2020

SUSTAINABILITY REPORT SOL GROUP

Consolidated non-financial statement pursuant to Italian Legislative Decree 254/2016

SOLGROUP
a breath of life
1927-2017

CONTENTS

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LETTER TO STAKEHOLDERS

SUSTAINABILITY, DYNAMISM AND INNOVATION

When introducing the topics of our Sustainability Report a year ago, we had necessarily dedicated our traditional letter to the **Covid-19 emergency** which we had suddenly engulfed us. The emergency is not yet over, and the virus is not yet defeated.

However, the world has reacted. **The SOL Group reacted**; and it did so with great determination, professionalism, spirit of self-sacrifice and willpower. We have continued, even in the most difficult times, to produce and bring **our gases and services to the industry, and hospitals have never lacked the medical gases** that are so essential for treating patients affected by Covid-19. In very little time, we strengthened hospital facilities, intensive care departments and field hospitals. **We brought oxygen and medical care to the homes of thousands of new patients suffering from the virus** under the coordination of the Health Authorities. We supported intensive care to allow them to accelerate the process of discharging patients to their homes after having been admitted with respiratory failure. This was possible thanks to our provision of the necessary technologies, together with the development of new specialist services for the remote management of Covid-19 patients.

Our **Biotech** companies have focused their expertise on new projects aimed at combating the virus. DIATHEVA has produced and sold diagnostic kits for the identification of the SARS-CoV-2 virus worldwide; thanks to its accredited laboratory, PERSONAL GENOMICS has processed tens of thousands of swabs and PCR tests; lastly, CRYOLAB contributed to the management and distribution of the Covid-19 vaccine.

In all our workplaces we have adopted anti-Covid safety protocols that allow us to work, in our premises and in our plants, in full compliance with all the health safety regulations, in order to minimise the risks of contagion. Similarly, we have encouraged agile and remote work, both where required or recommended by regulations and laws, and on our own initiative, in the belief that agile remote work enables us to operate more efficiently even in the post-pandemic period, hopefully in the near future.

The Group never stopped in 2020, **it never stopped growing and looking to the future**. Turnover increased from €904 to 974 million, with a 7.7% increase and positive profitability indices. Our employees increased to 4,613 from the 4,320 at the end of 2019. Despite the pandemic, **investments** also continued to grow significantly: €113 million.

Among such investments, the enhancement of the liquid oxygen and nitrogen production capacity of the air fractionation and liquefaction plant in **Verona** should be highlighted. It is expected to be commissioned in the summer of 2021. We are also pleased to note the launch of the new investment **in Wanze, Belgium** for the construction of a new plant for the recovery, purification and liquefaction of biogenic carbon dioxide. This project will be carried out together with Crop, one of our existing Partners based in Zeitz, Germany. Both the Zeitz and Wanze plants contribute significant value in terms of sustainability. In fact, they allow the recovery of the CO_2 generated in the bioethanol production process - which would otherwise be released into the atmosphere - making it very pure and liquefied, available for the market for both food and medical use.

In 2020, we continued to work on attractive opportunities for growth via external routes. Two of them materialised in the first months of 2021. The first was the acquisition of Air Liquide Hellas (and its subsidiary Vitalaire Hellas) in **Greece**. 104 new Greek colleagues have joined our group, along with their important wealth of experience and skills. Moreover, in January 2021 the Parent Company SOL Spa increased its shareholding **to 86.85%** in **SICGILSOL** (today **SOL INDIA**), a joint venture based in Chennai, with the Indian Dadabhoy family, which continues to remain by our side for development in an immense country full of potential and new opportunities.

In the Home Care sector, 2020 saw the launch of an interesting project in Znin, **Poland**, near Bydgoszcz, by the PALLMED and MEDSEVEN Group companies. A new Care Residence will be built for chronically ill patients undergoing long-term therapies. In the midst of the pandemic in **England**, DOLBY VIVISOL was awarded an **important new home oxygen therapy service contract** and activated 5,000 new patients in the North-east Region in very little time.

2020 was also a turning point in terms of governance. The SOL Group has decided to adopt, starting from 2021, the **new Corporate Governance Code** for Italian companies listed on the stock exchange. The new code, created on the basis of recent European regulations, is broadly and substantially based on the principles of sustainability.

In 2020, the preparation of the **SOL Group's 2021-2030 Development Plan** continued. Setting strategic objectives over such a long period means paying attention to the economic and financial sustainability of our company, its investments and its growth options. The plan has a number of objectives that are not only economic, but also focus on growth in terms of human capital, attention to stakeholders, improvement of the contribution we can make to the circular economy and energy efficiency. The plan clearly illustrates the objectives of our active participation in the sustainability of health systems and that of our industrial customers, and finally of our constant commitment to improving the quality of life of our patients.

It is therefore no coincidence that the Group intends to launch two new projects in 2021:

- the "**safety campaign**", with continuous initiatives aimed at increasing our level of awareness of the risks that we run every day in conducting our work, and the necessary adoption of measures to address them;
- the "**sustainability campaign**", which will involve all our employees in the coming months, starting with the youngest, in an effort to develop ideas and suggestions to improve how we work, in accordance with the principles of respect for the environment, circular economy, personal and corporate well-being, and respect for our stakeholders.

The following pages are a testament to our commitment to sustainability, with many figures that confirm this, and many examples of projects and activities that enriched our business in 2020. All this testifies to a company that aims to be increasingly **sustainable**, **dynamic** and **innovative**.

Aldo Fumagalli Romario
Chairman SOL Group

Marco Annoni
Deputy Chairman SOL Group

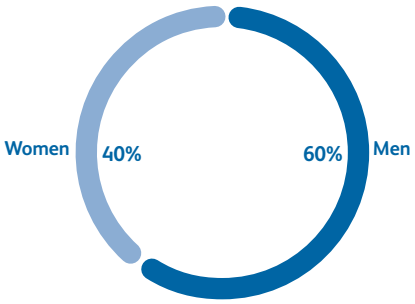
THE KEY NUMBERS 2020

	2016	2017	2018	2019	**2020**
ECONOMIC MEASUREMENTS (€ million)					
Group net sales	703.4	756.8	833.5	904.3	**973.8**
Technical gas area net sales	373.1	369.2	403.2	412.6	**438.2**
Home Care area net sales	360.0	387.6	430.3	491.7	**535.6**
Gross operating margin	167.6	167.2	186.9	211.3	**255.4**
Operating result before non-recurring charges	80.9	76.2	90.6	98.8	**140.0**
Investments	103.7	99.3	99.8	103.3	**112.9**
ENVIRONMENTAL MEASUREMENTS					
Specific consumption (ASU; base 2016=100)	100	98	100	99	**99**
Electrical energy produced (GWh)	108	77	101	90	**88**
Greenhouse gas emissions (tonnes CO_2 equivalent)					
- Direct emissions	26,383	39,765	45,372	41,792	**40,088**
- Indirect emissions	229,406	244,910	260,214	272,317	**252,279**
- Direct emissions from product transportation	50,611	48,951	52,175	52,801	**54,403**
OUR PEOPLE					
Employees as of December 31st	3,127	3,556	3,958	4,320	**4,613**
- Italy	995	1,136	1,194	1,218	**1,248**
- Other countries	2,132	2,420	2,764	3,102	**3,365**
Hours of training	38,700	50,501	64,739	71,821	**61,150**
Work-related injuries					
- Injury rate	4.0	2.9	4.6	3.4	**3.6**

