross Scopes 1, 2, 3 and Total GHG emissions

With regard to the climate-related impacts, risks and opportunities identified in ESRS 2 SBM-3, the SOL Group's greenhouse gas emissions can be categorised as follows:

Direct emissions (Scope 1)

Direct greenhouse gases emissions are due to:

- Carbon dioxide: by-product generated by hydrogen production plants by steam reforming methane, released in CO_2 production plants or vented in the dry ice production process;
- Nitrous oxide: released by plants producing N_2O from ammonium nitrate;
- HFCs (hydrofluorocarbons): point losses of substances used in the refrigeration circuits of plants;
- Emissions from directly controlled Group vehicles (owned or leased) used for the delivery of products and services to customers and emissions from company cars.

In 2024, direct emissions amounted to 59,050 tCO_2eq. The calculation of Scope 1 emissions was carried out using primary data and emission factors from the Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2024, the EMEP/EEA air pollutant emission inventory guidebook 2019 and CO2MPAS provided by JRC's Green Driving tool.
Scope 1 emissions refer to the fully consolidated perimeter. There are no other companies over which the Group exercises operational control.

Indirect emissions (Scope 2)

Starting from the analysis of the energy supply mix, the indirect emissions generated by the electricity purchased by the SOL Group for primary production facilities were calculated. The reporting standard used has two different methodologies for calculating Scope 2emissions: "Market-based" and "Location-based". Themarket-based approach uses emission factors defined on a contractual basis with electricity suppliers. In the absence of specific contractual agreements between the organisation and the electricity supplier, such as the purchase of Guarantees of Origin, the emission factor of the national residual mix is used for the market-based approach.
The emissions thus calculated in 2024 were 253,134 tCO_2eq.
Thelocation-basedapproach involves the use of average emission factors relating to specific national power generation energy mixes. The emissions calculated according to this method were 244,794 tCO2eq.
For the calculation of Market Basedemissions, as far as European countries are concerned, the emission factors pertaining to the Association of Issuing Bodies (AIB), AIB - European Residual Mixes 2024 (Ver. 1.0, 2024-06-01), while for the remaining countries, as for the calculation of Scope 2 emissions according to the Location Based method, the emission factors come from the International Energy Agency (IEA), Emission factor 2023 edition.
Scope 2 issues refer to the fully consolidated perimeter. There are no other companies over which the Group exercises operational control.

Indirect emissions (Scope 3)

The SOL Group, aware of the impact created along its value chain, although not under its direct control, has implemented a methodology for calculating its Scope 3 emissions according to the GHG Protocol guidelines as of 2021. Significant emission sources were identified in accordance with the recommendations of the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
The most significant sources of indirect emissions are emissions from the use of products (reported in category 11) and emissions from the purchase of goods and services, including fixed assets (reported in categories 1 and 2, respectively). Emissions from road transport of products between plants and customers/patients when the transport service is outsourced are reported in category 4.

These emissions amounted to 6,877 tCO_2eq for deliveries to patients and 41,591 tCO_2eq for the delivery of technical gases.

The Group does not report emissions for some categories, either because it has no indirect emissions that fall into these categories (categories nos. 8, 10, 12, 14 and 15), or because the emissions in question are not material in terms of significance (categories nos. 5 and 9).

With regard to the calculation methodology, category 1 was calculated partly from purchased quantities and partly from expenditure. Categories 2 and 6 were calculated on the basis of expenditure. Categories 3, 4, 7, 11 were calculated from internal data. For category 13, estimates are included for on-site installations at customer sites and devices used by patients for which the energy is not charged to the SOL Group.

None of the Scope 3 categories are calculated from primary data obtained from suppliers or other partners along the value chain.

Scope 3 Emissions Category	Source	Calculation Method	Emission factors
1. Purchased goods and services	Accounting Data	Average-Data Method	Ecoinvent 3.9 - 2022
2. Capital goods	Accounting Data	Spend-based methodology	EEIO - Eurostat 2022
3. Fuel and energy-related activities (not included in Scope 1 or 2)	Internal database	Average-Data Method	IEA emissions 2023
4. Upstream transportation and distribution	Internal database	Distance-based method	DEFRA 2024 database
6. Business traveling	Accounting Data	Spend-based methodology	EEIO - Eurostat 2022
7. Employee commuting	Personnel data	Average-Data Method	DEFRA 2024 database
11. Use of sold products	Accounting Data	Average-Data Method	IPCC Fifth Assessment Report, 2014 (ARS)
13. Downstream Leased Assets	Internal database	Average-Data Method	IEA emissions 2023

Base Year	2004
Scope 1 GHG emissions	
Gross GHG emissions of Scope 1 (tCO_2eq)	59,050
Percentage of Scope 1 GHG emissions covered by regulated emissions trading schemes (%)	0
Scope 2 GHG emissions	
Gross GHG emissions of Scope 2 based on location (tCO_2eq)	244,794
Gross market-based Scope 2 GHG emissions (tCO_2eq)	253,134
Scope 3 GHG emissions	
Total gross indirect GHG emissions (Scope 3) (tCO_2eq)	2,237,829
1. Purchased goods and services	510,556
2. Capital goods	82,507
3. Fuel and energy-related activities (not included in Scope 1 or 2)	52,131
4. Upstream transportation and distribution	48,469
5. Waste generated during operations	-
6. Business travel	6,599
7. Employee commuting	7,400
8. Leased assets upstream	N/A
9. Downstream transport	-
10. Transformation of sold products	N/A
11. Use of sold products	1,451,888
12. End-of-life treatment of products sold	N/A
13. Downstream Leased Assets	78,278
14. Franchising	N/A
15. Investments	N/A
Total GHG emissions	
Total GHG emissions (location-based) (tCO_2eq)	2,541,673
Total GHG emissions (market-based) (tCO_2eq)	2,550,013

Emissive intensity

2024	Total GHG emissions (tCO_2eq)	Net sales (k€)	GHG intensity (tCO_2eq/M€)
Location based	2,541,673	1,610,444	1.58
Market based	2,550,013	1,610,444	1.58

The Greenhouse Gas Intensity (GHG) indicator was calculated on total Scope 1, Scope 2 and Scope 3 emissions. For net revenues, please refer to the SOL Group Results section.

Disclosure requirement E1-7 - GHG removals and GHG mitigation projects financed through carbon credits

The SOL Group is not involved in any direct removal of greenhouse gases from the atmosphere nor does it purchase carbon credits to offset its corporate carbon footprint.

Disclosure Requirement E1-8 - Internal carbon pricing

At present, the SOL Group has not adopted internal carbon pricing mechanisms.

ESRS E2 - POLLUTION

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement E2-1 - Policies related to pollution

As the SOL Group does not have any significant impacts, risks or opportunities related to the prevention and control of air, water and soil pollution in its operations, it does not currently have a formalised policy to mitigate the use of substances of concern or potential accidents arising from them in its operations, nor does it have any material influence on the management of value chain operations.

In this context, it should be noted in any case that, in accordance with the "Environmental Principles of the SOL Group companies" and the Code of Ethics already described in E1-2, the SOL Group is committed to continuously monitoring the environmental impact of its business and suppliers.

The Group indicates in its policies, as described in chapter ESRS E1-2, that suppliers and customers are also required to comply with the Group's Code of Ethics and, in Italy, with the Organisation, Management and Control Model (ex Legislative Decree 231/01), as well as being involved in the implementation of environmental principles. These documents call for a commitment to responsible conduct with regard to environmental and climate issues.

Disclosure Requirement ESRS E2-2 - Actions and resources related to pollution

In order to promote sustainable management of its supply chain, since 2018 all Group companies have been required to follow the specific Supplier Assessment Process Guideline, which, in a logic of risk analysis, also assesses environmental aspects. Finally, in order to have a more sustainable management of its supply chain, SOL relies on EcoVadis, an assessment platform that helps assess the environmental and social performance of suppliers, monitor their risks and promote continuous improvement.

SOL'scommitmentto managing the impacts of its value chain on air, water and soil pollution passes through innovative solutions that enable its customers to reduce their environmental impact.

From an air pollution perspective, the installation of on-site production facilities for industrial gases, such as oxygen, nitrogen and syngas mixtures, at some customers' premises helps to reduce air pollution related to road transport.

Regarding water pollution in its supply chain, the SOL Group offers services for water treatment in industrial processes that allow for less dispersion of pollutants, specifically:

- Cryogenic cleaning with CO_2: replaces cleaning processes using water, solvents or sandblasting processes, thus limiting the environmental impact of residues.
- Ozone disinfection: safeguarding against bacterial pollution of watercourses into which post-treatment effluent is re-injected, avoiding the use of chlorine compounds.
- pH control with CO_2: replaces the use of mineral acids (sulphuric and hydrochloric) with less emission of pollutants into the water.

It should be noted that, at present, the economic resources allocated to pollution-related actions are not significant.

METRICS AND TARGETS

Disclosure requirement ESRS E2-3 - Targets related to pollution

At present, the SOL Group has not set any targets related to pollution.

Disclosure requirement ESRS E2-4 - Pollution of air, water and soil

In view of the type of production activities carried out by the Group, there are no emissions of pollutants, nor are the microplastics generated or used of any significance.

ESRS E3 - WATER AND MARINE RESOURCES

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement E3-1 - Policies related to water and marine resources

The SOL Group considers the environment an asset to be protected in everyone's interest, future generations and the company itself, and is committed to managing water resources in a sustainable and responsible manner, minimising its environmental impact. As outlined in the "Environmental Principles of the SOL Group companies", which applies to all Group companies and sites, this commitment covers the efficient use of water in production processes, promoting its recovery and reuse in its operations. For further details on the "Environmental Principles of the SOL Group companies", please refer to chapter E1-2.

There is no specific reference to water supply, water treatment and water pollution reduction as the use of water in the Group's activities does not lead to a reduction in its quality.

As highlighted by the Group's Code of Ethics and the "Environmental Principles of the SOL Group companies", customers and suppliers are also invited to adapt their behaviour to the same principles that inspire the Group's actions.

The policies do not explicitly refer to marine resources or oceans, as they are not affected by the Group's activities.

Disclosure requirement E3-2 Actions and resources related to water and marine resources

The responsible management of water resources is a very important element in the SOL Group's strategy, in line with its principles, and is constantly monitored over time. In this context, the Group implements the following actions:

- Optimise the use of water in its plants, minimising water withdrawals, including through the implementation of investments aimed at recycling;
- Periodic monitoring of pollutant concentrations in water discharges from production facilities;
- The water discharges of the production plants are periodically monitored and the analyses carried out reveal that the concentrations of pollutants are well below the legal limit values.
- Promote the research and application at customer sites of technologies that, through the use of technical gases, make it possible to improve wastewater treatment processes or their potabilisation for civil use.

Most of the water withdrawn is used in the cooling circuits of the machines within the primary processing plants. A small part is instead used as raw material for the production of hydrogen by steam reforming and electrolysis, and as raw material in the production of acetylene.

The cooling of the ASUs, which account for most of the water consumption, is done through the use of semi-open circuits in which the water is cooled by partial evaporation, so as to minimise water withdrawals while still largely respecting the legally required pollutant values in the wastewater.

The SOL Group is committed to introducing modifications to the equipment that allow the recovery of water from the cooling process, which would normally lead to the evaporation of water. These interventions include:

1. Condensate recovery: instead of being discharged, condensates are collected and fed back into the cooling circuit, reducing water demand.
2. Reverse osmosis system: the system pre-treats make-up water, reducing its quantity and the use of chemicals.

In both cases, the cooling process has no material impact on the quality of the returned water.

With regard to the management of water resources in the Group's hydroelectric power stations, prescriptions are implemented, where foreseen, in compliance with current regulations.

In addition, many of the SOL Group's production sites adopt an integrated quality, safety and environmental management system, certified according to ISO 14001, which includes monitoring of key environmental indicators, including water withdrawals.

The company is committed to complying with local regulations and promoting the efficient use of water resources in all its activities and has not identified specific actions in relation to water-prone areas, including those with high water stress.
It should be noted that, at the moment, the economic resources allocated to actions related to water and marine resources are not significant.

METRICS AND TARGETS

Disclosure requirement E3-3 - Targets related to water and marine resources

The aforementioned policies and actions describe how the Group manages and monitors water-related IROs. At present, although the Group has defined a Sustainability Plan outlining its strategic guidelines, no quantitative targets have been set.

Disclosure requirement E3-4 - Water consumption

The water consumption described in section E3-2 is estimated from the measurement of water withdrawals and an estimate of the amount of water evaporated in the cooling processes of the air fractioning plants, carried out using data from some standard plants. The estimation focused on air separation plants, as for the other primary plants water is not consumed, or the consumption is negligible.
Water-stressed areas were determined using the *Aqueduct* tool developed by the *World Resources Institute*.

Water consumption

Year	Total (m^3)	Total water risk (m^3)	Recycled and reused water	Total volume of water stored
2024	1,016,015	483,793	0	0

Year	Total water consumption (m^3)	Revenues (k€)	Water intensity (m^3/k€)
2024	1,016,015	1,610,444	0.63

ESRS E4 - BIODIVERSITY AND ECOSYSTEMS

STRATEGY

Disclosure requirement E4-1 - Transition plan and consideration of biodiversity and ecosystems in strategy and business model

To date, the Group has not conducted a structured resilience analysis of its strategy and business model in relation to physical, transitional and systemic risks related to biodiversity and ecosystems, as no significant risk factors have been identified in these areas, as explained in the next section.

Disclosure requirement ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

With regard to biodiversity, the impact related to the loss of biodiversity, due to overuse or inappropriate use of land, has been noted as material, affecting its balance, with consequences for the sustenance of species. This impact was deemed significant with regard to the value chain considering the multitude of sectors in which the Group's suppliers (other technical gases, transporters and, further upstream, energy producers and suppliers) and customers (industrial, food, chemical, hospital sectors, etc.) operate.
It should be noted that the Group has not noted any significant negative impacts with regard to land degradation, desertification or soil sealing, and considers that its operations do not have significant effects on endangered species.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement E4-2 - Policies related to biodiversity and ecosystems

Currently, the Group does not have a formalised policy for managing its impacts, risks, opportunities and dependencies related to biodiversity and ecosystems in its operations, nor does it materially influence the management of value chain operations.

Disclosure requirement E4-3 - Actions and resources related to biodiversity and ecosystems

At present, the Group has not provided for any specific actions in the area of biodiversity other than the specific measures required to comply with the regulations in force in the countries in which the Group operates; this is in accordance with its "Environmental Principles of the SOL Group companies" and Code of Ethics already described in E1-2, on the basis of which the SOL Group undertakes to constantly monitor the environmental impact of its activities and suppliers and to operate in compliance with the applicable local and EU regulations.
It should be noted that, at present, the economic resources allocated to biodiversity-related actions are not significant.

Disclosure requirement E4-4 - Targets related to biodiversity and ecosystems

To date, the Group has not set specific biodiversity targets, which potentially affect the Group's supply chain.

ESRS E5 - RESOURCE USE AND THE CIRCULAR ECONOMY

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement E5-1 - Policies related to resource use and circular economy

With regard to the impacts, risks and opportunities related to the use of resources, the "Environmental Principles of the SOL Group companies" reaffirm the commitment of all Group companies to adopt responsible conduct with regard to environmental issues, which also translates into minimising, constantly monitoring and correctly disposing of waste from their operations. Furthermore, it is the responsibility of Group companies to provide customers and patients with comprehensive information on the correct and efficient use of supplied products and equipment, including end-of-life management. In turn, customers and suppliers are called upon both through policy and through the Code of Ethics to align their actions with the principles that guide the SOL Group. There is no explicit reference to reducing the use of virgin resources or promoting the use of secondary resources, nor to sourcing renewable resources, since the Group's main raw material is air taken from the atmosphere.

For further details on the "Environmental Principles of the SOL Group companies", please refer to chapter E1-2.

The SOL Group is committed to providing customers with solutions that reduce the environmental impact of their activities too. Examples are the supply of renewable products such as BioLNG and $BioCO_2$.

Disclosure requirement E5-2 Actions and resources related to resource use and circular economy

The SOL Group is aware that a rational use of raw materials, together with careful waste management, helps reduce the environmental impact of its production process. For this reason, actions were implemented in response to the negative impacts identified through the double materiality analysis process.

First and foremost, all Group companies constantly ensure compliance with local regulatory systems on waste management with respect to the life cycle of products, including by adopting an integrated quality, safety and environmental management system, monitored through internal audits addressed to Group companies and suppliers, as well as providing training to their employees and suppliers, an activity that the Group intends to continue in the future. Furthermore, as reported in chapter GOV-1, some sites are certified according to ISO 14001 or are EMAS registered. From the point of view of its value chain, the SOL Group continues to contribute to the reduction of food waste and consumer safety by providing its customers with preservative-free food freezing systems and promoting modified and controlled atmosphere storage technologies that preserve the organoleptic characteristics of consumer products. The SOL Group also provides customers with solutions to reduce the environmental impact of their activities, such as supplies of renewable products such as BioLNG and $BioCO_2$.

For activities in the health sector, the reduction of environmental impact is also achieved by increasing the computerisation of accounting documents and reporting over time, thus reducing the use of paper, and optimising inventories. It should be noted that, at present, the economic resources allocated to circular economy-related actions are not significant.

METRICS AND TARGETS

Disclosure requirement E5-3 - Targets related to resource use and circular economy

Despite the SOL Group's commitment to a more sustainable management of its resource consumption impact, and although the Group has defined a Sustainability Plan outlining its strategic guidelines, no quantitative reduction targets for material impacts identified during the double materiality process have been defined at present.

Disclosure requirement E5-4 - Resource inflows

From the point of view of the resources inflows used in production processes, the raw materials used for the production of technical gases are mostly made up of renewable resources. In fact, the process of fractionating air to produce oxygen, nitrogen and argon is a physical process, using atmospheric air as raw material.

Other raw materials used are:

- natural gas and water (steam) reacting chemically, for the production of hydrogen from *steam reforming*;
- ammonium nitrate solid or in aqueous solution, in a thermal dissociation process, for the production of nitrous oxide;
- calcium carbide, for the production of acetylene.

Input materials do not include reused or recycled biological materials or secondary components, nor critical raw materials and rare earths.
The weight of raw materials used for its production process, calculated by direct measurement, amounts to 5,795 tonnes in 2024.

Disclosure requirement E5-5 - Resource outflows

The resource outflows from the Group's production process are technical and medical gases. Such products, by their nature, are not characterised by the principles of circularity, durability, reparability or recyclable content in products and their packaging. Other outgoing resources of the Group are the waste produced by the Group, which derives from the activities carried out at:

- Primary production facilities, related to maintenance activities: this involves both non-hazardous waste (mainly ferrous scrap, packaging and insulation materials) and hazardous waste (mainly waste oil used for machine lubrication and ammonia solution from ammonia conditioning);
- The Group's specialised maintenance centres: waste is generated from containers discarded for safety reasons during the testing of cylinders and cryogenic containers (non-hazardous waste), disposal of electrical and electronic equipment that can no longer be repaired.

The only waste generated directly by a production process in the Group's plants is calcium hydrate (lime), a by-product of acetylene production which, when it cannot be sold, must necessarily be sent for disposal as hazardous or non-hazardous waste, depending on its characterisation.
In 2024, the Group produced 15,136 tonnes of waste (approximately 78% of which is attributable to the non-recurring work at the Thessaloniki and Tanagra ASU plant), of which 323 tonnes of hazardous waste and 14,813 tonnes of non-hazardous waste. Of this, 96% is not recycled, corresponding to 14,484 tonnes of waste.

Waste directed from disposal

Total	**1,730**
Hazardous	204
Preparation for reuse	107
Recycling	66
Other recovery operations	32
Non-hazardous	**1525**
Preparation for reuse	858
Recycling	586
Other recovery operations	81

Waste directed to disposal

Total	**13,406**
Hazardous	**118**
Incineration	28
Landfill	34
Other disposal operations	56
Non-hazardous	**13,288**
Incineration	253
Landfill	252
Other disposal operations	12,784

SOCIAL INFORMATION

ESRS S1 OWN WORKFORCE

STRATEGY

Disclosure requirement ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

Actual and potential impacts, both positive and negative, as well as workforce-related risks and opportunities are an integral part of the SOL Group's business ecosystem and influence its strategic direction. The actual and potential, positive and negative impacts, risks and opportunities identified in this chapter concern the Group's entire workforce, which includes employees, including office staff, factory workers and plant technicians, as well as external collaborators or resources provided by third party companies, such as nurses, doctors, physiotherapists, social and health workers, particularly for certain home care services provided to patients at home.

Considering the methodology set out in section IRO-1, with regard to working conditions, the SOL Group has identified the adoption of fair and competitive remuneration policies for all employees as an effective positive impact, a key lever for attracting and retaining talent and having a highly qualified and motivated workforce. Widespread and effective communication and continuous collaboration between employees and their managers have also been identified as having a real positive impact on the creation of a peaceful and productive working environment, something the SOL Group firmly believes in.

Another aspect identified as having an actual positive impact is employee satisfaction and well-being, which can be achieved through the implementation of activities and initiatives in the field of corporate welfare and work life balance, on which the Group invests, as also recognised by the results of the atmosphere survey conducted at the end of 2024 by a primary independent specialised company and which involved all the Group's Italian employees.

With regard to equal treatment and opportunities among employees, the mitigation of the potential negative impact identified by the SOL Group in relation to cases of discrimination concerns first and foremost the creation of an inclusive work environment, as valuing diversity and inclusion are core values for the company and for a multinational group such as SOL. Indeed, the Group's strategy focuses on creating a working environment in which everyone feels respected. The actual positive impact identified in relation to the workforce relates to the development and improvement of employees' skills: investing in continuous training and professional development of employees is increasingly a priority for the SOL Group, which is committed to increasing its training offerings, including customised training, for its employees. The SOL Group therefore adopts a strategic approach in the management and enhancement of its People, integrating the analysis of actual positive impacts with the planning of targeted support initiatives, ensuring a coherent and harmonious direction of its decisions.

With respect to the relationship between risks and opportunities and the corporate strategy, based on the methodology set out in section IRO-1, the SOL Group has identified the search, selection and retention of talent and the need to create and nurture growth paths that enhance their professionalism and experience as the only real risk to the workforce. The shortage of professional profiles suited to the complexity of the context and the difficulty of motivating and retaining them is a common problem; on the other hand, having qualified and loyal human resources is a fundamental element for growth in a hyper-specialised, hyper-competitive and volatile labour market such as the chemical-pharmaceutical sector in which the Group operates.

With regard to health and safety, which is closely linked to personnel, again in view of the methodology set out in section IRO-1, the SOL Group has identified the occurrence of accidents in the workplace, which may involve the company's direct and indirect workers, as an actual negative impact. As far as the own workforce is concerned, this impact is not considered relevant as it mostly concerns non-high severity injuries such as trips and falls, mostly affecting office and production staff.

Finally, it should be noted that, considering the type of operations conducted by the Group, the countries in which it operates, as well as the safeguards put in place to protect the fundamental rights of its employees (as further detailed in section S1-1 below), there is no significant risk of forced or child labour, nor of human rights violations on the whole.

Furthermore, there are no reports of any major impacts on the own workforce that may result from climate transition plans. Similarly, no material risks or opportunities have been identified that affect only certain groups of employees or contractors within the organisation; rather, matters that affect all personnel uniformly have been identified, as explained in the introduction.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement S1-1 Policies related to own workforce

The SOL Group is committed to respecting human rights in general and workers' rights in all its activities. This is evidenced by the promotion of many topics in the following documents:

- Personnel policies (as made explicit within the text, this document refers to IROs related to the safe employment of human resources);
- Manifesto Diversity Equity & Inclusion (reference is made to gender equality and equal pay for work of equal value);
- Code of Ethics (this document cuts across issues related to the SOL Group's own workforce, such as adequate salaries and the work-life balance of employees);
- Health and Safety Principles (refers to all health and safety issues).

These principles apply to all SOL Group companies.

The policies described below, unless explicitly stated, are not drawn up in accordance with specific international instruments, although these were considered when drafting the texts. Furthermore, although there is no explicit reference to human trafficking, this practice is unequivocally prohibited by all other provisions in the policies.

In addition, the policies are endorsed by the Chairman and Vice-Chairman, the General Management, the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, and the Corporate Executive Human Resources and Legal Affairs Department, which is responsible for their implementation.

In particular, within the document on Personnel Policies, the SOL Group explicitly guarantees to its personnel, at all levels, behaviour marked by fairness, professionalism and respect for the values of the individual, enabling everyone to work with serenity, respecting the rules and their individual values. The SOL Group condemns any unethical attitude towards people and constantly promotes the dissemination of the principle of fairness and integrity from the earliest stages of selection, considering this fundamental value in the assessment of people already at the pre-employment stage.

As far as employee involvement and participation is concerned, the SOL Group, starting with its top management, is committed to promoting the free flow of information useful for people to get to know the company context, to feel included within the company's strategic objectives and to pursue their professional goals in line with them. The short, medium and long-term objectives and results of the Group are periodically shared in a transparent and comprehensible manner to foster a sense of belonging and active participation. The participation of the individual in the identification of improvement initiatives in the areas of sustainability, economic growth, well being within the company and social responsibility is promoted, committing management to take into account and concretely evaluate the emerging needs and ambitions of its employees in these areas, as set out in the Personnel Policies.

The SOL Group companies are constantly committed to operating in compliance with the national labour laws in force in each country and with international labour protection conventions and recommendations. In particular, in line with the principles of the *Global Compact* promoted by the UN (United Nations Organisation),

the SOL Group is committed to supporting the protection and safeguarding of human rights in accordance with the principles affirmed in the Universal Declaration of 1948 and recognises the principles laid down in the fundamental conventions of the ILO (International Labour Organisation), as stated in the Code of Ethics. In all Group companies, the use of child labour is forbidden; the use of forced or compulsory labour or, in any case, the use of any form of labour under the threat of punishment is prohibited; the full and free right to trade union freedom and collective bargaining is guaranteed within the framework of the individual regulations of the sector agreements, and industrial relations in the countries in which the Group operates are based on the utmost loyalty and collaboration, respecting individual roles; the right to working hours that are fair and do not exceed those provided for by labour contracts and agreements with trade unions or by law is guaranteed; an adequate salary that complies with industry collective agreements or that is in any case higher than the legal minimums is guaranteed.
In addition, as explained in the Code of Ethics, the SOL Group is committed to promoting discussion and collaboration among all employees, taking into account the inclinations of each member of staff, in a climate of openness and participation. Employees are required to participate responsibly in company processes so that they feel part of the SOL Group's sustainable growth and success project, through which they can also achieve their own personal success. In addition, the SOL Group is committed to fostering useful initiatives and tools to improve the quality of life of its employees and to support the reconciliation of work and private life, with the belief that a good balance between these is a determining factor in ensuring well-being and motivation in its employees. The SOL Group also believes that diversity is a strength, especially considering the international dimension of the Group with more than 7,000 people in 32 different countries.
As stated in the document Principles of Health and Safety Protection, SOL Group companies conduct their business in full compliance with health and safety rules, laws and regulations, work constantly, with the active participation of every employee, to prevent all accidents and injuries, and periodically review their health and safety performance in order to define and implement continuous improvement plans.
The People of the Group must feel free to express their uniqueness because they are the engine of our company. As stated in the Diversity Equity & Inclusion Manifesto document, the SOL Group is committed to fairness, because everyone deserves equal opportunities, without obstacles and/or barriers, promoting an inclusive and open culture that fosters creativity and innovation; and it works on transparency of information as an element to involve all social stakeholders in a trusting and sustainable environment.
The SOL Group is committed to ensuring the above through internal communication and training initiatives and by promoting inclusive language at every level of the organisation.
Measures are taken to prevent, mitigate and act against discrimination, as set out in the Code of Ethics and the Whistleblowing Procedure.
In the area of industrial relations, the SOL Group has for years activated the Company Observatory with trade union representatives as a non-negotiating forum for exchanging views on work organisation and disseminating information on the Group's results and projects.
As repeatedly emphasised, the Group Code of Ethics is the most important document, which must increasingly become a corporate governance tool, also serving as a guideline for the implementation of sustainability in the SOL Group.
In addition to the Code of Ethics, the SOL Group has adopted and disseminated a document on Personnel Policies which, thanks to the values promoted and the internationalisation path undertaken, illustrates how the Group has developed sensitivities and tools aimed at managing diversity, valuing people and identifying talents in multiple areas, sectors and countries.
The Group believes, in fact, in the importance of personnel management policies and tools that take into account people's changing and emerging needs, with a view to both integrating heterogeneous representation in work groups and facilitating people at different stages of their professional and personal lives. They are a concrete example of the implementation of these principles:

- access to employment for categories of disadvantaged workers and people with disabilities, not only in compliance with the legal obligations that the Group guarantees, but also in the commitment of all company

personnel to actively include these people within work teams, protecting their specificities and promoting their growth without any form of discrimination;
- the promotion of gender equality in all its forms: equal opportunities in access to training and career paths and the initiation of a path leading to equal pay for equal roles, responsibilities and skills possessed by reducing the even minimal pay-gap existing;
- experimentation with projects for the reintegration into work of individuals who have or are paying their debt to the justice system.

No form of discrimination is permitted in the SOL Group, whether related to physical condition, disability, opinion, nationality, ethnicity, religion, gender, sexual orientation and gender identity, or any other condition that may give rise to discrimination. The SOL Group ensures that this protection is observed at every stage of human resources management: from recruitment, hiring, training, appraisal and salary determination, without prejudice to meritocratic criteria.
All employees are required to adopt towards their colleagues an attitude characterised by mutual respect and the protection of the rights and dignity of persons.
The Group prevents and, if necessary, manages any situation of injustice or discrimination in the workplace, as well as any situation of bullying, threats, violence or harassment, protecting those who feel they have been victims. In this regard, the SOL Group has provided for an internal reporting channel through the whistleblowing platform, which the whistleblower must use to transmit information on violations. The use of such a channel allows for effective prevention and subsequent timely intervention. Moreover, this channel guarantees the confidentiality of the identity of the whistleblower, the facilitator (if any), the persons involved and in any case mentioned in the report, as well as the content of the report and the related documentation submitted with the report or subsequently.
The actions that the SOL Group deploys are manifold to increase diversity in each work team.

Health and Safety

The companies in the SOL Group commit themselves to identifying and eliminating or controlling situations which are potentially dangerous in their business activities, by adopting an appropriate evaluation of risks and taking suitable preventive and protective measures. The SOL Group companies' principles on health and safety protection are also applied and put into practice in their relations with customers, with a view to increasing professionalism in their behaviour and greater added value in the products and services they provide and in their relations with suppliers, who are required to adapt their behaviour to the same principles that inspire the Group's behaviour. The principles that inspire the health and safety behaviour of SOL Group companies are:
- all accidents and injuries can be prevented and avoided by operating in accordance with health and safety measures;
- procedures, standards and regulations must be scrupulously observed as they are useful instruments for preventing accidents and injuries, and must be continuously upgraded with the contribution of the experience of all;
- the prevention of accidents and injuries is an individual as well as a company duty. Everyone must feel that they are proactively working to correct and/or report every abnormal situation as soon as this situation arises;
- attention to accident and injury prevention is an essential element in each person's professional evaluation.

In addition, all Group companies have a health and safety policy, consistent with the principles set out here.

Disclosure requirement S1-2 - Processes for engaging with own workers and workers' representatives about impacts

With regard to the involvement of its workers and workers' representatives on impacts, the SOL Group acts as specified in ESRS 2 SBM-2. In fact, the Group encourages employee participation in its strategic goals and sustainability initiatives through open, transparent and cross-organisational communication.

In order to maintain a continuous dialogue and involvement with employees, in 2024, the SOL Group continued the process of dialogue with these key stakeholders through various channels, which involve them directly through assiduous and systematic communication.

As far as employees are concerned, the desire to inform and involve all colleagues has led to the adoption and continuous enhancement of various communication tools, on the one hand, and the development of dedicated processes, on the other. As the main internal communication tool, 'SOL Connect' is a corporate intranet that constitutes the link between the headquarters and the territory, both in Italy and internationally. It is a constantly updated platform where one can find information, news and services for employees, as well as useful tools for daily work. It is a constantly evolving tool, especially with regard to "iApps", applications that are constantly being updated and developed to ensure that existing workflows are updated and new ones created. In order to stay constantly up-to-date on company activities and projects, the long-standing in-house "SOL News" newsletter, the company's house organ provides in-depth articles on the main news affecting the Group. These internal communication channels are defined by the Editorial Committee, established in 2020 and composed of contact persons from the marketing, HR, and new facilities departments, and coordinated by the Sustainability and Communication function, which organizes quarterly update and alignment sessions on current activities in order to plan communication activities, not only internally but also on external channels.

Another fundamental tool is the climate survey: knowing the company climate allows us to have a representation of its state of health, as perceived by the people who are part of it; the climate influences business and people's behaviour. The survey, carried out at the end of 2024 and coordinated by the Corporate Executive Personnel and Legal Affairs Department, involved all Italian employees of the Group. Also in the Group's foreign companies, regular employee surveys are conducted.

Disclosure requirement S1-3 - Processes to remediate negative impacts and channels for own workers to raise concerns

The SOL Group has always been committed to preserving and improving the health and safety of workers, adopting an approach that includes increasingly advanced technical solutions, complying with standards and procedures, organising training activities and continuously implementing new projects aimed at strengthening a corporate culture increasingly focused on these important issues. In addition, the company is committed to respecting human rights and avoiding discrimination, through targeted policies and ethical conduct that respects the dignity of workers at all times and under all circumstances, as set out in the Code of Ethics, the Personnel Policies, the Diversity Equity & Inclusion Manifesto, and the principles on Health and Safety already reviewed in this chapter.

In order to counter improper conduct and prevent instances of discrimination, dedicated reporting channels have been implemented (whistleblowing channel).

The newly implemented whistleblowing reporting channel is available to all employees of European companies covered by the European Directive 2019/1937. Pursuant to the Whistleblowing Procedure, the Corporate Head of the Internal Control Department, a role currently covered by an external professional, is responsible for monitoring and managing reports from the reception phase to the action phase, according to a predefined process flow chart fully described in the Whistleblowing Procedure.

Adequate measures are in place to protect whistleblowers from direct and indirect retaliation; by way of example and without limitation, retaliation is considered to be dismissal, suspension or equivalent measures; change of duties; change of place of work; reduction of salary; change of working hours; adoption of disciplinary measures or other sanctions (including fines); harassment, discrimination or any unjustified unfavourable treatment; failure to convert a fixed-term employment contract into an open-ended contract where the worker had a legitimate expectation of such conversion; failure to renew or early termination of a fixed-term employment contract.
In order to ensure the widest possible dissemination of this procedure, it is available on the intranet. Compulsory training is also provided through specific courses available online.
With regard to whistleblowing by employees from countries outside the scope of the Directive governing whistleblowing, the Group Corporate Directive concerning the obligation to report and provide updates on events that may entail serious risks for an individual company and/or the Group as a whole applies; herein it is stated that any employee who becomes aware of an event that may entail a serious risk (even if only potential) for an individual company and/or the Group, must immediately inform his or her department or Company Manager who will inform the Human Resources and Legal Affairs Department (DHRL), the Corporate Executive Human Resources and Legal Affairs Department, providing a summary description of the case and, if necessary, any relevant documentation.

