

# 2019

## SUSTAINABILITY REPORT SOL GROUP

SUMMARY



# LETTER TO STAKEHOLDERS

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## SUSTAINABILITY ALWAYS: EVEN IN THE PANDEMIC OUTBREAK

Traditionally this letter should comment, for the benefit of the reader, on the efforts that the SOL Group put forth and the results it achieved in 2019, under the banner of and with respect to the values of sustainability and social responsibility that inspire it. However, the **emergency** that is disrupting the world and the lives of all of us with the appearance and spread of COVID-19 is so serious that we cannot fail to address it immediately. As we will see, moreover, we will always and regardless speak of sustainability.

First of all, we would like to thank our **4,320 collaborators**, no one excluded, who are demonstrating a great sense of **responsibility, strength** and **will, dedication** and **civic spirit**, and also great **courage**.

SOL is called upon, today in Italy but day after day more and more also in all the other countries in which it operates, to ensure that **medical oxygen**, together with the systems for delivering and distributing it, reaches tens of hospitals and thousands of patients affected by the virus. Without oxygen, many patients would have no chance of surviving the disease.

At the same time, Vivisol is called upon to ensure that thousands of patients continue to receive **life-saving** mechanical ventilation, enteral and parenteral nutrition, integrated home care assistance and oxygen therapy at home every day, the latter also to fight the virus.

2020 has already proven to be a very difficult year, and increasingly so in the coming weeks and months, both because of the uncertainty about the duration of the pandemic, until it's completely defeated, and because of the uncertainty about the status of our societies and economic systems in Europe and the world once the emergency is over.

However, we are certain that if we, Italians and others, are able to fight together, united, if we are able to respect the rules, to continue to do our duty, to commit ourselves with a sense of responsibility and dedication, our country, Europe and the world will be able and will successfully overcome this terrible situation, stronger than before.

Surely this will happen for us, the women and men of SOL.

A handwritten signature in black ink, appearing to read 'Aldo Fumagalli Romano'.

**Aldo Fumagalli Romano**  
SOL Group Chairman

A handwritten signature in black ink, appearing to read 'Marco Annoni'.

**Marco Annoni**  
SOL Group Deputy Chairman

# THE 2019 KEY NUMBERS

	2015	2016	2017	2018	2019
<b>THE ECONOMIC DIMENSION</b> (million Euro)					
Group's net sales	674,2	703,4	756,8	833,5	<b>904,3</b>
Technical gas area net sales	363,6	373,1	369,2	403,2	<b>412,6</b>
Home care area net sales	339,8	360,0	387,6	430,3	<b>491,7</b>
Gross operating margin	148,4	167,6	167,2	186,9	<b>211,3</b>
Operating result	65,6	80,9	76,2	89,7	<b>88,7</b>
Operating result before non-recurring charges	65,6	80,9	76,2	90,6	<b>98,8</b>
Investments	89,8	103,7	99,3	99,8	<b>103,3</b>

## THE ENVIRONMENTAL DIMENSION

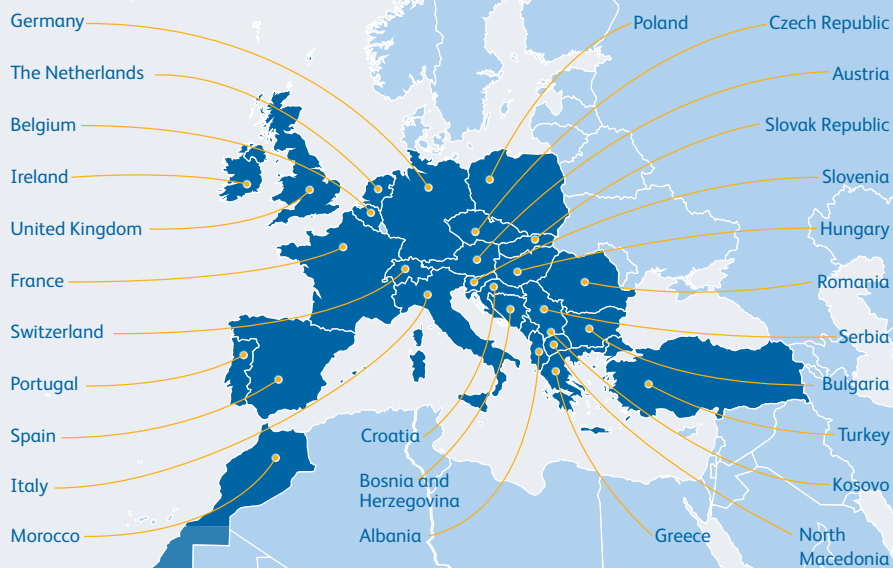
Specific consumption of electrical energy (ASU; base 2015=100)	100	98	96	98	<b>97</b>
Electrical energy produced (GWh)	77	108	77	101	<b>90</b>
Greenhouse gas emissions (tonnes CO <sub>2</sub> equivalent)					
- Direct emissions	29,426	26,383	39,765	45,372	<b>41,792</b>
- Indirect emissions	240,159	239,357	256,467	270,539	<b>281,310</b>
- Direct emissions for products transportation	31,000	50,611	48,951	52,175	<b>52,801</b>