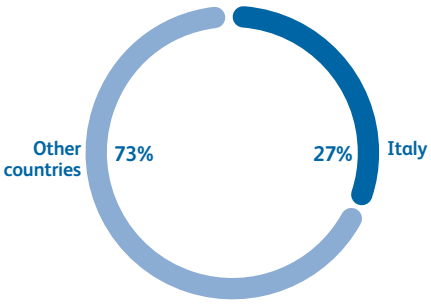
PEOPLE IN SOL IN 2020

DIVERSITY

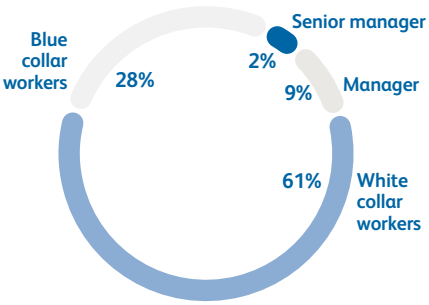
BY GENDER



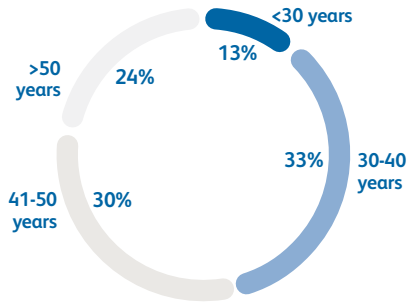
BY REGION



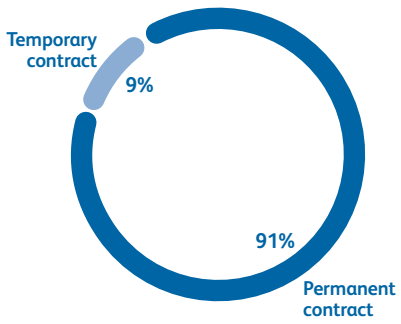
BY EMPLOYEE CATEGORY



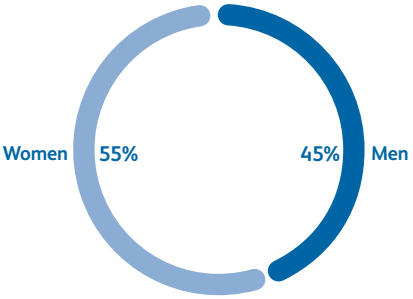
BY AGE GROUP



BY EMPLOYMENT CONTRACT

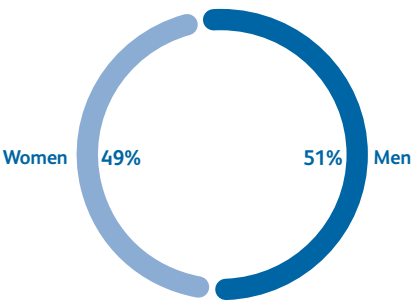


BOARD OF DIRECTORS COMPOSITION

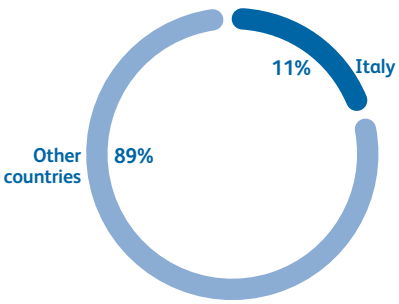


NEW EMPLOYEE HIRES

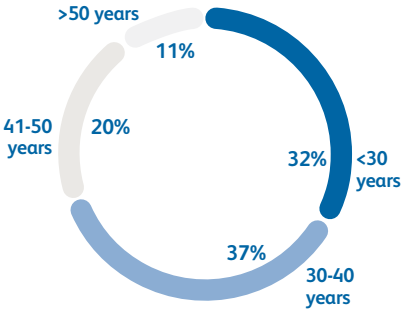
BY GENDER



BY REGION



BY AGE GROUP



THE SOL GROUP AND MANAGING THE PANDEMIC

THE SAFETY OF OUR PEOPLE

In the first days of the Covid-19 pandemic, a **Crisis Management Committee** was activated consisting of Directors, General Managers, Central Quality, Safety and Environment Management, Regulatory Affairs, Central Staff and Legal Affairs Management and Internal Control Function. The Committee made it possible to respond to the need to promptly implement measures aimed at ensuring the business continuity of all Group companies in a structured and effective manner, in compliance with the specific safety protocols issued. The organisation of periodic meetings via teleconferencing enabled the timely dissemination of instructions and prepared documents, in addition to sharing and discussing best practices. This approach proved particularly effective, allowing the appropriate energy to be devoted to tackling the progressive spread of the pandemic in different countries and tackling the different waves of the pandemic.

Energy and resources were directed towards the key elements for managing the health crisis, namely the **protection of the health and safety** of people in the front line, the facilitation of **agile and remote work**, as well as guaranteeing **continuity of activities and services**. It was therefore possible to ensure support for all customers, in particular healthcare facilities and patients, assisted in their homes, affected by the health crisis.

During 2020, the SOL Group undertook numerous initiatives to **reward the effort** that many employees contributed, ensuring the continuity of the essential activities to combat the pandemic.

At the plants and the various production and logistics units of the Group, **activity reorganisation processes** were immediately activated, which led to the review of work shifts with a significant use of agile and remote work, the division (according to safety standards) of shared spaces and the timely application of the procedures issued periodically by DHSE Management. The prevention measures introduced include: measuring temperature at the entrance to the offices, prohibiting physical meetings and installing plexiglass separators between workstations.

The timely supply of the correct **Personal Protective Equipment** (PPE) has been a priority and essential concern for the protection of all SOL Group employees, regardless of their workplace, job performed and relative level of exposure. Close collaboration between the various company management and functions has ensured the provision of adequate PPE not only to Group staff but also to all external collaborators, especially at the beginning of the pandemic when the lack of PPE was a widespread problem in Italy and Europe. In 2020, the value of Personal Protective Equipment purchased (in Italy alone) was over €2 million.

For all employees in our offices and for technical and commercial personnel normally working directly with customers, **agile and remote work** was applied at Group level, and permits and leave were granted for situations of particular discomfort or vulnerability. In particular, a company protocol was signed with the Italian union for safety in the workplace, which provided, among other things, free screening with rapid or molecular swabs for the entire company population.

All events requiring attendance, business trips and external visits to and from the Monza headquarters were suspended, thus limiting travel to scenarios in which it was strictly necessary for the continuity of services.

SUPPORT FOR HOSPITAL FACILITIES AND PATIENTS

"Out of nowhere, we found ourselves in the heart of the emergency. We went from a daily routine of regular production activity, to a sudden increase in demand; oxygen demands multiplied every day.[...] It was an experience that harrowed and humbled us. It cost us a great deal of effort, but now we can look to the future with greater serenity thanks to what we've been through."

Head of Secondary Production Unit

Faced with an exponential increase in the consumption of medical oxygen, the SOL Group intervened to improve the **efficiency of the entire production and distribution chain** to meet an unprecedented demand for this drug which, as confirmed also in a joint note of the Italian Drug Agency with Assogastecnici and Federfarma, proved to be "an essential drug in the treatment protocols for patients suffering from SARS-CoV-2, to address the serious respiratory failure caused by the virus."

From production to distribution, **our entire supply chain was strengthened**, allowing us to guarantee supplies, and constant technical support, to the over 1,000 healthcare facilities that the SOL Group supplies in the countries it operates in. In fact, despite the difficulties caused by the pandemic, in the absence of an adequate number of beds in the intensive and sub-intensive care units of many hospitals, we designed and implemented numerous extraordinary interventions to strengthen medical oxygen storage, oxygen distribution networks, the installation of head beams and pulmonary ventilators. All this was achieved in absolute emergency conditions and very quickly thanks to the commitment and dedication of many of our collaborators.

In this context, the demand for oxygen distribution devices such as reducers and flow meters also significantly grew, which has been met with the particular commitment and involvement of our colleagues from **BEHRINGER**, the SOL Group company that designs and manufactures medical devices for the distribution of medical gases. In March 2020, BEHRINGER also obtained certification for the new **high-flow meters** specifically requested in the treatment protocols for the treatment used for Covid-19.

In Italy, various resources were also used to support the construction of real field hospitals.

"Emotionally it was overwhelming. I was trying to do my best to make anything patients needed available as soon as possible. I never stopped working, not even when I came home. I couldn't even sleep, really."

Medical Technician

"Initially it seemed that only technical support was needed to rebalance the oxygen distribution in the departments. But within a couple of days the oxygen demand had doubled and total technical assistance was needed, 7 days a week, 24 hours a day [...] We worked without losing our cool, even in the most difficult moments, and thanks to a team of colleagues who always made themselves available, offering to do even more than what was asked of them, we always met all the demands of the hospitals."

Medical Sales Manager

During the health emergency, the role played by Home Care Providers was crucial, significantly contributing to the proper functioning of health systems around the world.

VIVISOL played a fundamental role in all the countries where it is present, providing effective support through a rapid reorganisation of activities to ensure **continuous and safe management of patients at home**. Not only was it possible to guarantee the services provided to those patients already being treated, but many Covid patients were also assisted, who were able to be supported at their homes and avoid hospitalisation.

In Italy, a specific ADI-Covid care profile was initiated along with a Medical Centre dedicated to the remote management of patients, operational around the clock, able to monitor the health status of patients and safeguard their most significant parameters.

The solidarity and cooperation between VIVISOL colleagues working in different countries was also fundamental; on more than one occasion, they helped each other in order to allow everyone to provide the best service to patients.

BIOTECHNOLOGIES FOR COVID

The diversification that characterises the activities of the SOL Group, and which for some years has steered us towards the biotechnology sector, allowed us to make a valuable contribution in the fight against the pandemic on several fronts.

The Group's biotech companies have made significant investments and have committed themselves to researching fast and efficient diagnostic methods able to detect the presence of the virus, thus avoiding its further spread. In this context, **DIATHEVA** was able to provide **rapid serological tests and RT-PCR molecular kits** (molecular biology technique exploiting the polymerase chain reaction) **for the identification of Covid-19 in swabs.**

PERSONAL GENOMICS created a complete diagnostic and prevention service thanks to its accredited laboratories for the analysis **of molecular swabs and rapid antigenic swabs performed at home.**

"It all happened so quickly, within a matter of days. We knew we needed to intervene straight away. So along with a colleague I began following ADI-Covid patients. It wasn't easy at first... The patients didn't understand, they saw us as strangers in their homes. In some cases they wouldn't let us in..."

Nurse and Care Manager ADI Lombardia

"[...] it wasn't simply a matter of oxygen, but of human solidarity. We had lonely people in front of us, who needed help with even the simplest things. It was amazing to see how our outstretched hand could overcome fear." "We went far beyond our work. We put our hearts into it, to get a smile even from those in despair. This was the real victory for me."