Disclosure requirement S1-4 - Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions

The actions described below include both ongoing activities and periodically reassessed ones. Unless otherwise specified, these actions apply to the entire workforce of the Group. Furthermore, as highlighted by the Group's dual materiality process, where negative impacts emerge, as outlined in the chapter, the Group is committed to mitigating them through specific policies and actions.
It is specified that, as far as the monitoring of each individual action is concerned, their effectiveness is monitored thanks to the internal departments in charge, which constantly compare the progress of the planned and implemented projects. The internal resources most dedicated to actions and interventions on relevant impacts related to the workforce are mainly attributable to the Corporate HR Department, which is part of the Corporate Executive Human Resources and Legal Affairs Department, and the Group Health, Safety and Environment Department, which is part of the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department.
With regard to the issue of accidents at work, for the sectors in which the Group operates, this issue has historically been very closely monitored and, even within the SOL Group, there are various initiatives for prevention and continuous improvement of safety. An example of this are the specific communication tools adopted, including the 'safety alerts' which, starting from events that occurred worldwide in the Group's sectors of activity, identify the most appropriate technical solutions to avoid their recurrence and call for compliance with correct rules of conduct, and the 'Quarterly Accident Reports', which illustrate and analyse on a quarterly basis the accidents that occurred in the Group and in the other companies that are members of the Assogastecnici association in Italy and the EIGA association in Europe. In 2024, the SOL Group received Federchimica's Responsible Care® Award for the pilot project and information campaign dedicated to reducing the risks of collision with moving vehicles within the Group's Units, further demonstrating the Group's commitment in this area.
Furthermore, it should be noted that twenty-three of the Group's plants fall within the scope of the Seveso Directive (Directive 2012/18/EU) due to the type of gases produced and the quantities stored. Directive 2012/18/EC requires the adoption of a specific safety management system and being subjected to periodic inspections by the authorities. In 2024, eight units were inspected (all inspections concerned the Management System), all with a positive outcome.

With regard to the positive impact on the own workforce, it should be noted that the training and empowerment of the SOL Group's female staff continued in 2024 through the "SOL Group Women's Development Programme".

Another important achievement in this field concerns the already mentioned UNI/PdR 125:2022 Gender Equality Certification obtained by SOL Spa and its subsidiaries VIVISOL Srl and STERIMED Srl. Further initiatives to promote the use of inclusive language have already been planned for 2025.

Training activities are in fact an important driver for the development of people and consequently for the success and growth of the company in the medium and long term. The training is intended for all personnel without distinction by professional category. In 2024, the total number of training hours was 158,094, corresponding to 22 hours per individual employee; for men, the average number of training hours per year is 21 hours, while for women it is 22 hours. In addition to ensuring compliance with legal training obligations, investing in training ensures that staff are provided with opportunities and tools to develop the skills needed for their assigned or planned future role. During their career in the company, each employee is in fact encouraged to cultivate their skills and inclinations, and to develop new ones.
To this end, the Corporate Executive Human Resources and Legal Affairs Department organises and promotes a series of training courses on transferable skills, with the aim of supporting the professional and personal growth of each individual. Some courses are organised at corporate level and may involve employees of all Group companies. In addition to this, the SOL Group finances various master's and qualifying courses, enabling employees to pursue training tailored to their career development. Training courses are also aimed at managers and senior managers, both through individual and group initiatives.
Management training is a key element in the professional development and success of any organisation. It can provide the skills, knowledge and tools needed to lead, manage and motivate teams and individuals towards the achievement of business objectives.
With respect to the risk mitigation actions identified in relation to its own workforce, in addition to the measures already in place to actively monitor all traditional and more innovative channels dedicated to recruitment in order to attract new talent, the SOL Group has put in place and will continue to implement a number of initiatives. Specific and customised training and coaching programmes will be strengthened and further investments will be made in welfare, DEI and female empowerment policies, in agreement with the trade union representatives with whom industrial relations are characterised by maximum cooperation.
Another very important project is that for a structured performance management system supported by specific software and accompanied by widespread training at several levels to be provided by external specialists, in order to improve the ability to assess and self-assess by facilitating dialogue and feedback with staff and to intercept any problems and/or expectations.
It should be noted that, at present, the economic resources allocated for actions related to the own workforce are not significant.

METRICS AND TARGETS

Disclosure requirement S1-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

With respect to the objectives related to the management of material negative impacts, advancing positive impacts and managing material risks and opportunities, as stated in the Report on Remuneration Policy and Remuneration Paid, the SOL Group in the year 2024 intended to assign a greater weight in the composition of the MBO reserved for the General Management by expanding the number of ESG indicators to include a parameter to measure the growth of the percentage of female managers and senior managers in the Group.
In addition to this, the "Group Severity Index", a historically parameter adopted indicating the number of days lost through injury per million hours worked (no. of days lost through injury x 1,000,000/hours worked), excluding in *itinere* injuries, also contributes to the attribution of the MBO.
For each of the aforementioned parameters, a scale of results is defined, corresponding to decreasing or increasing amounts starting from the target, monitored annually, which is not explained in the Report on Remuneration Policy, where, however, the maximum values the MBO can reach and the weight of the individual parameters are indicated.

With regard to the management ranks below the Executive Board, annual MBOs that focusing on improvements in financial indicators, but also on ESG indicators, are negotiated. For all other Italian personnel, there is a participation bonus anchored to productivity and profitability targets, which is negotiated with trade union representatives and contains ESG targets too.
Although these objectives were not identified through direct involvement of their own workforce or their representatives, they nevertheless respond to the material IROs related to these issues.
The base period for monitoring and evaluating progress coincides with the time of implementation of the target.

Disclosure requirement S1-6 - Characteristics of the undertaking's employees

As at 31 December 2024, there were 7,291 employees in the SOL Group (headcount), as explained in Section "4. Labour Costs" of the Commentary Notes, 42% women and 58% men, located in the 32 countries in which the Group operates.

Employees by gender (headcount)

Genre	Number of employees
Men	4,219
Women	3,072
Total employees	**7,291**

Employees by Country* (headcount)

Country	Number of employees
France	735
Germany	1,013
Italy	1,707

* Hese are countries with more than 10% of the Group's employees

Attention to the well-being and stability of employees is ensured by the measures taken by the Group to ensure job security and an appropriate balance with personal and family life demands. In this respect, 94% of the staff are employed on open-ended contracts and existing voluntary part-time positions account for 14% of employees.

Employees by type of contract, by gender (headcount)

Description	Women	Men	**Total**
Number of employees	3,072	4,219	7,291
Number of permanent employees	2,852	3,971	6,823
Number of fixed-term employees	220	248	468
Number of full-time employees	2,256	4,022	6,278
Number of part-time employees	816	197	1,013

In the year 2024, the Group's overall turnover was 16%, with 1,163 people (headcount) leaving the company.

The dynamics of turnover are partly conditioned by competition and mobility that remain high within the labour market, but also by context-specific features related to country or sector.
Specifically, there is a lower turnover in Italy (6%) than in other countries (19%). Looking at the Group's business segments, there is a 9% turnover in the area of technical gases and a 21% turnover in Home Care, also due to the fact that in the latter the activities, which are essentially services, require more staff (this dynamic particularly concerns Nursing activities).
Thanks to continued growth, a total of 1,933 employees (headcount) were hired in the Group in 2024, of whom 54% were women and 29% were under 30 years of age.
This is a sign of how the Group is continuing to grow organically and increase the heterogeneity of its population.

Disclosure requirement S1-7 - Characteristics of non-employee workers in the undertaking's own workforce

As of 31.12.2024, the Group, in addition to direct employees, relies on 2,920 external collaborators (headcount), such as nurses, doctors, physiotherapists and drivers, particularly for certain services provided to patients at home.

Disclosure requirement S1-8 - Collective bargaining coverage and social dialogue

The SOL Group strictly applies labour legislation in the countries in which it operates by enforcing national collective bargaining agreements where they exist and when it is a member of the signatory trade unions. The Group is open to dialogue and discussion with trade union organisations with which HR representatives maintain a constant flow of communication.
In the SOL Group, 64% employees are covered by collective agreements, in particular 100% of the Italian employees and 53% of the employees in other countries (in some of which national collective agreements do not exist or, where they do exist, there is no obligation or custom to adhere to them). Referring specifically to companies in non-EEA countries, collective bargaining coverage is 83% in Latin America, while there is no coverage in companies in the Asia, Africa and Middle East clusters.
As far as social dialogue is concerned, the presence of workers' representatives in several companies should be noted.
Below is the percentage of employees covered by collective bargaining and employee representation for countries that make up more than 10% of the company population (Italy, France and Germany).

Reporting template for collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage	Social Dialogue
	Employees - EEA (for countries with > 50 imp. representing > 10% of total employees)	Workplace Representation (EEA only) (for countries with > 50 imp. representing > 10% of total employees)
0-19%		Italy; Germany;
20-39%	Germany	
40-59%		France
60-79%		
80-100%	Italy; France;	

There are no arrangements for representation by a European works council, a works council of a European company or a works council of a European cooperative society.

Disclosure requirement S1-9 - Diversity metrics

At Group level, the definition of 'senior management' corresponds to the figure of the General Manager; in 2024, this position was held by a man (i.e. 100% of the cluster). It is specified that the General Manager is also part of the "Senior Manager" category below.

As of 31 December 2024, there were 144 men in a senior management role in the SOL Group, accounting for 2% of the total number of employees in the Group; there were 19 women in the same role, accounting for 0.3% of the total.
Considering the manager cluster, at Group level there are 458 men (constituting 67% of the cluster), while there are 230 women (i.e. 33% of the cluster).
This dynamic is partly influenced by historical trends, the characteristics of the sector (particularly in the field of technical gases where the male population constitutes 79% of the total) and the stability of management over time.

Employees by classification and gender

Position	Women (no.)	Women (%)	Men (no.)	Men (%)	**Total (no.)**
Senior Manager	19	0.3	144	2.0	163
Manager	230	3.2	458	6.3	688
White Collar Workers	2,634	36.1	1,984	27.2	4,618
Blue Collar Workers	189	2.6	1,633	22.4	1,822
Total	3,072		4,219		**7,291**

As far as age group is concerned, the most numerous employees within the Group are those between 30 and 40 years of age. In fact, in order to provide a more detailed analysis, employees aged between 30 and 40 account for 31% of the total workforce, while those aged between 40 and 50 make up 27% of the total. This difference is not excessive and it is noted that the various age clusters are all well represented.

Employees by age group

Age group	Number of employees	Percentage
< 30 years old	1,100	15%
30-50 years	4,244	58%
> 50 years old	1,947	27%

Disclosure requirement S1-10 - Adequate wages

Also with regard to remuneration, the SOL Group strictly applies the labour legislation of the countries in which it operates, guaranteeing for each employee the minimum wages stipulated by national laws or, where applied, by collective agreements for the sector.
In some cases, supplementary agreements are negotiated with workers' representatives, which may provide for production and/or participation bonuses linked to the performance of specific parameters related, for example, to company profitability, productivity, occupational health and safety, or expected inflation trends.
Remuneration is monitored by the local Heads and Business Executive Departments with the support of the Corporate Executive Personnel and Legal Affairs Department. Wherever possible and consistent with the company's performance, an attempt is made to keep salaries slightly above the market average, with the aim of ensuring greater economic stability for people and competitiveness for the company.
The SOL Group does not make gender distinctions in its remuneration policies, which are based on merit, skills and performance for each role.
From a methodological point of view, the evidence with respect to the adequacy of the remuneration of all Group employees was supported by the applicable benchmarks (e.g. National Minimum Wage in individual countries, national and/or sector collective bargaining agreements, etc.).

Disclosure requirement S1-14 - Health and safety metrics

The SOL Group, as attested several times within this chapter, promotes a commitment to worker health and safety protection within all its production processes and in third-party companies.

During 2024, activities to verify the behaviour of workers continued, as did meetings with the contact persons of all Group companies.

In 2024, 100 % of the SOL Group's employees were covered by the company's health and safety management system, in accordance with current regulations and Group-wide standards.

No deaths due to occupational injuries and illnesses were recorded in 2024.

On the other hand, 48 employee accidents were recorded, with a frequency rate of 4.11 accidents per million hours worked. The number of days lost due to injury recorded in 2024 was 1,172, equivalent to 100 days per million hours worked.

Disclosure requirement S1-16 - Compensation metrics (pay gap and total compensation)

As far as the gender pay gap at Group level is concerned, the value for 2024 stands at 5.2%. This difference may be partially related to the greater male presence in top management. Furthermore, it is important to emphasise that this calculation includes all group companies, creating a very heterogeneous sample, given the wage differences between countries related to the cost of living and local market dynamics.

These variations are already evident within the European perimeter (e.g. when comparing countries in continental, southern and easternEurope), but are amplified considerably when including non-European countries such as India, Brazil, China, Ecuador and Peru. In this regard, it is worth adding that the pay gap between men and women is reduced to 4.3% if non-European companies are excluded. This can be partially explained by the significant female presence in the Group's companies operating in Brazil.

In 2024, the ratio of the median remuneration of the entire Group to the total remuneration paid to the Chairman and CEO Aldo Fumagalli Romario was 26.23. The ratio is partially affected by the disbursement of the bonus to the Chairman related to the three-year LTI plan, which took place in 2024: considering only one third of the bonus disbursed in the Chairman's remuneration, the ratio would drop to 23.5.

Disclosure requirement S1-17 - Incidents, complaints and severe human rights impacts

With regard to incidents, reports and serious impacts on human rights and discrimination, there were no incidents to report, particularly concerning forced or child labour. For 2024, there were no sanctions on this issue.

During 2024, there was only one report received through the whistleblowing channel, concerning an inefficiency reported by a patient in the homecare area. The report, although small, was promptly dealt with and resulted in an improvement in the quality of the service provided.

ESRS S2 WORKERS IN THE VALUE CHAIN

STRATEGY

Disclosure requirement ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

As already explained in the chapter devoted to its own workforce, the SOL Group integrates its strategy and business model with the welfare, interests, and opinions of its employees through corporate instruments, such as policies dedicated to personnel issues, the Code of Ethics, health and safety initiatives, the internal channel dedicated to whistleblowing, and, in general, through all actions designed to ensure that human rights are always respected and working conditions improved.

As already mentioned, the workers in the value chain under consideration are the external contractors of the SOL Group; in particular, with regard to the identified IROs: with respect to the identified health and safety impact (see later sections of this chapter), it systematically concerns all external contractors, as well as all employees (especially office and production staff) as highlighted in the chapter on own workforce; with respect to the risks related to external contractors, on the other hand, reference is made in particular to drivers and delivery personnel. As far as drivers are concerned, reference is made in particular to those who handle the delivery of cryogenic gases to industrial and hospital customers; as far as deliverers are concerned, reference is made to those who handle the transport and delivery of oxygen to patients at home, as part of the SOL Group's homecare activities.

It is specified that, from a methodological point of view, these workers have been identified as those most at risk within the value chain workers, in view of the type of activities they are involved in, consistent with the sector in which the Group operates in which these issues are historically attentive.

These are, therefore, external contractors who, on the one hand, carry out their activities at the homes of patients served by the Group; on the other hand, external contractors who work down the value chain.

It is specified that no significant risks of child labour or forced labour were found among workers in the value chain in any geographical area where the SOL Group operates.

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure Requirement S2-1 - Policies related to value chain workers

Also with regard to workers in the value chain, the SOL Group is committed to respecting their human and labour rights as well as preserving and improving their health and safety. As stated in the Code of Ethics, whose principles must be respected by all SOL Group suppliers, in line with the principles of the Global Compact promoted by the UN (United Nations Organisation), the Group is committed to supporting the protection and safeguarding of human rights in accordance with the principles set out in the Universal Declaration of 1948 and recognises the principles set out in the ILO (International Labour Organisation) fundamental conventions.

In the SOL Group's Code of Ethics, trafficking in human beings is not explicitly mentioned, since, in view of the specific characteristics of our business, it is not a relevant issue. However, the commitment to social responsibility and respect for human rights remains a priority for the Group.

In particular, the Group, through the Code of Ethics, undertakes to protect the right of association and collective bargaining, to ensure the prohibition of forced, compulsory, irregular or child labour and to guarantee non-discrimination in all forms of employment. The SOL Group does not have a Suppliers' Code of Conduct, but is committed to disseminating the Code of Ethics (which contains all of the above points) through the contractual obligation for suppliers and strategic partners to read it. For details on the Code of Ethics, please refer to section S1-1.

Among the entities in the group's value chain, SOL is not aware of any cases of non-compliance with human rights.

The Group encourages the active involvement of workers in the value chain, especially in third-party companies that are most exposed to the specific risks of SOL activities (compressed gas transporters, but also VIVISOL deliverers). It also promotes awareness of the rights of all workers, direct and indirect.

It is also specified that the Group provides various reporting channels to handle human rights violations: for countries where the legislation applies, as is the case for the Group's own workforce, reference is made to the whistleblowing procedure; whereas, for countries not covered by the Directive governing whistleblowing, the Group's Code of Ethics applies, stating that anyone who becomes aware of breaches, even potential breaches, of the Code's principles or rules of conduct, by any recipient of the Code, including external contractors, must immediately report them to the Supervisory Body pursuant to Legislative Decree no. 231/2001. The same corrective actions available to the own workforce are applied to deal with possible human rights violations.

Disclosure requirement S2-2 - Processes for engaging with value chain workers about impacts

For the categories of workers of third party companies most exposed to the specific risks of SOL activities (compressed transporters, but also VIVISOL deliverers), the exchange of information with SOL units is daily, and tracked systems are in place for reporting any anomalies or relevant information encountered in the course of activities. Although the SOL Group implements these activities, it does not have a general process for involving workers in the value chain.

Disclosure requirement S2-3 - Processes to remediate negative impacts and channels for value chain workers to raise concerns

The SOL Group is committed to combating misconduct, thanks to its reporting channels (whistleblowing channel and reporting to the Supervisory Body, as outlined above) and related training on the subject.
In addition to employees, in fact, the workers considered in this chapter may also make reports through the dedicated platform, as stated in the Group's Whistleblowing Procedure, which specifies that self-employed workers, temporary workers, contractors working for the Group, consultants and freelancers may also use this channel, which is available on the Group's website. This choice responds to the principle of fostering a culture of good communication and corporate social responsibility as well as improving one's own organisation. Pursuant to the Whistleblowing Procedure, the Corporate Head of the Internal Control Department, a role currently covered by an external professional, is responsible for monitoring and managing reports from the reception phase to the action phase, according to a predefined process flow chart fully described in the Whistleblowing Procedure. Also according to this procedure, adequate measures are in place to protect whistleblowers from direct and indirect retaliation, as also reported in G1-1.
For countries outside the scope of the Directive governing whistleblowing, the Code of Ethics applies, stating that the SOL Group protects whistleblowers who report in good faith from any form of retaliation, discrimination or penalisation, ensuring strict confidentiality, without prejudice to legal obligations. In this document, it is also stated that the investigation of infringements, the initiation and management of disciplinary proceedings and the application of penalties remain the responsibility of the designated and delegated corporate departments.

Disclosure requirement S2-4 - Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action

Material impacts, as well as risks and opportunities, regarding value chain workers are an integral part of the SOL Group's business ecosystem and influence its strategic direction.
Considering the methodology set out in section S1-5, the SOL Group has identified possible negative impacts and possible specific risks in the area of Health and Safety, a topic of particular relevance for the professional figures identified as workers in the SOL Group's value chain. In particular, as already reported in the chapter on the company's own workforce, the SOL Group has identified as an actual negative impact the occurrence of accidents in the workplace, which may involve the company's direct and indirect workers. For the sectors in which the Group operates, this issue has historically been very closely monitored and, even within the SOL Group, there are various initiatives for prevention and continuous improvement of safety. An example of this are the specific communication tools adopted, including the 'safety alerts' which, starting from events that occurred worldwide in the Group's sectors of activity, identify the most appropriate technical solutions to avoid their

recurrence and call for compliance with correct rules of conduct, and the 'Quarterly Accident Reports', which illustrate and analyse on a quarterly basis the accidents that occurred in the Group and in the other companies that are members of the Assogastecnici association in Italy and the EIGA association in Europe. In 2024, the SOL Group received Federchimica's Responsible Care® Award for the pilot project and information campaign dedicated to reducing the risks of collision with moving vehicles within the Group's Units, further demonstrating the Group's commitment in this area.

In addition, a potential negative impact concerning the possibility of incidents of discrimination within the value chain was identified. The Group does not tolerate any form of discrimination, neither in its operations nor in the value chain. To address this negative impact, several actions were implemented. In 2018, the Group issued a Regulation (a document valid for all Group companies) on the supplier evaluation process, in a logic of risk analysis: parameters related to the supplier's social and environmental compliance are also considered in this evaluation. In addition, 43 supplier audits were carried out in 2024, mainly covering quality, environmental, health and safety aspects. Finally, appropriate reporting channels are available to suppliers, as outlined in Chapter S1-3.

With regard to the identification of actions related to the mitigation of negative impacts, the workers in the value chain were not directly involved, but the processes related to the mitigation of impacts and risks were identified with the internal corporate departments (Health, Safety and Environment and Logistics Departments) closest to them. The objective was to develop strategies and implement actions to remedy the identified impact. These departments, which in fact represent the internal resources most involved, constantly discuss these issues and the progress of related projects. It should also be noted that, for 2024, the SOL Group has not prepared specific targets with respect to these topics.

As far as risks are concerned, again following the methodology described in chapter IRO-1, the SOL Group identified a specific risk related to the transport to delivery of oxygen to patients at home (homecare sector) and of cryogenic liquid gases to industrial and hospital customers. The risk concerns the possibility of accidents or injuries during such activities. To mitigate this risk, the SOL Group decided to strengthen the information processes for drivers and delivery companies' employers to ensure that they are fully aware of security procedures.

Also to help prevent negative impacts and risks related to workers in the value chain in 2024, the SOL Group implemented a new supplier qualification system. This project, already active for the companies operating in Italy, will later be extended to the other countries in which the Group operates. Through this new system, via a dedicated platform, the SOL Group is able to monitor that suppliers comply with health, safety and quality regulatory obligations, and thus minimise potential risks and negative impacts also related to workers in the value chain. In particular, for each new supplier in Italy, a reputational analysis is carried out; while for suppliers who already have a relationship with the Group, a self-declaration on the issue of corruption is now also required, in line with the Code of Ethics and the Model pursuant to Legislative Decree 231/2001 adopted by the SOL Group. Finally, it is specified that no human rights incidents related to the value chain were reported in 2024.

It should be noted that, at present, the economic resources allocated to actions related to workers in the value chain are not significant.

METRICS AND TARGETS

Disclosure requirement S2-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Currently, the Group has not set specific targets for workers in the value chain.

ESRS S4 - CONSUMERS AND END-USERS

STRATEGY

Disclosure requirement ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model

The SOL Group serves a wide range of customers and end-users in the different countries in which it operates: from industrial and medical customers, through the technical and medical gases division, to national health care systems and patients served by the homecare area. In view of both the types of end-users and the products and services provided by the Group, these figures represent a fundamental group of stakeholders for thecompany. In fact, the IROs identified could potentially affect patients and customers served by the Group, without any restrictions or exclusions, as illustrated below.

In particular, the SOL Group produces and distributes technical and medical gases for industry and healthcare facilities. Gas production and distribution, while not dealing with inherently harmful products, requires attention to health, safety and environmental issues. For this reason, the SOL Group, which has been active in this sector for almost 100 years, implements strict protocols, providing information and training to ensure the safe use of its products. Moreover, home care services provided by the homecare area, as is well known, require the collection and management of sensitive personal data of patients. The SOL Group adopts GDPR-compliant data protection measures to ensure the confidentiality and security of this information. Furthermore, the Group promotes non-discrimination and freedom of expression through inclusive corporate policies.

The SOL Group provides clear and legally compliant information for all its products and services. These documents include instructions for the safe use of substances or the use of services provided, as well as warnings and information on potential risks.

In the field of industrial gases, SOL also offers on-demand technical support and training to ensure that end-users can use the products safely and effectively. The SOL Group's home care services are also intended for vulnerable persons, such as the elderly, children and patients with chronic diseases. The SOL Group is committed to providing high quality care and protecting patient confidentiality.

With reference to the IROs identified for consumers and end-users in relation to health and safety and personal safety issues, as set out in this chapter and as reported in ESRS 2, it is specified that they refer to possible specific events related only to pharmaceutical products, in the context of pharmacovigilance.

Again with reference to these IROs, as explained in more detail below, there could potentially be a regulatory risk, up to and including administrative sanctions that could have a, albeit circumscribed, commercial impact (e.g. product batch withdrawal).

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement S4-1 - Policies related to consumers and end-users

Also with regard to the consumer and end-user groups, in their entirety and without exception, the SOL Group is committed first and foremost to respecting human rights, as attested in the Code of Ethics: in line with the principles of the Global Compact promoted by the UN (United Nations Organisation), the Group is committed to supporting the protection and safeguarding of human rights in accordance with the principles affirmed in the Universal Declaration of 1948 and recognises the principles established in the fundamental conventions of the ILO (International Labour Organisation).

Furthermore, as also stated in the Code of Ethics, the SOL Group is committed to providing accurate and truthful information on the products and services it offers, so that customers and patients can make an informed assessment and choice. In addition, it endeavours to provide information on the features, departments and risks of the products and services on offer, so that they can be used consciously and safely.

In addition to this, as stated in the Code of Ethics, every employee of the SOL Group is required to deal loyally with all his counterparts and, in particular, with customers (both private and public). The SOL Group does not accept that any employee, either directly or indirectly, including as a result of unlawful pressure, offer, promise or authorise the payment of money or the giving of any other benefit (including gifts or gratuities, with the exception of internationally accepted commercial items of modest value), with the aim of influencing the judgement or conduct of any person in order to win or retain business. Any offer, promise, concession or donation must therefore be made in accordance with applicable laws and company procedures and must not in any way create the impression of bad faith or impropriety. Indeed, the SOL Group is committed to combating corruption in all its forms, as also stated in the Group's Anti-Corruption Code, as well as in the aforementioned Code of Ethics. Finally, with regard to fairness in contracts and business relations, the SOL Group guarantees fair treatment between customers in the conduct of its activities. It also ensures fairness and clarity in business negotiations and in the assumption of contractual obligations, as well as the proper performance of contractual obligations, as attested in the Code of Ethics. For further details on the Code of Ethics, see Chapter S1-1.

Disclosure requirement S4-2 - Processes for engaging with consumers and end-users about impacts

The Group has a process for collecting patient reports in the field of pharmacovigilance: annually, the SOL Group carries out 'Signal Detection', a process aimed at collecting and analysing all pharmacovigilance reports, performed by the Head of Pharmacovigilance and coordinated by the Regulatory and Pharmaceutical Affairs Department. The 2024 results of this analysis were presented to the relevant executive figures of the SOL Group, also with a view to improving these activities and their impacts.

Disclosure requirement S4-3 - Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

The SOL Group also monitors customer and patient satisfaction in order to analyse the perception of its service and to identify areas and services where quality improvement is possible. Customer satisfaction is verified, through channels made available by the Group, with the constant monitoring of certain performance indicators (customer and patient complaints, response times to customer orders and patient requests, etc.), which enable the necessary corrective action to be taken promptly. During 2024, a number of Group companies carried out ad hoc surveys involving, in the field of technical gases, more than 900 customers and, in the field of home care, more than 100,000 patients. These surveys proved to be very useful and revealed a very positive perception of the SOL Group and the service provided by customers and patients.

It is also specified that the Group provides several reporting channels to handle possible violations. For countries where the legislation applies, reference is made to the whistleblowing procedure, which specifies that the Corporate Head of the Internal Control Department, a role currently covered by an external professional, is responsible for managing the reports received from the reception phase through to the action phase, according to a predefined process flow chart described in detail in the Whistleblowing Procedure. Also according to this procedure, adequate measures are in place to protect whistleblowers from direct and indirect retaliation.

For countries not covered by the Directive regulating whistleblowing, the Code of Ethics applies, which states that anyone who becomes aware of non-compliance, even potential, with the principles or rules of conduct of the Code, by any addressee of the Code, including customers and patients, must immediately report them to the Supervisory Body pursuant to Legislative Decree no. 231/2001; and that the SOL Group protects whistleblowers in good faith from any form of retaliation, discrimination or penalisation, ensuring the utmost confidentiality, without prejudice to legal obligations. In this document, it is also stated that the investigation of infringements, the initiation and management of disciplinary proceedings and the application of penalties remain the responsibility of the designated and delegated corporate departments.

These tools (whistleblowing platform and Code of Ethics) are both accessible from the Group website.

Disclosure requirement S4-4 - Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions

With regard to risks to consumers and end-users, again following the methodology described in section IRO-1, the SOL Group identified a specific risk related to the collection of drug safety information that, if deficient, could lead to a regulatory impact up to and including administrative sanctions. To mitigate this risk, the SOL Group has decided to continue implementing the control measures already in place: periodic training and dedicated audits coordinated by the Corporate Regulatory and Pharmaceutical Affairs Department (hereafter DARF), the internal department most involved in managing these issues.

In relation to the IROs identified as material to consumers and end-users, the following paragraphs outline how the Group identifies the necessary actions in response to adverse impacts and to mitigate relevant risks. DARF plays the role of support, control and coordination of all SOL Group companies in the authorisation process for the production, distribution and marketing of gases for medicinal use and medical devices.

Medicinal products must have a marketing authorisation (MA), issued by the pharmaceutical agencies of the countries where they are marketed. The pharmaceutical factories that produce them must be authorised by the authorities of the country in which they are located (usually the Drug Agencies) responsible for verifying that all stages of the production process follow GMPs (Good Manufacturing Practices).

By means of the CE marking, the manufacturer of a medical device ensures that its product complies with the safety and efficacy requirements of the legislation in force. CE markings (for class 2 and class 3 devices, which prevail in the Group) are issued by Notified Bodies, facilities (laboratories or companies) authorised by the competent authorities of EU countries. DARF's task is also to manage all post-marketingactivities. Once a medicine or medical device has been placed on the market, it is in fact the duty of the MA holder, i.e. the manufacturer, to regularly monitor any incidents, adverse effects or lack of efficacy of the products concerned (pharmacovigilance for medicines and materiovigilance for medical devices). Company procedures provide that each Group company sends specific reports to DARF for the collection of reports, for analysis and for considering any notification to the competent authority.

These actions detail how the Group is committed to avoiding significant negative impacts on consumers and end-users with regard to sales. In relation to the disclosure of IROs identified by the Group with reference to privacy and information security issues, concerning all corporate data, including consumer and end-user data, please refer to chapter G1-1, where such information is provided in the broader context of the ethical approach to business conduct adopted by the Group.

Finally, it is specified that in 2024, there were no reported incidents of human rights related to consumers and end-users. It should be noted that, at present, the economic resources allocated to actions concerning consumers and end-users are not significant.

METRICS AND TARGETS

Disclosure requirement S4-5 - Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The SOL Group has not defined quantitative targets specifically related to the satisfaction of its customers and patients. However, as an indication of the SOL Group's commitment to this issue, the General Manager's total remuneration also includes an incentive that relates to the number of Critical Non-conformities detected at Group level within the Integrated Management System, after those generated by suppliers, as explained in the Report on Remuneration Policy and Remuneration Paid. "Critical Non-Compliances" means those classified as such by the procedure issued by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, which include: (i) a claim for damages from third parties greater than €10,000, or (ii) non-compliance with a legal requirement that jeopardises the continuation of the business, or (iii) damage or serious danger, even potential, to the safety or health of staff/customers/patients. It is specified that the Critical Non-conformity parameter is a parameter historically used by the SOL Group. For each of the parameters that make up the MBO, a scale of results is defined to which decreasing or increasing amounts correspond, starting from the target objective, monitored annually, which is not explained in the Remuneration Policy Report.

It should be noted that this objective was not identified through direct consumer involvement.

The base period for monitoring and evaluating progress coincides with the time of implementation of the target.

INFORMATION ON GOVERNANCE

ESRS G1 - BUSINESS CONDUCT

IMPACT, RISK AND OPPORTUNITY MANAGEMENT

Disclosure requirement G1-1 - Corporate culture and business conduct policies

The SOL Group is aware of the importance of operating in full compliance with laws and regulations. However, the company's commitment to fostering a culture of compliance goes beyond mere legal compliance. In the area, for example, of compliance on competition protection legislation, the company proactively identifies and manages the relevant risks, through training and awareness programmes for employees, as well as through internal controls and procedures; all of this is structured within its Antitrust Compliance Programme, in line with the Guidelines published by the AGCM in September 2018 and with national and European best practices. The aim is to prevent any misconduct and to ensure that all activities are carried out in accordance with the principles of fairness and transparency.

Since September 2017, the SOL Group has approved an Antitrust Code with the aim of enabling all persons operating in the Group to be familiar with the subject matter, and then to have an easy-to-consult tool in order to incorporate the fundamental principles of antitrust law and to comply with them in the performance of their activities, as well as to identify and report any circumstances or conduct that might even appear to be unlawful under competition law. Subsequently, the Code was replaced by a new Manual and a series of operational guidelines that are very useful to the Programme's recipients and that were approved by the Board of Directors of SOL Spa on 17 February 2022, along with a specific Policy signed by the Managing Directors as proof of the top management's commitment to this issue. These instruments apply to all SOL Group companies operating in Italy and abroad, it being understood that, in addition to compliance with the general principles contained therein, all addressees of the programme are required, with the help of the Antitrust Department, to comply with the specific applicable local regulations. The Board of Directors appointed a Head of the Antitrust Department and assigned him a dedicated and autonomous budget; he reports annually to the Board on the activities performed and to be performed.

The prevention of antitrust wrongdoing is based on adequate training of Persons and on the prior verification of corporate activities that may have antitrust relevance, , even potentially. The Antitrust Department, in coordination with the HR Department, organises annual training events, as well as seminars and trainings, addressed to the most exposed corporate departments (HR and Legal Departments, Executive Managers and salespeople, in particular salespeople), who are asked to participate in order to promote and increase their knowledge of the law and awareness of these issues.

Furthermore, in order to foster the dissemination and understanding of the company's policies on anti-corruption and the promotion of fair competition, the Group has launched several training and communication initiatives aimed at employees. For more details on training courses, please refer to section G1-3.

The risk of cyber-attacks, which pose a growing threat to companies with potentially serious financial, reputational and operational consequences, is becoming increasingly topical and widespread, and the SOL Group has long invested in mitigating this risk. In fact, the Group has adopted an information security policy as well as a proactive approach that includes prevention measures, incident response plans, employee training on phishing, and constant monitoring of systems, aware that information security is a key investment to protect the business and ensure business continuity. This then led the company to ISO 27001 certification.

To ensure cyber security, the SOL Group has implemented various protective measures to prevent unauthorised access fromoutside, such as theuseof antivirus software and data encryption. In addition, specific procedures for staff were developed, with an emphasis on continuous training of employees to increase their awareness of cyber threats and best practices for online security. Through these measures and procedures, the Group aims to create a culture of IT security in which all employees are aware of their role in protecting the company's data and systems.

Another tool, aimed at ensuring compliance, is the Code of Ethics adopted since 2006 (later updated in 2017), which includes specific provisions on corporate culture and conduct. The Code of Ethics is a reference tool for members of corporate bodies, employees of the SOL Group and any third parties who collaborate or work in the name of, on behalf of or in the interest of the SOL Group, wherever they operate and in whatever way they contribute to creating value for the company.

SOL Spa, VIVISOL Srl and its subsidiaries, STERIMED Srl, MTE Srl, VIVISOL CALABRIA Srl, VIVISOL NAPOLI Srl and ICOA Srl have also adopted an Organisational, Management and Control Model suitable for the prevention of the offences provided for by Legislative Decree No. 231/2001, appointing their own Collegial or single-member Supervisory and Control Body responsible for verifying and controlling the concrete and effective implementation of the Model and ensuring that it is constantly updated. Training of all staff on this very important defence is constant.