## THE PEOPLE

Number of employees as of December 31 <sup>st</sup>	2,995	3,127	3,556	3,958	<b>4,320</b>
- Italy	986	995	1,136	1,194	<b>1,218</b>
- Other countries	2,009	2,132	2,420	2,764	<b>3,102</b>
Training hours	30,000	38,700	50,501	64,739	<b>71,821</b>
Work-related injuries					
- Injury rate	3.6	4.0	2.9	4.6	<b>3.4</b>

## THE SOL GROUP WORLDWIDE

### EMEA



### SOUTH AMERICA

Brazil

### ASIA

India



**29**

countries  
in 4 continents



**904,3**

million Euro  
net sale



**4.320**

employees



**56**

pharmaceutical  
manufacturing sites

## ABOUT US

Founded in Italy in 1927, the SOL Group operates in the sectors of the production, applied research and marketing of **technical and medical gases, home care services, biotechnology and energy production from renewable sources.**

In the **industrial sector**, SOL Group supplies technical gases (compressed, liquefied and cryogenic), equipment, systems and services to customers operating in most industrial sectors. In the healthcare sector, SOL Group provides medical gases, medical devices for the administration and dosing of medical gases, equipment, gas distribution systems, plant management services, electro-medical equipment, sterilization plants and the turnkey construction of cryobiological rooms and laboratories.

In the **home care sector**, SOL Group, one of the leading Homecare Provider throughout Europe and beyond, provides health services for chronic patients that are assisted, on behalf of the Health Systems of different countries, out of a protected environment such as the hospital. Vivisol is able

to take complete care of chronic patients who frequently are afflicted also by disabling diseases and conditions of social fragility, and need life support therapies and cures to be maintained in their social and emotional context, thus improving their living conditions and therapeutic adherence.

In the **biotechnology sector**, SOL Group works on the research and development of tests and analytical services in the field of human and animal research and clinical diagnosis, research and development of biotechnological molecules, genomic and molecular genetic diagnostics, development of bioinformatic networks for the management of clinical data, development of tests and analytical services in the food, environmental and industrial fields.

In the **production of energy from renewable sources**, SOL Group has built 16 hydroelectric plants in Albania, Bosnia and Herzegovina, North Macedonia and Slovenia.

Parent company SOL Spa has been listed on the Borsa Italiana since July 1998.



Over  
**50,000**  
industrial customers



Over  
**500,000**  
patients served



# MISSION AND VALUES

The Sol Group seeks to provide its customers with **innovative and technologically advanced solutions** at all times and to offer patients the best possible home care services, contributing to improving the quality of life on the planet.

The **values** in which the SOL Group believes and takes daily inspiration are:

- **Ethical behaviour:** in interpersonal relations towards all stakeholders.
- **Safety:** of all employees and collaborators, as well as the safety of our customers and patients.
- **Customer satisfaction:** providing innovative and technologically advanced solutions and to improving the life quality of our patients.
- **Balanced and constant development** of the economic growth over the long term.
- **Environmental protection:** by optimising processes and energy resources.
- **Development of human resources:** by training and developing the capacities of individuals.

The SOL Group adopted its own **Code of Ethics** in 2006 (reviewed in 2017), which is a tool for the implementation of good behavioural practices.