VIVISOL Delivery Person

OUR IDENTITY

29 countries **4** Continents

112.9 Million euro in **investments**

973.8 Million euro **net sale**

4,613 **Employees**

OUR IDENTITY

Founded in Italy in 1927, the SOL Group operates in the area of the production, applied research and marketing of **technical and medical gases**, in the **Home Care services** sector, in the **biotechnologies** sector and in the production of **energy from renewable sources**.

It is present in 29 countries with 4,613 employees, serves over 50,000 industrial customers, 500 major medical customers and over 500,000 patients. In 2020 its net sales totalled €973.8 million.

The Parent company SOL Spa has been listed on the Italian Stock Exchange since July 1998.

SOL

In the **industrial sector**, the Group supplies technical gases (compressed, liquefied and cryogenic), equipment, systems and services to customers operating in most industrial sectors: steel, metallurgy, glass and ceramics, metallurgy, chemistry and pharmaceuticals, food and beverage industry, oil industry and services for the environment and transport of goods and people.

In the **health sector**, it 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, providing medical gases, medical devices for the administration and dosing of medical gases, equipment, gas distribution systems, plant management services, electro-medical equipment, sterilisation plants and the turnkey construction of cryobiological rooms and laboratories.

VIVISOL

In **the field of Home Care**, the Group provides services and therapies through VIVISOL for chronic patients who, on behalf of the Health Systems of the different countries, are cared for outside protected contexts such as hospitals. VIVISOL is able to comprehensively treat chronic patients who often have disabling diseases and are in socially vulnerable conditions, or who need specific treatments and life support care, with the aim of maintaining their social and emotional context, thus improving their quality of life and likelihood to complete the treatment. VIVISOL provides home therapies in the respiratory field (such as oxygen therapy, invasive and non-invasive mechanical ventilation, the treatment and diagnosis of obstructive sleep apnea), in the infusion field (with enteral and Parenteral artificial nutrition and home dialysis), as well as telemedicine and remote monitoring services, and highly complex medical and nursing health services (including palliative care and the provision of aids). Thanks to its consolidated experience in the sector, VIVISOL is now one of the main Home Care Providers at European and non-European level.

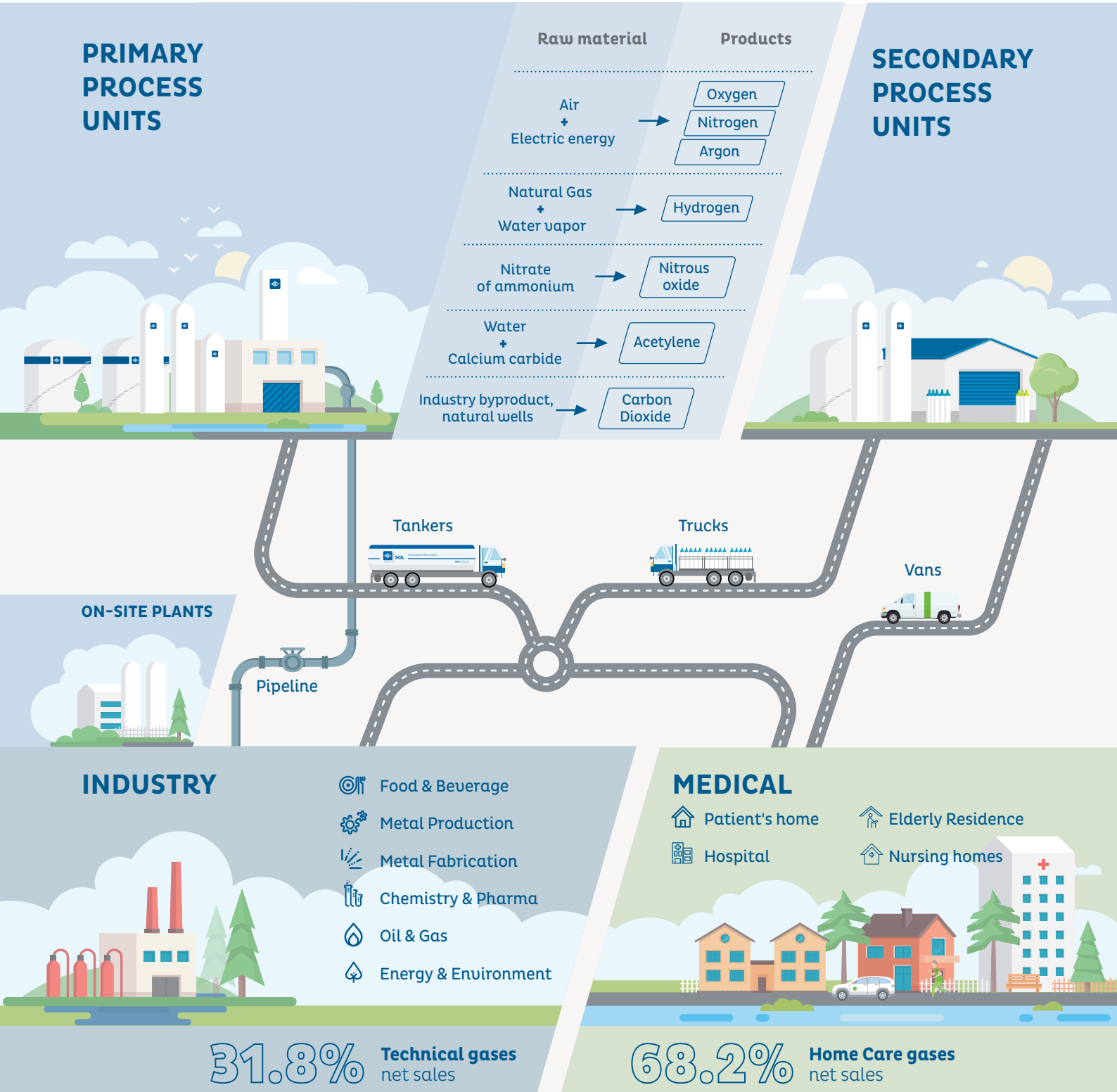
BIOTECHSOL

In the **biotechnology sector**, the Group researches and develops tests and analytical services in the field of human and animal research and clinical diagnosis, researches and develops biotechnological molecules, carries out genomic and molecular genetic diagnostics, develops bioinformatic pipelines for the management of clinical data, develops tests and analytical services in the food, environmental and industrial fields.

HYDROSOL

In the production of **energy from renewable sources**, the Group manages 16 hydroelectric plants in Albania, Bosnia and Herzegovina, Macedonia and Slovenia since 2002.

BUSINESS MODEL



31.8% **Technical gases** net sales

68.2% **Home Care gases** net sales

56.9% **Other countries** net sales

43.1% **Italy** net sales

MISSION AND VALUES

The SOL Group is constantly and continuously committed to seeking **innovative and technologically advanced solutions** for customers in the industrial sector and to providing the best treatments for patients served by Home Care, helping to **improve the quality of life** on our planet.

The values in which the SOL Group believes and which inspire us every day are:

Ethical behaviour: in interpersonal relations, towards employees, customers, suppliers and all stakeholders.

Safety: we uphold workplace safety of all employees, as well as the safety of the products and services we provide to our customers and patients, as priority issues.

Customer satisfaction: we are committed to providing our customers with innovative and technologically advanced solutions at all times and to improving the quality of life of our patients, guaranteeing them the best treatment and the best possible Home Care.

Balanced development: we work to create balanced economic growth and constant development in the long term, employing resources in an efficient and diversified manner.

Environmental protection: we seek to safeguard the environment by optimising processes, and therefore using energy resources in the best possible way, and by developing technologies and services that help our customers improve their environmental efficiency.

Development of human resources: we view attracting and developing the loyalty of new talents and, in general, training and developing the skills of individuals, as key to the success of the SOL Group and the satisfaction of all its employees.

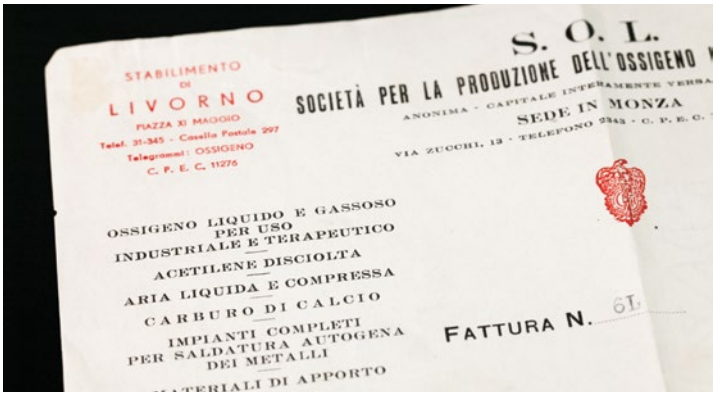
Since 2006, the SOL Group has adopted its own **Code of Ethics**. It serves as a reference tool for the members of corporate bodies, SOL Group employees, and for any third party (such as suppliers, business and industrial partners) who collaborates or works in the name, on behalf or in the interest of the SOL Group, wherever it operates and in any way contributes to creating value for the company. The document devotes particular attention to the protection of occupational health and safety, the prevention and fight against corruption, as well as the protection of the environment and respect for human rights.