With respect to personal date protection and processing (GDPR), SOL has appointed a Group Data Protection Officer (DPO) for Italy and adopted a Personal Data Protection Policy , in compliance with the applicable legislation, published and disseminated to all personnel and accompanied by an intensive ongoing training programme, including distance learning, that has involved and continues to involve all personnel. Data protection compliance activities continued with specific protocols, the creation of a record of processing activities, the appointment of the various positions involved, etc. in order to fully implement the GDPR in Italy and in the other countries where the SOL Group is present. *Privacy* nuggets are made available to staff every year.

The Italian DPO periodically reports to the Board of Directors of SOL Spa and the Board of Statutory Auditors and is in contact with the corresponding foreign DPOs where appointed by individual Group companies.

On 14 November 2023, SOL's Board of Directors approved an Anti-Corruption Code, in line with the UN Convention against Corruption,providing all those working for the SOL Group with an easy-to-consult tool that, in addition to that set out in the Code of Ethics and the Model 231/2001 and in the Integrated Management System Rules and Procedures, emphasises corruption-related episodes and the rules of conduct in the main risk areas and in the instrumental ones.

In view of the SOL Group's activities, the departments that are most sensitive to the risk of corruption have been defined as those that manage financing, acquisitions, public and private procurement, procurement of goods and services, and M&As.

For reports concerning SOL or other Group companies operating in Italy, the internal channel for transmitting reports, including those concerning corruption and bribery, is the software made available by the Group; the procedures are described in the whistleblowing procedure published both on the company intranet and on the website. This portal, which guarantees confidentiality and anonymity, has also been made available to foreign companies that have requested it in order to comply with local regulations transposing the relevant EU directives. The company has appointed for the Italian companies a single whistleblowing manager in the person of the Head of the Internal Control Department, all while ensuring adequate disclosure and protection of privacy.

With regard to whistleblowingin countries outside the scope of the Directive regulating whistleblowing, the Group Corporate Directive applies, which stipulates the obligation to report and provide updates to the Corporate Executive Management of Personnel and Legal Affairs on events that may entail high risks for each company and/or the entire Group.

With regard to the whistleblowing channel, the procedure allows for written reports (using software that encrypts the data) or oral reports and defines the responsibilities of those who receive and handle reports. The channel is accessible from all devices (PC, Tablet, Smartphone).

It is provided that the identity of the whistleblower and any other information from which that identity may be inferred, directly or indirectly, shall not be disclosed without the express consent of the whistleblower to persons other than those entitled to receive or follow up the reports, who are expressly authorised to process such data pursuant to the applicable legislation.

The process of handling reports requires that the Channel Manager, after receiving a report, acknowledges its receipt within 7 days. He/she then verifies the reliability and relevance of the report, if necessary requesting

additional information from the whistleblower. If the report concerns violations of Legislative Decree No. 231/01, the Supervisory Body is involved in the investigation. At the end of the investigation, a report is drawn up and the whistleblower is informed within three months (unless justified extensions are granted).
The policies, drafted to define the conduct of the SOL Group, include:

- Antitrust Code, Anti-Corruption Code (these documents refer to IROs related to compliance);
- Information Security Policy (as explained within the text, this document refers to IROs related to cybersecurity);
- Code of Ethics (this document is transversal to issues related to the conduct of the company), and is an integral part of the Organisation, Management and Control Model pursuant to Legislative Decree 231/2001.

These principles apply to all SOL Group companies.

Disclosure requirement G1-2 - Management of relationships with suppliers

The SOL Group is aware that the role of the supplier is becoming increasingly important in order to be able to respond effectively to the new sustainability challenges, seeking an ever greater involvement of the entire value chain. Suppliers with whom the company comes into contact are asked to make SOL's value system their own, as it is considered an effective and safe vehicle for the proper and transparent management of relations.
The main products and services purchased by Group companies are electricity, resale gas, transport, maintenance, technical and nursing services. On the other hand, the choice of sources of supply for capital goods and resale products is wider: mainly production equipment, tanks, cylinders, for the technical gases division and medical devices for the home care division.
In 2018, the Group issued a Regulation (a document valid for all Group companies) on the supplier evaluation process, in a logic of risk analysis: parameters related to the supplier's social and environmental compliance are also considered in this evaluation. In addition, 43 supplier audits were carried out in 2024, mainly covering quality, environmental, health and safety aspects. Suppliers are obliged to comply with the Group's Code of Ethics and, in Italy, also with the Organisation, Management and Control Model (under Legislative Decree no. 231/01), as well as Safety and Environment Policies.
The SOL Group decided to take a further step in its sustainability journey by becoming more involved in its value chain. To do this, it is assisted by Ecovadis, in whose rating it has participated since 2018, and which through its assessment platform supports the Group in assessing and managing the supply chain from an ESG perspective. The rating is the result of an in-depth analysis of the responses, which takes into account the size and sector of the supplier, as well as being supported by documents proving the truthfulness and actual implementation of what was stated. Integrating sustainability into purchasing processes means involving one's suppliers in a mutually supportive relationship, in the full sharing of the Group's ethical principles; only in this way is it possible to transform the value created by the company into a long-term positive impact on the community and the environment.
In Italy, the Group has defined a standard regulating the accounting activities of the liability cycle, within which the terms of payment to suppliers are detailed. See section G1-6 for more details. Current Group policies do not provide for differential treatment based on the legal status or size of the supplier.

Disclosure requirement G1-3 - Prevention and detection of corruption and bribery

On 14 November 2023, SOL's Board of Directors approved an Anti-Corruption Code providing all those working for the SOL Group with an easy-to-consult tool that, in addition to that set out in the Code of Ethics and the Model 231/2001 and in the Integrated Management System Rules and Procedures, emphasises corruption-related episodes and the rules of conduct in the main risk areas and in the instrumental ones.
The SOL Group's Corporate Executive Personnel and Legal Affairs Department promotes awareness of the Code to all Group personnel, who are therefore required to observe it and contribute to its concrete implementation. In this context, the communication actions include the publication of the Code on the Group's website and corporate intranet "SOLConnect" and the availability of the Code also in hard copy form for all personnel and its distribution to new recruits at the time of their induction, together with the 231 Model.

The anti-corruption training course is addressed, on the one hand, to management personnel and those with representation roles in the organisation through introductory brochures, meetings with first-level managers, or classroom workshops with Group executives most exposed to the risk of corruption; and, on the other hand, to all personnel through information at the time of recruitment for new recruits, and a training course conducted through e-learning. Participation in the training sessions, as well as in the e-learning course, is compulsory.
In Italy, 100% of the departments at risk are covered by training programmes.
The Anti-Corruption Code was the subject of Board induction for SOL's directors and auditors.
The SOL Group encourages all employees, third parties, suppliers, joint venturepartners, other contractors and anyone who becomes aware of facts contrary to the Code of Ethics, the Internal Regulatory Instruments and the applicable Anti-Corruption Regulations to report, through the whistleblowing channel, even anonymously, any violations, without fear of retaliation, discrimination or penalisation. For whistleblowing in countries outside the scope of the Directive governing whistleblowing, the Group Corporate Directive applies (see section G1-1).
The management of the internal channel is entrusted, for all SOL Group companies falling within the scope of the Decree, pursuant to the Whistleblowing Procedure, to the Corporate Head of the Internal Control Department, in such a way as to guarantee the separation between the investigator and the chain affected by the report. Receipt of the report by the person in charge of the channel starts the report handling process. The channel manager proceeds with its processing according to a predefined process flow chart. The Procedure was approved by the Board of Directors of SOL Spa on 20 July 2023, together with the identification of the organisational roles involved in the process of handling whistleblowing reports and the related responsibilities.
The Corporate Head of the Internal Control Department prepares an annual report on the reports received and the activities to deal with them, which is then presented to the Board of Directors of SOL Spa.
During 2024, there was only one report received through the communication channel that was handled even though it did not fall within the objective perimeter of the Decree, as it concerned a disservice reported by a patient in the homecare area. The report, although small, resulted in an improvement in the quality of the service provided.

METRICS AND TARGETS

Disclosure requirement G1-4 - Confirmed Incidents of corruption or bribery

In 2024, there were no cases of corruption and bribery, no convictions or fines.
For the sake of completeness, however, it should be noted that, with regard to criminal case No. 6036/2022 R.G.N.R. - No. 4500/2022 RGGIP pending before the Court of Palermo, which involves two former managers of the subsidiary VIVISOL Srl under investigation for offences provided for and punished by Articles 319 and 321 of the Italian Criminal Code, with the involvement of the company pursuant to Legislative Decree no. 231/2001, the investigation was closed in 2024 and the prosecutor requested the indictment of all natural and legal persons involved in the investigation. The repeatedly postponed preliminary hearing was set for 26 March 2025. The ASP of Palermo joined the civil action against the suspects as natural persons, requesting the summoning of the civilly liable employers of the suspects, a summons to which VIVISOL opposed. It should also be noted that the Enna Public Prosecutor's Office has also opened an investigation into the same matter. VIVISOL reaffirms its extraneousness to the charges, certain that it will be able to prove it before the judiciary.

Disclosure requirement G1-6 - Payment practices

The standard payment terms of suppliers in Italy are generally 60 days, but for different categories of suppliers (energy, utilities, gas) the terms are generally 30 days. These terms are reduced in some foreign countries where the Group operates. In this context, considering a representative sample consisting of payments made in the financial year 2024 by the largest Italian and some European companies in the industrial gases sector, the average payment time was 55 days. In particular, it was 62 days in Italy, the Group's main market, and 29 and 54 days in Germany and France respectively. For this sample, the percentage of individual payments for which contractual deadlines were met was 40% (94% considering payments made with a delay of less than 30 days).
The SOL Group has no legal proceedings currently pending due to late payment.
There are no specific payment policies for SMEs.

MAIN RISKS AND UNCERTAINTIES TO WHICH THE SOL GROUP IS EXPOSED

RISKS RELATED TO THE GENERAL ECONOMIC TREND

The Group performance is affected by the increase or decrease of the gross national product and industrial production, cost of energy products and health expense policies adopted in the different European countries in which the Group works.
The consequences of the war in Ukraine and the crisis in the Middle East could cause a further slowdown in various sectors of the economy in the countries where the SOL Group operates.

RISKS RELATING TO THE GROUP'S RESULTS

The SOL Group partially operates in sectors considerably regulated by economic cycles related to the trend in industrial production, such as the steel, metal working, engineering, chemical and glass manufacturing industries. In the case of an extended decline in business, the growth and profitability of the Group could be partially affected.
Moreover, government policies for reducing healthcare expenses could reduce margins in the home-care and medical gas and service sectors.

RISKS RELATED TO THE SUPPLY CHAIN

The Group is exposed to the risk of an unintentional and sudden interruption in the supply of a specific good, which may depend on factors exogenous or endogenous to the supplier with whom a supply contract exists. Therefore, if all or part of the supply under some of the existing production agreements were to cease for any reason, there can be no certainty as to the ability of the remaining producers to absorb the production quota of the defaulting or terminated producer, nor can there be any certainty as to the immediate availability of alternative producers in the market.
To minimise this risk, the Group diversifies its sources of supply where possible and subjects all its suppliers to an assessment of their economic and financial soundness, as well as their ethical and reputational compliance, which is updated regularly in order to avoid relationships with unsuitable parties and to parameterise its exposure to selected suppliers in terms of the risk of insolvency.

RISKS RELATED TO FUND REQUIREMENTS

The SOL Group carries on an activity that entails considerable investments both in production and in commercial equipment and expects to face up to requirements through the flows deriving from the operational management and from new loans.
Operational management should continue to generate sufficient financial resources, while the use of new loans, notwithstanding the Group's excellent capital and financial structure, will show higher interest rates and spreads in slight decrease compared to recent years.

OTHER FINANCIAL RISKS

The Group is exposed to financial risks associated with its business operations:
- credit risk in relation to normal trade transactions with customers;
- liquidity risk, with particular reference to the raising of financial resources associated with investments and with the financing of working capital;
- market risks (mainly relating to exchange and interest rates), in that the Group operates at international level in different currency areas and uses financial instruments which generate interests and purchases electric energy for production.

Credit risk

The granting of credit to end customers is subject to specific assessments by means of structured credit facility systems.

Positions amongst trade receivables for which objective partial or total non-recoverability is ascertained, are subject to individual write-down. Provisions are made on a collective basis for receivables that are not subject to individual write-down, taking into account the historic experience, the statistical data and, as a result of the introduction of the accounting standard IFRS 9, on the basis of a predictive approach, based on the counterparty's probability of default, the ability to recover in case of loss given default and also of expected future losses.

Liquidity risk

The liquidity risk may arise with the inability to raise, under good financial conditions, the financial resources necessary for the anticipated investments and the financing of working capital.

The Group has adopted a series of policies and processes aimed at optimising the management of financial resources, reducing liquidity risk, such as the maintenance of an adequate level of available liquidity, the obtaining of appropriate credit facilities and the systematic monitoring of the forecast liquidity conditions, in relation to the corporate planning process.

Management believes that the funds and the credit facilities currently available, in addition to those that will be generated by operating and financing activities, will permit the Group to satisfy its requirements resulting from investment activities, working capital management and debt repayments on their natural maturity dates.

Exchange rate risk and commodity cost risk

In relation to sales activities, the Group companies may find themselves with trade receivables or payables denominated in currencies other than the reporting currency of the company that holds them.

A number of Group subsidiary companies are located in countries outside the Eurozone, in particular Switzerland, Bosnia, Serbia, Albania, North Macedonia, Bulgaria, Hungary, Romania, the UK, Morocco, Poland, Czech Republic, India, Turkey, Brazil, China, Ecuador and Peru. Since the reference currency for the Group is the Euro, the income statements of these companies are translated into Euro using the average exchange rate for the period and, revenues and margins in local currency being equal, changes in interest rates may have an effect on the equivalent value in Euro of revenues, costs and economic results.

Assets and liabilities of the consolidated companies whose reporting currency is not the Euro can adopt equivalent values in Euro that differ depending on the exchange rate trend. As envisaged by the accounting standards adopted, the effects of these changes are booked directly to shareholders' equity, under the item "Other reserves".

Some Group companies purchase electricity that is used for the primary production of technical gasses. The price of electricity is affected by the Euro/dollar exchange rate and by the price trend of energy commodities. The risk related to their fluctuations is mitigated by signing, if possible and convenient, fixed price purchase contracts or with a variation measured over a longer time period. Moreover, almost all supply contracts to customers are index-linked in such a way as to cover the fluctuation risks shown above.

The Parent Company has a bond loan outstanding for a total of USD 3.5 million.

To hedge the exchange rate risk, a Cross Currency Swap (CCS) was made in Euros on the total loan amount and for the entire duration (12 years). The fair value of the CCS as at 31 December 2024 was positive in the amount of Euro 654 thousand.

With regard to the currency weakness involving the Turkish lira, note that Group companies resident in Turkey operate only within the country, but there could be a negative effect on their profitability as a result of the higher cost of products purchased from third countries.

As the conditions were met, IAS 29 - Financial Reporting in Hyperinflationary Economies was applied to the financial statements of Turkish companies as from 2022.

Interest rate risk

The interest rate risk is managed by the Parent Company by centralising most of the medium/long-term debt and by appropriately dividing the loans between fixed rate and floating rate, favouring, when possible and convenient, medium/long-term debt with fixed rates, also through specific Interest Rate Swap agreements.
The Parent Company has stipulated Interest Rate Swap agreements linked to floating rate medium-term loans with the aim of ensuring itself a fixed rate on said loans. The nominal value as at 31 December 2024 is equal to Euro 95,327 thousand and the positive fair value is equal to Euro 2,432 thousand.

RISKS RELATING TO PERSONNEL

The SOL Group has always been committed to preserving and improving the health and safety of workers, by adopting increasingly advanced technical solutions, the punctual application of standards and procedures, training activities and the continuous implementation of new projects aimed at strengthening a corporate culture increasingly focused on these important issues.
With regard to employees, there are potential risks related to the search, selection and retention of talent and the need to create and nurture growth paths that enhance their professionalism and experience, an issue common to many realities. There are also potential negative impacts on workers' health and safety that are mitigated by specific actions and the adoption of an integrated management system compliant with ISO 45001.
Please refer, however, to the chapter on consolidated sustainability reporting for a more in-depth discussion on the initiatives implemented.

RISKS RELATED TO THE ENVIRONMENT AND CLIMATE CHANGE

The products and the activities of SOL Spa are subject to increasingly complex and strict authorisation and environmental rules and regulations. This concerns manufacturing plants subject to regulations on waste disposal and waste water disposal and the ban on land contamination. During 2024, the previous assessments of the significance of climate change-related risks, both physical and transitional, and their economic/financial implications were confirmed.
With particular reference to transition risks, which depend on an overall scenario of change in the economic context with a view to limiting the increase in global temperature to 1.5-2°C, as per the agreement signed in Paris, the Directors consider that factors related to changes in market demand (increased sensitivity of customers and, more generally, of the Company's stakeholders to sustainability issues), technological evolution (risks related to the necessary technological innovations) and regulatory evolution (i.e. risks arising from legislative or political impositions aimed at triggering change) are of greater importance to the Group. In this context, in the industrial gas sector, which is characterised by a high energy content in production costs, the Company is constantly monitoring possible regulatory changes in order to meet the expectations of the market and the Company's stakeholders, and has planned investments in photovoltaic and wind power plants in order to increase the share of energy from renewable sources. Although there are currently no circumstances in which the Group's production processes are at risk of becoming obsolete as a result of the transition to a low-carbon economy, the Company intends to reaffirm its commitment to continue with the planned renewal and rationalisation of its plants, taking advantage of the opportunities offered by technological developments to reduce energy consumption and greenhouse gas emissions.
The Group's objective is to limit the fuel consumption and related greenhouse gas emissions generated directly and indirectly by the Company in connection with transport, which is mainly carried out by third-party suppliers.

To this end, the Company intends to encourage its suppliers to replace diesel-powered tractors with other lower-emission vehicles, in line with the expected evolution of the market offer of lower-emission alternatives. In this context, these measures will have no direct impact on SOL investments and costs. It should also be noted that all of the above initiatives to limit energy consumption and emissions, as well as the procurement of energy from renewable sources, have already been outlined in the Group Sustainability Plan. With regard to the exposure of tangible assets (plants, buildings) to physical risks related to climate change and the business continuity risk resulting from these factors, the Company considers that the overall risk is medium/low and has not identified any need for urgent action or significant investment.
Please refer, however, to the chapter on consolidated sustainability reporting for a more in-depth discussion on the initiatives implemented.

RISKS RELATING TO IT MANAGEMENT AND DATA SECURITY

The increasing use of IT tools in the management of company activities and the interconnection of company systems with external IT infrastructures expose these systems to potential risks with regard to the availability, integrity and confidentiality of data, as well as the efficiency of the IT tools themselves.
To ensure effective business continuity, the Group adopted a disaster recovery and business continuity system to ensure immediate replication of the main legacy system workstations.
The choice of these systems to be managed in business continuity was made on the basis of a thorough analysis of the related risk.
Moreover, multiple levels of physical and logical protection, at the level of servers and at the level of clients, ensure the active security of data and business applications. The SOL Group also has innovative artificial intelligence-based products to protect the digital identity of its employees.
Vulnerability analyses and audits on the security of information systems are periodically carried out by independent technicians to check the adequacy of the company's IT systems.
Finally, with regard to the problem of fraud through the use of IT resources by external parties, all employees are periodically informed and trained on the correct use of the resources and IT applications available to them.

TAX RISKS

The SOL Group is subject to taxation in Italy and in several other foreign jurisdictions.
The various companies of the Group are subject to the assessment of the income tax returns by the competent tax authorities of the countries in which they operate.
As already occurred in the past, any findings reported in the tax audits are carefully assessed and, when necessary, challenged in the appropriate venues.
At present, a dispute is in progress in Italy for findings on transfer pricing.

The opening of the MAP (Mutual Agreement Procedure) between Italy and four other European countries has been requested and is still being defined.
In the parent company SOL Spa, a provision has been made in the tax provision for the amount that is expected to be settled at the end of the litigation.

RISKS DERIVING FROM THE WAR IN UKRAINE AND IN THE MIDDLE EAST

The risks to which the SOL Group is exposed in connection with the war between Russia and Ukraine that broke out in February 2022 and the war in the Middle East in October 2023 are essentially indirect, in that there are no activities carried out directly by subsidiaries in the two areas involved.
In fact, the likely negative effects caused by the current conflicts on the economic growth of European countries could lead to a lower rate of development of the sales of the SOL Group.
In addition, the wars are contributing to difficulties in shipping and the maintenance of great variability in the cost of energy products, which is reflected in the purchase costs of electricity and fuels; this could mean the risk of not being able to pass on cost increases in full to the sales prices of industrial gases and services in the market, with a consequent negative effect on the Group's margins.
The continuation of the wars is also contributing to the inflationary effects of high energy commodity prices, with the consequent negative impact on investment costs and operating expenses.
In particular, a significant effect on home care activities is on the supply chain of medical equipment, for which there may be delays and difficulties in deliveries and consequent shortages to meet growing demand, as well as an increase in purchase prices.

OTHER RISKS

It is stated that on October 21, 2022 the subsidiary Vivisol S.r.l. was notified of the interim measure prohibiting it from contracting with the Public Administration pursuant to Article 25, paragraph 2, of Italian Legislative Decree No. 231/2001 in connection with criminal proceedings No. 6036/2022 RGNR 4500/2022 RGGIP pending before the Court of Palermo, which involves several natural and legal persons including a manager and a former manager of the Company, who are under investigation for the offences provided for and punished by Articles 319 and 321 of the Italian Criminal Code, which were allegedly committed in connection with a tender dating back to 2017 called by the ASP of Palermo and from which, inter alia, no profit was made. An appeal was immediately lodged against the aforesaid precautionary measure pursuant to Article 299 of the Code of Criminal Procedure and on November 2, 2022, with the favourable opinion of the Prosecutors in charge of the investigation, the Investigating Magistrate suspended the aforesaid measure with immediate effect, allowing the company to continue its operations. The measure was lifted on February 10, 2023.
In July 2024, the Public Prosecutors in charge of the investigation requested to the G.U.P. that all the persons under investigation be committed for trial.
Subsequently, the ASP of Palermo joined as plaintiff and the preliminary hearing before the judge was postponed to 26.03.2025.
It should also be noted that the Enna Public Prosecutor's Office has also opened an investigation into the same matter.
As stated in the press releases immediately issued by the Company, Vivisol reiterates that it is not involved in this matter and trusts that the judiciary will recognise the company's position.

MANAGEMENT AND CO-ORDINATION ACTIVITIES (PURSUANT TO ARTICLE 37, SUB-PARAGRAPH 2, MARKET REGULATION ISSUED BY CONSOB)

The body of shareholders of SOL Spa consists of a controlling shareholder, Gas and Technologies World Bv, (in turn controlled by Stichting Airvision, a Dutch foundation), which holds 59.978 % of the share capital.
Neither Gas and Technologies World BV nor Stichting Airvision exercise the activity of direction and coordination of SOL Spa pursuant to art. 2497 of the Italian Civil Code, as the majority shareholder, a holding company, is limited to exercising the rights and prerogatives of each shareholder and does not get involved, with the management of the Company (fully entrusted to the autonomous decisions of the Board of Directors of SOL Spa).

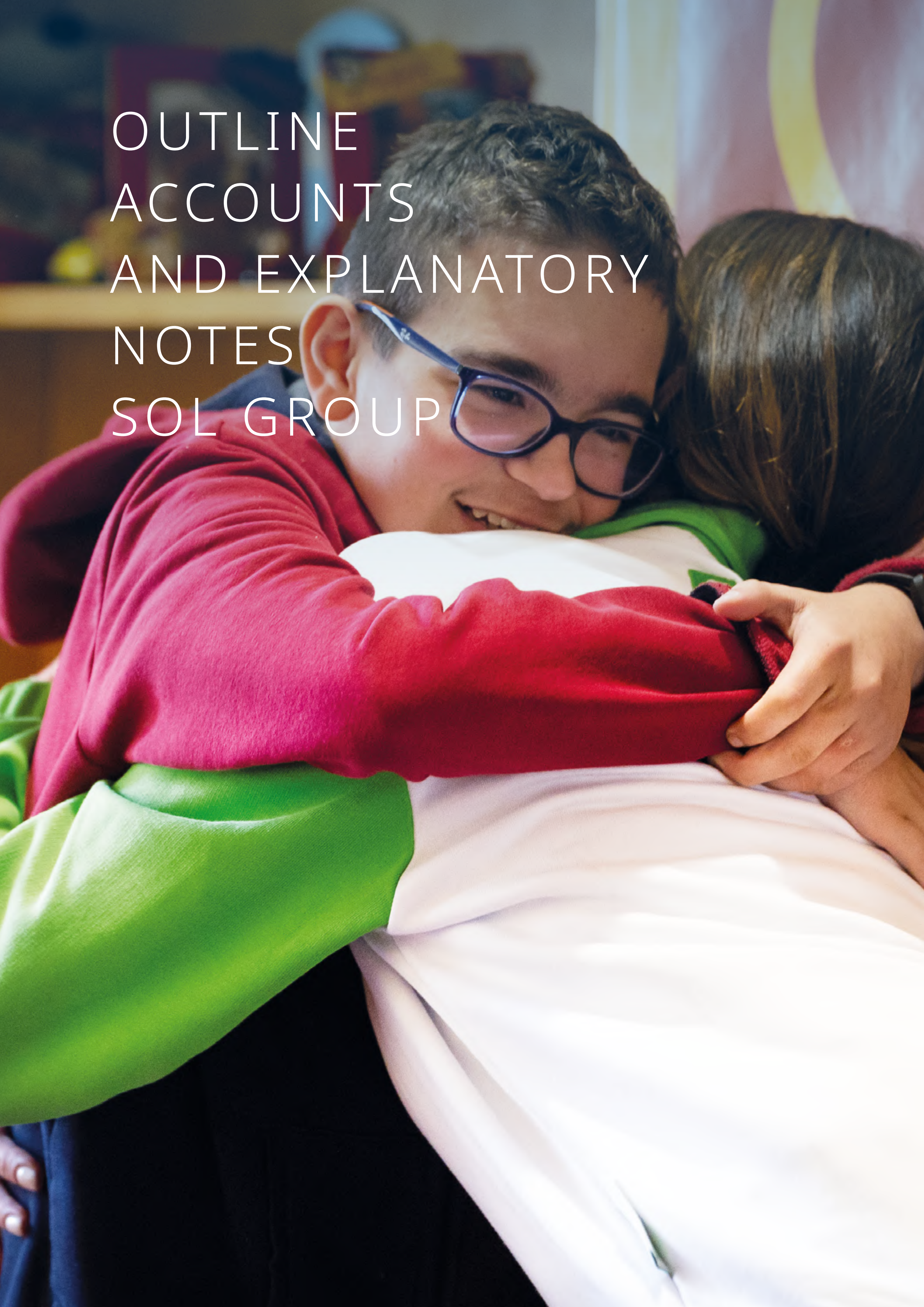
IMPORTANT FACTS OCCURRING AFTER THE 2024 REPORTING PERIOD AND BUSINESS OUTLOOK

There are no subsequent events to report.
The ongoing war in Ukraine and the crisis in the Middle East are economically causing continuous changes in the prices of oil, gas, electricity and other products.
This is reflected in the production and purchase costs of technical gases.
However, the SOL Group will continue with its investment programmes and, where possible, acquisitions, with the aim of achieving good sales growth and maintaining profitability at good levels.

Monza, March 27, 2025

The Chairman of the Board of Directors
(Aldo Fumagalli Romario)

OUTLINE ACCOUNTS AND EXPLANATORY NOTES SOL GROUP



CONSOLIDATED INCOME STATEMENT - SOL GROUP

(amounts in thousands of Euro)

	Notes	12.31.2024	%	12.31.2023	%
Revenues from sales and services	1	1,610,444	100.0%	1,487,136	100.0%
Other revenues and income	2	34,164	2.1%	42,433	2.9%
Revenues		**1,644,608**	**102.1%**	1,529,569	102.9%
Purchase of materials		410,720	25.5%	418,994	28.2%
Services rendered		453,435	28.2%	406,651	27.3%
Change in inventories		(7,658)	-0.5%	(14,720)	-1.0%
Other costs		41,831	2.6%	34,724	2.3%
Total costs	3	**898,328**	**55.8%**	845,650	56.9%
Added value		**746,279**	**46.3%**	683,920	46.0%
Payroll and related costs	4	342,453	21.3%	301,759	20.3%
Gross operating margin		**403,827**	**25.1%**	382,161	25.7%
Depreciation/amortisation	5	156,478	9.7%	144,765	9.7%
Provisions and write-downs	5	10,172	0.6%	10,271	0.7%
Operating result		**237,177**	**14.7%**	227,125	15.3%
Financial income		7,717	0.5%	5,195	0.3%
Financial expense		(28,966)	-1.8%	(22,320)	-1.5%
Results from equity investments		(184)	0.0%	608	0.0%
Total financial income/(expense)	6	**(21,434)**	**-1.3%**	(16,517)	-1.1%
Profit (Loss) before income taxes		**215,743**	**13.4%**	210,609	14.2%
Income taxes	7	60,787	3.8%	57,905	3.9%
Net result from business activities		**154,957**	**9.6%**	152,704	10.3%
Net result from discontinued operations		-	0.0%	-	0.0%
(Profit)/Loss pertaining to minority interests		(7,259)	-0.5%	(6,972)	-0.5%
Net Profit/(Loss)		**147,698**	**9.2%**	145,733	9.8%
Earnings per share		**1.628**		1.607	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME - SOL GROUP

(amounts in thousands of Euro)

	12.31.2024	12.31.2023
Profit/(Loss) for the year (A)	**154,957**	152,704
Components that will never be reclassified to the Income Statement		
Actuarial gains/(losses)	(631)	(776)
Tax effect	151	180
Total components that will never be reclassified to the Income Statement (B1)	**(480)**	(596)
Components that may be reclassified to the Income Statement		
Profits/(losses) on cash flow hedging instruments	(4,396)	(5,603)
Profits/(losses) deriving from conversion of financial statements of foreign companies	1,207	(756)
Tax effect related to other profits (losses)	1,055	1,345
Total components that may be reclassified to the Income Statement (B2)	**(2,134)**	(5,014)
Total other profits/(losses) net of the tax effect (B1) + (B2) = (B)	**(2,614)**	(5,610)
Overall result for the period (A+B)	**152,342**	147,094
Attributable to:		
- shareholders of the parent company	145,083	141,037
- minority interest	7,259	6,057

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - SOL GROUP

(amounts in thousands of Euro)

	Notes	12.31.2024	12.31.2023
Tangible fixed assets	8	846,751	754,571
Goodwill	9	264,395	245,628
Other intangible fixed assets	10	50,187	42,009
Equity investments	11	27,233	26,926
Other financial assets	12	13,999	17,969
Deferred tax assets	13	18,145	19,211
Non-current assets		**1,220,710**	1,106,314
Non-current assets held for sale			
Inventories	14	112,001	100,804
Trade receivables	15	491,437	448,454
Other current assets	16	61,792	61,418
Current financial assets	17	21,411	18,050
Cash and cash equivalents	18	231,590	205,627
Current assets		**918,231**	834,353
TOTAL ASSETS		**2,138,942**	1,940,667
Share capital		47,164	47,164
Share premium reserve		63,335	63,335
Legal reserve		10,459	10,459
Reserve for treasury shares in portfolio		-	-
Other reserves		757,589	660,599
Retained earnings (accumulated loss)		1,319	1,321
Net Profit		147,698	145,733
Shareholders’ equity - Group		**1,027,563**	928,611
Shareholders’ equity - Minority interests		44,028	39,543
Profit pertaining to minority interests		7,259	6,972
Shareholders’ equity - Minority interests		**51,287**	46,515
Shareholders’ equity	19	**1,078,851**	975,126
Employee severance indemnities and benefits	20	19,939	16,917
Provision for deferred taxes	21	14,380	15,104
Provisions for risks and charges	22	10,860	3,847
Payables and other financial liabilities	23	594,350	550,215
Non-current liabilities		**639,530**	586,083
Non-current liabilities held for sale			
Amounts due to banks		4,199	3,190
Trade accounts payable		193,541	168,367
Other financial liabilities		97,301	89,031
Tax payables		33,961	35,452
Other current liabilities		91,561	83,418
Current liabilities	24	**420,563**	379,459
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**2,138,942**	1,940,667

CONSOLIDATED CASH FLOW STATEMENT - SOL GROUP

(amounts in thousands of Euro)

	Notes	12.31.2024	12.31.2023
CASH FLOW GENERATED BY OPERATING ACTIVITIES			
Profit for the year		**147,698**	145,733
Minority interests in profit/loss		**7,259**	6,972
Adjustments to items not affecting liquidity			
Depreciation/amortisation	5	156,478	144,765
Results from equity investments	6	184	(608)
Interest on loans and on bonds	6	18,496	13,785
Employee severance indemnities and benefits accrued	4	2,475	2,276
Provisions and write-downs	5	9,850	10,270
Taxes for the period	8	**60,787**	57,905
Cash flow before changes in nwc		**403,227**	381,098
Changes in current assets and liabilities			
Inventories	14	(8,392)	(13,977)
Trade receivables	15	(43,261)	(15,192)
Other assets	14 - 16	(6,129)	(5,244)
Suppliers	24	23,074	(13,916)
Other liabilities		6,446	2,679
Tax payables		1,509	(15,205)
Total changes in current assets and liabilities		**(26,753)**	(60,855)
Other adjustments for non-monetary items		(18,011)	(12,775)
Taxes paid		(60,973)	(37,407)
Cash flow generated by operating activities		**297,490**	270,061
CASH FLOWS GENERATED BY INVESTMENT ACTIVITIES			
Acquisition of tangible fixed assets	8	(202,329)	(164,383)
Changes in right of use and other changes in tangible fixed assets	8	(29,831)	(15,203)
Increases in intangible assets		(17,896)	(25,371)
(Increase) decrease in non-current financial assets	12	4,514	4,769
(Increase) decrease of equity investments and business units		(20,824)	(46,509)
Total		**(266,366)**	(246,697)
CASH FLOWS GENERATED BY FINANCING ACTIVITIES			
Repayment of loans		(45,427)	(56,251)
Raising of new loans		96,689	157,783
Redemption of bonds		(11,924)	(11,929)
Undertaking bonds		-	0
Change *in leases*		8,896	8,045
Raising (repayment) of shareholders' loans		(30)	30
Dividends paid	20	(37,776)	(33,548)
Interest on loans and on bonds paid		(18,311)	(11,709)
Total		**(7,883)**	52,421
Effect of exchange rate fluctuations	20	1,714	(1,131)
INCREASE (DECREASE) IN CASH IN HAND AND AT BANK		**24,955**	74,654
CASH IN HAND AND AT BANK AT BEGINNING OF YEAR	18	**202,437**	127,782
CASH IN HAND AND AT BANK AT END OF YEAR	18	**227,392**	202,436

Flows are shown net of the effect of acquisitions on the Group's assets and liabilities, as indicated in Chapter 9 - Goodwill.

It should be noted that the opening and closing cash and cash equivalents considered for the purposes of the statement are shown net of due to banks related to current account overdrafts (note 24).