## OUR CONTRIBUTION TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



**Technologies for the conservation of food products**



**Medical Gases for diagnostic exams**  
**Home care services in order to avoid hospitalization**

**Genomic diagnostic tests to prevent some illnesses**

**Commitment to guaranteeing the health and wellbeing of all internal and external workers**



**Commitment to overcoming all gender differences, particularly between its employees**



**Development of processes for the purification of water using technical gases**

**Commitment to reducing water consumption at our sites**



**Production of energy from renewable sources, through hydroelectric power plants**



**Promotion of more sustainable transport through projects that promote the use of fuels like hydrogen, biofuels and liquefied natural gas (LNG)**



**Development of integrated healthcare services**

**Development of products, services and technologies that help industrial customers carry out their activities in a safer, more economical and more environmentally friendly way**

**127**  
certified  
unites  
ISO 9001

**75**  
certified  
unites  
OHSAS 18001/  
ISO 45001

**26**  
certified  
unites  
ISO 22000

**24**  
certified  
unites  
ISO 14001

**18**  
certified  
unites  
ISO 13485







# GROUP DEVELOPMENT

## THE ACQUISITIONS

In the **home care sector**, have been acquired by the Group: In Brazil P Par Participacoes a holding company that owns three Brazilian companies (Global Care Assistencia Domiciliar, Unit Care Servicos Medicos, DN Global Homecare), in Switzerland Spitex Perspecta and in Germany Intensivservice Wanninger.

## MAIN INVESTMENTS



### SOL Gas Primari Salerno

The new liquefied methane storage plant for the Southern Italian market is under way.



### SOL Hungary

Work is being completed on the construction of the new secondary production plant in Budapest of the subsidiary SOL Hungary.



### GTS

Works in the construction of a new sulphur dioxide production plant have been completed.



### Centro Collaudi SOL

The new SOL Testing Centre is able to internally manage the testing and maintenance activities of cylinders and bundles throughout the Group. The Centre's design was guided by **high standards of quality, technological innovation, safety and efficiency.**



# 103,3

million Euro invested



SOL

# 51%

invested in the technical  
gas sector



VIVISOL

# 49%

invested in the home  
care sector



# CUSTOMERS AND PATIENTS

## THE SOL GROUP FOR INDUSTRY

The development plan of the SOL Group focuses on continual research into **innovative technological solutions** which, through the use of technical gases, enable its customers to pursue goals in the area of **energy and production efficiency**, the improvement of **environmental compatibility** and the **protection of the health** of their employees.

In addition to the supply of technical gases, are offered the most advanced **gas application** technologies, the construction of specific plants to be combined with customer processes and the provision of the necessary maintenance and technical assistance services.

The SOL Group provides customers operating in most industrial sectors: steel, metallurgy, glass and ceramics, metal fabrication, chemistry and pharmaceuticals, food and beverage industry, oil industry and services for the environment and transport of goods and people.

The main gases produced and distributed by SOL are: oxygen, nitrogen, argon, hydrogen, carbon dioxide, sulphur dioxide, acetylene, nitrous oxide, gas mixtures, high purity gases, food gases, gaseous helium, liquid helium, gases for electronics, ammonia, combustible gases for industrial use and liquefied natural gas (LNG).



## THE SOL GROUP FOR THE HOSPITAL SECTOR

The new healthcare and therapeutic protocols require scientifically and technologically updated products, services and devices, which allow obtaining the best performance and the best possible therapeutic result.

The SOL Group therefore acts as a partner for the **supply of products, services and equipment**, allowing the healthcare system to focus on its core business of delivering the “health” product to a very particular customer - the patient.

The SOL Group supports hospitals (public and private), Scientific Hospitals and Care Institutions, University Hospitals, Clinical Research Centres, Medically Assisted Procreation Centres, nursing homes and assisted-living centres.

- Design and development of medical devices
- Total Gas Management services
- Preparation and distribution of antineoplastic drugs
- Electromedical equipment management services
- Sanitising services
- Ambulance management services
- Monitoring services
- Design and development of biobanks
- Disaster Recovery
- Bioshipping
- Training services







## HOME CARE SECTOR

Vivisol succeeded into being one of the **leading Homecare Providers**, in Italy, throughout Europe and Brazil, of technological and health services for complex therapies and often life support for chronic patients.

In a demographic and epidemiological context characterized by progressive population ageing and the increased incidence of major chronic diseases, the role of Home care Providers becomes increasingly relevant for the **better management of chronic patients** who often suffer from multiple conditions as well as fragility. In fact, adequate models of home care provided by specialized providers have a positive impact both on the health and well-being of patients and on the sustainability of different national healthcare systems.