In order to be understood by all employees, the Code is translated into the different languages of the main countries where the Group operates.

A HISTORY IN CONSTANT EVOLUTION

1927

The SOL Group was founded under the management of Giovanni Annoni and Aldo Fumagalli, with **two initial plants** for the production of oxygen and acetylene based in Livorno and Ancona.



1960

Alessandro and Renzo Annoni, Giulio and Ugo Fumagalli Romario, the second generation, launched an ambitious project for the **innovative development** of SOL: these were the years of the first technical gas production plants, located close to the Group's major key customers, such as steelworks and glass-makers.

1970

SOL became **a leading player in the sector in Italy** thanks to the transition from a regional market strategy to a national one. This was made possible by embracing the major transformations taking place in the technical gas industry at the time due to the development of technologies for the storage and distribution of gases in cryogenic liquid state.

1984

The **Group also began to grow in Europe**, creating plants, branches and joint ventures in most European countries over the years, also seizing opportunities offered by the opening of new markets in south-east Europe.

1986

SOL was one of the first companies in Europe to introduce a new form of treatment, developed in the US, for patients affected by serious respiratory disorders. This treatment involves significant quantities of oxygen and a highly specialist **Home Care** service. In 1986 **VIVISOL** was established, a company dedicated to developing this market.

1998

In order to be more competitive on the international markets, the Parent company SOL Spa was listed on the **Milan Stock Exchange**. The arrival of the third generation of the Annoni and Fumagalli Romario families at the helm of the company, together with a young executive management team from outside the families, allowed the Group to pursue its internationalisation strategy.

2002

The Group entered the **renewable hydroelectric energy production** sector, acquiring and developing hydroelectric power plants in Albania, Bosnia Herzegovina, Macedonia and Slovenia.

2010

Taking advantage of the experience acquired in the creation and management of cryobanks for the storage of biological samples, in 2010 the Group entered the **biotechnology sector.**

2014

With the acquisition of the German company SKS, SOL became one of the **most important players** in the market for **CO_2 production in Germany.**

2015

Construction of the Capo d'Orlando station in Italy for the refuelling of **hydrogen vehicles**, produced solely by means of photovoltaic panels.

2017

SOL expanded its activities in the biotechnology sector with the acquisition of **PERSONAL GENOMICS**, a Verona-based company specialised in DNA sequencing and genetic data interpreting services.

The Group continued along its path of promoting more sustainable mobility, entering the **Liquefied Natural Gas** market.

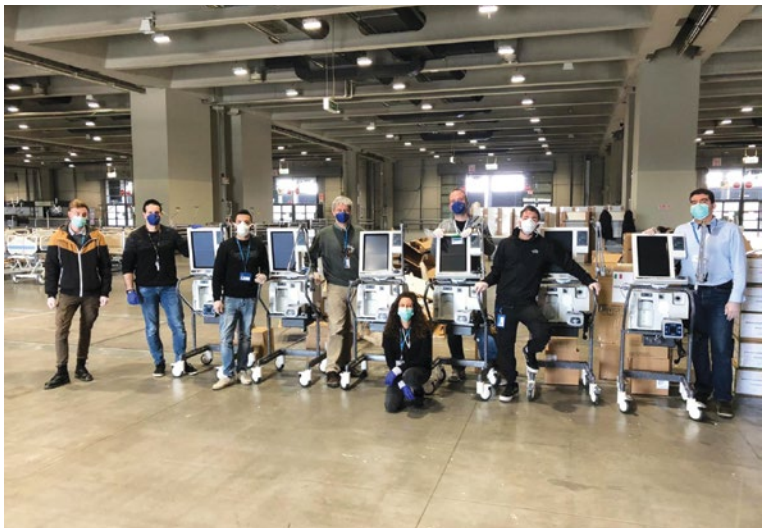
2018

The Group acquired two companies in Poland specialising in **palliative care**, PALLMED and MEDSEVEN. In addition, it created a **Centre for the testing and maintenance of cylinders and cylinder baskets** with the aim of increasing container quality.

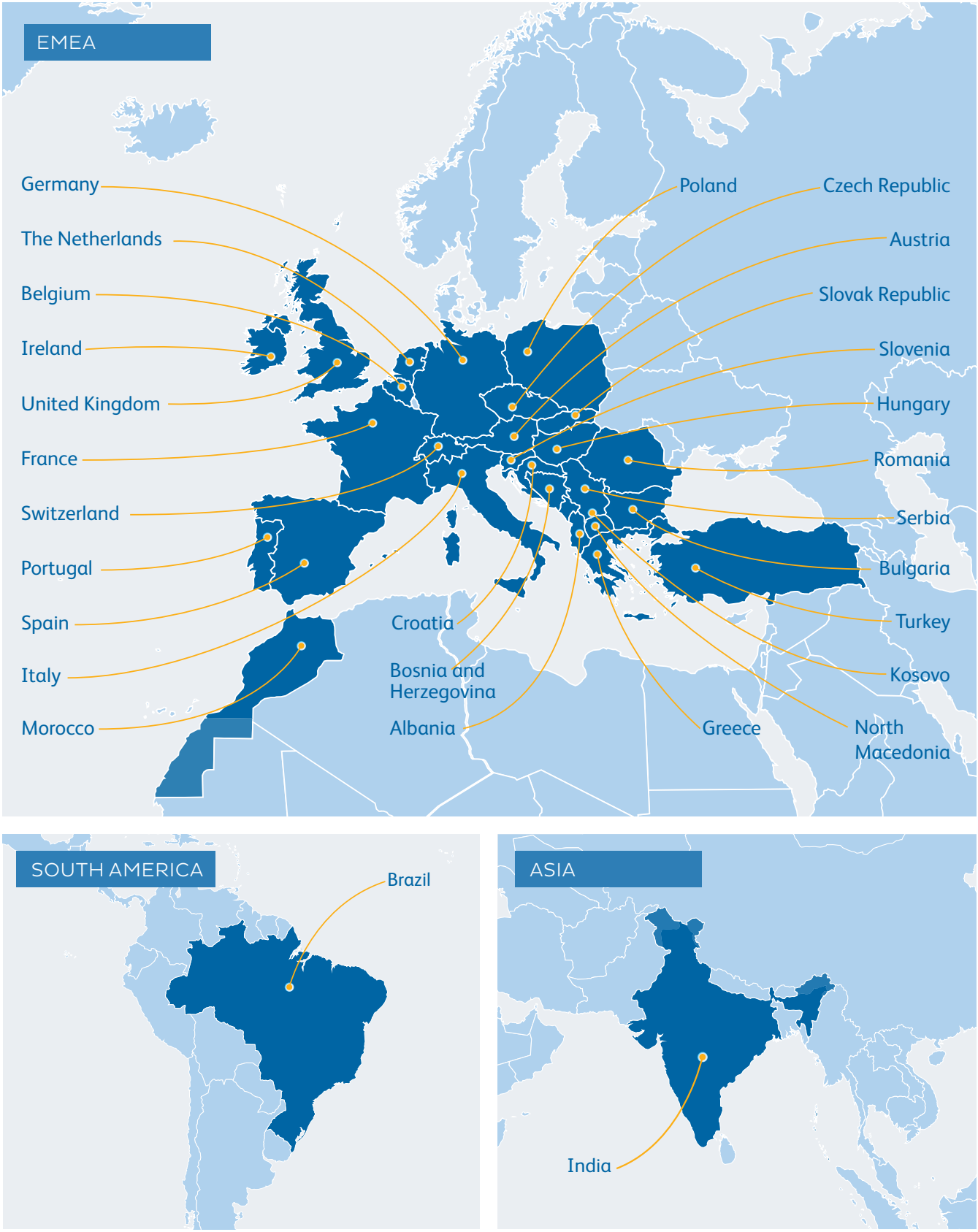
A plant for the **recovery and production of carbon dioxide** was built in Bulgaria at a bioethanol production factory.

2020

The Group contributed significantly to the fight against the Covid-19 pandemic by designing and producing **rapid serological tests and molecular kits for the identification of Covid-19** in Italy through companies operating in the biotech sector. Through the operating structures of VIVISOL, it also offers a complete diagnostic and prevention service thanks to its accredited laboratories for the **analysis of molecular swabs and rapid antigenic swabs performed at home.**



THE SOL GROUP WORLDWIDE



SUSTAINABILITY, A GLOBAL GOAL

In 2015, the United Nations launched the **2030 Agenda**, a project of international interest that aims to align countries' development processes by pursuing **17 common sustainable development goals**, to be achieved by 2030.

The Agenda calls for the principle of **solidarity and global collaboration**, appealing to the responsibility for action of all members of society: from governments to businesses, from civil society to individual citizens.