STATEMENT OF CHANGES IN CONSOLIDATED SHAREHOLDERS' EQUITY - SOL GROUP

(amounts in thousands of Euro)

	Share capital	Share premium reserve	Legal reserve	Other reserves	Net profit	Total Group shareholders' equity	Total shareholders' equity pertaining to minority interests	**Total shareholders' equity**
Balance as at 01.01.2023	47,164	63,335	10,459	565,964	133,693	820,615	42,015	862,630
Allocation of 2022 profit	-	-	-	103,761	(103,761)	-	-	-
Dividend distribution	-	-	-	-	(29,931)	(29,931)	(3,617)	(33,548)
Other consolidation changes	-	-	-	(3,110)	-	(3,110)	2,060	(1,050)
Profit (loss) for the financial year	-	-	-	(4,695)	145,733	141,037	6,057	147,094
Balance as at 12.31.2023	**47,164**	**63,335**	**10,459**	**661,920**	**145,733**	**928,611**	**46,515**	**975,126**
Allocation of 2023 profit	-	-	-	112,173	(112,173)	-	-	-
Dividend distribution	-	-	-	-	(33,559)	(33,559)	(4,217)	(37,776)
Other consolidation changes	-	-	-	(12,572)	-	(12,572)	1,730	(10,842)
Profit (loss) for the financial year	-	-	-	(2,615)	147,698	145,083	7,259	152,342
Balance as at 12.31.2024	**47,164**	**63,335**	**10,459**	**758,907**	**147,698**	**1,027,563**	**51,287**	**1,078,851**

NOTES TO THE FINANCIAL STATEMENTS

The 2024 consolidated financial statements have been drawn up in accordance with the International Accounting Standards (IFRS) established by the International Accounting Standards Board and approved by the European Union. The IFRS are understood to also be all the international accounting standards reviewed (IAS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously known as the Standing Interpretations Committee (SIC), approved by the European Union and contained in the relevant EU Regulations.
The financial statements are prepared on the basis of the historical cost principle, amended as requested for the valuation of various financial instruments, as well as on a going concern basis. The SOL Group, in fact, evaluated that no significant uncertainties exist (as defined by paragraph 25 of accounting standard IAS 1) on the principle of going concern
The income statement has been drawn up with the allocation of the costs by nature; the Balance Sheet has been prepared in accordance with the format that highlights the separation of the "current/non-current" assets and liabilities, while the indirect method was adopted for the statement of cash flows, adjusting the profit for the period of non-monetary components. The statement of changes in shareholders' equity shows the comprehensive income (expenses) for the year and other changes in Shareholders' Equity.
In the income statement, income and costs deriving from non-recurring operations have been shown separately.
The analysis of the income statement and the consolidated statement of financial position and cash flow statement has also been carried out in accordance with the provisions of IFRS 8, highlighting the contribution of the "Technical gases" and "Home-care service" activity sectors taken as primary sectors and providing the most important data relating to the activities by geographic area, Italy and other countries, identified as secondary sectors.
Further to the enforcement of Legislative Decree no. 38 of February 28, 2005, implementing in the Italian regulations the European Regulation No. 1606/2002, companies with securities admitted for trading on Member European Union States' regulated markets must from 2006 draw up their financial statements in accordance with the international accounting standards (IAS/IFRS) issued by the International Accounting Standard Board (IASB), as approved by the EU Commission.
The financial statements and the notes to the financial statements have been prepared supplying also the additional information on diagrams and budget disclosure envisaged by Consob Resolution no. 15519 and by Consob Communication no. 6064293 issued on July 28, 2006.

GROUP COMPOSITION AND SCOPE OF CONSOLIDATION

The consolidated financial statements comprise the financial statements as at December 31, 2024, of the SOL Spa Parent Company and of the following companies, which are, pursuant to Article 38, paragraph 2 of Italian Legislative Decree No. 127/91 as amended by the provisions of Italian legislative decree no. 139 of August 18, 2015, "Implementation of directive 2013/34/EU related to the financial statements, consolidated financial statements and related reports of certain types of companies, amending directive 2006/43/EC and repealing directives 78/660/EEC and 83/349/EEC, for the part related to the regulations of the financial statements and consolidated financial statements".

a) directly or indirectly controlled subsidiaries, consolidated on a line-by-line basis

				Ownership percentage		
Company name and registered office	Notes		Share capital	Direct	Indirect	**Total**
AIRSOL Srl - Monza		EUR	7,750,000	100.00%		100.00%
ALLERSHAUSEN CARE GmbH - Neufahrn bei Freising		EUR	25,000		100.00%	100.00%
ANAPNOI MONOPROSOPI IKE - Thessaloniki		EUR	850,000		100.00%	100.00%
BEHRINGER FRANCE Sarl - Saint Andre Lez Lille		EUR	10,000		51.00%	51.00%
BEHRINGER Srl – Genoa		EUR	102,000	2.00%	49.00%	51.00%
BHORUKA SPECIALTY GASES PRIVATE Ltd - Bangalore	1	INR	204,080	51.00%		51.00%
BIOTECHSOL Srl - Monza		EUR	110,000	51.00%	49.00%	100.00%
BLA SERVICOS HOSPITALARES Ltda - San Paolo		BRL	15,000,000		56.00%	56.00%
CTS Srl - Monza		EUR	156,000	100.00%		100.00%
CENTRO ORTOPEDICO FERRANTI - GRUPPO VIVITOP Srl - Palermo		EUR	132000		33.00%	33.00%
CRYOLAB Srl - Rome		EUR	509,021	85.00%		85.00%
CRYOS Srl - Peveragno		EUR	40,000		85.00%	85.00%
DIATHEVA Srl - Cartoceto		EUR	260,000	92.00%		92.00%
DIRECT MEDICAL Ltd Company - Athlone		EUR	100		100.00%	100.00%
DN GLOBAL HOMECARE Ltda - SALVADOR		BRL	3,734,543		74.00%	74.00%
DOLBY HEALTCARE Ltd - Stirling		GBP	300,100		100.00%	100.00%
DOLBY MEDICAL HOME RESPIRATORY CARE Ltd - Stirling		GBP	15,100		100.00%	100.00%
ENERGETIKA ZJ doo - Jesenice		EUR	999,602	100.00%		100.00%
FLOSIT Sas - Casablanca		MAD	12,000,000	100.00%	0.00%	100.00%
FRANCE OXYGENE Sarl - Templemars		EUR	1,300,000		100.00%	100.00%
GEBZE GAZ As - Gebze		TRY	41,525,510		85.00%	85.00%
GLOBAL CARE ASSISTENCIA DOMICILIAR Ltda - San Paolo		BRL	10,736,528		93.00%	93.00%
GREEN ASU PLANT PRIVATE Ltd - Bangalore	2	INR	10,000,000	100.00%		100.00%
GTH GAZE INDUSTRIALE Sa - Bucharest		RON	14,228,583	100.00%		100.00%
GTS Shpk - Tirana		ALL	292,164,000	100.00%		100.00%
HYDROENERGY Shpk - Tirana		ALL	1,444,108,950	96.00%		96.00%
ICOA Srl - Vibo Valentia		EUR	45,760	98.00%		98.00%
IL POINT SRL - Verona		EUR	98,800		81.00%	81.00%
INDUSTRIAS CRIOGENICA DEL PERU Sac - Lima		PEN	1,610,000		50.00%	50.00%
INTENSIVPFLEGEDIENST KOMPASS GmbH - Munich		EUR	25,000		100.00%	100.00%
IRISH OXYGEN COMPANY Ltd - Cork		EUR	697,802		50.00%	50.00%
ITOP ORTOPEDIE ASSOCIATE Srl - Palestrina		EUR	10,400		51.00%	51.00%
ITOP SERVIZI Srl - Palestrina		EUR	10,000		51.00%	51.00%
ITOP Spa OFFICINE ORTOPEDICHE - Palestrina		EUR	400,000		51.00%	51.00%
JML SERVICOS HOSPITALARES LTDA - San Paolo		BRL	19,597,590		56.00%	56.00%
KSD KOHLENSÄURE-DIENST GmbH - Bretzfeld		EUR	30,000		100.00%	100.00%
MBAR ASSISTANCE RESPIRATOIRE Sas - Ballan Mire		EUR	7,622		100.00%	100.00%
MEDAIR OXYGEN SOLUTION Srl - Slatina		RON	600		70.00%	70.00%
MEDES Srl - Giussago		EUR	10,400	51.00%		51.00%
MEDSEVEN spzoo - Osielsko		PLN	646,000		100.00%	100.00%
MEDTEK MEDIZINTECHNIK GmbH - Grunstadt		EUR	75,000		100.00%	100.00%
MEL Ad - Trn		BAM	2,005,830	80.00%		80.00%
MIDIPERF SANTE Lr - Vendargues		EUR	21,000		100.00%	100.00%
MIDIPERF SANTE FRANCE Sas - Vendargues		EUR	632,500		100.00%	100.00%
MTE MEDICAL TECHNOLOGY AND ENGINEERING Srl - Surbo		EUR	66,489	75.00%	25.00%	100.00%
ORTHOHUB Srl - Palestrina		EUR	10,000		51.00%	51.00%
P PAR PARTICIPACOES Ltda - San Paolo		BRL	39,450,845		93.00%	93.00%
PAC GASSERVICE GmbH - Herne		EUR	52,000		100.00%	100.00%
PALLMED spzoo - Bydgoszcz		PLN	800,802		100.00%	100.00%
PERSONAL GENOMICS Srl - Verona		EUR	112,149		100.00%	100.00%
PIELMEIER MEDIZINTECHNIK GmbH - Taufkirchen		EUR	25,000		100.00%	100.00%
POLAR ICE Ltd- Portarlington		EUR	3,672		61.00%	61.00%
POR GROUP Srl - Rome		EUR	30,000		51.00%	51.00%
PORTARE DISTRIBUIDORA DE PRODUTOS E SERVICOS MEDICO-HOSPITALAR Ltda - San Paolo		BRL	2,000,000		93.00%	93.00%
PROFI GESUNDHEITS - SERVICE GmbH - Weiler bei Bingen		EUR	25,000		100.00%	100.00%
PRONEP LAR INTERNACAO DOMICILIAR Sa - Rio de Janeiro		BRL	67,918,209		85.00%	85.00%
PRONEP SAO PAULO - SERVICOS ESPECIALIZADOS DOMICILIARES E HOSPITALARES Ltda- San Paolo		BRL	1,181,200		85.00%	85.00%
RESPITEK As - Istanbul		TRY	66,260,870		70.00%	70.00%
SHANGHAI JIAWEI MEDICAL GAS Co. Ltd - Shanghai		CNY	1,000,000		70.00%	70.00%
SHANGHAI MU KANG MEDICAL DEVICE DISTRIBUTION SERVICE Co. Ltd - Shanghai		CNY	5,000,000		90.00%	90.00%

(continues)

a) directly or indirectly controlled subsidiaries, consolidated on a line-by-line basis

(continues)

Company name and registered office	Notes		Share capital	Ownership percentage Direct	Indirect	**Total**
SHANGHAI SHENWEI MEDICAL GAS Co. Ltd - Shanghai		CNY	10,000,000		90.00%	90.00%
SERVICIOS INTEGRALES DE SOPORTE A LA ELECTROMEDICINA Sl - Barcelona		EUR	150,000		51.00%	51.00%
SISEMED UNIPESSOAL Lda - Lisbon		EUR	3,000		51.00%	51.00%
SITEX MAD Sa - Plan-les-Ouates		CHF	110,000		100.00%	100.00%
SITEX Sa - Plan-les-Ouates		CHF	400,000		100.00%	100.00%
SOL B Srl - Lessines		EUR	5,508,625		100.00%	100.00%
SOL BULGARIA Ead - Sofia		BGN	19,305,720	100.00%		100.00%
SOL CROATIA doo (former UTP doo) - Pula		EUR	2,328,440	100.00%		100.00%
SOL DEUTSCHLAND GmbH - Krefeld		EUR	7,000,000		100.00%	100.00%
SOL FRANCE Sas - Eragny		EUR	13,000,000		100.00%	100.00%
SOL GAS PRIMARI Srl - Monza		EUR	500,000	100.00%		100.00%
SOL GROUP LAB Srl - Costabissara		EUR	100,000	100.00%		100.00%
SOL HELLAS Sa (former TAE HELLAS Sa) - Maroussi		EUR	8,426,061		100.00%	100.00%
SOL HUNGARY KFT - Dunaharaszti		HUF	50,020,000		100.00%	100.00%
SOL HYDROPOWER doo - Skopje		MKD	2,460,200	100.00%		100.00%
SOL INDIA PRIVATE Ltd - Chennai		INR	703,991,650	100.00%		100.00%
SOL KOHLENSÄURE GmbH & Co. KG - Burgbrohl		EUR	20,000	100.00%		100.00%
SOL KOHLENS ÄURE Verwaltungs GmbH - Burgbrohl		EUR	25,000		100.00%	100.00%
SOL KOHLENSÄURE WERK GmbH & Co. KG - Burgbrohl		EUR	10,000		100.00%	100.00%
SOL NEDERLAND Bv - Tilburg		EUR	2,295,000	100.00%		100.00%
SOL REAL ESTATE DEUTSCHLAND GmbH - Neufahrn bei Freising		EUR	25,000		100.00%	100.00%
SOL SEE doo - Skopje		MKD	497,554,300	97.00%	3.00%	100.00%
SOL SLOVAKIA Sro - Bratislava		EUR	75,000		100.00%	100.00%
SOL SRBIJA doo - Nova Pazova		RSD	317,193,834	67.00%	33.00%	100.00%
SOL TG GmbH - Wiener Neustadt		EUR	5,726,728	100.00%		100.00%
SOL TK As - Istanbul		TRY	253,802,303		100.00%	100.00%
SOLEOMED GmbH - Merklingen		EUR	26,000		80.00%	80.00%
SOL-K ShpK - Gracanica		EUR	2,010,000	100.00%	0.00%	100.00%
SPG - SOL PLIN GORENJSKA doo - Jesenice		EUR	8,220,664	55.00%	45.00%	100.00%
SPITEX ALOHA GmbH - Basel		CHF	20,000		100.00%	100.00%
SPITEX PERSPECTA AG - Basel		CHF	100,000		100.00%	100.00%
STERIMED Srl - Surbo		EUR	100,000		100.00%	100.00%
SWISSGAS DEL ECUADOR Sas - Guayaquil		USD	13,200,000		50.00%	50.00%
TPJ doo - Jesenice		EUR	2,643,487	64.00%	36.00%	100.00%
TGP Ad - Petrovo		BAM	1,177,999	61.00%	26.00%	87.00%
TGS doo - Skopje		MKD	419,220,422	100.00%		100.00%
TGT Ad - Trn		BAM	970,081	75.00%		75.00%
UNIT CARE SERVICOS MEDICOS Ltda - San Paolo		BRL	2,084,000		95.00%	95.00%
VITORIA MEDICINA DOMICILIAR LTDA - Vitoria		BRL	2,092,845		85.00%	85.00%
VIVICARE GmbH - Neufahrn bei Freising		EUR	25,000		100.00%	100.00%
VIVICARE HOLDING GmbH - Neufahrn bei Freising		EUR	25,000		100.00%	100.00%
VIVISOL ADRIA doo - Mengeš		EUR	7,500		100.00%	100.00%
VIVISOL B Srl - Lessines		EUR	162,500	0.00%	100.00%	100.00%
VIVISOL BRASIL Ltda - San Paolo		BRL	18,159,000		100.00%	100.00%
VIVISOL CALABRIA Srl - Vibo Valentia		EUR	10,400		98.00%	98.00%
VIVISOL CZECHIA Sro - Praga		CZK	100,000		100.00%	100.00%
VIVISOL DEUTSCHLAND GmbH - Neufahrn bei Freising		EUR	2,500,000		100.00%	100.00%
VIVISOL FRANCE Sarl - Vaux Le Penil		EUR	3,503,600		100.00%	100.00%
VIVISOL GULF MEDICAL EQUIPMENT RENTAL L.L.C - Dubai		AED	300,000		100.00%	100.00%
VIVISOL HEIMBEHANDLUNGSGERÄTE GmbH - Vienna		EUR	726,728		100.00%	100.00%
VIVISOL HELLAS Sa - Athens		EUR	1,053,981		100.00%	100.00%
VIVISOL IBERICA Slu - Arganda del Rey		EUR	5,500,000		100.00%	100.00%
VIVISOL INTENSIVSERVICE GmbH - Regensburg		EUR	40,000		100.00%	100.00%
VIVISOL NAPOLI Srl - Marcianise		EUR	98,800		81.00%	81.00%
VIVISOL NEDERLAND Bv - Tilburg		EUR	500,000	100.00%		100.00%
VIVISOL PORTUGAL UNIPESSOAL Lda- Condeixa-a-Nova		EUR	100,000		100.00%	100.00%
VIVISOL SILARUS Srl - Battipaglia		EUR	18,200		57.00%	57.00%
VIVISOL Srl - Monza		EUR	2,600,000	51.00%	49.00%	100.00%
WIP WEITERBILDUNG IN DER PFLEGE GmbH - Neufahrn bei Freising		EUR	25,000		100.00%	100.00%
WONSAK KOHLENSÄURE-SERVICE GmbH - Hamburg		EUR	25,000		55.00%	55.00%

1) The Group's share as at December 31, 2024, includes a 5.40 % equity investment of SIMEST Spa; under an agreement entered into between SOL Spa and SIMEST Spa on November 25, 2022, SOL Spa is under obligation to repurchase the entire SIMEST Spa share by November 30, 2030.

2) The Group's share as at December 31, 2024, includes a 47.44 % equity investment of SIMEST Spa; under an agreement entered into between SOL Spa and SIMEST Spa on November 25, 2022, SOL Spa is under obligation to repurchase the entire SIMEST Spa share by November 30, 2030.

b) jointly controlled companies, consolidated by adopting the equity method

Company name and registered office		Share capital	Ownership percentage
CONSORZIO ECODUE - Monza	EUR	800,000	50.00%
CT BIOCARBONIC GmbH - Zeitz	EUR	50,000	50.00%

c) non-consolidated subsidiary and associated companies

Company name and registered office		Share capital	Ownership percentage
FLOSIT PHARMA Sas - Casablanca	MAD	5,000,000	100.00%
GTE Sl - Barcelona	EUR	12,020	100.00%
SOMNOMEDICS GmbH - Randersacker	EUR	30,000	15.00%
ZDS JESENICE doo - Jesenice	EUR	10,000	75.00%

The companies FLOSIT PHARMA Sa and GTE Sl were not consolidated in that inactive and not relevant for the purposes of giving a true and fair view of the financial position, the results of the operations and of the cash flows of the Group.
The company SOMNOMEDICS GmbH was not consolidated since it is a non-controlling interest.
ZDS JESENICE doo was not consolidated since it is administered by a minority shareholder.

d) associated companies, consolidated by adopting the equity method

Company name and registered office		Share capital	Ownership percentage
CONSORGAS Srl - Milan	EUR	500,000	26.00%
NEMO LAB Srl - Milan	EUR	14,286	30.00%
NIPPON SANSO SHENWEI GASES Co. Ltd - Shanghai	CNY	18,224,460	32.00%
OXY TECHNICAL GASES doo - Karlovac	EUR	13,500,000	40.00%
SHANGHAI BOHAO HEALTH Service CO., Ltd - Shanghai	CNY	3,000,000	49.00%
SHANGHAI SHENWEI GAS FILLING Co. Ltd - Shanghai	CNY	1,000,000	37.00%

Finally, equity investments in other companies were carried at fair value through profit and loss, as they cannot be included among subsidiary and associated companies.
The scope of consolidation between December 31, 2024, and December 31, 2023, underwent the following changes:

- with the inclusion of SPITEX ALOHA GmbH acquired in March 2024,
- with the inclusion of MEDAIR OXYGEN SOLUTION acquired in March 2024,
- with the inclusion of PRONEP LAR INTERNACAO DOMICILIAR Sa and of its subsidiaries PRONEP SAO PAULO - SERVICOS ESPECIALIZADOS DOMICILIARES E HOSPITALARES Ltda, VITORIA MEDICINA DOMICILIAR Ltda, acquired in April 2024,
- with the inclusion of SOLEOMED GmbH acquired in August 2024,
- with the inclusion of PAC GASSERVICE GmbH acquired in October 2024,
- with the inclusion of VIVISOL GULF MEDICAL EQUIPMENT RENTAL L.L.C. set up in October 2024,
- with the inclusion of POR GROUP Srl acquired in November 2024,
- with the inclusion of SISEMED Sl and of its subsidiary SISEMED UNIPESSOAL Lda acquired in December 2024,
- with the increase in the shareholdings in DN GLOBAL HOMECARE Ltda from 55 % to 80%,
- with the increase in the shareholdings in SHANGHAI SHENWEI MEDICAL GAS Co. Ltd from 70 % to 90%,
- with the increase in the shareholdings in SHANGHAI MU KANG MEDICAL DEVICE DISTRIBUTION SERVICE Co. Ltd from 70 % to 90%,
- with the increase in the shareholdings in SHANGHAI JIAWEI MEDICAL GAS Co. Ltd from 30% to 70%,

- with the increase in the shareholdings in PERSONAL GENOMICS Srl from 84.71% to 100%,
- with the increase in the shareholdings in TESI Srl TECNOLOGIA & SICUREZZA Srl from 89.63 % to 100%,
- with the exclusion of Tesi Srl Tecnologia & Sicurezza Srl, merged into the company REVI Srl (which then changed its name to MTE MEDICAL TECHNOLOGY AND ENGINEERING Srl) on May 30, 2024,
- with the exclusion of SOL CROATIA doo, merged into UTP doo (which then changed its name to SOL CROATIA doo) on July 1, 2024,
- with the exclusion of MIDIPERF SANTE IDF, merged by incorporation into the Company MIDIPERF SANTE LR on November 1, 2024,
- with the exclusion of MAGNUS OPIEKA DOMOWA, merged into the company PALLMED spzoo on December 31, 2024
- with the inclusion of SHANGHAI BOHAO HEALTH SERVICE Co., Ltd (associated company) following the acquisition of the majority stakes in the company SHANGHAI JIAWEI MEDICAL GAS Co. Ltd.

According to paragraph 264 Section 3 of the German Commercial Code, German subsidiaries:
- ALLERSHAUSEN CARE GmbH - Neufahrn bei Freising
- INTENSIVPFLEGEDIENST KOMPASS GmbH - Munich
- KSD KOHLENSÄURE-DIENST GmbH - Bretzfeld
- MEDTEK MEDIZINTECHNIK GmbH - Grunstadt
- PAC GASSERVICE GmbH - Herne
- PIELMEIER MEDIZINTECHNIK GmbH - Taufkirchen
- PROFI GESUNDHEITS - SERVICE GmbH - Weiler bei Bingen
- SOL DEUTSCHLAND GmbH - Krefeld
- SOL KOHLENSÄURE GmbH & Co. KG - Burgbrohl
- SOL KOHLENSÄURE VERWALTUNGS GmbH - Burgbrohl
- SOL KOHLENSÄURE WERK GmbH & Co. KG - Burgbrohl
- SOL REAL ESTATE DEUTSCHLAND GmbH - Neufahrn bei Freising
- VIVICARE GmbH - Neufahrn bei Freising
- VIVICARE HOLDING GmbH - Neufahrn bei Freising
- VIVISOL DEUTSCHLAND GmbH - Neufahrn bei Freising
- VIVISOL INTENSIVSERVICE GmbH - Regensburg
- WIP WEITERBILDUNG IN DER PFLEGE GmbH - Neufahrn bei Freising
- WONSAK KOHLENSÄURE-SERVICE GmbH - Hamburg

are exempted from the obligation to prepare and publish in Germany both the financial statements in accordance with generally accepted German accounting standards and the report on management and to allow the audit of those financial statements.

ACCOUNTING AND CONSOLIDATION PRINCIPLES

GENERAL PRINCIPLES

The consolidated financial statements of the SOL Group have been drawn up in Euro since this is the legal tender of the economies in the countries where the Group operates. The balances of the consolidated financial statement items, taking into account their importance, are expressed in thousands of Euro. Foreign subsidiaries are included in accordance with the principles described in the section “Consolidation principles – Consolidation of foreign companies.

CONSOLIDATION STANDARDS

Subsidiary companies

These are companies over which the Group exercises control. Such control exists when the Group has the power, directly or indirectly, to determine the financial and operating policies of a company, for the purpose of obtaining the benefits from its activities. The financial statements of the subsidiary companies are included in the consolidated financial statements as from the date when control over the company was taken up until the moment said control ceases to exist. The portions of shareholders' equity and the result attributable to minority shareholders are indicated separately in the consolidated balance sheet and income statement, respectively.
Subsidiaries are enterprises over which SOL has the power to determine autonomously the strategic choices of the enterprise in order to obtain the related benefits. In general, the existence of control is presumed when more than half of the voting rights in the ordinary Shareholders' Meeting are directly or indirectly held also considering the potential votes i.e. voting rights deriving from convertible instruments.
Dormant subsidiaries are not included in the consolidated financial statements.

Jointly controlled companies

These are companies over whose activities the Group has joint control, as defined by IFRS 11 - Joint Arrangements. The consolidated financial statements include the portion pertaining to the Group of the results of the jointly controlled companies, recorded using the equity method, as from the date on which the significant influence started and until it ceases to exist.

Associated companies

These are companies in which the Group does not exercise control or joint control over the financial and operating policies (joint ventures that do not qualify as joint operations and associated companies) but over which SOL exercises significant influence in determining their strategic decisions, albeit without having control over them, also considering the potential votes i.e. voting rights deriving from convertible instruments; significant influence is presumed when SOL holds, directly or indirectly, more than 20% of the voting rights in the ordinary Shareholders' Meeting.
The consolidated financial statements include the portion pertaining to the Group of the results of the associated companies, recorded using the equity method, as from the date on which the significant influence started and until it ceases to exist.

Equity investments in other companies

Equity investments in other companies (normally involving a percentage ownership of less than 20%) are carried at fair value and possibly written down to reflect any permanent losses in value. Subsequently, gains and losses deriving from changes in fair value are recognised directly in profit or loss for the period as permitted by IFRS 9.

Transactions eliminated during the consolidation process

All the balances and the significant transactions between Group companies, as well as unrealised gains and losses on inter company transactions, are eliminated during the preparation of the consolidated financial statements. Any unrealised gains or losses generated on transactions with associated companies are eliminated in relation to the value of the Group's shareholding in said companies.
The criteria applied for consolidation are as follows:

- assets and liabilities, income and costs in financial statements consolidated on a line-by-line basis are entered into the Group financial statements, regardless of the entity of the equity interest concerned. Moreover, the carrying value of equity interests is derecognised against the shareholders' equity relating to investee companies;
- payable/receivable and cost/revenue items between consolidated companies and profits/losses arising from intercompany transactions are derecognised. Similarly, dividends and write-downs of equity investments recognised in the financial statements are eliminated;

- closing inventories for products purchased from Group companies are adjusted for the intra-group margins included therein, as these have not yet been realised with third parties.
- capital gains realised on intra-group sales of intangible and tangible fixed assets are eliminated net of the amortisation/depreciation recorded on those gains.
  If minority shareholders exist, the portion of shareholders' equity and net profit for the period pertaining thereto is posted in specific items of the balance sheet and income statement;
- upon the sale of an investee that results in the loss of control, any goodwill attributable to the investee is taken into account in determining the gain or loss on disposal;
- in case of shareholdings acquired after control has been obtained, any difference between the purchase cost and the corresponding portion of shareholders' equity is recognised in equity; Similarly, the effects of the sale of minority interests without loss of control are recognised in equity.

Foreign currency transactions

Transactions in foreign currencies are recorded at the exchange rate in force as of the date of the transaction. Monetary assets and liabilities in foreign currencies at the end of the reporting period are translated at the exchange rate in force at that date. Exchange differences arising from the settlement of monetary items or from their translation at exchange rates different from those used at the time of initial recording during the year or in previous financial statements, are booked to the income statement.

Consolidation of foreign companies

All the assets and liabilities of foreign companies denominated in currency other than the Euro that are included within the scope of consolidation are converted using the exchange rates in force at the end of the reporting period (current exchange rate method). Income and costs are translated using the average rate for the year. The exchange differences emerging from the application of this method are classified as an equity account until the equity investment is disposed of.
Goodwill and adjustments to the fair value generated by the acquisition of a foreign company are stated in the relevant currency and translated using the period-end exchange rate.

The exchange rates used for converting the financial statements not expressed in Euro are indicated in the table below:

Currency		Exchange rate on 12.31.2024		Average exchange rate 2024		Exchange rate on 12.31.2023		Average exchange rate 2023
Czech Koruna	Euro	0.03971	Euro	0.03981	Euro	0.04045	Euro	0.04045
Macedonian dinar	Euro	0.01628	Euro	0.01624	Euro	0.01629	Euro	0.01629
Serbian dinar	Euro	0.00856	Euro	0.00854	Euro	0.00855	Euro	0.00855
Moroccan dirham	Euro	0.09511	Euro	0.09297	Euro	0.09151	Euro	0.09151
US Dollar	Euro	0.96256	Euro	0.92387	Euro	0.90498	Euro	0.90498
Dirham of the United Arab Emirates	Euro	0.26210	Euro	0.25157	Euro	-	Euro	-
Hungarian forint	Euro	0.00243	Euro	0.00253	Euro	0.00261	Euro	0.00261
Swiss franc	Euro	1.06247	Euro	1.04976	Euro	1.07991	Euro	1.07991
Albanian lek	Euro	0.01020	Euro	0.00993	Euro	0.00964	Euro	0.00964
Bulgarian lev	Euro	0.51130	Euro	0.51130	Euro	0.51130	Euro	0.51130
Turkish Lira	Euro	0.02722	Euro	0.02811	Euro	0.03063	Euro	0.03063
Convertible mark	Euro	0.51129	Euro	0.51129	Euro	0.51129	Euro	0.51129
Nuevo Sol	Euro	0.25606	Euro	0.24615	Euro	0.24499	Euro	0.24499
New Romanian leu	Euro	0.20103	Euro	0.20102	Euro	0.20098	Euro	0.20098
Brazilian real	Euro	0.15564	Euro	0.17158	Euro	0.18651	Euro	0.18651
Indian rupee	Euro	0.01124	Euro	0.01104	Euro	0.01088	Euro	0.01088
British pound	Euro	1.20601	Euro	1.18117	Euro	1.15068	Euro	1.15068
Yuan renminbi	Euro	0.13187	Euro	0.12841	Euro	0.12737	Euro	0.12737
Polish Zloty	Euro	0.23392	Euro	0.23225	Euro	0.23044	Euro	0.23044

Business combinations

The business combinations are accounted using the acquisition method in accordance with IFRS 3. According to this method, the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair value of the assets transferred and liabilities undertaken by the Group at the date of acquisition and of the equity instruments issued in exchange for the control of the acquired company. The expenses related to the transaction are generally recognised in the income statement when they are incurred.
The goodwill is determined as the surplus between the sum of the amounts transferred in the business combination, the value of shareholders' equity attributable to minority interests and the fair value of any equity investment previously held in the acquired company compared to the fair value of net assets acquired and liabilities undertaken at the date of acquisition. If the value of the net assets acquired and liabilities undertaken at the date of acquisition exceeds the sum of the amounts transferred, the value of shareholders' equity attributable to minority interests and the fair value of any equity investment previously held in the acquired company, this surplus is immediately recognised in the income statement as income arising from the concluded transaction.
The portions of shareholders' equity attributable to minority interests, at the date of acquisition, can be measured at fair value or at the pro-rata value of net assets recognised for the acquired company. The choice of the measurement method is carried out for each transaction.
Any amount subject to conditions stipulated by the contract of business combination are measured at fair value at the date of acquisition and included in the value of the amounts transferred in the business combination for the purposes of determining the goodwill.
In the case of business combinations that occurred in stages, the equity investment previously held by the Group in the acquired company is revalued at fair value at the date of acquisition of control and any ensuing gain or loss is recognised in the income statement. Any value arising from the equity investment previously held and recorded in "Other profits (losses)" are reclassified in the income statement as if the equity investment had been transferred.
The business combinations that occurred before January 1, 2010, were recognised according to the previous version of IFRS 3.

Minority shareholders

The portion of capital and reserves pertaining to minority shareholders in subsidiaries and the portion pertaining to minority shareholders of profit or loss for the year of consolidated subsidiaries are separately identified in the consolidated income statement and balance sheet. Changes in ownership shares of subsidiaries that do not involve acquisition/loss of control are accounted for under changes in shareholders' equity.

Acquisition of minority shares

After obtaining the control of a company, transactions in which the parent company acquires or transfers more minority interests without modifying the control over the subsidiary are to be considered transactions with shareholders and therefore must be recognised under shareholders' equity. It follows that the book value of the controlling interest and minority interests must be adjusted to reflect the change in interest in the subsidiary and any difference between the amount of the adjustment made to minority interests and the fair value of the price paid or received in respect of that transaction is recognised directly in the shareholders' equity and is attributed to the shareholders of the parent company. There will be no adjustment to the value of goodwill and profits or losses will be recognised in the income statement. The expenses arising from such transactions must also be recognised in equity in accordance with the requirements of IAS 32 in paragraph 35.

Under common control *transactions*

A business combination involving enterprises or groups under common control (transaction under common control) is a combination in which all of the enterprises or businesses are ultimately controlled by the same person or persons both before and after the business combination and the control is not temporary.
If a significant influence on future cash flows after the transfer is demonstrated for all parties involved, these

transactions are treated as described under ”Business combinations and goodwill”.
If, however, this cannot be demonstrated, such transactions are recognised according to the principle of continuity of values.
In particular, the accounting recognition criteria, in application of the principle of continuity of values, falling within the scope of what is indicated in IAS 8.10, in line with international practice and the orientations of the Italian accounting profession on the subject of business combinations under common control, envisage that the purchaser recognises the assets acquired on the basis of their historical book values determined on a cost basis. If the transfer values are higher than the historic values, the excess is reversed, reducing the shareholders' equity of the acquiring Group, with the recording of a special reserve in its financial statements.
Similarly, the accounting standard adopted in preparing the financial statements of the transferring Group provides that any difference between the transaction price and the pre-existing book value of the transferred assets is not recognised in the income statement, but is instead recognised as a credit to shareholders' equity.

ACCOUNTING STANDARDS

TANGIBLE FIXED ASSETS

Cost

Real estate property, plant and machinery are stated at purchase or production cost, inclusive of any related charges. For assets that justify capitalisation, the cost also includes the financial expenses that are directly attributable to the acquisition, construction or production of said assets.
The costs incurred subsequent to purchase are capitalised only if they increase the future economic benefits inherent to the assets to which they refer.
Gains and losses from sale or disposal of assets are calculated as the difference between the sales revenue and the net book value of the asset and are recognised in profit or loss of the financial year.
All the other costs are recorded in the income statement when incurred.
Assets held under financial lease agreements, via which all the risks and benefits associated with the ownership are essentially transferred to the Group, are recorded as Group assets at their current value or, if lower, at the net current value of minimum lease payments due. The corresponding liability owed to the lessor is recorded in the financial statements under financial payables. The assets are depreciated by applying the following method and rates.
The recoverability of their value is ascertained in accordance with the approach envisaged by *IAS 36* illustrated in the following paragraph "Impairment of assets". Write-downs made may be reversed in the context of the original cost incurred.
The costs capitalised for leasehold improvements are attributable to the classes of assets to which they refer and depreciated over the residual duration of the rental contract or the residual useful life of the improvement, whichever period is shorter.
If the individual components of the compound fixed asset are characterised by different useful lives, they are recorded separately so as to be depreciated on a consistent basis with their duration ("component approach). Specifically, according to this approach, the value of land and the value of the buildings on it are separated and just the building is depreciated.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets, as follows:

Land	-	
Buildings	2%	- 10%
Plant and machinery	7.5%	- 20%
Industrial and commercial equipment	5.5%	- 25%
Other assets	10%	- 30%

Lease agreements

The Group must assess whether the agreement is, or contains, a lease at the date it is entered into. The Group recognises the Right of Use and the related lease liability for all lease arrangements as lessee, except for short-term leases (i.e. leases of 12 months or less) and leases of low-value assets (by Group policy, such assets are those with a value of less than Euro 10,000 when new). For the latter, the Group recognises the related payments as operating expenses on a straight-line basis over the term of the contract unless another method is more representative. The agreements for which this last exemption was applied fell mainly within the following categories:

- computers, phones and tablets;
- printers;
- equipment;
- other electronic devices;
- other assets

With reference to these exemptions, the Group recognises the related payments as operating expenses recognised on a straight-line basis over the term of the agreement.
The lease payments included in the value of the lease liability include:

- the fixed component of the lease payments, net of any incentives received;
- variable lease payments based on an index or rate, initially measured using the index or rate at the effective date of the agreement;
- the amount of guarantees for the residual value that the lessee expects to pay;
- the exercise price of the purchase option, which must be included only if the exercise of that option is considered reasonably certain;
- penalties for early termination of the lease if the lease term provides for an option to terminate the lease and the exercise of that option is reasonably certain.