Vivisol has a **widespread presence in all the countries in which it operates** thanks to a territorial network of Health Service Centres and Operational Centres active 365 days a year, 24 hours a day, from which home activities are coordinated and managed for over 500,000 patients worldwide..

### RESPIRATORY THERAPIES:

Oxygen therapy, mechanical ventilation, treatment of respiratory sleep disorders

### INFUSION THERAPIES:

Artificial nutrition, Home Dialysis

### HEALTHCARE AIDS

### ADVANCED HOMECARE:

Home medical, nursing and rehabilitative care, wound care, Palliative Care

### TELEMEDICINE SERVICES:

Telemonitoring of vital parameters, prevention of COPD exacerbations.

## THE BIOTECHNOLOGY SECTOR

**Cryolab** is a highly specialized laboratory in cryoconservation, which provides transfer, storage and handling services of biological samples.

**Diatheva** focuses on research, development, production and marketing of new and innovative products (such as monoclonal antibodies, recombinant proteins, molecular kits) for hospital research, diagnosis and clinical application, environmental, veterinary and food.

**Personal Genomics**, provides preventive and precision medicine with Next Generation Sequencing technologies and advanced bioinformatics tools.







# THE ENVIRONMENT

**Electricity consumption in primary production plants** is the most significant environmental aspects for the SOL Group. In light of its highly energy-intensive activities, since 2002 the Group has invested in the production of energy from renewable sources, acquiring 7 hydroelectric power plants and constructing another 9 in Albania, Bosnia Herzegovina, North Macedonia and Slovenia, for a total installed power of around 31 MW. The electricity produced and sold on the grid in 2019 was equal to 90 GWh, corresponding to 15% of the Group's energy consumption.

The actions to **reduce energy consumption** include care in the design and operation of production sites, process optimisation and renovation of plants, to which an important percentage of investment budget is set aside each year.

For several years now, the SOL Group has decided to invest in plants that **recover** this gas from production processes, which **would otherwise be released into the atmosphere**. Thanks to SOL, this gas is instead recovered, purified and marketed in liquid form. Examples include the plants in Bulgaria (Ihtiman) and Germany (Zeitz) that recover CO<sub>2</sub> from bioethanol. an evidence of circular economy.

Through the installation at the customer premises of technical gas self-production systems (called 'on-site'), whenever gas specifications and customer needs make it possible, the Group reduce the environmental impact. This happens because of two factors: a lower energy consumption versus a traditional multi-gas production centralized plant and lower emissions, avoiding the delivery by traditional road transport.



## 29,577<sub>T</sub>

CO<sub>2</sub> equivalent avoided thanks to the production of energy from renewable sources



## 87,840<sub>T</sub>

CO<sub>2</sub> equivalent recovered from other processes



## 48,633<sub>T</sub>

CO<sub>2</sub> equivalent avoided thanks to the creation of on-site plants



## OUR PEOPLE

### Training and skills development

Training projects are structured to involve all profiles at all levels:

During 2019 the SOL **YOUth Academy**, project aimed at young talents, was successfully carried out. Contemporarily the organizational basis for the **SOL Youth Academy International**, the international version of the project, has been laid. Moreover SOL provides funding for **specialization and qualifying study courses**.

### Protecting diversity

SOL recognizes diversity as a wealth, and plurality a inclusive value of the Group. Gender equality and culture are common values in all the companies of the Group.

### Internal communications

The main tool is the company's house organ, **SolNews**, renewed in 2017 to reach the entire company population.

During 2019 the new **SOLConnect corporate intranet** has been developed, as a reference tool for the all Group.

**Thematic newsletter** intends to provide SOL people with the tools they need to cope with new regulations or manage critical situations.

### Health and safety

Training of health and safety procedures and culture is provided by the HSE Department, which acts for all Group companies, and is supported by the Safety and Environment Reference Person (SERP) appointed for each company.

A training project called "**Safety Fridays**" has been launched in Italy for safety professionals as managers and local responsible. The course has been provided by the HSE Department and will become available on-line for all the other international companies of the Group.



# +3%

increase in the number of people compared to 2017 (excluding acquisitions)



# 92%

employees with permanent contracts



Over

# 71,000

training hours



# 83%

of the Group companies achieved the "zero accidents" goal

This document is a summary of the 2019 Sustainability Report.

The whole document drawn up according to the GRI Standards and subjected to a limited review by Deloitte & Touche SpA, is available in PDF format on the website [www.solgroup.com/it](http://www.solgroup.com/it)

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