While recognising sustainable growth as a fundamental element for the development of a society that lives in harmony with the life of the planet, the **SOL Group** intends to concretely contribute to **the achievement of 7** of the 17 goal set out in the UN Agenda. The SOL Group strategy integrates the priorities of its main stakeholders, identified in the Materiality Analysis, correlating them with the objectives of the United Nations.

SDGs	Material topics	Our strategy

SUSTAINABILITY FOR EMPLOYEES

Attracting talents and developing human capital

Employees health and safety

Company welfare and employee well-being

Respect for human rights and workers' rights

The SOL Group has always invested in the **well-being of people**, promoting a work environment oriented towards the realising the full potential of our employee's skills and based on the principles of **equal opportunities**, where **collaboration**, **social inclusion** and **listening** are considered essential.

The commitment to the **health and safety** of our people is performed through extensive training, regular inspections, internal audits, investments in vehicles and equipment, but above all thanks to the participation of all our employees.

Through the **Code of Ethics**, the SOL Group shares with all its collaborators the moral and social principles to which the people of the SOL world must refer for the implementation of good behavioural practices in line with the identity and spirit of the Group.

SUSTAINABILITY FOR CUSTOMERS AND PATIENTS

Customer and patient centricity

Traceability of products and services

Sustainable solutions for customers

Sustainable supply chain

The **centrality of customers and patients** is a primary objective: we want to anticipate customer needs, working on **product and service innovation**, guaranteeing **high standards of quality and safety**.

In the **industrial sector**, solutions with high technological and innovative content offer safer, cheaper and more environmentally friendly performance. We offer a service to **improve waste water quality**, thanks to the use of oxygen in sewage treatment. We work to reduce energy consumption and emissions by offering **highly effective and efficient oxy-fuel solutions**, which are widely used in the production processes of metals, ceramics and cements. Thanks to the construction of **on-site production plants** (plants built directly at the customer's premises and managed remotely) of oxygen, nitrogen, hydrogen and singas-type mixtures, we offer solutions with **lower environmental impact**, which reduce road transport and streamline energy consumption. We promote

SDGs	Material topics	Our strategy

sustainable mobility by investing in the development of technological solutions that use hydrogen and LNG (Liquefied Natural Gas). We contribute to the **reduction of food waste** and consumer safety, adopting preservative-free food freezing systems and promoting conservation technologies in a modified and controlled atmosphere, able to preserve the organoleptic characteristics of consumer products.

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) places the care of people at the centre. The environmental impact from activities in the health sector is reduced through the **streamlining of transport**, the **computerisation of accounting documents** and reporting, and **the optimisation of inventory**. In fact, we offer management systems that monitor tank levels and keep track of packages distributed within healthcare facilities.

In the **biotechnology sector**, innovative diagnostic products allow the prevention and early detection of problems, significantly improving patient treatments.

The **safe management of our products** is ensured, for example, by the set of inspection, maintenance and testing measures of the containers, directly managed in our plants. We ensure the traceability of products and containers of medical gases, allowing their immediate localisation and, in the event of problems, timely intervention measures. Finally, all mobile substances and containers are respectively accompanied by safety data sheets (over 4,000) and labels compliant with Regulation 1272/2008*.

ENVIRONMENTAL SUSTAINABILITY

Energy efficiency and climate change

Environmental impact of products

Efficient use of raw materials

Environmental impact of transport

Waste management

The SOL Group considers the **environment** an asset that must be protected in the interests of everybody, of **future generations** and of the company itself.

Therefore, it undertakes to disseminate **a culture of safety** and **respect** for the environment and promote **responsible** behaviour, through ongoing training and the adoption of management systems.

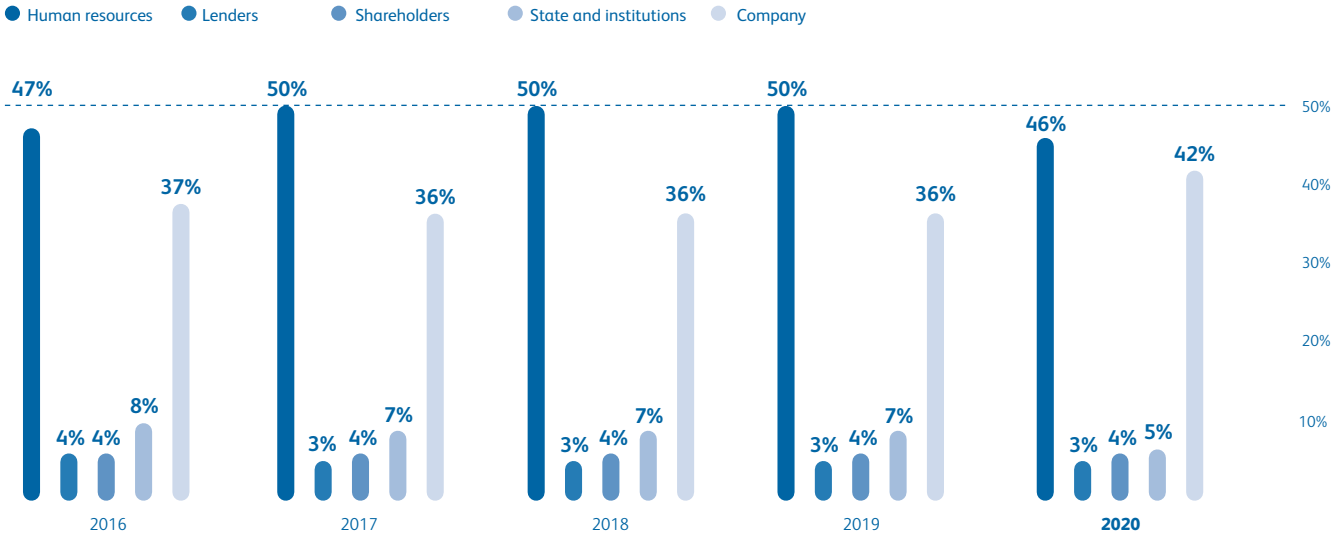
The SOL Group encourages each employee's participation in the development of ideas to **reduce environmental impact** and preserve the environmental protection.

*(CLP - Classification, Labelling and Packaging) Regulation on the European harmonisation of the classification and labelling of dangerous substances and preparations.

VALUE GENERATED AND DISTRIBUTED

The economic value directly generated and distributed, understood as the economic added value produced by the SOL Group's activities and distributed to the main categories of stakeholders, allows the Sustainability Report to be connected to the financial statements.

In 2020, the economic value generated for stakeholders was €465 million, an increase of €59 million compared to 2019 (+14.6%). This amount was then distributed to stakeholders as employee wages (human resources), returns on loans granted (lenders), return on risk capital (shareholders), taxes (state and institutions) and amortisation and non-distributed profits (investments).



The distribution of the economic value to shareholders for the 2020 fiscal year corresponds to the dividend that the Board of Directors will propose to the Shareholders' Meeting.

THE GROUP'S DEVELOPMENT AND INVESTMENTS

MAIN CORPORATE OPERATIONS

In September, SOL Spa converted the fourth instalment of convertible bonds held with the subsidiary **SICGILSOL INDIA Private Ltd** into capital, attaining an absolute majority of the share capital.

Lastly, in October, the Brazilian subsidiary PPAR PARTICIPAÇÕES LTDA acquired a further 5% interest in the share capital of the Brazilian company **DN GLOBAL HOME CARE LTDA**, thus obtaining an absolute majority of its share capital.

MAIN INVESTMENTS

During the 2020 financial year, **€52.5 million of investments were made in the technical gases area**, and **€60.4 million in the Home Care sector.**

In **Italy**, at the San Martino Buon Albergo plant in Verona, work continued on the construction of the new unit for the production of liquid nitrogen, the new liquid nitrogen storage section and projects for enhancing the total production of oxygen and argon from the existing plant. In Salerno, the new liquefied methane storage plant for the Southern Italian market was completed. In Verona, work began at the company Il Point on the modernisation of the entire site, with the doubling of the point of sale dedicated to sanitary aids, parapharmacy and orthopaedics, and with the construction of the new orthopaedic workshop for the construction of custom-made orthopaedic aids and prostheses.

In **Belgium**, work has begun on the construction of the new biogenic carbon dioxide production plant at the BIOWANZE plant in the municipality of Wanze.

In **Hungary**, in the city of Budapest, work has been completed on the construction of the new secondary production plant of SOL HUNGARY.

In **Germany**, work began in Arnstadt on the construction of the new VIVISOL DEUTSCHLAND hub, the main storage and distribution point for Home Care facilities.

In **Poland**, at PALLMED, the modernisation and expansion of Sue Ryder's home, a palliative care facility in Bydgoszcz, has been completed, and the renovation of the Znin care centre has begun.

In **Slovenia**, work is under way on the modernisation and structural consolidation of the HE Gorje hydroelectric power plant, owned by ENERGETIKA.

The **programme for the improvement, modernisation and streamlining of the primary and secondary production plants** for technical and medical gases in Europe continued. This activity especially concerned the units of Salerno, Pisa and Marcianise in Italy, Frankfurt in Germany, Wiener Neustadt in Austria and Stirling in Great Britain.