Subsequent to initial recognition, the book value of the lease liability increases due to accrued interest (using the effective interest method) and decreases due to payments made under the lease agreement.
The Group recalculates the lease liability (and adjusts the corresponding right-of-use value) if:

- the duration of the lease changes or there is a change in the valuation of the exercise of the option right; in which case the lease liability is restated by discounting the new lease payments at the revised discount rate;
- changes in the value of the lease payments as a result of changes in indices or rates, in such cases the lease liability is restated by discounting the new lease payments at the original discount rate (unless the lease payments change as a result of fluctuations in interest rates, in which case a revised discount rate shall be used);
- a lease agreement has been amended and the amendment does not qualify for separate recognition of the lease agreement. In such cases, the lease liability is restated by discounting the new lease payments at the revised discount rate.

The right-of-use asset comprises the initial measurement of the lease liability, lease payments made before or on the effective date of the lease and any other initial direct costs. The right of use is recognised in the financial statements net of depreciation and any impairment losses.
Lease-related incentives (e.g. rent-free periods) are recognised as part of the initial value of the right-of-use and lease liability over the contractual period.
The right of use is depreciated on a systematic basis at the lower of the lease term and the residual useful life of the underlying asset. If the lease agreement transfers ownership of the related asset or the cost of the right of use reflects the Group's intention to exercise the purchase option, the related right of use is amortised over the useful life of the asset in question. Depreciation starts from the commencement of the lease term.
The Group applies IAS 36 Impairment of Assets in order to identify the presence of any impairment losses.

Public grants

Public grants are recognised in the financial statements when there exists a reasonable certainty that the company will meet all the conditions for receiving the contributions and that the contributions will be received. When the contributions are related to cost components, they are recognised as revenues, but are allocated systematically across the financial periods in order to be proportionate to the costs that they intend to compensate. If a contribution is related to an asset, the asset and the contribution are recognised for their nominal values and they are gradually discharged to the income statement, on a straight-line basis, along the expected useful life of the asset of reference.

If the Group receives a non-monetary contribution, the asset and contribution are recognised at their nominal value and discharged to the income statement, on a straight-line basis, along the expected useful life of the asset of reference. In case of loans or similar forms of assistance supplied by government entities or similar institutions that have an interest rate lower than the current market rate, the effect related to the favourable interest rate is considered as an additional public grant.

INTANGIBLE ASSETS

Goodwill

In the event of the acquisition of businesses, the assets, liabilities and potential liabilities acquired and identifiable are stated at their current value (fair value) as of the date of acquisition. The positive difference between the purchase cost and the portion of the current value of these assets and liabilities pertaining to the Group is classified as goodwill and recorded in the financial statements as an intangible asset. Any negative difference ("negative goodwill") is by contrast stated in the income statement at the time of acquisition.

Goodwill is not amortised, but is subject annually (or more frequently if specific events or changed circumstances indicate the possibility of having suffered an impairment) to checks in order to identify any reduction in value, carried out at Cash Generating Unit level to which the Company's management charges said goodwill, in accordance with the matters anticipated by IAS 36 - Impairment of assets. After initial recognition, goodwill is measured at cost, net of any accumulated impairment losses.

Any write-downs made are not subject to subsequent reinstatement.

At the time of the disposal of a portion or of the whole of a company previously acquired, whose acquisition gave rise to goodwill, account is taken of the corresponding residual value of the goodwill when determining the capital gain or loss on the disposal.

At the time of initial adoption of the IFRS, the Group chose not to retroactively apply IFRS 3- Business Combinations, to the acquisitions of businesses that took place prior to January 1, 2004; consequently, the goodwill generated on the acquisitions prior to the date of transition to the IFRS is maintained at the previous value, as are the consolidation reserves recorded under the shareholders' equity, determined in accordance with Italian accounting standards, subject to assessment and recognition of any impairment losses at that date.

Other intangible fixed assets

The other intangible fixed assets purchased or produced internally are identifiable assets lacking physical consistence and are recorded under assets, in accordance with the matters laid down by IAS 38 – Intangible assets, when the company has control over said assets and it is probable that the use of the same will generate future economic benefit and when the cost of the assets can be reliably determined.

These assets are measured at purchase or production cost and amortised on a straight-line basis over their estimated useful lives, if the same have a definite useful life. Intangible fixed assets with an indefinite useful life are not amortised, but are subject annually (or more frequently if there is indication that the asset may have suffered an impairment) to assessment in order to identify any reductions in value.

Other intangible fixed assets recorded following the acquisition of a company are recorded separately from the goodwill, if their current value can be determined reliably.

IMPAIRMENT OF ASSETS

IAS 36 requires the company to test tangible and intangible fixed assets for impairment where indicators that such problem may persist are present. In the case of other intangible assets with an indefinite useful life or assets not available for use (in progress), this assessment is made at least annually.
The Group periodically assesses the recoverability of the book value of the Intangible assets and the Real estate property, plant and machinery, so as to determine if there is any indication that said assets have suffered an impairment loss. If such indication occurs, it is necessary to estimate the recoverable amount of the assets in order to establish the entity of the possible impairment loss. An intangible asset with an indefinite useful life is tested for impairment annually or more frequently, whenever there is an indication that the asset may be impaired.
When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the unit generating the financial flows to which the asset belongs.
The recoverability of the recognised amounts is tested by comparing the book value recognised in the financial statements with the fair value net sale price, if an active market exists, or the value in use of the asset, whichever is greater.
In calculating the usage value, the estimated future cash flows are discounted to their current value using a rate that reflects the current market valuations of the current value of cash and the asset's specific risks. The main assumptions used for calculating the value of use concern the discount rate, growth rate, expected changes in selling prices and cost trends during the period used for the calculation. The growth rates adopted are based on future market expectations in the relevant sector. Changes in the sales prices are based on past experience and on the expected future changes in the market. The Group prepares operating cash flow forecasts resulting from the business plan prepared by the Directors and approved by the Board of Directors of the parent company and determines the terminal value (current value of perpetual income), based on a medium- and long-term growth rate in line with that of the specific sector to which it belongs.
If the recoverable amount of an asset (or CGU) is estimated to be lower than its book value, the latter is reduced to the lower recoverable amount, immediately recognising impairment in the income statement.
When there is no longer any reason for a write-down to be maintained, the book value of the asset (or of the cash-generating unit) - with the exception of goodwill - is increased to the new value resulting from the estimate of its recoverable amount, but not beyond the net book value that the asset would have had if it had not been written down for impairment. Reversal of impairment loss is recognised immediately in the income statement.

FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions governing the instrument.
The "Equity investments" and other non-current financial assets item includes the equity investments in non-consolidated companies and other non-current financial assets (securities held with the intention of maintaining them in the portfolio until maturity, non-current receivables and loans and other non-current financial assets available for sale).
Current financial instruments include trade receivables, current securities, other current financial assets and liquid funds and equivalents.
Financial liabilities include financial payables and trade payables.
Equity investments in non-consolidated companies are stated in accordance with the matters established by IAS 28 - Investments in associated and Joint Ventures, as described in the previous section entitled "Consolidation principles"; equity investments in other companies are stated at cost net of any write-downs. Other non-current financial assets, as well as current financial assets and financial liabilities, are stated in accordance with the approach established by IAS 39 – Financial instruments: recognition and measurement.
Current financial assets and securities held with the intention of maintaining them in the portfolio until maturity

are recorded in the accounts with reference to the date of trading and, at the time of initial recognition in the financial statements, are measured at acquisition cost, including any costs related to the transaction.
Subsequent to initial recognition, the financial instruments at FVTOCI and those available for trading are measured at fair value. If the market price is not available, the fair value of the financial instruments at FVTOCI available for sale is measured by means of the most appropriate measurement techniques, such as, for example, the analysis of the discounted back cash flows, made with the market information available at the end of the reporting period.
When an investment in a debt instrument measured as FVTOCI is derecognised, the cumulative gain (loss) previously recognised in other comprehensive income is reclassified from equity to profit or loss through a reclassification adjustment.
Conversely, when an investment in an equity instrument designated as measured at FVTOCI is derecognised, the cumulative gain (loss) previously recognised in other comprehensive income is subsequently transferred to retained earnings without passing through profit or loss.
Current assets denominated in foreign currencies for which hedging transactions through derivative instruments are undertaken are measured in accordance with hedge accounting, where applicable.
Gains and losses on financial assets available for sale are recorded directly under shareholders' equity until the financial asset is sold or is written down; then, the accumulated gains or losses, including those previously recorded under shareholders' equity, are recorded in the income statement for the period.
Loans and receivables that the Group does not hold for trading purposes (loans and receivables originated during core business activities), securities held with the intention of being maintained in the portfolio until maturity and all the financial assets for which listings on an active market are not available and whose fair value cannot be determined reliably, are calculated at amortised cost, if they have a pre-established maturity, using the effective interest method. When the financial assets do not have a pre-established maturity, they are measured at purchase cost.
Measurements are regularly carried out so as to check if objective evidence exists whether a financial asset or a group of assets have suffered an impairment loss. If objective evidence exists, the impairment loss will have to be recorded as a cost in the income statement for the period.
The financial liabilities hedged by derivative instruments are measured in accordance with the formalities established by IAS 39 for hedge accounting applying the following accounting treatments:
- fair value hedge: the profits or losses deriving from fair value measurements of the hedged instrument are recorded in the income statement;
- cash flow hedge: the effective portion of profits or losses deriving from fair value measurements of the hedged instrument are recorded in the income statement.

IMPAIRMENT OF FINANCIAL ASSETS

The recoverability of financial assets not measured at fair value through profit or loss is measured on the basis of the Expected Credit Loss (ECL) model introduced by IFRS 9.
Expected losses are generally determined by multiplying: (i) the exposure to the counterparty by (ii) the probability of default (PD) of the counterparty; (iii) the estimate, in percentage terms, of the amount of credit that will not be recovered in the event of a defined loss given default (LGD), as well as past experience and possible recovery actions available.

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

Financial assets are derecognised whenever one of the following conditions occurs:
- the contractual right to receive cash flows from the asset has expired;
- the Group has transferred substantially all the risks and benefits related to the asset, either by transferring its rights to receive cash flows from the asset or by assuming a contractual obligation to return the cash flows received to one or more recipients under a contract that meets the requirements of IFRS 9;

- the Group has neither transferred nor retained substantially all the risks and benefits related to the financial asset but has transferred control of it.

The financial liabilities are derecognised when they are extinguished, i.e. when the contractual obligation is discharged, cancelled or expired.

When an existing financial liability is replaced by another to the same creditor on substantially different terms, or the terms of an existing liability are substantially changed, such replacement or change is treated as derecognition of the original liability and recognition of a new liability. The difference between the respective book values is recognised in the income statement.

DERIVATIVE INSTRUMENTS

The financial liabilities hedged by derivative instruments are measured in accordance with the formalities established by IAS 39 for hedge accounting applying the following accounting treatments:

- fair value hedge: the profits or losses deriving from fair value measurements of the hedged instrument are recorded in the income statement;
- cash flow hedge: the effective portion of profits or losses deriving from fair value measurements of the hedged instrument are recorded in the income statement.

The Group decided to continue to use the hedge accounting rules set out in IAS 39 for all hedges already designated in hedge accounting in previous years and for new hedges designated in 2024.

DISCLOSURE

IFRS 7 requests additional information aimed at appreciating the importance of the financial instruments in relation to economic performances and to the financial position of a company. The accounting principle requires a description of the targets, policies and procedures carried out by the Management for the different types of financial risk (liquidity market and credit risk) to which the subject is exposed, including sensitivity analysis for each type of market risk (exchange rate, interest rate, equity, commodity) and report on the concentration and average, minimum and maximum exposure to the different types of risk during the period of reference, if the existing exposure at the end of the period is not sufficiently representative.

IAS 1 regulates among other things report obligations to be supplied on the targets, policies and management processes of the share capital, specifying, in case of capital requirements imposed by third-parties, the management nature and method and any consequence of lack of compliance. For qualitative and quantitative analysis, refer to Note 23 ”Payables and other financial liabilities”.

INVENTORIES

Inventories of raw materials, semi-finished and finished products are measured at the lower of cost and market value, cost being determined using the weighted average cost method. The measurement of the inventories includes the direct costs of the materials and the labour and the indirect costs (variable and fixed). Write-down allowances are calculated for materials, finished products and other supplies considered obsolete or slow-moving, taking into account their future expected usefulness or their realisable value.

Contract work in progress is measured on the basis of the stage of completion, net of any advance payments invoiced to customers.

Any losses on these contracts are booked to the income statement in full at the time they become known.

LOANS

Loans are initially measured at cost, corresponding to the fair value of the amount received, net of additional charges incurred to obtain the loan.

After initial recognition, loans are recognised at amortised cost calculated by applying the effective interest rate.

The effective interest method is the method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that discounts future payments (including all fees, transaction costs and other premiums or discounts) over the term of the financial liability or, if more appropriate, over a shorter period. Loans are classified among current liabilities unless the Group has the unconditional right to defer discharge of a liability by at least 12 months after the reporting period.

EMPLOYEE BENEFITS

Post-employment benefits are defined on the basis of plans, even if not yet formalised, which, based on their nature, are classified as “defined contribution” and “defined benefit”. In defined contribution plans, the company’s obligation is limited to the payment of contributions to the State or to a legally separate entity (known as Fund), and is determined on the basis of contributions due, reduced by amounts already paid over, if any.
The liability for defined benefit plans, net of any assets serving the plan, is determined on the basis of actuarial calculations and is recognised on an accrual basis consistent with the period of employment required to obtain the benefit.
The severance indemnity is classified as a defined benefit plan-type post-employment benefit, whose accrued sum must be projected so as to estimate the amount to be paid out on termination of the employment relationship and subsequently discounted back, using the projected unit credit method, which is based on demographic and financial type hypothesis in order to make a reasonable estimate of the sum total of the benefits that each employee has already accrued against their employment services.
By means of the actuarial measurement, the current service cost that defines the sum total of the rights accrued during the year by the employees is charged to the income statement item “payroll and related costs” and the interest cost which represents the figurative liability that the company would incur by requesting the market for a loan for the same amount as the severance indemnity is booked under “financial income/expense”.
The re-measurement components of the net liabilities, which include the actuarial profits and losses, are immediately recorded in the statement of comprehensive income. Such components need not be reclassified in the income statement.

PROVISIONS FOR RISKS AND CHARGES

The Group records provisions for risks and charges when it has a legal or implied obligation vis-à-vis third parties, and it is probable that it will become necessary to use Group resources in order to fulfil the obligation and when a reliable estimate of the sum total of said obligation can be made.
The estimate changes are reflected in the income statement in the period when the change took place.

FOREIGN CURRENCY TRANSACTIONS

Transactions in foreign currencies are recorded at the exchange rate in force at the date of the transaction. Monetary assets and liabilities in foreign currency are translated at the exchange rate in force at the end of the reporting period. Exchange differences arising from the settlement of monetary items or from their translation at exchange rates different from those used at the time of initial recording during the year or in previous financial statements, are booked to the income statement.

HYPERINFLATIONARY ECONOMIES

The SOL Group controls companies based in Turkey, a country that has been defined as having high inflation in 2022, as the cumulative inflation rate over the last three years has exceeded 100%. According to the accounting standard IAS 29 Financial Reporting in Hyperinflationary Economies, the financial statements of Turkish companies must be restated according to specific procedures and a valuation process in order to eliminate the distorting effects of the loss of the purchasing power of money.

In the income statement, costs and revenues are revalued by applying the change in the general consumer price index. With regard to the balance sheet, monetary items are not revalued as they are already expressed in the current unit of measurement at the end of the reporting period; On the other hand, non-monetary assets and liabilities are revalued from the date of initial recognition to the end of the reporting period.
The financial statements are translated into Euro by applying the period-end exchange rate for both balance sheet and income statement items.

REVENUE RECOGNITION

Revenues are recognised to the extent that control is transferred so that it is probable that the Group will receive the economic benefits and their amount can be reliably measured.
Revenues are stated net of any adjusting entries.
Revenue from contracts with customers are recognised on the basis of the following five steps:
(i) identifying the contract with a customer;
(ii) identifying the performance obligations, represented by promises in a contract to transfer to a customer goods or services;
(iii) determining the transaction price;
(iv) allocating the transaction price to each performance obligation on the basis of the relative selling prices of each distinct good or service;
(v) recognising revenue when a performance obligation is satisfied by transferring a promised good or service to a customer. The transfer is considered completed when the customer obtains control of the good or service, which can take place continuously (over time) or at a specific time (at a point in time).
Revenue is recognised at the fair value of the amount of consideration to which the company believes it is entitled in exchange for the goods and/or services promised to the customer, excluding amounts collected on behalf of third parties. In the presence of variable consideration, the company estimates the amount of the consideration to which it will be entitled in exchange for the transfer of the goods and/or services promised to the customer; in particular, the amount of the consideration may vary where there are discounts, rebates or bonuses or where the price itself depends on the occurrence or non-occurrence of certain future events.
Exchanges between goods or services of a similar nature and value, since they do not represent sales transactions, do not result in the recognition of revenues.
Grants related to income are fully recognised in the income statement when the recognition requirements are met. Financial income and expense are recognised on an accrual basis.

COST RECOGNITION

Costs and expenses are recognised in the financial statements on an accrual basis.

FINANCIAL INCOME AND EXPENSE

Financial income and expense are recognised in the income statement on an accrual basis.
In particular, interest income and expense are recognised on an accrual basis, according to the amount of the loan and the effective interest rate, which represents the rate used to discount estimated future cash receipts/payments over the expected life of the financial asset/liability to the book value.

TAX

Income taxes include all the taxation calculated on the Group's taxable income. Income taxes are recorded in the income statement, with the exception of those relating to items directly debited against or credited to shareholders' equity, in which case the tax effect is booked directly to shareholders' equity. Provisions for taxation that might be generated by the transfer of the non-distributable profit of subsidiary companies, are made solely when there is the real intention to transfer said profit.

Other taxes not linked to income, such as taxes on property and on capital, are included under Operating expense.
Deferred taxes are provided for according to the method of the overall provision of the liability. They are calculated on all the timing differences that emerge between the taxable base of an asset or liability and the book value in the consolidated financial statements, with the exception of goodwill not deductible for tax purposes.
Deferred tax assets on tax losses and unused tax credits carried forward, are recognised to the extent that future taxable income may be available against which they can be recovered.
Current and deferred tax assets and liabilities are offset when the income taxes are applied by the same tax authority and when there is a legal right to offset. Deferred tax assets and liabilities are determined using the tax rates that are expected to be applicable, within the respective legal systems of the countries where the Group operates, during the accounting period when the timing differences will be realised or cancelled.
Pursuant to Italian Enabling Act no. 80 of April 7, 2003, as amended, from the current financial year, the Parent company SOL Spa is the consolidating company; in addition to SOL Spa, the scope of consolidation also includes AIRSOL Srl, BiotechSol Srl, DIATHEVA Srl and Personal Genomics Srl.
With regard to the possible impact that European Directive no. 2523/2022 has on the consolidated financial statements of the SOL Group, in compliance with the provisions of Regulation (EU) no. 2468 of November 8, 2023, which inserted paragraph 88D into IAS 12, it should be noted that SOL Spa has taken care to carry out a preliminary mapping focused on the applicability of the Transitional Safe Harbour Rules starting from the data available in the Country by Country Reporting for 2023. This analysis led to the identification of Bulgaria, Ireland, Macedonia and Switzerland as jurisdictions subject to a Top-up Tax in 2024.

DIVIDENDS

Dividends payable are represented as changes in shareholders' equity during the accounting period when they are approved by the shareholders' meeting.

EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the Group's economic result by the weighted average of the shares in circulation during the year, excluding treasury shares.

CASH FLOW STATEMENT

The cash flow statement is drawn up by applying the indirect method, as indicated in IAS7, via which the pre-tax result is adjusted by the effects of the non-monetary transactions, by any deferral or provision of previous or future operative collections or payments.

USE OF ESTIMATES

The preparation of the financial statements and the related notes in accordance with the IFRS requires management to make estimates and assumptions that have an effect on the values of the financial statement assets and liabilities and on the disclosures relating to the potential assets and liabilities at the end of the reporting period. The results that will make up the final balances may differ from said estimates. The estimates are used to obtain provisions for risks and charges, impairment tests, employee benefits, taxation, provisions for risks, determining the lease term. The estimates and assumptions are periodically reviewed and the effects of each change are immediately reflected in the income statement.

RIGHTS OF USE

The IFRS 16 standard provides a new definition of lease and introduces a criterion based on the control (right of use) of an asset to distinguish lease agreements from service contracts, identifying the following as discrimi-

nating: the identification of the asset, the right to replace it, the right to substantially obtain all of the economic benefits resulting from the use of the asset and, most recently, the right to direct the use of the asset underlying the contract.
As a result of the introduction of the new standard in the income statement as from January 1, 2019, the depreciation charges of rights of use determined on the basis of the defined lease terms, based on the assessments made regarding the probability of renewal, and the accrued portion of financial expense related to the liabilities are recognised. This process implies a high degree of judgement by the management.

ALLOWANCE FOR DOUBTFUL ACCOUNTS

The allowance for doubtful accounts reflects the Group's estimate of losses on receivables from customers.
The estimate of the allowance for doubtful accounts is based on expected losses, calculated on the basis of past experience for similar receivables, current and historical past dues, losses and payments received, the careful monitoring of credit quality, and projections of economic and market conditions.

RECOVERABLE AMOUNT OF NON-CURRENT ASSETS

Non-current assets include property, plant and equipment, intangible assets, equity investments and other financial assets. The Management periodically reviews the book value of non-current assets held and used and of the assets that must be disposed of, when events and circumstances require such a review. This activity is carried out using estimates of cash flows expected from the use or sale of the asset and appropriate discount rates to calculate the current value. When the book value of a non-current asset is impaired, the company recognises an impairment loss for the amount by which the book value of the asset exceeds its recoverable amount through use or sale, calculated by reference to the most recent plans.

DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The Company recognises current taxes, deferred tax assets/liabilities in accordance with the regulations in force. The recognition of taxes requires the use of estimates and assumptions as to how to read the applicable rules and their effect on the company's taxation in relation to transactions during the year. Moreover, the recognition of deferred tax assets/liabilities requires the use of estimates of future taxable income and its changes as well as the actual applicable tax rates. These activities are carried out by analysing transactions and their tax profiles, also with the support, where necessary, of external consultants for the various issues addressed and through simulations of future income and their sensitivity analyses.

PENSION PLANS

Some Group companies can participate in pension plans; in Italy, the Employee Severance Indemnity fund is configured as a defined-benefit plan (with the exception of the portions of Employee Severance Indemnities accrued from January 1, 2007, which are configured as defined contribution plans). The Group uses various statistical assumptions and assessment factors in order to anticipate future events for the calculation of expenses, liabilities and assets related to these plans. The assumptions concern the discount rate, the expected return on plan assets and the rates of future salary increases. Moreover, the Group's consulting actuaries also use subjective factors, such as mortality and resignation rates or assumptions about the expected return on plan assets.

POTENTIAL LIABILITIES

The Group is subject to legal and tax disputes regarding a wide range of issues that are within the jurisdiction of various countries. Given the uncertainties surrounding these issues, it is difficult to predict whether and to what extent they will give rise to a payout.
Cases and disputes against the Group can derive from complex and difficult legal issues, which may be subject

to varying degrees of uncertainty, including the facts and circumstances surrounding each case, jurisdiction and different applicable laws. In the ordinary course of business, the Group consults as necessary with its legal advisors and experts in tax or regulatory matters. The Group recognises a liability for disputes when it considers it probable that a financial outlay will be made and when the amount of resulting losses can be reasonably estimated. If a financial outlay becomes possible but the amount cannot be determined, that fact is reported in the explanatory notes.
All the amounts represented in the diagrams and tables are expressed in thousands of Euro.

ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS OF THE IFRS APPLIED AS FROM JANUARY 1, 2024

The Group applied the following accounting standards, amendments and interpretations of the IFRS for the first time as from January 1, 2024:

- On January 23, 2020, the IASB published an amendment called "Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current" and on October 31, 2022, the IASB published an amendment called Amendments to IAS 1 Presentation of Financial Statements: Non-Current Liabilities with Covenants. The purpose of these changes is to clarify how to classify debts and other short or long term liabilities. The amendments also improve the information that an entity discloses when its right to defer settlement of a liability for at least twelve months is conditional on certain parameters being met (i.e. covenants). The adoption of these amendments had no impact on the consolidated financial statements of the Group.
- On September 22, 2022, the IASB published an amendment called Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback. The document requires the seller-lessee to measure the lease liability arising from a sale & leaseback transaction in such a way that no income or loss is recognised in respect of the retained right of use. The adoption of this amendment had no impact on the consolidated financial statements of the Group.
- On May 25, 2023, the IASB published an amendment called Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements. The document requires an entity to provide additional disclosures about reverse factoring arrangements that enable users of financial statements to evaluate how financial arrangements with suppliers may affect the entity's liabilities and cash flows and to understand the effect of those arrangements on the entity's exposure to liquidity risk. The adoption of these amendments had no impact on the consolidated financial statements of the Group.

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPROVED BY THE EUROPEAN UNION NOT YET MANDATORY AND NOT ADOPTED IN ADVANCE BY THE GROUP AS AT DECEMBER 31, 2024

At the end of the reporting period, the competent bodies of the European Union completed the approval process required for the adoption of the amendments and standards described below, but these standards are not mandatory and have not been adopted in advance by the Group as at December 31, 2024.

- On August 15, 2023, the IASB published an amendment called Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability. The document requires an entity to apply a consistent method for checking whether one currency can be converted into another and, if not, how to determine the exchange rate to be used and the disclosures to be made in the notes to the financial statements. The amendment will be effective beginning on January 1, 2025, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment

IFRS ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS NOT YET APPROVED BY THE EUROPEAN UNION

At the end of the reporting period, the competent bodies of the European Union have not yet completed the approval process required to adopt the amendments and standards described below.

- On May 30, 2024, the IASB published the document Amendments to the Classification and Measurement of Financial Instruments-Amendments to IFRS 9 and IFRS 7. The paper clarifies a number of problematic issues that have emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary when ESG objectives are met (i.e. green bonds). In particular, the amendments aim to:
  - clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used in assessing the SPPI test;
  - establish that the date of settlement of liabilities through electronic payment systems is the date on which the liability is settled. However, an entity is permitted to adopt an accounting policy that allows it to derecognise a financial liability prior to the delivery of cash at the settlement date if certain specific conditions are met.

With these amendments, the IASB also introduced additional disclosure requirements for investments in equity instruments designated as FVOCI.
The amendments will apply as from the financial statements for financial years beginning on or after January 1, 2026. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment.

- On July 18, 2024, the IASB issued a document called Annual Improvements Volume 11. The document contains clarifications, simplifications, corrections and amendments to improve the consistency of various IFRS Accounting Standards. The amended standards are:
  - IFRS 1 First-time Adoption of International Financial Reporting Standards;
  - IFRS 7 Financial Instruments: Disclosures and the related guidelines on the implementation of IFRS 7;
  - IFRS 9 Financial Instruments;
  - IFRS 10 Consolidated Financial Statements; and
  - IAS 7 Statement of Cash Flows.

The amendments apply beginning on January 1, 2026, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of these amendments.

- On December 18, 2024, the IASB published an amendment called Contracts Referencing Nature-dependent Electricity - Amendment to IFRS 9 and IFRS. The aim of the document is to assist entities in reporting the financial effects of contracts for the purchase of electricity produced from renewable sources (often structured as Power Purchase Agreements). Based on these contracts, the amount of electricity generated and purchased can vary due to uncontrollable factors such as the weather. The IASB has made targeted amendments to IFRS 9 and IFRS 7. The amendments include:
  - a clarification regarding the application of the "own use" requirements to this type of contract;
  - criteria to allow for the recognition of such contracts as hedging instruments; and,
  - new disclosure requirements to enable users of financial statements to understand the effects of these contracts on an entity's financial performance and cash flows.

The amendment will be effective beginning on January 1, 2026, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment.

- On April 9, 2024, the IASB published a new standard IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of the financial statements, with particular reference to the income statement. In particular, the new standard requires:
  - an entity to classify revenues and costs in three new categories (operating section, investment section and financial section), in addition to the taxes and discontinued operations categories already present in the income statement;
  - an entity to present two newly defined subtotals - operating profit and profit before financing and income taxes (i.e. EBIT).

  The new standard also:
  - requires more information on the management-defined performance measures;
  - introduces new principles for the aggregation and disaggregation of information. and,
  - introduces some changes to the cash flow statement, including the requirement to use the operating result as the starting point for the presentation of the cash flow statement prepared using the indirect method, and the removal of some classification options for certain currently existing items (such as interest paid, interest received, dividends paid and dividends received).

The new standard will become effective beginning on January 1, 2027, but earlier application is permitted. The directors are currently assessing the possible effects of the introduction of their new standard on the Group's consolidated financial statements.

- On May 9, 2024, IASB published a new standard: IFRS 19 Subsidiaries without Public Accountability: Disclosures. The new standard introduces some simplifications with respect to the disclosures required by the IFRSs in the financial statements of a subsidiary that meets the following requirements:
  - it has not issued, and is not in the process of issuing, equity or debt instruments listed on a regulated market;
  - its parent company prepares consolidated financial statements in accordance with IFRSs.

  The new standard will become effective beginning on January 1, 2027, but earlier application is permitted. The directors do not expect a significant effect on the Group's consolidated financial statements through the adoption of this amendment.
  - On January 30, 2014, the IASB published IFRS 14 - Regulatory Deferral Accounts, which allows only those who adopt IFRS for the first time to continue to recognise amounts relating to Rate Regulation Activities in accordance with the previously adopted accounting standards. Since the Group is not a first-time adopter, this principle is not applicable.

INFORMATION ON RISKS

RISKS RELATED TO THE GENERAL ECONOMIC TREND

The Group performance is affected by the increase or decrease of the gross national product and industrial production, cost of energy products and health expense policies adopted in the different European countries in which the Group works.
The consequences of the war in Ukraine and the crisis in the Middle East could cause a further slowdown in various sectors of the economy in the Countries where the SOL Group operates.

RISKS RELATED TO THE GROUP'S RESULTS

The SOL Group partially operates in sectors considerably regulated by economic cycles related to the trend in industrial production, such as the steel, metal working, engineering, chemical and glass manufacturing industries. In the case of an extended decline in business, the growth and profitability of the Group could be partially affected.
Moreover, government policies for reducing healthcare expenses could reduce margins in the home-care and medical gas and service sectors.

RISKS RELATED TO FUND REQUIREMENTS

The SOL Group carries on an activity that entails considerable investments both in production and in commercial equipment and expects to face up to requirements through the flows deriving from the operational management and from new loans.
Operational management should continue to generate sufficient financial resources, while the use of new loans, notwithstanding the Group's excellent capital and financial structure, will show slightly lower interest rates and spreads than in the past.

OTHER FINANCIAL RISKS

The Group is exposed to financial risks associated with its business operations:
- credit risk in relation to normal trade transactions with customers;
- liquidity risk, with particular reference to the raising of financial resources associated with investments and with the financing of working capital;
- market risks (mainly relating to exchange and interest rates and to commodity costs) in that the Group operates internationally in different currency areas and uses interest-bearing financial instruments and purchases electric energy for production.

Credit risk

The granting of credit to end customers is subject to specific assessments by means of structured credit facility systems.
Positions amongst trade receivables for which objective partial or total non-recoverability is ascertained, are subject to individual write-down. Provisions are made on a collective basis for receivables that are not subject to individual write-down, taking into account the historic experience, the statistical data and, as a result of the introduction of the accounting standard IFRS 9, on the basis of a predictive approach, based on the counterparty's probability of default, the ability to recover in case of loss given default and also of expected future losses.

Liquidity risk

The liquidity risk may arise with the inability to raise, under good financial conditions, the financial resources necessary for the anticipated investments and the financing of working capital.

The Group has adopted a series of policies and processes aimed at optimising the management of financial resources, reducing liquidity risk, such as the maintenance of an adequate level of available liquidity, the obtaining of appropriate credit facilities and the systematic monitoring of the forecast liquidity conditions, in relation to the corporate planning process.
Management believes that the funds and the credit facilities currently available, in addition to those that will be generated by operating and financing activities, will permit the Group to satisfy its requirements resulting from investment activities, working capital management and debt repayments on their natural maturity dates.

Exchange rate risk and commodity cost risk

In relation to sales activities, the Group companies may find themselves with trade receivables or payables denominated in currencies other than the reporting currency of the company that holds them.
A number of Group subsidiary companies are located in countries outside the Eurozone, in particular Switzerland, Bosnia, Serbia, Albania, North Macedonia, Bulgaria, Hungary, Romania, the UK, Morocco, Poland, Czech Republic, India, Turkey, Brazil, China, Ecuador and Peru. Since the reference currency for the Group is the Euro, the income statements of these companies are translated into Euro using the average exchange rate for the period and, revenues and margins in local currency being equal, changes in interest rates may have an effect on the equivalent value in Euro of revenues, costs and economic results.
Assets and liabilities of the consolidated companies whose reporting currency is not the Euro can adopt equivalent values in Euro that differ depending on the exchange rate trend. As envisaged by the accounting standards adopted, the effects of these changes are booked directly to shareholders' equity, under the item "Other reserves".
Some Group companies purchase electricity that is used for the primary production of technical gasses. The price of electricity is affected by the Euro/dollar exchange rate and by the price trend of energy commodities. The risk related to their fluctuations is mitigated by signing, as much as possible, fixed price purchase contracts or with a variation measured over a longer time period. Moreover, almost all supply contracts to customers are index-linked in such a way as to cover the fluctuation risks shown above.
The Parent Company has a bond loan outstanding for a total of USD 3.5 million. The exchange rate risk was hedged with a Cross Currency Swap transaction in Euro on the entire amount of the bond and for the entire duration (12 years). The fair value of the CCSs as at December 31, 2024, was positive in the amount of Euro 654 thousand.
With regard to the currency weakness involving the Turkish lira, note that Group companies resident in Turkey operate only within the country, but there could be a negative effect on their profitability as a result of the higher cost of products purchased from third countries.
As the conditions were met, *IAS 29* was applied to the financial statements of Turkish companies as from 2022.

Interest rate risk

The interest rate risk is managed by the Parent Company by centralising most of the medium/long-term debt and by appropriately dividing the loans between fixed rate and floating rate, favouring, when possible and convenient, medium/long-term debt with fixed rates, also through specific Interest Rate Swap agreements.
The Parent Company signed Interest Rate Swap agreements linked to floating rate medium-term loans with the aim of ensuring itself a fixed rate on said loans. The nominal value as at December 31, 2024, was equal to Euro 95,327 thousand and the positive fair value was equal to Euro 2,432 thousand.