Various on-site industrial and medical plants were built and put into operation in Italy and abroad, and the vehicles for the transportation, distribution and sale of products were enhanced with the acquisition of cryogenic tankers, cryogenic liquid tanks, cylinders, dewars and electromedical apparatuses. All this to accompany the Group's growth in the sectors and geographical areas it operates in.

Investments continued aimed at the improvement of information systems both in the technical gas area and in the Home Care area.

SOL GROUP'S PRESENCE IN INDIA WAS REINFORCED

Since its inception, SICGILSOL has been a symbol of **growth and enterprise** for the SOL Group, not only because it was the first entity outside Europe, but also due to the countless activities carried out. SICGILSOL was the first operator in India to make inhaled nitric oxide therapy available and the first to build a medical gas distribution system in accordance with ISO standards and those in force in India.

All these steps, combined with a **"SOLution provider"** approach, have transformed SICGILSOL into a market player capable of competing with global and local contenders, and to acquire leading customers both among the main Indian groups and internationally recognised groups.

Today **SOL INDIA** (as SICGILSOL has recently been renamed) relies on its team and on SOL's DNA to be a **key partner of the Indian healthcare system**, as demonstrated during the dramatic moments of the pandemic. It plans further developments aimed at extending its presence in new areas of the Indian subcontinent and strengthening its production structure with a view to the sustainability of its industrial activity. In fact, since 2017 SOL INDIA has been purchasing **wind energy** to cover a part of its needs and is always attentive towards new opportunities that can increase the share of renewable energy.

GOVERNANCE SYSTEM

143
certified units
ISO 9001

18
certified units
ISO 13485

77
certified units
ISO 45001/OHSAS 18001

26
certified units
ISO 22000

24
certified units
ISO 14001

CORPORATE GOVERNANCE

Corporate Governance is the set of rules, procedures, relationships, processes and organisational structures aimed at effective, efficient and correct company management. The SOL Group's corporate governance and control system belongs to the ordinary category and entrusts the Board of Directors of the Parent company SOL Spa with a central role. The Board of Directors thus defines the guidelines for the development and control system, in line with the company's strategies, in addition to annually assessing its adequacy and effectiveness.

The system is based on the concept of **balance** in the representation and roles of corporate bodies, on **dialogue with shareholders, institutional investors and in general all the company's stakeholders, as well as** on **transparency** towards the organisation and towards the market.

The **SOL governance structure** comprises the following bodies: Board of Directors with its own Internal Board Committees, the Shareholders' Meeting, Board of Statutory Auditors and Independent Auditors, Employers regulated by workplace safety laws in addition to the Internal Control Function, the Supervisory Body pursuant to Italian Legislative Decree 231/2001 and the other business functions involved in the controls.

The Board of Directors has the main role of company governance and management, with the fundamental objective of pursuing the sustainable success of the company and the Group, that is, to create long-term value for shareholders in accordance with the laws and the Group's mission and values, always taking into account the interests of the other relevant stakeholders for the company. All of the most significant projects, including those relating to sustainability performance, are assessed by the Board of Directors.

The Board of Directors of the Company, at its meeting of 20 February 2020, examined the **new version of the Corporate Governance Code of listed companies** promoted by Borsa Italiana that was approved on 31 January 2020 (available on the website www.borsaitaliana.it) and decided to adhere to it starting from the year which began 1 January 2021. With a leaner structure, the new Code introduced improved prioritisation of recommendations in relation to both the size of the issuing company and the characteristics of its shareholders, making this important governance tool more suited to the different types of listed companies.

At its meeting of 18 February 2021, the SOL Board of Directors approved a new Board Regulation and established the other requirements necessary to adhere to the Corporate Governance Code.

For further information on Corporate Governance, please see the "Investor Relations" section of the website www.solgroup.com.

THE INTERNAL CONTROL SYSTEM

The internal control system is the set of the corporate bodies and functions, principles, rules, procedures and standards aimed at monitoring and preventing fraud against the company and the market, as well as to prevent offences reflecting an apparent interest or benefit of the company by either top management or, more generally, all its employees, thus ensuring compliance with laws in every area of the company's and the Group's activities, based on the principles of fairness, transparency, efficiency and reliability of corporate management.

The system is guided by the **Code of Ethics** and all the standards, directives and internal procedures, which constitute, as a set, the Integrated Quality, Safety and Environmental Management System.

Furthermore, both SOL Spa and VIVISOL Srl have adopted the **Organisation, Management and Control Model** established by Italian Legislative Decree 231/2001 and subsequent amendments and supplements, which forms an integral part of the internal control system. Both have formed their own **Supervisory Bodies** which have the necessary independence to verify compliance with the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001 and, more generally, to oversee respect for the Code of Ethics. On the occasion of the review of the Model in 2018, the reporting methods towards the Supervisory Body were integrated with a specific protocol for the management of reports, also in light of Italian Law 179/2017 on so-called whistleblowing.

The SOL Group is also strongly committed to protecting and respecting the **principles of free market and competition**. In 2017 a specific **Antitrust Compliance Programme** was adopted and the **Antitrust Code** and operative **Handbook** were approved by the Board of Directors and disseminated, which very simply and clearly illustrate the fundamental principles of the legislation. These documents have been translated into English, disseminated to all Group companies and have been divulged in specific training sessions dedicated to all recipients of the Programme.

An **Antitrust Function** was also created, which is covered by the Legal Affairs Department for Italy and by the Country Managers for the Group's non-Italian companies, to ensure that the individual local legislation regarding antitrust matters is known and respected. It is responsible for monitoring the implementation of the Antitrust programme and providing assistance in this area to everyone in the Group. Among its other duties, it also organises training events to promote the awareness and understanding of the topics governed by the regulation.

On 25 September 2018, the Italian Competition and Market Authority adopted Guidelines on antitrust compliance for the first time, aimed at providing companies with guidance on: i) the definition of the content of the compliance programme; ii) the request for evaluation of the programme for the recognition of any extenuating circumstances; iii) the criteria that the Authority intends to adopt in the evaluation for recognising the extenuating circumstances. As a result, in 2021 SOL initiated a project to review and update its Programme in order to make it as compliant as possible with these Guidelines.

In 2018, following the entry into force of the European Directive on the **processing of personal data** (the so-called "GDPR"), a **DPO** (Data Protection Officer) **was appointed** in the countries where required by law and a Directive was published, valid at Group level, which defines the basic rules that all Group companies must uphold for the collection, processing and management of personal data. After this, the Group implemented a widespread training campaign, including via distance learning, using the communication tools available.

The systematic control of the correct application of the principles of corporate governance takes place through a system that establishes, among other things, the presence of dedicated corporate structures that carry out monitoring, control and management activities of corporate risks; in particular, these controls are allocated within the Central Administration and Finance Department, and in the Central Quality, Safety and Environment, Regulatory Affairs Department.

The Board of Directors of the Parent company SOL Spa has also created the **Internal Control Function**, which is tasked with ensuring that internal operating and management procedures are correctly respected. Verification activities are performed both at the management offices of the Monza headquarters and at the offices of the Group's operating companies. The Internal Control Function makes use of the structures and staff included in the various Departments, assigning them with control and risk assessment tasks.

TAX POLICY

The Group's approach to tax risk is integrated into the broader corporate risk management framework. Tax risk management is carried out in a manner consistent with the applicable regulatory requirements and with the best long-term interests for shareholders, taking into account operational, economic and reputational factors.

The SOL Group's tax policy has two specific objectives. The first is to ensure the **correct and timely determination and settlement of taxes** (and execution of related obligations) in all countries where the Group is present. The second is to **contain the risk** of violating tax rules or abuse of the principles and purposes of the tax system.

In particular, the SOL Group is committed to formal and substantial compliance with all tax, domestic, international or supranational laws, regulations and practices, maintaining an attitude of collaboration and transparency with the tax authorities of the countries in which it operates. Given the complexity of tax legislation, to ensure the achievement of such objectives, the Group has equipped itself with a robust control system that allows to verify the timeliness and formal and substantive correctness of tax compliance.

The Group's development strategy responds only to business growth logic in an industrial perspective, therefore in this context the Group does not pursue any specific fiscal strategy. There is no advocacy activity in tax matters.

The responsibility for managing tax issues lies with the Administration and Finance Department of the SOL Group. Responsibility for compliance with the tax aspects of individual Group companies lies with the Company Managers and is supervised by the Group Administration and Finance Department.

The company channels for communicating any violation of the Code of Ethics can also be used to report any critical issues related to unethical or illegal behaviour and the integrity of the organisation in relation to tax issues.

SUSTAINABILITY GOVERNANCE

Sustainability has been central to the SOL Group's strategy since its foundation. In fact, the Group believes that its growth is closely linked to the growth of the world in which it operates. For this reason, it is committed to translating the principles of sustainable development into real actions and projects, with the aim of creating long-term value for the Group, its people, its customers, the community and the environment.

On 28 November 2016 the **Corporate Social Responsibility (CSR) Committee** was set up with Directors, General Managers and Central Managers appointed as its members. The CSR Committee validates the sustainability goals and coordinates and stimulates the operating structures of all of the Group's companies.

OUR RESPONSIBLE CARE COMMITMENT

SOL Spa has subscribed to **Responsible Care** in Italy as far back as 1995: it is the voluntary programme of the world's chemical industry, supported in Italy by Federchimica, in which it plays an active part with its own representative on the Managing Committee.

On 7 January 2015, **SOL** also adhered to the "**Responsible Care Global Charter**", committing itself to promoting the principles and contents of the initiative in all countries where the Group is present.

On 23 April 2015 the subsidiary **FLOSIT** also subscribed to the programme, promoted in Morocco by the "**Federation de la Chimie et de la Parachimie**".

The implementation of the "Responsible Care" Programme at SOL Spa is verified every two years by a certification body: the verification carried out in December was positive.

MANAGEMENT SYSTEMS

Policies are documents at the foundation of the Management system and are signed by the Chairperson and General Managers of the Group. They set out the principles underlying the work of the Group's companies and define the objectives that Management intends to pursue in the various areas.

- **Quality management** policy of SOL Group companies;
- **Food safety** policy of SOL Group companies;
- **Energy management** policy of SOL Group companies
- **Information security management and business continuity** policy of SOL Group companies;
- **Safety and environment** principles of SOL Group companies;
- **Principles and values** at the base of staff policies at SOL Group companies and the **Social Media Policy** for the responsible use of social media.

The SOL Group has recently introduced a new corporate governance tool, **Directives**. These documents are issued at corporate level and are obligatorily received by all the Group companies.

The governance of the Management systems, the re-examination of their proper functioning and the verification of their effectiveness is entrusted to the **Quality, Safety and Environmental Management System Steering Committee** (CGSQ) made up of the Directors, General Managers and the Internal Control Function. **Central Quality, Safety and Environmental Regulatory Affairs Management** (DIQS) instead deals with the operational aspect of the management systems, reporting annually to the CGSQ. The DIQS presents the progress of the projects and activities to the Directors and Central managers on a quarterly basis.

The SOL Group launched the **certification process for its units** in 1994. The main Italian locations were first certified according to ISO 9001, and other standards have gradually been implemented in relation to Group activities. The scope was then extended to other locations and countries. The following table shows the certifications obtained by the SOL Group at 31 December 2020, broken down by country and company (see the glossary for a description of the scope of reference of the various standards).

Country	Company	ISO 9001 Quality	OHSAS 18001/ ISO 45001 Health and safety	ISO 14001 Environment	EMAS Environment	ISO 50001 Energy	ISO 13485 Medical devices	ISO 27001 Data security	ISO 22000 Food safety
TECHNICAL GASES AREA									
Albania	GTS	1	1	1			1		1
Austria	SOL TG	1					1		
Belgium	SOL Spa Feluy	1		1					1
	BTG	1							
Bosnia-Herzegovina	TGP	1		1					1
	TGT	1							
Bulgaria	SOL BULGARIA	2	2						3
Croatia	UTP	2							
	SOL CROATIA	2							
France	BEHRINGER FRANCE	2					2		
	SOL FRANCE	3							
Germany	SOL DEUTSCHLAND	3							2
	SOL Spa Francoforte	1				1			1
	SKS	1				3			1
	CT BIOCARBONIC [1]	1				2			1
Greece	SOL HELLAS	2		1			1		2
India	SICGILSOL	3							
Ireland	IRISH OXYGEN	1							
Italy	SOL Spa	21	30	3			2	1	
	SGP	7	8	3	2			1	2
	ICOA	1		1			1		
	SOL GROUP LAB	1					1		
	CTS	1							
	CRYOS	1							
	BEHRINGER	2					2		
	MEDES	1					1		
	TESI	1							
	STERIMED	2	1	1			2		
	REVI	1	1	1			1		
North of Macedonia	TGS	3							3
	SOL SEE	2							1

[1] Jointly controlled company consolidated using the equity method and therefore excluded from the reporting scope of this Sustainability Report

Netherlands	SOL NEDERLAND	2	3						2
Romania	GTH	1	1						1
Serbia	SOL SRBIJA	1							1
Slovenia	SPG	1	1	1	1	1			1
	TPJ	1	1	1		1			1
	ENERGETIKA	1							
Turkey	GEBZE GAZ	1							
	SOL TK	1							1
Hungary	SOL HUNGARY	1							

HOME CARE AREA

Austria	VIVISOL AUSTRIA	2							
France	VIVISOL FRANCE		1						
Germany	VIVISOL DEUTSCHLAND	4							
	PIELMEIER	1							
Greece	VIVISOL HELLAS	2							
Italy	VIVISOL	18	19	1			2	1	
	VIVISOL CALABRIA	1							
	VIVISOL NAPOLI	1	1						
	VIVISOL SILARUS	1							
Netherlands	VIVISOL NEDERLAND	1						1	
Poland	PALLMED	17						4	
United Kingdom	DOLBY VIVISOL	4	4	4				2	
Spain	VIVISOL IBERICA	4	3	4			1		
Switzerland	SITEX	1							

BIOTECHNOLOGIES AREA

Italy	CRYOLAB	1							
	DIATHEVA	1							
	BIOTECHSOL							1	
	PERSONAL GENOMICS	1							

TOTAL	**143**	**77**	**24**	**3**	**8**	**18**	**11**	**26**

In addition to the certifications shown in the table, the Pure Gas Plant (SGPM) in Monza, the company STERIMED in Italy, GTS in Albania and SOL SRBIJA have been accredited as test laboratories in accordance with **ISO 17025**.

The reconditioning plant in Verona has been certified according to **ISO 14065**, focused on bio-contamination control systems.

In 2019, the Group's Information Systems Department (DISI) obtained certification according to **ISO 22301**, a standard relating to business continuity management.

Because of the kind of gases they produce and the quantities they stock, 21 Group plants fall into the field of application of **Directive 2012/18/EU ("Seveso Directive")**. Directive 2012/18/EU requires the adoption of a specific safety management system and regular scrupulous auditing by the Authorities. In 2020, there were five audits (four inspection visits on the Management System, one linked to plant modifications/new installations), all concluded with a positive outcome.

Some units of SOL Spa and SGP Srl fall under the field of application of **European Directive no. 75 of 24/11/2010, "Industrial Emission Directive" (IED)**, which governs the granting, renewal and review of Integrated Environmental Authorisations. The company has authorisations for its hydrogen (Ravenna), nitrous oxide (Cremona, Marcianise and Tilburg) and acetylene (Ancona, Pola) production plants.

THE REGULATORY AFFAIRS DEPARTMENT

Oxygen, medical air and nitrogen oxide, Donopa® (a mixture of oxygen and nitrous oxide) and Neophyr® (whose active substance is nitric oxide) are the main **drugs** that the Group distributes in the healthcare sector in hospitals and, with regard to oxygen, in patients' homes. Also in the healthcare sector, the Group produces and sells **gas for medical devices**, such as liquid nitrogen for cryopreservation and cryotherapy and carbon dioxide for laparoscopy, and **medical equipment and systems** that are used in medicine for diagnostic and therapeutic purposes (from oxygen distribution systems in hospitals to home mechanical fans).

Within the DIQS Department, the **Regulatory and Pharmaceutical Affairs Department** (DARF) serves to support, control and coordinate all SOL Group companies in the authorisation process for the production, distribution and sale of gases for medical use and medical devices.

Drugs and medical devices are subject to strict controls and the documentation necessary for the authorisation process is increasingly complex. The **pharmaceutical workshops** which produce the drugs must be authorised by the Drug bodies that verify that all phases of the production process follow GMP (Good Manufacturing Practices) at national level. Compliance with these guidelines guarantees the quality of medical products, which in turn is a prerequisite for the medical product to be defined as safe and effective. The manufacturer of a medical device must obtain the **EC marking**, which proves that its product complies with the safety and health requirements laid down in the applicable legislation. **EC markings** (for Class 2 and 3 devices, which are the prevalent classes in the Group) are issued by Notified Bodies, facilities (laboratories or companies) authorised by the competent authorities of European Union countries.

The DARF is also responsible for managing all **post-marketing activities**. Once a medicinal product or medical device has been placed on the market, the manufacturer must regularly monitor any adverse accidents, adverse effects or lack of efficacy of the products concerned (pharmaco-vigilance for medicinal products and material-vigilance for medical devices). The company procedures establish that each Group company sends specific reports to DARF for the collection of reports, for analyses and for the evaluation of any notification to the competent authority.

MEDICAL GASES

Sales authorisations in

22 European countries

57 Production workshops in

18 Countries (of which 15 in the EU)

MEDICAL DEVICES

Medical device gases produced in

16 Units and distributed in

15 Countries

6 Group companies are manufacturers
(i.e., holders of EC markings) for medical gas distribution plants or equipment.

RISK ANALYSIS

SOL Group's activities, products, services and supply chain, as well as its commercial relations, are exposed to social and environmental risks.

The SOL Group adopts a **risk mapping and assessment** methodology that assigns a relevance score to each risk according to the impact assessment, the probability of occurrence and the management system in place. The analysis of the context in which the SOL Group operates, including the expectations of the Group's main stakeholders, was a fundamental part of the process.