RISKS RELATED TO PERSONNEL

The SOL Group has always been committed to maintaining and improving the occupational health and safety through to the adoption of increasingly advanced technical solutions, the timely application of rules and procedures, training activities and the continuous implementation of new projects aimed at strengthening a corporate culture that is increasingly focused on these important issues.

With regard to employees, there are potential risks related to the search, selection and retention of talent and the need to create and support growth paths that enhance their professionalism and experience, a problem common to many organisations. There are also potential negative impacts on occupational health and safety that are mitigated by the specific actions and the adoption of an integrated management system compliant with ISO 45001.
Please refer to the Sustainability Report for a more detailed discussion of the implemented initiatives.

RISKS RELATED TO THE ENVIRONMENT AND CLIMATE CHANGE

The products and the activities of SOL Spa are subject to increasingly complex and strict authorisation and environmental rules and regulations. This concerns manufacturing plants subject to regulations on waste disposal and waste water disposal and the ban on land contamination. High charges should be shouldered in order to observe such regulations. During 2024, the previous assessments of the significance of climate change-related risks, both physical and transitional, and their economic/financial implications were confirmed.
With particular reference to transition risks, which depend on an overall scenario of change in the economic context with a view to limiting the increase in global temperature to 1.5-2°C, as per the agreement signed in Paris, the Directors consider that factors related to changes in market demand (increased sensitivity of customers and, more generally, of the Company's stakeholders to sustainability issues), technological evolution (risks related to the necessary technological innovations) and regulatory evolution (i.e. risks arising from legislative or political impositions aimed at triggering change) are of greater importance to the Group. In this context, in the industrial gas sector, which is characterised by a high energy content in production costs, the Company is constantly monitoring possible regulatory changes in order to meet the expectations of the market and the Company's stakeholders, and has planned investments in photovoltaic and wind power plants in order to increase the share of energy from renewable sources. Although there are currently no circumstances in which the Group's production processes are at risk of becoming obsolete as a result of the transition to a low-carbon economy, the Company intends to reaffirm its commitment to continue with the planned renewal and rationalisation of its plants, taking advantage of the opportunities offered by technological developments to reduce energy consumption and greenhouse gas emissions.
The Group objective is also to limit the fuel consumption and related greenhouse gas emissions generated directly and indirectly by the Company in connection with transport, which is mainly carried out by third-party suppliers. To this end, the Company intends to encourage its suppliers to replace diesel-powered tractors with other lower-emission vehicles, in line with the expected evolution of the market offer of lower-emission alternatives. In this context, these measures will have no direct impact on SOL investments and costs. It should also be noted that all of the above initiatives to limit energy consumption and emissions, as well as the procurement of energy from renewable sources, have already been outlined in the Group Sustainability Plan. With regard to the exposure of tangible assets (plants, buildings) to physical risks related to climate change and the business continuity risk resulting from these factors, the Company considers that the overall risk is medium and has not identified any need for urgent action or significant investment.
Please refer to the consolidated Sustainability Report for a more detailed discussion of the implemented initiatives.

RISKS RELATED TO IT MANAGEMENT AND DATA SECURITY

The increasing use of IT tools in the management of company activities and the interconnection of company systems with external IT infrastructures expose these systems to potential risks with regard to the availability, integrity and confidentiality of data, as well as the efficiency of the IT tools themselves.
To ensure effective business continuity, the Group adopted a disaster recovery and business continuity system to ensure immediate replication of the main legacy system workstations. The choice of these systems to be managed in business continuity was made on the basis of a thorough analysis of the related risk.

Moreover, multiple levels of physical and logical protection, at the level of servers and at the level of clients, ensure the active security of data and business applications. The SOL Group also has innovative artificial intelligence-based products to protect the digital identity of its employees.
Vulnerability analyses and audits on the security of information systems are periodically carried out by independent technicians to check the adequacy of the company's IT systems.
Finally, with regard to the problem of fraud through the use of IT resources by external parties, all employees are periodically informed and trained on the correct use of the resources and IT applications available to them.

TAX RISKS

The SOL Group is subject to taxation in Italy and in several other foreign jurisdictions.
The various companies of the Group are subject to the assessment of the income tax returns by the competent tax authorities of the countries in which they operate.
As already occurred in the past, any findings reported in the tax audits are carefully assessed and, when necessary, challenged in the appropriate venues.
At present, a dispute is in progress in Italy for findings on Transfer pricing.
The opening of the MAP (Mutual Agreement Procedure) between Italy and four other European countries has been requested and the procedure is currently being defined.
A provision for taxes was made at the parent company SOL Spa for the amount that is expected to be determined at the end of the dispute.

NOTES

INCOME STATEMENT

1. Revenues from sales and services

Balance as at 12.31.2024	1,610,444
Balance as at 12.31.2023	1,487,136
Change	**123,308**

Revenues by type of business break down as follows:

Description	**12.31.2024**	12.31.2023	Change
Technical gases	788,265	776,635	11,630
Home care	822,180	710,502	111,678
Total	**1,610,444**	1,487,136	123,308

Reference should be made to the Directors' Report and the analysis of the results by type of business for comments regarding the trend in revenues.
Net sales achieved by the SOL Group as at December 31, 2024, amounted to Euro 1,610.4 million (up by 8.3% compared to the previous year, at Euro 1,487.1 million).
In particular, during 2024, the home-care business showed an 15.7% growth in sales (up by Euro 111.7 million) compared to the same period last year.
The technical gases sector experienced a 1.5% increase in revenues (up by Euro 11.6 million) over December 31, 2023.
The effect of applying IAS 29 "Financial Reporting in Hyperinflationary Economies" to companies in Turkey led to an increase in revenues of Euro 2.2 million.

2. Other revenues and income

Balance as at 12.31.2024	34,164
Balance as at 12.31.2023	42,433
Change	**(8,269)**

The item "Other revenues and income" breaks down as follows:

Description	**12.31.2024**	12.31.2023	Change
Capital gains on disposal	1,800	1,679	121
Grants received	2,140	2,197	(57)
Real estate rentals	559	477	82
Royalties income	-	-	-
Other	29,664	38,079	(8,416)
Total	**34,164**	42,433	(8,269)

The decrease in other revenues is mainly due to the recognition in 2023 of approximately Euro 8 million in tax credits related to the cost of electricity and of approximately Euro 5 million related to the reimbursement of an undue fine by the Italian Antitrust Authority.

3. Total costs

Balance as at 12.31.2024	898,328
Balance as at 12.31.2023	845,650
Change	**52,679**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Purchase of materials	410,720	418,994	(8,274)
Services rendered	453,435	406,651	46,784
Change in inventories	(7,658)	(14,720)	7,062
Other costs	41,831	34,724	7,107
Total	**898,328**	845,650	52,679

The item "Purchase of materials" includes purchases of gas and materials, electricity, water, diesel and methane for production. It should be noted that the decrease compared to the previous year is mainly due to the reduction in the cost of electricity.
The item "Services rendered" includes costs of transports, maintenance, third-party services, consultancy and insurances.
The item "Other costs" includes rentals, taxes other than income tax, contingent liabilities and capital losses.
Reference should be made to the Directors' Report for comments regarding the trend in costs.

4. Payroll and related costs

Balance as at 12.31.2024	342,453
Balance as at 12.31.2023	301,759
Change	**40,694**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Wages and salaries	269,590	237,384	32,206
Social security charges	70,135	61,453	8,681
Employee severance indemnities	2,728	2,922	(194)
Total	**342,453**	301,759	40,694

The composition of the workforce is analysed below by category:

Description	12.31.2024	12.31.2023	Change
Managers	163	146	17
Clerks	5,306	4,682	624
Factory workers	1,822	1,544	278
Total	**7,291**	6,372	919

5. Amortisation/depreciations, provisions and write-downs

Balance as at 12.31.2024	166,650
Balance as at 12.31.2023	155,035
Change	**11,614**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Depreciation/amortisation	156,478	144,765	11,713
Provisions and write-downs	10,172	10,271	(99)
Total	**166,650**	155,035	11,614

The breakdown of the item "Depreciation/amortisation" of intangible and tangible fixed assets by asset category, is presented below:

Depreciation of tangible fixed assets and rights of use

Description	12.31.2024	12.31.2023	Change
Land	453	427	26
Buildings	18,698	17,320	1,378
Plant and machinery	23,595	23,143	451
Industrial and commercial equipment	83,356	78,047	5,310
Other assets	20,283	17,478	2,805
Total	**146,385**	136,415	9,970

Depreciation of tangible fixed assets

Description	12.31.2024	12.31.2023	Change
Buildings	6,507	5,906	601
Plant and machinery	23,556	23,104	452
Industrial and commercial equipment	83,284	77,934	5,350
Other assets	9,162	8,311	851
Total	**122,509**	115,255	7,254

The increase in depreciation is linked to investments made during the period, amounting to Euro 202.3 million.

Right-of-use depreciation

Description	12.31.2024	12.31.2023	Change
Land	453	427	26
Buildings	12,191	11,414	777
Plant and machinery	38	39	(1)
Industrial and commercial equipment	72	112	(40)
Other assets	11,121	9,167	1,954
Total	**23,875**	21,159	2,716

Amortisation of other intangible fixed assets

Description	12.31.2024	12.31.2023	Change
Development costs	1,071	267	804
Patents and rights to use patents of others	161	158	3
Concessions, licences and trademarks	7,622	6,877	745
Other	1,238	1,048	191
Total	**10,093**	8,350	1,743

The breakdown of the item ”Provisions and write-downs” is as follows:

Description	**12.31.2024**	12.31.2023	Change
Provisions for bad debts	6,186	7,081	(896)
Provisions for risks	1,584	733	851
Write-downs of goodwill	836	1,259	(423)
Write-downs of intangible fixed assets	1,470		1,470
Write-downs of tangible fixed assets and ROU	96	1,197	(1,101)
Total	**10,172**	10,271	(99)

6. Financial income / (expenses)

Balance as at 12.31.2024	(21,434)
Balance as at 12.31.2023	(16,517)
Change	**(4,917)**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Financial income	7,717	5,195	2,522
Financial expense	(28,966)	(22,320)	(6,646)
Results from equity investments	(184)	608	(792)
Total	**(21,434)**	(16,517)	(4,917)

The breakdown of the item ”Financial income” is as follows:

Description	**12.31.2024**	12.31.2023	Change
From long-term receivables	76	45	31
Interest on investment securities	46	36	10
Interests on securities not held as fixed assets	100	67	34
Interest on banks and postal accounts	2,142	1,035	1,107
Interest from customers	687	758	(72)
Exchange rate gains	2,365	2,371	(6)
Other financial income	2,301	883	1,418
Total	**7,717**	5,195	2,522

The breakdown of the item ”Financial expense” is as follows:

Description	**12.31.2024**	12.31.2023	Change
Interest payable to banks	(353)	(167)	(186)
Supplier interest	(8)	(13)	5
Interest payable on loans	(15,514)	(10,412)	(5,103)
Interest on bonds	(2,982)	(3,373)	392
Exchange rate losses	(3,015)	(2,858)	(157)
Other financial expense	(7,094)	(5,496)	(1,598)
Total	**(28,966)**	(22,320)	(6,646)

”Other financial expense” includes Euro 3.8 million of interest paid related to lease contracts and Euro 1.2 million related to the effect of applying IAS 29 ”Financial Reporting in Hyperinflationary Economies”.

The breakdown of the item ”Results from equity investments” is as follows:

Description	12.31.2024	12.31.2023	Change
Revaluations of equity investments	210	731	(521)
Write-downs of equity investments	(394)	(123)	(271)
Total	**(184)**	608	(792)

The item “Revaluations of equity investments” refers to the measurement at equity of the jointly controlled company CONSORZIO ECODUE (Euro 1 thousand) and the associated companies NEMO LAB Srl (Euro 12 thousand), Shanghai Jiawei Medical Gas Co. Ltd (Euro 72 thousand), NIPPON SANSO SHENWEI GASES Co. Ltd (Euro 22 thousand) ad SHANGHAI SHENWEI GAS FILLING Co. Ltd (Euro 103 thousand).
The item “Write-downs of equity investments” refers to the measurement at equity of the jointly controlled company CT BIOCARBONIC GmbH (Euro 180 thousand), of the associated companies CONSORGAS Srl (Euro 32 thousand) and SHANGHAI BOHAO HEALTH SERVICE Co., Ltd (Euro 22 thousand), to the write-down of the equity investment in the company ULJANIK BRODOGRADNJA 1856 doo by the subsidiary UTP doo (Euro 58 thousand) and the write-down of the equity investment in the company ENERGY FOR GROWTH by the subsidiary SOL GAS PRIMARI Srl (Euro 102).

7. Income taxes

Balance as at 12.31.2024	60,787
Balance as at 12.31.2023	57,905
Change	**2,882**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Income taxes	57,973	55,512	2,462
Deferred tax liabilities	888	1,345	(458)
Deferred tax assets	1,926	1,048	878
Total	**60,787**	57,905	2,882

The item Income taxes includes Euro 470 thousand referring to the application of Pillar II.
The reconciliation between the tax liability recorded in the financial statements and the theoretical tax liability, calculated on the basis of the theoretical tax rates in force in Italy, is as follows:

Description	12.31.2024	12.31.2023
Theoretical taxation	**51,778**	50,546
Tax effect permanent differences	8,288	1,951
Tax effect deriving from foreign tax rates other than Italian theoretical tax rates	(3,967)	809
Income taxes recognised in the financial statements, excluding IRAP (current and deferred)	**56,099**	53,306
IRAP (Regional Business Tax)	**4,687**	4,599
Income taxes recognised in the financial statements (current and deferred)	**60,787**	57,905

BALANCE SHEET

8. Tangible fixed assets

Balance as at 12.31.2024	846,751
Balance as at 12.31.2023	754,571
Change	**92,180**

Breakdown of tangible fixed assets and rights of use

Changes in tangible fixed assets and rights of use, with reference to their historical cost, depreciation and net value are as follows:

Historical cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	29,840	248,644	480,973	1,190,346	130,244	26,273	2,106,321
Increases	1,423	23,542	12,115	100,609	24,955	48,355	211,000
Revaluations	74	3,015	339	1,717	874	-	6,019
Write-downs	-	-	-	(16)	-	(1,174)	(1,190)
Other changes	10,571	677	(1,234)	(432)	4,609	(19,845)	(5,655)
Exchange differences	70	1,037	634	(337)	15	10	1,428
(Disposals)	(120)	(6,596)	(968)	(11,292)	(16,599)	-	(35,576)
Balance as at 12.31.2023	**41,858**	**270,319**	**491,859**	**1,280,594**	**144,098**	**53,619**	**2,282,347**
Increases	628	17,319	17,742	108,191	27,631	84,720	256,230
Revaluations	197	4,775	435	1,454	369	-	7,230
Write-downs	-	-	-	(98)	-	-	(98)
Other changes	(4,890)	4,762	6,759	(5,619)	13,783	(29,199)	(14,405)
Exchange differences	429	(542)	3,059	2,263	225	484	5,919
(Disposals)	(62)	(4,995)	(6,261)	(34,191)	(14,118)	-	(59,627)
Balance as at 12.31.2024	**38,161**	**291,639**	**513,591**	**1,352,593**	**171,987**	**109,624**	**2,477,595**

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	3,984	118,877	314,640	880,172	94,483	-	1,412,157
Depreciation charges	427	17,320	23,143	78,047	17,478	-	136,415
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	(6)	1,735	7,924	(1,294)	793	-	9,152
Exchange differences	14	362	653	(12)	41	-	1,058
(Disposals)	-	(5,902)	(558)	(9,595)	(14,951)	-	(31,006)
Balance as at 12.31.2023	**4,419**	**132,392**	**345,802**	**947,318**	**97,845**	**-**	**1,527,776**
Depreciation charges	453	18,698	23,595	83,356	20,283	-	146,385
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	(2,598)	2,016	6,750	(4,957)	7,368	-	8,579
Exchange differences	26	(150)	1,155	1,460	205	-	2,696
(Disposals)	-	(4,034)	(5,955)	(31,599)	(13,003)	-	(54,591)
Balance as at 12.31.2024	**2,299**	**148,922**	**371,347**	**995,578**	**112,699**	**-**	**1,630,844**

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	25,856	129,767	166,333	310,173	35,761	26,273	694,164
Increases	1,423	23,542	12,115	100,609	24,955	48,355	211,000
(Depreciations and wri-te-downs)	(427)	(17,320)	(23,143)	(78,047)	(17,478)	-	(136,415)
Other changes	10,650	1,957	(8,818)	2,563	4,689	(21,019)	(9,978)
Exchange differences	56	675	(20)	(326)	(26)	10	369
(Disposals)	(120)	(694)	(410)	(1,697)	(1,648)	-	(4,569)
Balance as at 12.31.2023	**37,439**	**137,927**	**146,057**	**333,276**	**46,253**	**53,619**	**754,571**
Increases	628	17,319	17,742	108,191	27,631	84,720	256,230
(Depreciations and wri-te-downs)	(453)	(18,698)	(23,595)	(83,356)	(20,283)	-	(146,385)
Other changes	(2,095)	7,521	443	694	6,783	(29,199)	(15,852)
Exchange differences	404	(392)	1,904	803	20	484	3,223
(Disposals)	(62)	(960)	(307)	(2,592)	(1,115)	-	(5,036)
Balance as at 12.31.2024	**35,862**	**142,717**	**142,244**	**357,015**	**59,289**	**109,624**	**846,751**

Analysis of tangible fixed assets

Changes in tangible fixed assets, with reference to their historical cost, depreciation and net value are as follows:

Historical cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	26,045	171,539	480,793	1,190,195	97,886	26,273	1,992,730
Increases	1,324	11,447	12,115	100,609	11,552	48,355	185,402
Revaluations	-	18	312	1,678	120	-	2,128
Write-downs	-	-	-	(16)	-	(1,174)	(1,190)
Other changes	10,585	1,358	(1,234)	(393)	4,935	(19,845)	(4,594)
Exchange differences	48	419	634	(337)	63	10	836
(Disposals)	(115)	(372)	(968)	(11,244)	(8,190)	-	(20,889)
Balance as at 12.31.2023	**37,887**	**184,409**	**491,652**	**1,280,491**	**106,366**	**53,619**	**2,154,423**
Increases	626	9,261	17,742	108,191	10,989	84,720	231,528
Revaluations	-	23	413	1,348	116	-	1,901
Write-downs	-	-	-	(98)	-	-	(98)
Other changes	(4,904)	2,013	6,758	(5,659)	14,045	(29,199)	(16,945)
Exchange differences	370	(58)	3,059	2,263	197	484	6,315
(Disposals)	(62)	(600)	(6,261)	(34,191)	(4,389)	-	(45,502)
Balance as at 12.31.2024	**33,916**	**195,047**	**513,362**	**1,352,345**	**127,325**	**109,624**	**2,331,620**

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	2,809	89,625	314,529	880,114	76,747	-	1,363,824
Depreciation charges	-	5,906	23,104	77,934	8,311	-	115,255
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	-	2,031	7,924	(1,261)	902	-	9,595
Exchange differences	-	141	653	(12)	41	-	823
(Disposals)	-	(157)	(558)	(9,547)	(6,664)	-	(16,926)
Balance as at 12.31.2023	**2,809**	**97,547**	**345,652**	**947,228**	**79,336**	**-**	**1,472,572**
Depreciation charges	-	6,507	23,556	83,284	9,162		122,509
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	(2,604)	1,752	6,749	(4,990)	7,587	-	8,494
Exchange differences	-	(57)	1,155	1,460	168	-	2,726
(Disposals)	-	(463)	(5,955)	(31,599)	(3,328)	-	(41,344)
Balance as at 12.31.2024	**205**	**105,286**	**371,158**	**995,383**	**92,925**	**-**	**1,564,957**

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	23,236	81,913	166,263	310,081	21,139	26,273	628,906
Increases	1,324	11,447	12,115	100,609	11,552	48,355	185,402
(Depreciations and write-downs)	-	(5,906)	(23,104)	(77,934)	(8,311)	-	(115,255)
Other changes	10,585	(655)	(8,845)	2,530	4,153	(21,019)	(13,251)
Exchange differences	48	278	(20)	(326)	22	10	13
(Disposals)	(115)	(216)	(410)	(1,697)	(1,526)	-	(3,963)
Balance as at 12.31.2023	**35,078**	**86,862**	**146,000**	**333,263**	**27,029**	**53,619**	**681,851**
Increases	626	9,261	17,742	108,191	10,989	84,720	231,528
(Depreciations and write-downs)	-	(6,507)	(23,556)	(83,284)	(9,162)	-	(122,509)
Other changes	(2,300)	284	422	582	6,574	(29,199)	(23,637)
Exchange differences	370	(1)	1,904	803	29	484	3,589
(Disposals)	(62)	(137)	(307)	(2,592)	(1,061)	-	(4,158)
Balance as at 12.31.2024	**33,712**	**89,762**	**142,204**	**356,962**	**34,399**	**109,624**	**766,663**

The breakdown of major changes for the period relating to tangible fixed assets is shown below.

- The investments made during the period in the item ”Land” mainly refer to investments by the subsidiaries SOL HELLAS Sa (Euro 430 thousand) and SOL KOHLENSÄURE WERK GmbH & Co. KG. (Euro 68 thousand).
- The investments made during the period with regard to the item ”Buildings” are mainly investments made by the parent company BHORUKA SPECIALTY GASES PRIVATE Ltd (Euro 2,312 thousand), VIVISOL HEIMBEHANDLUNGSGERÄTE GmbH (Euro 1,280 thousand), CENTRO ORTOPEDICO FERRANTI - GRUPPO VIVITOP Srl (Euro 963 thousand), ENERGETIKA ZJ doo (Euro 771 thousand), VIVISOL Srl (Euro 612 thousand) and SOL FRANCE Sas (Euro 547 thousand).
- The acquisitions made during the period under the item “Plant and machinery” were mainly due to the purchase of equipment at the factories of the Parent company (Euro 2,735 thousand) and by the subsidiaries BHORUKA SPECIALTY GASES PRIVATE Ltd (Euro 2,885 thousand), VIVISOL Srl (Euro 1.728 thousand), SOL HELLAS Sa (Euro 1.660 thousand), SOL FRANCE Sas (Euro 1.631 thousand), SOL GAS PRIMARI Srl (Euro 1.220 thousand), SOL DEUTSCHLAND GmbH (Euro 1.104 thousand) and to a lesser extent by other investments in all the other companies in the Group.
- The item “Industrial and commercial equipment” comprises commercial equipment (supplying devices, cylinders, base units, concentrators and medical appliances) as well as other small and sundry equipment. The increase recorded for the financial year was due to investments in commercial equipment in the form of cyl-

inders, dispensing devices and tanks, made by companies in the technical gases sector in the amount of Euro 32,826 thousand (including Euro 12,461 by the Parent Company) and to investments made by companies operating in the home-care sector in the amount of Euro 75,364 thousand (including Euro 20,263 thousand by VIVISOL Srl) for base units and other medical appliances.

- The item "Other assets" includes motor vehicles and motor cars, electric office equipment, furniture and fixtures, EDP systems. The increase recorded for the period refers to investments made for motor vehicles, laboratory equipment, hardware, furniture and fixtures, including Euro 780 thousand by the Parent Company, the subsidiaries VIVISOL Srl (Euro 1,383 thousand), SOL DEUTSCHLAND GmbH (Euro 723 thousand) and VIVISOL IBERICA Slu (Euro 715 thousand) and to a lesser extent to other investments carried out by all other Group companies.
- The "Assets under construction" item mainly refers to amounts relating to investments in progress made by the Parent company (Euro 11,934 thousand) and by the subsidiaries SOL HELLAS Sa (Euro 24,446 thousand), SOL GAS PRIMARI Srl (Euro 9,036 thousand), SOL INDIA PRIVATE Ltd (Euro 7,039 thousand), VIVISOL NAPOLI Srl (Euro 2,702 thousand) and VIVISOL HEIMBEHANDLUNGSGERÄTE GmbH (Euro 1,253 thousand).

Please note that the Mantova , Verona, Jesenice and Varna plants have mortgages and liens governed by medium-term mortgage agreements between financial institutions and several group companies.
Changes in tangible fixed assets deriving from the acquisition of equity investments are reclassified in "other changes".
As at December 31, 2024, mortgages amounted to Euro 67,450 thousand.
As at December 31, 2024, liens amounted to Euro 68,788 thousand.

The effects of the application of hyperinflation in Turkey are as follows:

Historical cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Opening balance	-	125	944	4,540	475	-	6,084
Revaluation	-	22	413	1,349	116	-	1,901
Other changes	-	-	-	-	-	-	-
Exchange differences	-	(14)	(105)	(505)	(53)	-	(676)
Closing balance	**-**	**134**	**1,252**	**5,384**	**538**	**-**	**7,308**

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Opening balance	-	81	369	2,299	274	-	3,024
Revaluation	-	10	193	766	62	-	1,032
Other changes	-	-	-	-	-	-	-
Exchange differences	-	(9)	(41)	(256)	(30)	-	(336)
Closing balance	**-**	**82**	**521**	**2,810**	**306**	**-**	**3,719**

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Opening balance	-	45	574	2,241	200	-	3,060
Revaluation	-	12	220	582	54	-	869
Other changes	-	-	-	-	-	-	-
Exchange differences	-	(5)	(64)	(249)	(22)	-	(340)
Closing balance	**-**	**52**	**731**	**2,574**	**232**	**-**	**3,589**

Breakdown of rights of use

Changes in tangible fixed assets, with reference to their historical cost, depreciation and net value are as follows:

Historical cost	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	3,795	77,106	180	151	32,358	-	113,590
Increases	100	12,095	-	-	13,403	-	25,598
Revaluations	74	2,997	27	39	754	-	3,891
Write-downs	-	-	-	-	-	-	-
Other changes	(14)	(682)	-	(39)	(326)	-	(1,061)
Exchange differences	22	618	-		(48)	-	592
(Disposals)	(5)	(6,223)	-	(49)	(8,410)	-	(14,686)
Balance as at 12.31.2023	**3,972**	**85,911**	**207**	**103**	**37,732**	**-**	**127,924**
Increases	3	8,058			16,641	-	24,702
Revaluations	197	4,753	21	106	253	-	5,329
Write-downs	-	-	-	-	-	-	-
Other changes	14	2,748	1	39	(262)	-	2,540
Exchange differences	59	(483)	-	-	28	-	(396)
(Disposals)	-	(4,395)	-	-	(9,729)	-	(14,124)
Balance as at 12.31.2024	**4,245**	**96,591**	**229**	**248**	**44,662**	**-**	**145,975**

Accumulated depreciation	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	1,175	29,252	111	59	17,736	-	48,333
Depreciation charges	427	11,414	39	112	9,167	-	21,159
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	(6)	(296)	-	(33)	(108)	-	(443)
Exchange differences	14	221	-			-	235
(Disposals)	-	(5,745)	-	(49)	(8,287)	-	(14,080)
Balance as at 12.31.2023	**1,610**	**34,846**	**150**	**90**	**18,509**	**-**	**55,204**
Depreciation charges	453	12,191	38	72	11,121	-	23,875
Revaluations	-	-	-	-	-	-	-
Write-downs	-	-	-	-	-	-	-
Other changes	6	265	1	33	(219)	-	85
Exchange differences	26	(93)	-	-	37	-	(30)
(Disposals)	-	(3,572)	-	-	(9,675)	-	(13,247)
Balance as at 12.31.2024	**2,094**	**43,637**	**188**	**195**	**19,773**	**-**	**65,887**

Net value	Land	Buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and advances	**Total**
Balance as at 01.01.2023	2,620	47,854	69	92	14,622	-	65,258
Increases	100	12,095	-	-	13,403	-	25,598
(Depreciations and write-downs)	(427)	(11,414)	(39)	(112)	(9,167)	-	(21,159)
Other changes	66	2,612	27	33	536	-	3,273
Exchange differences	8	397	-	-	(48)	-	357
(Disposals)	(5)	(478)	-	-	(123)	-	(606)
Balance as at 12.31.2023	**2,362**	**51,065**	**57**	**13**	**19,223**	**-**	**72,720**
Increases	3	8,058	-	-	16,641	-	24,702
(Depreciations and write-downs)	(453)	(12,191)	(38)	(72)	(11,121)	-	(23,875)
Other changes	205	7,237	21	112	210	-	7,785
Exchange differences	34	(391)	-	-	(9)	-	(366)
(Disposals)	-	(823)	-	-	(54)	-	(878)
Balance as at 12.31.2024	**2,151**	**52,955**	**40**	**53**	**24,889**	**-**	**80,087**

9. Goodwill

Balance as at 12.31.2024	264,395
Balance as at 12.31.2023	245,628
Change	**18,768**

The breakdown of the item is as follows:

Net value	Goodwill
Balance as at 01.01.2023	216,811
Increases	28,385
(Write-downs)	(1,259)
Other changes	2,228
Exchange differences	(537)
Balance as at 12.31.2023	**245,628**
Increases	18,424
(Write-downs)	(836)
Other changes	703
Exchange differences	477
Balance as at 12.31.2024	**264,395**

The increase in the period is related to the acquisition of SPITEX ALOHA GmbH, MEDAIR OXYGEN SOLUTION Srl, SOLEOMED GmbH, POR GROUP Srl, PAC GASSERVICE GmbH, SISEMED Sl, the goodwill adjustment of MIDIPERF SANTE FRANCE Sas acquired in the fourth quarter of 2023 and the acquisition of majority stakes IN SHANGHAI JIAWEI MEDICAL GAS Co. Ltd.

In March 2024, the subsidiary SPITEX PERSPECTA AG ACQUIRED 100% OF THE SHARES OF SPITEX ALOHA GmbH, a company under Swiss law providing home care and nursing services.

In March 2024, the subsidiary AIRSOL Srl acquired 70.005% of MEDAIR OXYGEN Solution Srl, a company governed by Brazilian law active in the home-care sector. If the acquisition had occurred on January 1, 2024, the Group's revenues and profit would have increased by Euro 582 thousand and by Euro 134 thousand, respectively, for the 12-month period ended December 31, 2024.

In August 2024, the subsidiary VIVISOL DEUTSCHLAND GmbH acquired 80.00% of the shares of SOLEOMED GmbH, a German company operating in the home-care sector and assisted ventilation. If the acquisition had occurred on January 1, 2024, the Group's revenues and profit would have increased by Euro 1,466 thousand and by Euro 140 thousand, respectively, for the 12-month period ended December 31, 31.

In October 2024, the subsidiary AIRSOL Srl purchased 100% of the shares of PAC GASSERVICE GmbH, a German company operating in the production and distribution of technical gases. If the acquisition had occurred on January 1, 2024, the Group's revenues and profit would have been higher by Euro 6,783 thousand and lower by Euro 32 thousand, respectively, for the 12-month period ended December 31, 2024.

In November 2024, the Subsidiary ORTHOHUB Srl acquired 100% of the share capital of POR GROUP Srl, a company active in the production of orthopaedic services. If the acquisition had occurred on January 1, 2024, the Group's revenues and profit would have increased by Euro 2,685 thousand and by Euro 437 thousand, respectively, for the 12-month period ended December 31, 2024.

In December 2024, the subsidiary AIRSOL Srl acquired 51% of SISEMED Sl, a company governed by Spanish law active in the home-care sector. If the acquisition had occurred on January 1, 2024, the Group's revenues and profit would have increased by Euro 7,222 thousand and by Euro 960 thousand, respectively, for the 12-month period ended December 31, 31.

The result of the acquisitions on the assets and liabilities of the Group is set below:

Description	Values recorded during acquisition	Adjustments to fair value	Book values before acquisition
Tangible fixed assets	6,406	-	6,406
Intangible fixed assets	720	-	720
Long-term investments	544	-	544
Inventories	2,806	-	2,806
Trade and other receivables	5,909	-	5,909
Prepayments and accrued income	47	-	47
Cash and cash at bank	3,753	-	3,753
Minority interests	(2,315)	-	(2,315)
Suppliers	(2,100)	-	(2,100)
Other payables	(9,456)	-	(9,456)
Risk provisions	(322)	-	(322)
Employee severance indemnities	(253)	-	(253)
Accrued expenses and deferred income	(76)	-	(76)
Identifiable net assets and liabilities	5,662	-	-
Goodwill deriving from acquisition	(18,424)	-	-
Amount paid	(24,087)	-	-
Available funds acquired	3,753	-	-
Net outlays of available funds	**(20,333)**	-	-

The Group checks the recoverability of goodwill at least annually or more frequently if specific events or changed circumstances indicate the possibility of having suffered an impairment loss, at Cash Generating Unit level to which the Company's management charges said goodwill, in accordance with the matters anticipated by IAS 36 "impairment of assets".

Impairment test

As provided by IAS 36 Impairment of assets, the value of intangible assets with an indefinite useful life is not amortised, but instead subject to an impairment test at least once per year. The Group does not record intangible assets with an indefinite useful life other than goodwill.

IAS 36 also requires the Group to assess at the end of each reporting period the existence of indications of impairment in relation to any other asset.

The recoverability of the carrying amounts is tested by comparing the carrying amount of the asset with its fair value (for example, using market multiples obtained from comparable transactions) or its value in use, whichever is greater.

The methodology used to identify the recoverable amount (value in use) consists of discounting future cash flows generated by activities directly attributed to the entity to which the goodwill (CGU) is allocated, as well as the value expected from its divestment or transfer upon the end of its useful life. Value in use is calculated as the sum of the current value of expected future cash flows based on the forecasts issued for every *CGU* and approved by the Board of Directors of the Company.

The Group has identified CGUs at the level of each individual company within the scope of consolidation. This is because, although they benefit from the synergies and policies of the Group, they are autonomous in the management and procurement of resources and are therefore considered to be the smallest identifiable group of assets capable of generating largely independent cash flows within the consolidated financial statements.

The business plans cover a time span of five years or, in some cases, given the type of business involving investments with medium-term returns, of 7 or 10 years and were implemented based on the 2025 budget drawn up by the Management. The growth rates considered in the plan's timeframe were calculated based on experience in the relative sectors.

It should be noted that the cash flows on which the impairment test is based are consistent with the actions that the Group has identified to date in response to climate change risks.
The rate used to discount cash flows was calculated using the Weighted Average Cost Of Capital (WACC). The WACC was calculated on an *ad-hoc* basis for each CGU subject to impairment, taking into consideration the specific parameters of the geographical area: market risk premium and sovereign debt yields and parameters relating to the sector of activity).

The WACCs used are shown below, broken down by area:
- Europe: 6.34% - 10.52%
- Extra Europe: 4.79% - 17.84%.

To ensure that changes to the main hypotheses would not significantly influence the results of the impairment tests, sensitivity analyses were carried out in the event of a change in WACC and growth rates of +/- 0.5.
The outcomes of these simulations reasonably supported the measurement obtained.
None of the impairment tests carried out as at December 31, 2024, identified any impairment losses except that of MEL Ad PORTARE Ltda and WIP WEITERBILDUNG in DER PFLEGE GmbH totalling Euro 814 thousand. However, since the value in use is determined on the basis of estimates, the Group cannot guarantee that the value of goodwill or other intangible assets will not be subject to impairment in the future.

10. Other intangible fixed assets

Balance as at 12.31.2024	50,187
Balance as at 12.31.2023	42,009
Change	**8,178**

The breakdown of the item is as follows:

Net value	Development costs	Patents and rights to use patents of others	Concessions, licences, trademarks and similar rights	Other	Assets under construction and advances	**Total**
Balance as at 01.01.2023	3,006	352	16,541	1,469	5,182	26,550
Increases	571	14	8,057	4,120	7,615	20,378
Revaluations/(Write-downs)	-	-	22	-	-	22
Other changes	-	33	(282)	6,020	(2,387)	3,384
Exchange differences	-	-	(2)	22	5	25
(Amortisation)	(267)	(158)	(6,877)	(1,048)	-	(8,350)
Balance as at 12.31.2023	**3,310**	**242**	**17,458**	**10,584**	**10,415**	**42,009**
Increases	2,678	50	7,777	225	14,813	25,543
Revaluations/(Write-downs)	(1,470)	-	19	-	-	(1,451)
Other changes	23	4	2,224	(158)	(8,093)	(6,000)
Exchange differences	1	-	17	175	(14)	179
(Amortisation)	(1,071)	(161)	(7,622)	(1,238)	-	(10,093)
Balance as at 12.31.2024	**3,470**	**134**	**19,873**	**9,587**	**17,123**	**50,187**

Assets under construction and advances mainly concern the parent company SOL Spa (Euro 4,288 thousand) and the subsidiary VIVISOL Srl (Euro 1,417 thousand).

The effects of the application of hyperinflation in Turkey are as follows:

Cost	Development costs	Patents and rights to use patents of others	Concessions, licences, trademarks and similar rights	Other	Assets under construction and advances	**Total**
Opening balance	-	-	31	-	-	31
Revaluation	-	-	6	-	-	6
Exchange differences	-	-	(3)	-	-	(3)
Closing balance	**-**	**-**	**34**	**-**	**-**	**34**

11. Equity investments

Balance as at 12.31.2024	27,233
Balance as at 12.31.2023	26,926
Change	**306**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
FLOSIT PHARMA Sa	474	458	16
GTE SI	25	25	-
ZDS JESENICE doo	8	8	-
Non-consolidated subsidiary companies	**507**	491	16
CONSORZIO ECODUE	408	407	1
CT BIOCARBONIC GmbH	5,848	6,028	(180)
Jointly controlled companies	**6,256**	6,435	(179)
CONSORGAS Srl	34	34	-
NEMO LAB Srl	181	169	12
NIPPON SANSO SHENWEI GASES Co. Ltd	1,104	989	115
OXY TECHNICAL GASES doo	10,200	8,000	2,200
SHANGHAI BOHAO HEALTH SERVICE CO., Ltd	166	-	166
SHANGHAI JIAWEI MEDICAL GAS Co.	-	2,289	(2,289)
SHANGHAI SHENWEI GAS FILLING Co. Ltd	304	142	162
SOMNOmedics GmbH	4,546	4,661	(115)
Associated companies	**16,536**	16,285	251
Other minority interests	3,934	3,716	218
Other companies	**3,934**	3,716	218
Total	**27,233**	26,926	306

Except for:

- Euro 466 thousand recognised as non-consolidated subsidiaries (in the portfolio of the subsidiary SPG - SOL PLIN GORENJSKA DOO OF EURO 8 THOUSAND, SOL France Sas of Euro 46 thousand and FLOSIT Sa of Euro 428 thousand);
- Euro 408 thousand recognised as jointly controlled companies (in the portfolio of the subsidiary SOL GAS PRIMARI Srl);
- Euro 16,251 thousand recognised as subsidiaries (in the portfolio of the subsidiaries SHANGHAI SHENWEI MEDICAL GAS Co. Ltd of Euro 1,408 thousand, SOL CROATIA doo of Euro 10,200 thousand, VIVISOL Srl of Euro 181 thousand and AIRSOL Srl of Euro 4,546 thousand, Shanghai Jiawei Medical Gas Co. Ltd of Euro 166 thousand);
- Euro 3,697 thousand recognised as other minority interests (relating to investments in local companies by the subsidiaries SOL GAS PRIMARI Srl of Euro 3,122 thousand, SOL INDIA PRIVATE Ltd of Euro 330 thousand, SOL CROATIA doo of Euro 188 thousand, ITOP Spa OFFICINE ORTOPEDICHE of Euro 256 thousand, ITOP ORTOPEDIE ASSOCIATE Srl of Euro 1 thousand, TGS Ad of Euro 2 thousand, TPJ doo of Euro 2 thousand, DIATHEVA Srl

of Euro 2 thousand, ICOA Srl of Euro 8 thousand, CRYOS Srl of Euro 1 thousand, CENTRO ORTOPEDICO FERRANTI - GRUPPO VIVITOP Srl of Euro 1 thousand and VIVISOL SILARUS Srl of Euro 1 thousand).

All of the above investments are held by the parent company.

Non-consolidated subsidiaries/associates and other minority interests are measured at fair value.

The following table shows the main economic and financial data of jointly controlled companies consolidated with the net equity method:

Jointly controlled companies	CT BIOCARBONIC GmbH	CONSORZIO ECODUE
Total assets	7,378	899
Total liabilities	792	83
Revenues	3,255	686
Operating result	(360)	2

12. Other financial assets

Balance as at 12.31.2024	13,999
Balance as at 12.31.2023	17,969
Change	**(3,970)**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Amounts receivable from third parties	13,138	17,073	(3,935)
Securities	861	896	(35)
Total	**13,999**	17,969	(3,970)

The breakdown of the item "Amounts receivable from third parties" is as follows:

Description	**12.31.2024**	12.31.2023	Change
Guarantee deposits	8,551	12,354	(3,803)
Derivatives	1,737	3,892	(2,156)
Tax receivables	246	158	88
Other receivables	2,605	668	1,937
Total	**13,138**	17,073	(3,935)

For further information on derivatives, see paragraph "Payables and other financial liabilities".

The item "Other receivables" mainly refers to long-term financial receivables to group companies not consolidated on a full line-by-line basis.

"Securities" are held by the following companies:

Description	**12.31.2024**	12.31.2023	Change
CRYOS Srl	79	73	6
SOL HELLAS Sa	777	818	(42)
SOL TG GmbH	6	5	-
Total	**861**	896	(35)

The item "Securities" relating to SOL Hellas refers to government securities of Greece, with maturity exceeding 12 months issued in payment of receivables claimed by the subsidiary SOL HELLAS from public bodies.

13. Deferred tax assets

Balance as at 12.31.2024	18,145
Balance as at 12.31.2023	19,211
Change	**(1,066)**

The breakdown of the item is as follows:

Description	Bad debts	Risk provisions	Internal profits	Prior losses	Other	Total
Balance as at 01.01.2023	999	148	740	3,520	13,151	18,557
Provisions/Uses	49	-	294	(539)	(852)	(1,048)
Other changes	-	-	-	437	1,189	1,626
Exchange differences	-	-	-	27	49	75
Balance as at 12.31.2023	1,048	148	1,034	3,445	13,537	**19,211**
Provisions/Uses	20	(153)	(57)	(618)	(1,117)	(1,926)
Other changes	-	-	-	2,178	(1,475)	703
Exchange differences	-	-	-	130	27	157
Balance as at 12.31.2024	1,067	(5)	977	5,134	10,972	**18,145**

Deferred tax assets were measured in the case of probable realisation and tax recoverability considering the limited time horizon based on the business plans of the companies.
Deferred tax assets of Euro 5,134 thousand were recognised against prior losses in that there exists the probability of obtaining, in future financial years, taxable income sufficient to absorb the tax losses carried forward.
The item "Other" includes the tax effect related to asset revaluations carried out by some Italian companies of the Group of Euro 6,403 thousand, which, although eliminated in the consolidated financial statements, allow the Group to receive the related tax benefits.

14. Inventories

Balance as at 12.31.2024	112,001
Balance as at 12.31.2023	100,804
Change	**11,197**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Raw, subsidiary and consumable materials	5,833	4,787	1,045
Work in progress and semi-finished goods	2,539	2,601	(61)
Finished products and goods for resale	103,629	93,416	10,213
Total	**112,001**	100,804	11,197

15. Trade receivables

Balance as at 12.31.2024	491,437
Balance as at 12.31.2023	448,454
Change	**42,983**

The breakdown of the item is as follows:

Description	Within 12 months	Beyond 12 months	Allowance for doubtful accounts	12.31.2024	12.31.2023
Trade receivables	521,473	175	(30,211)	491,437	448,454
Total	521,473	175	(30,211)	**491,437**	448,454

The "Allowance for doubtful accounts" changed as follows:

Description	12.31.2023	Provisions	Uses	Other changes	12.31.2024
Allowance for doubtful accounts	26,154	6,186	(2,104)	(25)	30,211
Total	26,154	6,186	(2,104)	(25)	**30,211**

The item "Other changes" refers to exchange rate differences of Euro 29 thousand and to reversals of the fund of Euro 4 thousand.

16. Other current assets

Balance as at 12.31.2024	61,792
Balance as at 12.31.2023	61,418
Change	**374**

The breakdown of the item is as follows:

Description	12.31.2024	12.31.2023	Change
Amounts receivable from employees	1,099	944	156
Amounts receivable in respect of income tax	8,745	10,013	(1,269)
VAT receivables	19,560	16,682	2,878
Other amounts receivable from the tax authorities	5,409	5,409	0
Other receivables	8,511	12,251	(3,739)
Prepayments and accrued income	18,468	16,119	2,349
Total	**61,792**	61,418	374

"Prepayments and accrued income" represent the harmonising items for the period calculated on an accrual basis.

This item breaks down as follows:

Description	12.31.2024	12.31.2023	Change
Accrued income			
Interest	292	4	287
Other accrued income	4,970	3,348	1,622
Total accrued income	**5,261**	3,352	1,909
Prepayments			
Insurance premiums	840	879	(39)
Rents	626	553	72
Other prepayments	11,741	11,334	407
Total prepayments	**13,207**	12,767	440
Total prepayments and accrued income	**18,468**	16,119	2,349

The item "Other prepayments" mainly comprises prepayments on purchase invoices referring to maintenance agreements or other expenses.

17. Current financial assets

Balance as at 12.31.2024	21,411
Balance as at 12.31.2023	18,050
Change	**3,361**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Subscribed capital unpaid	13	-	13
Financial receivables from jointly controlled companies	200	200	-
Derivatives	1,919	3,499	(1,581)
Short-term time deposits	12,548	11,022	1,526
Other financial receivables	6,732	3,329	3,403
Total	**21,411**	18,050	3,361

“Short-term time deposits” refer to the following companies:

Company	**12.31.2024**	12.31.2023	Change
BHORUKA SPECIALTY GASES PRIVATE Ltd	1,294	-	1,294
BLA SERVICOS HOSPITALARES Ltda	73	76	(2)
DN GLOBAL HOMECARE Ltda	280	400	(119)
ENERGETIKA ZJ doo	3,001	2,998	3
FLOSIT Sas	1,645	546	1,098
GLOBAL CARE Ltda	534	764	(230)
JML SERVICOS HOSPITALARES Ltda	15	107	(92)
MIDIPERF SANTE FRANCE Sas	60	60	-
MIDIPERF SANTÈ IDF		11	(11)
MIDIPERF SANTÈ LR	52	41	11
P PAR Ltda	158	457	(299)
PORTARE Ltda	11	10	2
PRONEP LAR INTERNACAO DOMICILIAR Sa	816	-	816
PRONEP SAO PAULO - SERVICOS ESPECIALIZADOS DOMICILIARES E HOSPITALARES Ltda	847	-	847
SOL CROATIA doo (former KISIKANA)	-	800	(800)
SOL CROATIA doo (former UTP doo)	996	1,496	(500)
SOL INDIA PRIVATE Ltd	1,041	1,575	(534)
TGT Ad	1,527	1,425	102
UNIT CARE Ltda	125	111	14
VITORIA MEDICINA DOMICILIAR Ltda	3	-	3
VIVISOL BRASIL Ltda	71	146	(75)
Total	**12,548**	11,022	1,526

18. Cash and cash equivalents

Balance as at 12.31.2024	231,590
Balance as at 12.31.2023	205,627
Change	**25,963**

The breakdown for this item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Bank and postal deposits	231,131	205,105	26,026
Cash and cash equivalents on hand	459	522	(63)
Total	**231,590**	205,627	25,963

19. Shareholders' equity

Balance as at 12.31.2024	1,078,851
Balance as at 12.31.2023	975,126
Change	**103,725**

The share capital of SOL Spa as at December 31, 2024, comprised 90,700,000 ordinary shares with a par value of Euro 0.52 each, fully subscribed and paid up.

The breakdown of and changes in shareholders' equity at year-end are detailed below:

Description	12.31.2023	Transfer of result	Dividends paid	Translation differences	Other changes	Profit (loss)	**12.31.2024**
Pertaining to the Group:							
Share capital	47,164	-	-	-	-	-	47,164
Share premium reserve	63,335	-	-	-	-	-	63,335
Revaluation reserves	-	-	-	-	-	-	-
Legal reserve	10,459	-	-	-	-	-	10,459
Statutory reserves	-	-	-	-	-	-	-
Treasury share reserves	-	-	-	-	-	-	-
Other reserves	660,599	112,173	-	1,274	(16,458)	-	757,589
Profits/(Losses) carried forward	1,321	33,559	(33,559)	-	(2)	-	1,319
Net Profit	145,732	(145,732)	-	-	-	147,698	147,698
Shareholders' equity - Group	928,611		(33,559)	1,274	(16,460)	**147,698**	**1,027,563**
Minority interests:							
Shareholders' equity - Minority interests	39,543	6,972	(4,217)	440	1,291	-	44,028
Profit pertaining to minority interests	6,972	(6,972)	-		-	7,259	7,259
Shareholders' equity - Minority interests	46,515	-	(4,217)	440	1,291	**7,259**	**51,287**
Shareholders' equity	975,126	-	(37,776)	1,713	(15,169)	**154,957**	**1,078,851**

The item "Other reserves" mainly includes extraordinary reserves, the reserve for actuarial gains or losses, the Cash Flow Hedge (CFH) reserve, the effects of hyperinflation in Turkey and unallocated profits.
As at December 31, 2024, the CFH reserve, gross of the tax effect, was positive and amounted to Euro 2,994 thousand (positive for Euro 7,392 thousand as at December 31, 2023). The change in the period is reported in the consolidated statement of comprehensive income.
For further information on derivatives, see paragraph "Payables and other financial liabilities".
The effects of hyperinflation in Turkey amounted to Euro 10,566 thousand, of which Euro 1,330 thousand were third parties.

Reconciliation of Parent Company's financial statements with the consolidated financial statements

Description	12.31.2024 Shareholders' equity	12.31.2024 Net income	12.31.2023 Shareholders' equity	12.31.2023 Net income
Financial Statement of SOL Spa	**363,664**	**59,073**	341,013	61,177
Elimination of consolidated inter-company transactions, net of tax effects:				
- Internal profit on tangible fixed assets	(3,106)	142	(3,248)	(668)
- Internal profit on long-term investments	-		-	(508)
- Reversal of adjustments to investments in subsidiary companies	-	482	-	2,493
- Dividends paid by consolidated companies	-	(100,670)	-	(90,955)
Adjustment of accounting policies to achieve consistent Group accounting policies, net of tax effects:				
- Adjustment to achieve a consistent accounting policy regarding intangible assets	(632)	(803)	6,254	(920)
- Application of *IFRS 16 & IAS 17*	(1,908)	(618)	(935)	(535)
- Measurement at equity of companies reported at cost	2,253	(96)	2,507	688
Book value of consolidated equity investments	(1,032,596)	-	(919,487)	-
Shareholders' Equity and profit for the year of consolidated companies	**1,466,941**	**191,006**	1,282,437	176,219
Allocation of the difference to the assets of the consolidated companies and relative depreciation, amortisation and write-downs:				
- Goodwill from consolidation	237,701	(818)	220,070	(1,259)
Effect of other adjustments:				
- Other provisions	(4,754)	-	-	-
Group consolidated financial statements	**1,027,564**	**147,697**	928,611	145,732

20. Employee severance indemnities and benefits

Balance as at 12.31.2024	19,939
Balance as at 12.31.2023	16,917
Change	**3,022**

The provisions underwent the following changes:

Employee severance indemnities and benefits	**12.31.2024**	12.31.2023
Balance as at January 1	16,917	15,143
Provisions	2,728	2,922
(Uses)	(1,577)	(1,390)
Financial expense	324	262
Other changes	1,530	(46)
Exchange differences	18	27
Balance at the end of the period	**19,939**	16,917

Employee benefits are calculated on the basis of the following actuarial assumptions:

Description	Interest rate
Annual discount rate	0.40%
Inflation rate	1.90%
Annual severance indemnity increase rate	2.37%
Annual wage increase rate	3.50%

Sensitivity analysis

The effects of the variation of the assumptions used are presented here below:

Balance as at December 31, 2024	Amount
Inflation rate + 0.5%	205
Inflation rate - 0.5%	(199)
Discount rate + 0.5%	(403)
Discount rate - 0.5%	432
Turnover rate +0.5%	(40)

Employee severance indemnity

The item "Employee severance indemnities" reflects the indemnity provided to employees during their working relationship that is paid at the time the employee leaves the company. In the presence of specific conditions, the employee may obtain a partial advance on said indemnity during their working relationship.

Other

The item "Other" comprises benefits such as the loyalty bonus, which accrues on attainment of a specific length of service within the company.

21. Provision for deferred taxes

Balance as at 12.31.2024	14,380
Balance as at 12.31.2023	15,104
Change	**(723)**

The item "Provision for deferred taxes" represents the balance of deferred tax liabilities provided for in the consolidated financial statements as at December 31, 2024, with regard to tax items present in the financial statements of the Group companies (accelerated depreciation), and the deferred tax liabilities referring to the other consolidation entries; the item comprises.

Description	Capital gains	Accelerated depreciations	Leasing	Other minor	**Total**
Balance as at 01.01.2023	24	3,987	(87)	8,238	12,163
Provisions/Uses	222	682	(236)	677	1,345
Other changes	-	1,382	-	136	1,518
Exchange differences	-	78	(1)	1	77
Balance as at 12.31.2023	246	6,129	(324)	9,053	**15,104**
Provisions/Uses	(50)	(277)	(226)	1,441	888
Other changes	-	-	(144)	(1,791)	(1,934)
Exchange differences	-	207	15	102	323
Balance as at 12.31.2024	197	6,058	(679)	8,804	**14,380**

22. Provisions for risks and charges

Balance as at 12.31.2024	10,860
Balance as at 12.31.2023	3,847
Change	**7,013**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Other minor provisions	10,860	3,847	7,013
Total other provisions	**10,860**	3,847	7,013
Total	**10,860**	3,847	7,013

"Provisions for risks and charges" are allocated exclusively in the presence of a current obligation assessable in a reliable way, as a result of past events, which may be legal, contractual or derive from declarations or behaviour of the company such as to create in third parties a reasonable expectation that the company is responsible or assumes the responsibility of fulfilling an obligation. If the financial effect of time is significant, the liability is discounted, the discounting effect is recorded under financial expense.

The provisions underwent the following changes:

Description	12.31.2023	Provisions	Uses	Other changes	**12.31.2024**
Other minor provisions	3,847	1,584	(1,255)	6,684	10,860
Total	3,847	1,584	(1,255)	6,684	**10,860**

The consolidation deficit generated by the acquisition of PRONEP LAR INTERNACAO DOMICILIAR Sas was allocated to this item.

23. Payables and other financial liabilities

Balance as at 12.31.2024	594,350
Balance as at 12.31.2023	550,215
Change	**44,136**

The breakdown of the item is as follows:

Description	**12.31.2024**	12.31.2023	Change
Bonds	153,703	160,837	(7,134)
Amounts due to other lenders	355,773	313,883	41,890
Lease liabilities	59,939	53,669	6,270
Derivatives	504	-	504
Other	24,431	21,825	2,606
Total	**594,350**	550,215	44,136

The item "Bonds" refers:

- to the issue of a bond subscribed by an American institutional investor. The original amount of this issue totals US$35 million converted to Euro 27,069 thousand by means of a cross currency swap (CCS) contract for a duration equal to the original bond loan (12 years);
- to the issue of a bond subscribed by three American institutional investors. The original amount of this issue was Euro 40 million;
- to the issue of a bond subscribed by two American institutional investors. The original amount of this issue was Euro 70 million;
- to the issue of a bond subscribed by five American institutional investors. The original amount of this issue was Euro 75 million.

The item "Amounts due to other lenders" comprises medium- and long-term loans granted by credit institutions. Some of these loans are backed by liens on movable assets and mortgages on real property, as already mentioned in the notes regarding tangible fixed assets.

The item "Others" includes Euro 18 million in payables to SIMEST Spa for the repurchase of shares in the companies BHORUKA SPECIALTY GASES PRIVATE Ltd and GREEN ASU PLANT PRIVATE Ltd.

The detailed breakdown of the item "Bonds", "Amounts due to other lenders" and "Lease liabilities" is as follows (with values expressed in thousands of Euro):

Lending institution	Amount	Long-term portion	Short-term portion	Interest rate		Maturity		Original amount
INTERNACIONAL	22	-	22	Fixed	9.00%	02.06.2025	Euro	240,639
CREDIT MUTUEL	2	-	2	Fixed	1.00%	04.05.2025	Euro	41,000
DUCATI	2	-	2	Fixed	2.00%	05.01.2025	Euro	26,219
MONTE PASCHI SIENA	417	-	417	Fixed	4.00%	06.15.2025	Euro	10,000,000
INTESA SAN PAOLO*	1,875	-	1,875	Fixed	1.00%	06.30.2025	Euro	30,000,000
COMMERZ BANK	38	-	38	Floating	1.00%	06.30.2025	Euro	200,000
CREDITO VALTELLINESE	1,279	-	1,279	Floating	4.00%	07.05.2025	Euro	10,000,000
CREDITO VALTELLINESE	639	-	639	Floating	4.00%	07.05.2025	Euro	5,000,000
INTESA SAN PAOLO	24	-	24	Fixed	1.00%	07.13.2025	Euro	200,000
UNICREDIT	98	47	51	Fixed	1.00%	07.17.2025	Euro	250,000
UNICREDIT	60	-	60	Fixed	2.00%	07.31.2025	Euro	400,000
POP. SONDRIO	93	52	41	Floating	2.00%	07.31.2025	Euro	200,000
BNL	159	-	159	Floating	5.00%	09.01.2025	Euro	900,000
UBI BANCA	2,577	-	2,577	Fixed	1.00%	09.14.2025	Euro	20,000,000
UNICREDIT	397	(17)	414	Floating	8.00%	10.10.2025	Euro	442,273
PRODUBANCO	104	-	104	Fixed	9.00%	10.15.2025	Euro	288,767
PRODUBANCO	194	-	194	Fixed	9.00%	10.16.2025	Euro	336,895
CREDIT MUTUEL	38	7	31	Fixed	2.00%	12.31.2025	Euro	200,000
BANCA IMI *	973	200	772	Fixed	7.00%	01.26.2026	Euro	7,000,000
PRODUBANCO	1,444	305	1,139	Floating	7.00%	03.02.2026	Euro	8,663,009
UNICREDIT	16	3	13	Floating	11.00%	03.11.2026	Euro	90,740
UNICREDIT	49	10	39	Floating	11.00%	03.20.2026	Euro	197,013
PRODUBANCO	245	64	181	Fixed	9.00%	03.30.2026	Euro	433,150
UNICREDIT	184	-	184	Floating	3.00%	03.31.2026	Euro	500,000
PRODUBANCO	328	67	261	Fixed	5.00%	03.31.2026	Euro	962,557
RAIFFEISEN	137	34	103	Floating	8.00%	04.30.2026	Euro	362,195
PRODUBANCO	426	148	278	Fixed	9.00%	06.12.2026	Euro	673,790
BCC CARATE	1,936	649	1,288	Floating	5.00%	06.13.2026	Euro	10,000,000
BCC CARATE	9,986	9,988	(2)	Floating	5.00%	06.13.2026	Euro	10,000,000
INTESA SAN PAOLO*	7,500	2,500	5,000	Fixed	1.00%	06.30.2026	Euro	40,000,000
UNICREDIT	9	5	5	Fixed	2.00%	07.01.2026	Euro	47,000
CREDIT AGRICOLE	37	13	24	Floating	1.00%	07.01.2026	Euro	90,000
COMMERZ REAL	30	30	-	Floating	2.00%	07.01.2026	Euro	90,490
BNL	34	16	18	Fixed	2.00%	08.24.2026	Euro	100,000
CREDIT AGRICOLE	41	24	17	Floating	4.00%	08.24.2026	Euro	200,000
BANK OF IRELAND	27	-	27	Floating	4.00%	09.30.2026	Euro	290,000
INTERNACIONAL	162	81	81	Fixed	10.00%	11.05.2026	Euro	240,639
BNL - BNP PARIBAS *	7,500	4,500	3,000	Fixed	2.00%	11.25.2026	Euro	30,000,000
BCC ROMA	37	-	37	Fixed	2.00%	11.25.2026	Euro	100,000
CARIGE	86	49	36	Fixed	2.00%	04.30.2027	Euro	180,000
PRODUBANCO	1,925	1,513	412	Fixed	12.00%	05.26.2027	Euro	1,925,113
PRODUBANCO	626	549	77	Fixed	12.00%	05.26.2027	Euro	625,662
UBI BANCA *	13,052	7,894	5,159	Fixed	2.00%	06.26.2027	Euro	40,000,000
HERNER SPARKASSE	140	140	-	Fixed	3.00%	10.30.2027	Euro	200,000
RAIFFEISEN	289	203	87	Floating	8.00%	01.20.2028	Euro	361,860
MEDIOBANCA	17,500	12,500	5,000	Fixed	2.00%	01.28.2028	Euro	40,000,000
IVECO CAP.	22	17	6	Fixed	7.00%	03.31.2028	Euro	27,197
BCC ROMA	748	532	216	Floating	4.00%	05.31.2028	Euro	1,500,000
BANK OF IRELAND	320	209	111	Floating	4.00%	06.12.2028	Euro	600,000
UBI BANCA	401	301	99	Floating	6.00%	09.24.2028	Euro	1,000,000

(continues)

(continues)

Lending institution	Amount	Long-term portion	Short-term portion	Interest rate		Maturity	Original amount	
RAIFFEISEN	289	214	75	Floating	8.00%	10.31.2028	Euro	301,550
COMMERZ REAL	168	168	-	Floating	5.00%	11.01.2028	Euro	243,506
INVITALIA	5,908	4,598	1,310	Fixed	0.00%	06.30.2029	Euro	12,643,000
BANCO BPM	26,444	20,571	5,872	Fixed	2.00%	06.30.2029	Euro	50,000,000
BNL - BNP PARIBAS *	24,978	19,986	4,993	Fixed	2.00%	12.31.2029	Euro	40,000,000
BNL - BNP PARIBAS *	15,433	12,212	3,221-	Fixed	1.00%	05.06.2030	Euro	30,000,000
INTESA SAN PAOLO	246	204	43	Fixed	6.00%	07.08.2030	Euro	300,000
VOLKSBANK	500	314	186	Fixed	1.00%	09.30.2030	Euro	695,000
BCC CARATE	3,374	2,823	550	Fixed	1.00%	12.17.2030	Euro	5,000,000
VOLKSBANK	58	58	-	Fixed	1.00%	12.30.2030	Euro	80,000
COMMERZBANK	228	228	-	Fixed	1.00%	12.30.2030	Euro	350,000
HERNER SPARKASSE	161	161	-	Fixed	2.00%	04.30.2031	Euro	200,000
HERNER SPARKASSE	155	155	-	Fixed	3.00%	04.30.2031	Euro	200,000
UNICREDIT * / SIMEST	17,964	17,972	(8)	Floating	3.00%	06.30.2031	Euro	18,000,000
POP. SONDRIO / SIMEST	23,654	23,663	(10)	Floating	3.00%	08.01.2031	Euro	23,700,000
CDP	50,000	46,154	3,846	Floating	5.00%	11.27.2031	Euro	50,000,000
BCC CARATE *	9,994	8,848	1,146	Floating	5.00%	10.06.2032	Euro	10,000,000
CREDIT AGRICOLE	39,885	34,910	4,975	Floating	4.00%	10.08.2032	Euro	40,000,000
BANCO BPM *	35,449	31,028	4,422	Floating	5.00%	12.31.2032	Euro	40,000,000
POP. SONDRIO	39,922	36,385	3,537	Floating	5.00%	08.01.2033	Euro	40,000,000
UNICREDIT	1,414	1,290	124	Floating	5.00%	02.28.2034	Euro	1,500,000
UNICREDIT	49,808	49,840	(32)	Floating	5.00%	06.25.2034	Euro	50,000,000
BCC ROMA	1,490	1,361	130	Floating	5.00%	11.30.2034	Euro	1,500,000
Total amounts due to other lenders	**421,746**	**355,773**	**65,973**					
Derivatives	660	504	155					
Lease liabilities	83,004	59,939	23,065					
Bonds	160,840	153,703	7,137					
Total	**666,249**	**569,920**	**96,330**					

Covenants

The loan agreements marked by an asterisk (*) contain financial restrictions (covenants) that envisage the maintenance of certain ratios between net financial indebtedness and shareholders' equity, between net financial indebtedness and cash-flow, and between net financial indebtedness and EBITDA referable to the consolidated financial statements.

To date, these parameters were complied with and are complied with as at December 31, 2024.

Derivatives

Some loan agreements were covered by derivative contracts, as defined below.

1. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 24,978 thousand, was hedged by a fixed rate of 1.45% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 1,293 thousand (as at December 31, 2023, positive for Euro 2,130 thousand).
2. The bond whose residual debt amounts to Euro 2,707 thousand was hedged by a CCS contract entered into with Intesa San Paolo on May 29, 2013. The fair value as at December 31, 2024, was positive for a total of Euro 654 thousand (as at December 31, 2023, positive for Euro 878 thousand).
3. The loan agreement outstanding with Intesa San Paolo whose residual debt amounts to Euro 1,875 thousand was hedged by a fixed rate of 0.44% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 20 thousand (as at December 31, 2023, positive for Euro 159 thousand).

4. The loan agreement outstanding with Banca Popolare di Bergamo, the residual debt of which amounts to Euro 2,577 thousand, was hedged by a fixed rate of 0.10% against a floating 3-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 57 thousand (as at December 31, 2023, positive for Euro 209 thousand).
5. The loan agreement outstanding with Intesa San Paolo whose residual debt amounts to Euro 7,500 thousand was hedged by a fixed rate of 0.10% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 163 thousand (as at December 31, 2023, positive for Euro 522 thousand).
6. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 7,500 thousand, was hedged by a fixed rate of 0.535% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 133 thousand (as at December 31, 2023, positive for Euro 368 thousand).
7. The loan agreement outstanding with Mediobanca, the residual debt of which amounts to Euro 17,500 thousand, was hedged by a fixed rate of 0.759% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 612 thousand (as at December 31, 2023, positive for Euro 1,184 thousand).
8. The loan agreement outstanding with BNL – BNP Paribas, the residual debt of which amounts to Euro 15,433 thousand, was hedged by a fixed rate of -0.13% against a floating 6-month Euribor rate. The fair value as at December 31, 2024, was positive for a total of Euro 722 thousand (as at December 31, 2023, positive for Euro 1,329 thousand).
9. The loan agreement outstanding with Unicredit, the residual debt of which amounts to Euro 17,964 thousand, was hedged by a fixed rate of 3.10% against a floating 6-month Euribor rate. The fair value as at December 31 was negative for 660 thousand Euro.

The Group, where possible, applies hedge accounting, verifying compliance with the requirements of IAS 39.
From January 1, 2018, the Group decided to continue to use the hedge accounting rules set out in IAS 39 and not IFRS 9 for all hedges already designated in hedge accounting as at December 31, 2017, and for new hedges designated in subsequent periods.
Derivative instruments that qualify as hedges pursuant to IFRS 9 and IAS 39 comprise transactions put in place to hedge the fluctuations in cash flows (Cash Flow Hedge - CFH) and to hedge the fair value of the hedged element (Fair Value Hedge - FVH).
All contracts were assessed at cash flow hedge.

Hierarchical levels of fair value measurement

As regards the financial instruments recorded in the statement of financial position at fair value, the IFRS 7 requires that such values be classified on the basis of a hierarchical level that reflects the importance of the inputs used when determining the fair value.
The levels are broken down as follows:

- Level 1 – prices recorded on an active market for measured assets or liabilities;
- Level 2 – inputs other than the prices set forth above, which are directly (prices) or indirectly (derived from the prices) observable on the market;
- Level 3 – inputs that are based on observable market figures.

The following table shows the financial assets at fair value as at December 31, 2024, by hierarchical level of fair value measurement:

Payables and other financial liabilities	Notes	Level 1	Level 2	Level 3	Total
BNL - BNP PARIBAS		-	133	-	133
BNL - BNP PARIBAS		-	722	-	722
BNL - BNP PARIBAS		-	1,293	-	1,293
MEDIOBANCA		-	612	-	612
BANCA POPOLARE DI BERGAMO		-	57	-	57
INTESA SAN PAOLO		-	654	-	654
INTESA SAN PAOLO		-	20	-	20
INTESA SAN PAOLO		-	163	-	163
UNICREDIT		-	(660)	-	(660)
Total		-	2,994	**-**	**2,994**

Fair value Calculation models used

The fair value of the item "Due to banks" and of the item "Due to other lenders" was calculated on the basis of the interest rate curve at the end of the reporting period.

The fair value of the financial instruments listed on an active market is based on market prices at the end of the reporting period. The market prices used are bid/ask prices depending on the active/passive position held. The fair value of financial instruments not listed in an active market and of derivative instruments is determined using measurement techniques and models prevailing on the market, using inputs that are observable on the market.

It should be noted that - for the items trade receivables and payables, other financial assets and liabilities - fair values have not been calculated as their book value approximates them.

The fair value of "Finance lease payables" and "Due to other lenders" is not materially different from their book value.

24. Current liabilities

Balance as at 12.31.2024	420,563
Balance as at 12.31.2023	379,459
Change	**41,102**

This item breaks down as follows:

Description	12.31.2024	12.31.2023	Change
Amounts due to banks	4,199	3,190	1,008
Trade accounts payable	193,541	168,367	25,173
Other financial liabilities	97,301	89,031	8,269
Tax payables	33,961	35,452	(1,491)
Other current liabilities	91,561	83,418	8,143
Total	**420,563**	379,459	41,102

The item "Other financial liabilities" represents the short-term portions of the amounts due to other lenders, for which reference is made to the breakdown reported previously in the section "Payables and other financial liabilities".

The breakdown of the item "Tax payables" comprises:

Description	12.31.2024	12.31.2023	Change
Income tax payables	18,335	21,068	(2,733)
VAT payables	8,739	9,209	(470)
Other tax payables	6,887	5,175	1,712
Total	**33,961**	35,452	(1,491)

"Other current liabilities" comprise:

Description	12.31.2024	12.31.2023	Change
Amounts due to social security institutions	13,464	11,767	1,698
Amounts due to employees	20,231	17,112	3,119
Amounts due to shareholders for dividends	87	436	(349)
Guarantee deposits payable	2,887	2,167	719
Other payables	3,318	2,607	711
Accrued expenses and deferred income	51,574	49,329	2,245
Total	**91,561**	83,418	8,143

The breakdown of the item "Accrued expenses and deferred income" is as follows:

Description	12.31.2024	12.31.2023	Change
Accrued expenses			
Interest payable on loans	3,481	3,296	185
Other	16,064	16,209	(145)
Total accrued expenses	**19,545**	19,505	40
Deferred income			
Sink funds granted	603	905	(302)
Rentals receivable	64	53	12
Other	31,362	28,867	2,495
Total deferred income	**32,029**	29,824	2,205
Total accrued expenses and deferred income	**51,574**	49,329	2,245

REVENUES BY TYPE OF BUSINESS SOL GROUP

(amounts in thousands of Euro)

	12.31.2024						
	Technical gas sector	%	Home-care service sector	%	Write downs	Consolidated figures	%
Technical gas sector	824,205	100.0%	-	-	(35,940)	788,265	48.9%
Home-care service sector	-	-	824,051	100.0%	(1,871)	822,180	51.1%
Net sales	**824,205**	**100.0%**	**824,051**	**100.0%**	**(37,812)**	**1,610,444**	**100.0%**
Internal works and collections	28,596	3.5%	7,382	0.9%	(1,814)	34,164	2.1%
Revenues	**852,801**	**103.5%**	**831,433**	**100.9%**	**(39,626)**	**1,644,608**	**102.1%**
Purchase of materials	267,926	32.5%	166,946	20.3%	(24,152)	410,720	25.5%
Services rendered	234,123	28.4%	233,176	28.3%	(13,864)	453,435	28.2%
Change in inventories	(2,982)	-0.4%	(4,675)	-0.6%	-	(7,658)	-0.5%
Other costs	17,047	2.1%	26,369	3.2%	(1,585)	41,831	2.6%
Total costs	**516,113**	**62.6%**	**421,816**	**51.2%**	**(39,601)**	**898,328**	**55.8%**
Added value	**336,687**	**40.8%**	**409,617**	**49.7%**	**(25)**	**746,279**	**46.3%**
Payroll and related costs	132,550	16.1%	209,902	25.5%		342,453	21.3%
Gross operating margin	**204,137**	**24.8%**	**199,715**	**24.2%**	**(25)**	**403,827**	**25.1%**
Depreciation/amortisation	71,864	8.7%	83,998	10.2%	616	156,478	9.7%
Non-recurring (income)/expenses	6,461	0.8%	3,711	0.5%	-	10,172	0.6%
Operating result	**125,812**	**15.3%**	**112,006**	**13.6%**	**(641)**	**237,177**	**14.7%**
Financial income	36,282	4.4%	8,159	1.0%	(36,724)	7,717	0.5%
Financial expense	(25,633)	-3.1%	(13,428)	-1.6%	10,095	(28,966)	-1.8%
Results from equity investments	(246)	-	22	-	40	(184)	-
Total financial income/(expense)	**10,402**	**1.3%**	**(5,247)**	**-0.6%**	**(26,589)**	**(21,434)**	**-1.3%**
Profit (Loss) before income taxes	**136,214**	**16.5%**	**106,759**	**13.0%**	**(27,230)**	**215,743**	**13.4%**
Income taxes	31,837	3.9%	28,932	3.5%	18	60,787	3.8%
Net result from business activities	**104,377**	**12.7%**	**77,827**	**9.4%**	**(27,248)**	**154,957**	**9.6%**
Net result from discontinued operations	-	-	-	-	-	-	-
(Profit)/Loss pertaining to minority interests	(4,328)	-0.5%	(2,956)	-0.4%	25	(7,259)	-0.5%
Net Profit/(Loss)	**100,049**	**12.1%**	**74,871**	**9.1%**	**(27,223)**	**147,698**	**9.2%**

OTHER INFORMATION SOL GROUP

(amounts in thousands of Euro)

	12.31.2024						
	Technical gas sector	%	Home-care service sector	%	Write downs	Consolidated figures	%
Total assets	1,601,687		1,134,035		(596,780)	2,138,942	
Total liabilities	873,554		415,212		(228,675)	1,060,091	
Investments	113,006		89,278		-	202,284	

12.31.2023						
Technical gas sector	%	Home-care service sector	%	Write downs	Consolidated figures	%
809,128	100.0%	-	-	(32,493)	776,635	52.2%
-	-	712,039	100.0%	(1,537)	710,502	47.8%
809,128	100.0%	712,039	100.0%	(34,031)	1,487,136	100.0%
31,892	3.9%	12,068	1.7%	(1,527)	42,433	2.9%
841,020	103.9%	724,107	101.7%	(35,558)	1,529,569	102.9%
287,945	35.6%	153,763	21.6%	(22,714)	418,994	28.2%
221,274	27.3%	196,719	27.6%	(11,341)	406,651	27.3%
(5,224)	-0.6%	(9,496)	-1.3%	-	(14,720)	-1.0%
17,386	2.1%	18,726	2.6%	(1,388)	34,724	2.3%
521,381	64.4%	359,711	50.5%	(35,443)	845,650	56.9%
319,639	39.5%	364,396	51.2%	(115)	683,920	46.0%
120,943	14.9%	180,816	25.4%	-	301,759	20.3%
198,696	24.6%	183,580	25.8%	(115)	382,161	25.7%
67,992	8.4%	76,156	10.7%	616	144,765	9.7%
8,164	1.0%	1,794	0.3%	313	10,271	0.7%
122,540	15.1%	105,630	14.8%	(1,044)	227,125	15.3%
35,931	4.4%	4,953	0.7%	(35,689)	5,195	0.3%
(20,811)	-2.6%	(11,370)	-1.6%	9,861	(22,320)	-1.5%
442	0.1%	(1,458)	-0.2%	1,624	608	-
15,563	1.9%	(7,875)	-1.1%	(24,205)	(16,517)	-1.1%
138,103	17.1%	97,755	13.7%	(25,249)	210,609	14.2%
29,025	3.6%	28,868	4.1%	12	57,905	3.9%
109,078	13.5%	68,887	9.7%	(25,261)	152,704	10.3%
-	-	-	-	-	-	-
(4,188)	-0.5%	(2,823)	-0.4%	39	(6,972)	-0.5%
104,890	13.0%	66,064	9.3%	(25,221)	145,733	9.8%

12.31.2023						
Technical gas sector	%	Home-care service sector	%	Write downs	Consolidated figures	%
1,501,536		1,018,982		(579,851)	1,940,667	
841,644		398,011		(274,114)	965,541	
83,432		82,125		-	165,557	

BREAKDOWN OF REVENUES BY TYPE OF BUSINESS: TECHNICAL GAS SECTOR

The income statement of the Technical Gas Sector is shown below:

(amounts in thousands of Euro)

	12.31.2024	%	12.31.2023	%
Revenues from sales and services	824,205	100.0%	809,128	100.0%
Other revenues and income	28,596	3.5%	31,892	3.9%
Revenues	**852,801**	103.5%	841,020	103.9%
Purchase of materials	267,926	32.5%	287,945	35.6%
Services rendered	234,123	28.4%	221,274	27.3%
Change in inventories	(2,982)	-0.4%	(5,224)	-0.6%
Other costs	17,047	2.1%	17,386	2.1%
Total costs	**516,113**	62.6%	521,381	64.4%
Added value	**336,687**	40.8%	319,639	39.5%
Payroll and related costs	132,550	16.1%	120,943	14.9%
Gross operating margin	**204,137**	24.8%	198,696	24.6%
Depreciation/amortisation	71,864	8.7%	67,992	8.4%
Provisions and write-downs	6,461	0.8%	8,164	1.0%
Operating result	**125,812**	15.3%	122,540	15.1%
Financial income	36,282	4.4%	35,931	4.4%
Financial expense	(25,633)	-3.1%	(20,811)	-2.6%
Results from equity investments	(246)	0.0%	442	0.1%
Total financial income/(expense)	**10,402**	1.3%	15,563	1.9%
Profit (Loss) before income taxes	**136,214**	16.5%	138,103	17.1%
Income taxes	31,837	3.9%	29,025	3.6%
Net result from business activities	**104,377**	12.7%	109,078	13.5%
Net result from discontinued operations	-	-	-	-
(Profit)/Loss pertaining to minority interests	(4,328)	-0.5%	(4,188)	-0.5%
Net Profit/(Loss)	**100,049**	12.1%	104,890	13.0%

Revenues from sales and services in the Technical Gas Sector reported a 1.9% increase.
Gross operating margin increased by 2.7% compared to the previous year.
Operating result increased by 2.7% compared to the previous year.

The statement of financial position of the Technical Gas sector is presented below:

(amounts in thousands of Euro)

	12.31.2024	12.31.2023
Tangible fixed assets	539,735	484,506
Goodwill	59,443	59,153
Other intangible fixed assets	30,758	24,620
Equity investments	263,790	209,205
Other financial assets	9,372	11,850
Deferred tax assets	10,133	13,917
Non-current assets	**913,232**	803,250
Non-current assets held for sale	**-**	-
Inventories	51,383	47,207
Trade receivables	303,740	287,786
Other current assets	39,699	40,581
Current financial assets	131,425	177,287
Cash and cash equivalents	162,208	145,425
Current assets	**688,455**	698,286
TOTAL ASSETS	**1,601,687**	1,501,536
Share capital	47,164	47,164
Share premium reserve	63,335	63,335
Legal reserve	10,459	10,459
Reserve for treasury shares in portfolio	-	-
Other reserves	470,695	400,142
Retained earnings (accumulated loss)	-	-
Net Profit	100,049	104,890
Shareholders' equity - Group	**691,702**	625,991
Shareholders' equity - Minority interests	32,103	29,714
Profit pertaining to minority interests	4,328	4,188
Shareholders' equity - Minority interests	**36,431**	33,902
Shareholders' equity	**728,133**	659,893
Employee severance indemnities and benefits	11,199	11,113
Provision for deferred taxes	4,438	7,952
Provisions for risks and charges	1,852	2,757
Payables and other financial liabilities	534,997	508,457
Non-current liabilities	**552,486**	530,280
Non-current liabilities held for sale	**-**	-
Amounts due to banks	1,552	1,029
Trade accounts payable	123,202	109,879
Other financial liabilities	136,829	142,538
Tax payables	18,949	18,205
Other current liabilities	40,536	39,713
Current liabilities	**321,068**	311,364
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,601,687**	1,501,536

BREAKDOWN OF REVENUES BY TYPE OF BUSINESS: HOME-CARE SERVICE SECTOR

The income statement of the Home-care Service sector is shown below:

(amounts in thousands of Euro)

	12.31.2024	%	12.31.2023	%
Revenues from sales and services	824,051	100.0%	712,039	100.0%
Other revenues and income	7,382	0.9%	12,068	1.7%
Revenues	**831,433**	100.9%	724,107	101.7%
Purchase of materials	166,946	20.3%	153,763	21.6%
Services rendered	233,176	28.3%	196,719	27.6%
Change in inventories	(4,675)	-0.6%	(9,496)	-1.3%
Other costs	26,369	3.2%	18,726	2.6%
Total costs	**421,816**	51.2%	359,711	50.5%
Added value	**409,617**	49.7%	364,396	51.2%
Payroll and related costs	209,902	25.5%	180,816	25.4%
Gross operating margin	**199,715**	24.2%	183,580	25.8%
Depreciation/amortisation	83,998	10.2%	76,156	10.7%
Provisions and write-downs	3,711	0.5%	1,794	0.3%
Operating result	**112,006**	13.6%	105,630	14.8%
Financial income	8,159	1.0%	4,953	0.7%
Financial expense	(13,428)	-1.6%	(11,370)	-1.6%
Results from equity investments	22	-	(1,458)	-0.2%
Total financial income/(expense)	**(5,247)**	-0.6%	(7,875)	-1.1%
Profit (Loss) before income taxes	**106,759**	13.0%	97,755	13.7%
Income taxes	28,932	3.5%	28,868	4.1%
Net result from business activities	**77,827**	9.4%	68,887	9.7%
Net result from discontinued operations	-	-	-	-
(Profit)/Loss pertaining to minority interests	(2,956)	-0.4%	(2,823)	-0.4%
Net Profit/(Loss)	**74,871**	9.1%	66,064	9.3%

Sales in the Home-care service sector registered an increase of 15.7%.
Gross operating margin increased by 8.8% compared to 2023.
Operating result increased by 6.0% compared to the previous year.

The statement of financial position of the Home-care Service sector is presented below:

(amounts in thousands of Euro)

	12.31.2024	12.31.2023
Tangible fixed assets	296,151	258,560
Goodwill	150,510	138,875
Other intangible fixed assets	19,429	17,389
Equity investments	197,455	183,186
Other financial assets	6,945	8,007
Deferred tax assets	7,926	5,191
Non-current assets	**678,417**	611,208
Non-current assets held for sale	**-**	-
Inventories	60,618	53,597
Trade receivables	222,320	188,722
Other current assets	23,226	21,504
Current financial assets	80,072	83,750
Cash and cash equivalents	69,383	60,200
Current assets	**455,618**	407,774
TOTAL ASSETS	**1,134,035**	1,018,982
Share capital	7,750	7,750
Share premium reserve	20,934	20,934
Legal reserve	1,550	1,550
Reserve for treasury shares in portfolio	0	0
Other reserves	574,265	487,464
Retained earnings (accumulated loss)	24,577	24,577
Net Profit	74,872	66,064
Shareholders' equity - Group	**703,948**	608,339
Shareholders' equity - Minority interests	11,919	9,809
Profit pertaining to minority interests	2,956	2,823
Shareholders' equity - Minority interests	**14,875**	12,632
Shareholders' equity	**718,823**	620,971
Employee severance indemnities and benefits	8,740	5,803
Provision for deferred taxes	9,915	7,125
Provisions for risks and charges	9,550	1,637
Payables and other financial liabilities	121,854	154,427
Non-current liabilities	**150,059**	168,992
Non-current liabilities held for sale	**-**	-
Amounts due to banks	2,647	2,161
Trade accounts payable	104,042	84,735
Other financial liabilities	90,375	78,698
Tax payables	15,011	17,247
Other current liabilities	53,078	46,179
Current liabilities	**265,153**	229,019
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**1,134,035**	1,018,982

INFORMATION BY GEOGRAPHIC AREA

The breakdown of revenues by geographic area is presented below:

Description	**12.31.2024**	12.31.2023	Change
Italy	621,173	594,931	26,242
Other Countries	989,271	892,206	97,066
Total	**1,610,444**	1,487,136	123,308

The breakdown of investments by geographic area is presented below:

Description	**12.31.2024**	12.31.2023	Change
Italy	60,278	50,450	9,828
Other Countries	142,006	115,106	26,899
Total	**202,284**	165,557	36,727

INTRA-GROUP TRANSACTIONS AND TRANSACTIONS WITH RELATED PARTIES

The parent company SOL Spa is controlled by GAS AND TECHNOLOGIES WORLD Bv, in turn controlled by STICHTING AIRVISION; the Group has not entered into any transaction with the latter.

All the intra-group transactions fall within the ordinary operations of the Group, they are conducted on an arms' length basis, and there were no atypical or unusual transactions or transactions causing potential conflicts of interest.
Intra-group sales and services carried out during 2024 amounted to Euro 286.7 million.
As at December 31, 2024, receivable and payable transactions between Group companies came to Euro 503.2 million, of which Euro 324.0 million of a financial nature and Euro 179.2 million of a trade nature.

The breakdown of intercompany financial receivables is as follows:

Financial receivables granted by SOL Spa	Euro	203.8 million
Financial receivables granted by AIRSOL BV	Euro	31.9 million
Financial receivables granted by other companies	Euro	88.4 million

The transactions of the SOL Group with non-consolidated subsidiary companies, jointly controlled companies and associated companies comprised:

Purchases from CT BIOCARBONIC GmbH	Euro	3,255 thousand
Amounts due to CT BIOCARBONIC GmbH	Euro	340 thousand
Sales and services to ZDS JESENICE doo	Euro	3,934 thousand
Purchases from ZDS JESENICE doo	Euro	5,737 thousand
Trade receivables from ZDS JESENICE doo	Euro	303 thousand
Amounts due to ZDS JESENICE doo	Euro	492 thousand
Trade receivables from CONSORGAS Srl	Euro	4 thousand
Financial receivables from CONSORGAS Srl	Euro	87 thousand
Amounts due to CONSORGAS Srl	Euro	6 thousand
Sales and services to CONSORZIO ECODUE	Euro	129 thousand
Purchases from CONSORZIO ECODUE	Euro	351 thousand
Trade receivables from CONSORZIO ECODUE	Euro	38 thousand
Amounts due to CONSORZIO ECODUE	Euro	71 thousand

COMMITMENTS, GUARANTEES AND POTENTIAL LIABILITIES

The SOL Group obtained sureties totalling Euro 97,042 thousand.

NET FINANCIAL POSITION

(amounts in thousands of Euro)

		12.31.2024	12.31.2023
A.	Cash and cash equivalents	231,590	205,627
B.	Cash and cash equivalents	12,548	11,022
C.	Other current financial assets	9,142	7,033
D.	**Liquidity (A + B + C)**	**253,280**	223,682
E.	Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	(31,850)	(26,990)
F.	Current portion of non-current financial debt	(73,110)	(68,528)
G.	**Current borrowing (E + F)**	**(104,960)**	(95,517)
H.	**Net current borrowing (G - D)**	**148,320**	128,164
I.	Non-current financial debt (excluding the current portion and debt instruments)	(569,121)	(525,982)
J.	Debt instruments	(504)	0
K.	Trade payables and other non-current debts	(18,000)	(18,000)
L.	**Non-current borrowing (I + J + K)**	**(587,626)**	(543,982)
M.	**Total net borrowing (H + L)**	**(439,305)**	(415,818)

Letter E "Current financial debt" includes Euro 23,065 related to the short-term portion arising from the application of IFRS 16, while letter I "Non-current financial debt" includes Euro 59,939 related to the long-term portion.

After deduction of lease portions, net indebtedness amounted to Euro 356,301 thousand (Euro 341,710 as at December 31, 2023).

DISCLOSURE PURSUANT TO ARTICLE 1 PARAGRAPH 125 OF ITALIAN LAW NO. 124 OF AUGUST 4, 2017

With reference to Article 1 paragraph 125 of Italian Law 124/2017, the subsidies received by public administrations are summarised below:

- POR MARCHE progetto IOT (Intelligent Oncology Telemedicine) of Euro 169 thousand; ACE (Advanced Cure for dialysis: Innovative platform for home peritoneal dialysis therapy). Aid for research, development and innovation - Ministerial Decree 2021 of Euro 1,037 thousand; NEXT (New Experience for Training) of Euro 7.5 thousand; GREEN SOLUTIONS, managerial courses to support the SOL Group green transition: tender awarded in 2024 - loan to be used in 2025 of Euro 12.5 thousand disbursed to the company VIVISOL Srl;
- Contribution from the Marche Region Euro 945 thousand (of which Euro 833 thousand paid to partners) disbursed to the company DIATHEVA Srl.

ADJUSTMENTS PURSUANT TO ART.S 15 AND 18 OF THE MARKET REGULATIONS

Pursuant to Article 18 (former 39) of the Market Regulation issued by Consob with reference to "Conditions for the share prices of companies controlling companies set-up and governed by the law of non-EU Countries" referred to in Article 15 (former 36) of the above Regulation (issued in order to implement Article 62 sub-paragraph 3 bis of Italian Legislative Decree 58/98 as amended on December 28, 2017, with resolution no. 20249), it is stated that in the SOL Group there are eight companies based in three non-EU Countries that are important pursuant to sub-paragraph 2 of the said article 15.
The current procedures of the SOL Group already allow to conform with what is required by the standard.

INFORMATION PURSUANT TO ARTICLE 149 DUODECIES OF THE CONSOB ISSUER REGULATION

The following table, drawn up pursuant to Article 149 duodecies of the Consob Issuer Regulation, shows the considerations pertaining to the 2024 financial year for the auditing services and for those other than auditing supplied by the auditing company and by bodies belonging to its network.

(amounts in thousands of Euro)

	Subject who supplied the service	Recipient	Considerations pertaining to the 2024 financial year
External auditing	Deloitte	Parent Company SOL Spa	162
	Deloitte	Subsidiary companies	108
	Deloitte network	Subsidiary companies	348
Quarterly audit	Deloitte	Parent Company SOL Spa	6
	Deloitte	Subsidiary companies	10
	Deloitte network	Subsidiary companies	3
Other services	Deloitte	Parent Company SOL Spa (1)	93
	Deloitte	Subsidiary companies (1)	33
	Deloitte network	Subsidiary companies	0
Total			**764**

(1) Fiscal aid services and others

NON-RECURRING SIGNIFICANT EVENTS AND TRANSACTIONS

Pursuant to Consob Communication no. DEM/6064296 of July 28, 2006, the SOL Group did not carry out non-recurring significant events and transactions during 2024.

TRANSACTIONS DERIVING FROM ATYPICAL AND/OR UNUSUAL OPERATIONS

Pursuant to Consob communication no. DEM/6064296 of July 28, 2006, the SOL Group did not carry out atypical and/or unusual operations in 2024, as defined by the Communication itself.

SIGNIFICANT EVENTS THAT TOOK PLACE AT THE END OF THE REPORTING PERIOD AND FORESEEABLE BUSINESS DEVELOPMENTS

In this regard, please refer to the specific section in the management report.

Monza, March 27, 2025

The Chairman of the Board of Directors
(Aldo Fumagalli Romario)

CERTIFICATE OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ARTICLE 154-BIS OF ITALIAN LEGISLATIVE DECREE 58/1998

The undersigned Aldo Fumagalli Romario and Marco Annoni, as Managing directors, and Marco Filippi, as Manager in charge of drawing up company accounting documents for SOL Spa, certify, also considering the provisions of Article 154-bis, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of February 24, 1998:

- the adequacy in relation to the characteristics of the business and
- actual application

of the administrative and accounting procedures for the drawing up of the consolidated financial statements during the 2024 financial year.

We also certify that:

1. The consolidated financial statements:
   a) were prepared in accordance with the International Financial Reporting Standards recognised by the European Union pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
   b) correspond to the results of the accounting books and records;
   c) give a true and fair view of the financial position, the results of the operations and of the cash flows of the issuer and of the consolidated companies;

2. The directors' report includes a reliable analysis of the business trend and operating result as well as of the situation of issuing company and of the consolidated companies, together with a description of the main risks and uncertainties they incur.

Monza, March 27, 2025

The Managing directors
(Aldo Fumagalli Romario)
(Marco Annoni)

Manager in charge of drawing up company accounting documents
(Marco Filippi)

CERTIFICATION OF THE CONSOLIDATED SUSTAINABILITY REPORT PURSUANT TO ARTICLE 81-TER, PARAGRAPH 1, OF CONSOB REGULATION NO. 11971 OF MAY 14, 1999, AS AMENDED

The undersigned Aldo Fumagalli Romario and Marco Annoni, as Managing directors, and Marco Filippi, as Manager in charge of drawing up company accounting documents for SOL Spa, certify, pursuant to art. 154-bis, paragraph 5-ter, of Italian Legislative Decree no. 58 of February 24, 1998, that the consolidated sustainability report included in the management report has been prepared:

- in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of June 26, 2013, and Italian Legislative Decree No. 125 of September 6, 2024;
- in accordance with the specifications adopted pursuant to Article 8, paragraph 4, of Regulation (EU) 2020/852 of the European Parliament and of the Council of June 18, 2020.

Monza, March 27, 2025

The Managing directors
(Aldo Fumagalli Romario)
(Marco Annoni)

Manager in charge of drawing up company accounting documents
(Marco Filippi)

Subject definition	
Name of reporting entity or other means of identification	SOL Spa
Explanation of change in the name of the reporting entity or other means of identification from end of the preceding reporting period	There were no changes compared to the previous year
Domicile of entity	Monza (Italy)
Legal form of entity	Joint-stock company
Country of registration	Italy
Address of registered office of entity	Via Borgazzi 27, 20900 Monza
Main place of business	SOL is an Italian multinational group operating in Europe, Turkey, Morocco, India, China, Brazil, Ecuador and Peru
Description of the nature of the entity's business and its main operations	SOL is an Italian multinational group operating in two main sectors: production, applied research and marketing of technical, pure and medical gases (Technical Gas sector) and home care (Home Care sector).
Name of the parent entity	SOL Spa
Name of the parent company	SOL Spa

REPORTS OF THE AUDITING COMPANY SOL GROUP

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INDEPENDENT AUDITOR'S REPORT PURSUANT TO ARTICLE 14 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010 AND ARTICLE 10 OF THE EU REGULATION 537/2014

To the Shareholders of
SOL S.p.A.

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of SOL Group S.p.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of SOL S.p.A. (the "Company") in accordance with the ethical requirements applicable under Italian law to the audit of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Deloitte.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Valuation of goodwill	
Description of the key audit matter	The consolidated financial statements as at December 31, 2024 include goodwill amounting to Euro 264,395 thousand. The above reported asset, as required by IAS 36, is not systematically amortized but is subject to impairment test at least annually. The Directors carried out an impairment test of the cash generating units (CGUs) to whom the goodwill is allocated, comparing their recoverable amount, assessed on the basis of the value in use, and their carrying amount. The value in use determined by the Directors is based on assumptions regarding, among others, (i) the estimate of cash flows included in the 2024 budget approved by the Board of Directors of the subsidiaries and the plans which include the projections of the financial and economic results prepared by the management of the companies (ii) the determination of an appropriate discount rate (WACC) and (iii) the estimate of the long-term growth rate (g-rate) for the cash flows beyond the plan explicit period. The determination of the value in use is also based on assumptions influenced by future expectations and external variables, including the evolution of the conditions for their respective markets. As a result of the impairment test approved by the Board of Directors on March 27, 2025, impairment losses were recognized on the goodwill allocated to the CGUs related to the legal entity under Bosnian law MEL a.d. for Euro 397 thousand, to the legal entity under Brazilian law Portare LTDA for Euro 243 thousand and to the legal entity under German law WIP Weiterbildung in der Pflege GmbH for Euro 196 thousand. Given the significance of the assets recognized in the consolidated financial statements, the judgement required in the estimates of expected cash flows and of the key assumptions of the impairment test model used for the calculation of the value in use, we considered the recoverability of goodwill a key audit matter of the consolidated financial statements. Note 9 “Goodwill” of the notes to the consolidated financial statements includes the disclosures on the valuation of goodwill.

Audit procedures performed	As part of our audit procedures we have, among other things, carried out the following procedures, also involving the support of specialists from our Network: • examination of the methods used by Management to determine the value in use, analyzing the methods and assumptions used to develop the impairment test; • understanding of the relevant controls implemented by the Group on the impairment test process; • analyzing the reasonableness of the main assumptions used for developing the expected cash flows together with the collection of other relevant information provided by the Directors; • analyzing the differences between the actual results and the original plans in order to understand the nature of the deviations and the reliability of the plans preparation process; • analyzing of the reasonableness of the discount rate (WACC) and long-term growth rate (g-rate) in the value in use determination; • assessing the mathematical accuracy of the model used to determine the value in use of the CGUs; • analyzing the appropriate determination of the carrying amount of the CGUs, in compliance with the methods used for the estimate of the value in use; • comparison of the recoverable value of the CGUs with their carrying amount; • assessing the sensitivity analysis performed by management; • assessing the appropriateness of the disclosures provided by the Directors on the impairment test and its compliance with IAS 36.

Responsibilities of the Directors and the Board of Statutory Auditors for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree no. 38/05, and, within the terms established by law, for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have identified the existence of the conditions for the liquidation of SOL S.p.A. or the termination of the business or have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Deloitte.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence applicable in Italy, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report.

Other information communicated pursuant to art. 10 of the EU Regulation 537/2014

The Shareholders' Meeting of SOL S.p.A. has appointed us on May 12, 2016, as auditors of the Company for the years from December 31, 2016 to December 31, 2024.

We declare that we have not provided prohibited non-audit services referred to in art. 5 (1) of EU Regulation 537/2014 and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the Board of Statutory Auditors, in its role of Audit Committee, referred to in art. 11 of the said Regulation.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinion on the compliance with the provisions of the Delegated Regulation (EU) 2019/815

The Directors of SOL S.p.A. are responsible for the application of the provisions of the European Commission Delegated Regulation (EU) 2019/815 with regard to the regulatory technical standards on the specification of the single electronic reporting format (ESEF – European Single Electronic Format) (hereinafter referred to as the "Delegated Regulation") to the consolidated financial statements as at December 31, 2024, to be included in the annual financial report.

Deloitte.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2024 have been prepared in XHTML format and have been marked up, in all material respects, in accordance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information contained in the explanatory notes to the consolidated financial statements, when extracted from XHTML format in an XBRL instance, may not be reproduced in the same way as the corresponding information displayed in the consolidated financial statements in XHTML format.

Opinions and statement pursuant to art. 14 paragraph 2, sub-paragraphs e), e-bis) and e-ter) of Legislative Decree 39/10 and pursuant to art. 123-bis, paragraph 4, of Legislative Decree 58/98

The Directors of SOL S.p.A. are responsible for the preparation of the report on operations and the report on corporate governance and the ownership structure of SOL Group as at December 31, 2024, including their consistency with the related consolidated financial statements and their compliance with the law.

We have carried out the procedures set forth in the Auditing Standard (SA Italia) n. 720B in order to:

- express an opinion on the consistency of the report on operations and of some specific information contained in the report on corporate governance and the ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 with the consolidated financial statements;

- express an opinion on compliance with the law of the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and of some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98;

- make a statement about any material misstatement in the report on operations and in some specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98.

In our opinion, the report on operations and the specific information contained in the report on corporate governance and the ownership structure are consistent with the consolidated financial statements of SOL Group as at December 31, 2024.

In addition, in our opinion, the report on operations, excluding the section related to the consolidated corporate sustainability reporting, and the specific information contained in the report on corporate governance and ownership structure set forth in art. 123-bis, n. 4 of Legislative Decree 58/98 are prepared in accordance with the law.

Deloitte.

With reference to the statement referred to in art. 14, paragraph 2, sub-paragraph e-ter), of Legislative Decree 39/10, made on the basis of the knowledge and understanding of the entity and of the related context acquired during the audit, we have nothing to report.

Our opinion on the compliance with the law does not extend to the section related to the consolidated corporate sustainability reporting. The conclusions on the compliance of that section with the law governing criteria of preparation and with the disclosure requirements outlined in art. 8 of the EU Regulation 2020/852 are expressed by us in the assurance report pursuant to art. 14-bis of Legislative Decree 39/10.

DELOITTE & TOUCHE S.p.A.

Signed by
Matteo Bresciani
Partner

Milan, Italy
April 16, 2025

As disclosed by the Directors, the accompanying consolidated financial statements of SOL S.p.A. constitute a non-official version which has not been prepared in accordance with the provisions of the Commission Delegated Regulation (EU) 2019/815. This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

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INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED SUSTAINABILITY STATEMENT PURSUANT TO ARTICLE 14-BIS OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

**To the Shareholders of
SOL S.p.A.**

Conclusion

Pursuant to artt. 8 and 18, paragraph of Legislative Decree no. 125 of September 6, 2024 (the "Decree"), we have carried out a limited assurance engagement on the consolidated sustainability statement of SOL Group (the "Group") for the year ended as at December 31, 2024, prepared pursuant to Art. 4 of the Decree, included in the specific section of the Management report.

Based on the work performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability statement of the SOL Group for the year ended as at December 31, 2024 is not prepared, in all material respects, in accordance with the reporting principles adopted by the European Commission pursuant to the Directive (EU) 2013/34/EU (European Sustainability Reporting Standards, "ESRS");

- the information included in the paragraph "Environmental information - European Taxonomy" of the consolidated sustainability statement is not prepared, in all material respects, in accordance with art. 8 of Regulation (EU) No. 852 of June 18, 2020 (the "Taxonomy Regulation").

Basis for conclusion

We conducted the limited assurance engagement in accordance with the assurance standard of the sustainability report - "Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia)". The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the level of assurance that would have been obtained had we performed a reasonable assurance engagement.

Our responsibilities pursuant to that standard are further described in the paragraph *Auditor's responsibilities for the limited assurance of the consolidated sustainability statement* of this report.

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We are independent in accordance with the independence and other ethical requirements applicable under Italian law to the limited assurance engagement of the consolidated sustainability statement.

Our firm applies International Standard on Quality Management (ISQM Italia) 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusion.

Other matter

The comparative information for the year ended as at December 31, 2023 presented in the consolidated sustainability statement in the paragraph "Environmental information - European Taxonomy" has not been verified.

Responsibility of the Directors and the Board of Statutory Auditors of SOL S.p.A. for the consolidated sustainability statement

The Directors are responsible for developing and implementing the procedures performed to identify the information reported in the consolidated sustainability statement in accordance with the ESRS (the "double materiality assessment process") and for disclosing this process in the paragraph "Disclosure requirement IRO-1 - Description of the processes to identify and assess material impacts, risks and opportunities" of the consolidated sustainability statement.

The Directors are also responsible for the preparation of the consolidated sustainability statement, which includes the information identified as part of the double materiality assessment process, in accordance with the requirements of Art. 4 of the Decree, including:

- compliance with ESRS;
- compliance of the information included in the paragraph "Environmental information - European Taxonomy" with art. 8 of the Taxonomy Regulation.

Such responsibility involves designing, implementing and maintaining, within the terms established by the law, such internal control that the Directors determine necessary to enable the preparation of the consolidated sustainability statement in accordance with the requirements of the art. 4 of the Decree that is free from material misstatements, whether due to fraud or error.

Furthermore, the abovementioned responsibility involves the selection and application of appropriate methods in elaborating information and making assumptions and estimates about specific sustainability information that are reasonable in the circumstances.

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The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Inherent limitations in the preparation of the consolidated sustainability statement

The information provided by the Group regarding Scope 3 emissions is subject to greater inherent limitations compared to those related to Scope 1 and 2 emissions. This is due to the lower availability and relative accuracy of the data used to define the information on Scope 3 emissions, both quantitative and qualitative, in relation to the value chain.

Auditor's responsibilities for the limited assurance of the consolidated sustainability statement

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatements, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, could influence the decisions of users taken on the basis of consolidated sustainability statement.

As part of the limited assurance engagement in accordance with the Principio di Attestazione della Rendicontazione di Sostenibilità - SSAE (Italia), we exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibilities include:

- considering risks to identify and assess the disclosure where a material misstatement is likely to arise, either due to fraud or error;

- designing and performing procedures to verify disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement due to fraud is higher than the risk of not identifying a material misstatement due to error, as fraud may involve collusion, falsifications, intentional omissions, misrepresentations, or the override of internal control;

- the direction, supervision and performance of the limited assurance engagement of the consolidated sustainability statement. We remain solely responsible for the conclusion on the consolidated sustainability statement.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence as the basis for expressing our conclusion.

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The procedures performed on the consolidated sustainability statement are based on our professional judgement and included inquiries, primarily with the personnel of the Group responsible for the preparation of information included in the consolidated sustainability statement, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically, we performed the following main procedures partly in a preliminary phase before year end and then in a final phase up to the the date of issuance of this report:

- understanding the business model, the Group's strategies and the context in which the Group operates with reference to sustainability matters;

- understanding the processes underlying the generation, collection, and management of qualitative and quantitative information included in the consolidated sustainability statement, including an analysis of the reporting perimeter;

- understanding the process carried out by the Group for the identification and evaluation of material impacts, risks and opportunities, based on the principle of double materiality, with reference to sustainability matters;

- identification of the information where a risk of material misstatement is likely to arise, taking into considerations, among others, risk factors related to the generation and collection of the information, to the estimates and to the complexity of the related calculation methods, as well as qualitative and quantitative factors related to the nature of such information;

- design and performance of procedures, based on the professional judgment of the auditor of the consolidated sustainability report, to respond to identified risks of material misstatement also with the support of Deloitte specialists, with reference to specific environmental information;

- understanding of the process set up by the Group to identify eligible economic activities and determine their aligned nature according to the requirements of the Taxonomy Regulation, and verifying the related information included in the consolidated sustainability statement;

- comparison of the information reported in the consolidated sustainability statement with the information included in the consolidated financial statements pursuant to the applicable financial reporting framework, or with the accounting data used for the preparation of the financial statements, or with the management data accounting in nature;

- verification of the structure and presentation of the information included in the consolidated sustainability statement in accordance with ESRS, including the information related to the materiality assessment process;

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- obtaining the representation letter.

DELOITTE & TOUCHE S.p.A.,

Signed by
Matteo Bresciani
Partner

Milan, Italy
April 16, 2025

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