The Group is exposed to the following main non-financial risks:

Environmental and climate change: potential risks related to the electricity consumption of the Group's primary transformation plants, potential risks related to direct and indirect greenhouse gas emissions, potential risks related to outbound logistics, with particular reference to road transport. With reference to the issue of climate change, there is also the possibility that a major meteorological event may occur that could result in a period of unavailability of the company's buildings and assets, with the consequent interruption of the activities conducted there by the Group.

Social: potential risks related to compliance with existing regulations regarding information to customers and patients, risks related to the supply of products and services that address customers' needs, potential risks related to the traceability of the origin of products and services, potential risks regarding the suppliers of services in the Home Care sector and in general the management of social and environmental risks along the supply chain, potential risks related to the market and the respect for human rights, with particular reference to the supply chain.

Employees: potential risks related to employees' health and safety and to compliance with legislation concerning occupational health and safety.

Compliance with laws and regulations: potential risks of non-compliance with laws and regulations, including the issue of bribery and corruption.

To face the potential risks identified, the company carried out an assessment of the protections for each activity, of any shortcomings to be remedied and changes for improvement. Please refer to the table in the chapter "Materiality analysis" for the identification of risks and relative management methods related to the material issues.

The Company Managers are coordinated by Central Quality, Safety and Environment and Regulatory Affairs Management and are the governing bodies that oversee the main **environmental, health and safety risks**.

Furthermore the Company Managers, supported by any local or corporate designated functions, also oversee the **risks related to staff management and the issues covered by the Code of Ethics.** The Code of Ethics, which includes issues such as protecting safety, health and environment, respect for human rights and preventing and combating corruption, applies to all those who come into contact with the Group, including suppliers, partners and customers.

The Group has activated **processes and management systems in order to mitigate the most relevant risks**, so as to guarantee the correct control of the topics. In particular, the Group's units have obtained certifications such as ISO 9001, OHSAS 18001/ISO 45001, ISO 14001, ISO 50001, ISO 13485, ISO 27001, ISO 22000. Thanks to the new requirements introduced by the new standards, a new risk analysis process was implemented in relation to business activities and assessing opportunities. The analysis refers to the sustainability issues that are relevant to the SOL Group, in particular the risks potentially present in product production phases and service delivery, as well as in business relationships.

CUSTOMERS, PATIENTS AND SUPPLIERS

Over
500,000
patients served

Over
50,000
industrial customers

COMMITMENT TO A SUSTAINABLE INDUSTRY

FOCUS ON THE CUSTOMER

The SOL Group has always been distinguished by its industrial customers for its accurate and timely service. But this is also complemented by the ability to provide **innovative technological solutions** capable of making customers' industrial activities and their production processes increasingly **sustainable**.

Through the correct use of technical gases, we try to create genuine partnerships with our customers and help them achieve their objectives in terms of **energy and production efficiency**, reduction of **environmental** impact and **protection of the health** of employees.

In addition to technical gas supplies, we offer our customers the most advanced **gas application** technologies, together with the design and construction of specific systems to be combined with industrial processes, and provide them with the necessary maintenance and technical assistance services.

Our technicians are constantly engaged in applied research that translates into a wide range of modern gas application technologies, combined with a variery of services developed and constantly updated by the Group's marketing services. We have specialists for every industry sector, from agri-food to metallurgy, from chemical-pharmaceuticals to petroleum, from mechanics to glass-ceramics. Specialists capable of creating tailor-made solutions, designed and built for the specific needs of each customer.

SOL produces and distributes the following gases: 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).

CRYOSOL TRUCK: THE NEW FRONTIER OF SUSTAINABLE TRANSPORT

Maintaining the **cold chain** in the transport of perishable products is a crucial factor for the **agri-food** sector, which uses thousands of vehicles every day to provide fresh or frozen food to the distribution chain of shops and supermarkets.

The refrigerated compartments of these vehicles are normally powered by diesel engines that have a high environmental impact, due to both the production of exhaust gases and noise, considering the distribution chain is operational at any time of day and night.

By first studying possible technological solutions theoretically, then in the field, SOL has developed **CryoTruck**, a refrigeration system capable of exploiting the thermodynamic characteristics of **liquid nitrogen** for cold generation in an **ecological and sustainable** manner.

Through a heat exchanger designed by SOL and installed in the refrigerated container of vehicles, it is possible to transfer the refrigerating potential of liquid nitrogen to the environment to be refrigerated, efficiently and safely. The temperature inside the refrigerated container is monitored in several places, with periodically calibrated and certified instruments. The CryoTruck system ensures the maintenance of the cold chain even in the event of prolonged stops of the vehicle with the engine off, eliminating any kind of environmental pollution.

SOL offers its customers the turnkey installation of the **CryoTruck system: from the small liquid nitrogen storage tank on board the vehicle, to the refrigeration system able to keep the temperature in the container under control, to the liquid nitrogen dispensing station** for resupplying vehicles.

With the CryoTruck system, SOL Group completes its offer of **environmental technologies and services** to the food distribution sector.

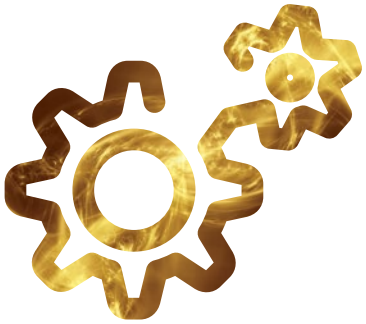
FOOD & BEVERAGE

Industries served

- Agriculture
- Fish
- Red and white meat
- Fruit and vegetables
- Milk and derivatives
- Ready meals
- Bread and pastries
- Ice cream
- Beverages
- Wine and oil
- Catering

Technologies and solutions for:

- Carbonic fertilisation with CO_2: increase in production and in quality and look of the product
- Fumigation and pest control with CO_2 of biological agricultural products for which no chemical products, such as phosphine, can be used
- Fish and mussle farming with O_2: increase in production and quality of the finished product.
- Cooling, flash freezing, cryogenic freezing, IQF with Lin o LCO_2: improved quality of frozen product, taste characteristics maintained, better aesthetic aspect, reduced freezing times and space saving.
- Packaging in atmosphere modified with N_2 and CO_2: shelf life optimisation, improved aesthetic aspect, freshness maintained
- Transport at temperature controlled with Lin or dry ice: safeguarding of freezing chain to preserve quality of food and avoid spread of bacteria
- Gassing, pressing with nitrogen, water dosage: plastic bottle weight reduction.



METAL PRODUCTION

Industries served

- Carbon and stainless steel
- Aluminium
- Ferrous products and cast-iron
- Nonferrous products: zinc, lead, copper, magnesium
- Semifinished products and forges
- Mineral extraction
- Precious metal processing
- Glass and ceramics
- Cement and lime

Technologies and solutions for:

- Oxy combustion and hyper oxygenation with oxygen: reduction of exhaust gas volumes and methane used for combustion, helping safeguard the environment and at the same time increasing productivity
- Wall and fall burners, with conforming flame, low NOX: plant designed to optimise emission reduction and limited environmental impact, adaptable to the various types of furnace present.
- Inertisation and degassing with argon, nitrogen and SF6: maintenance and improvement of quality of metals produced, reduced waste. Substitutes such toxic chemical compounds as chlorine
- After burners with oxygen: complete treatment of emissions, limiting quantity and environmental impact

METAL FABRICATION

Industries served

- Thermal treatments
- Carbon and stainless steel processing
- Aluminium and nonferrous metal processing
- Automotive industry
- Aeronautical and railway construction
- Shipyards
- Construction sites
- Boilers
- Tools

Technologies and solutions for:

- Controlled protective and reactive atmospheres with nitrogen and hydrogen
- Endothermic and exothermic atmospheres with solmix controlled carbon potential
- Keying with Lin: products made not using heat but cold, limiting fuel consumption.
- Lin soldering of electronic cards: reduced waste and manual elimination of defective cards, increasing production quality
- Cutting and laser welding with nitrogen and oxygen: increased productivity and product quality
- Oxy cutting and oxyacetylene welding, Mig/Mag, Tig and plasma welding and welders.
- Gas distribution automation and plant: reduced manual operations help reduce risk of accidents
- Pressure & fugitive tests with helium and nitrogen: guarantees tightness of components treated, reducing risks of leakage of products, also toxic products, from plant where they are used (e.g. offshore oil wellhead valves).

CHEMISTRY & PHARMA

Industries served

- Basic and inorganic chemistry
- Synthetic intermediates
- Polymers
- Fine chemistry
- Bulk pharmaceuticals
- Pharmaceutical specialities
- Cosmetics
- Herbalism
- Plastics and rubber

Technologies and solutions for:

- Inert and protective atmospheres with nitrogen: reduction of risk of accident from contact of products with oxygen, at the same time preserving their quality.
- Fluxing, pressurisation and stripping with nitrogen: plant cleaning with reduced use of polluting chemical additives.
- Grinding and micronisation with Lin and gaseous nitrogen: increased quality of ground product.
- Packaging in inert and sterile atmosphere of pharmaceutical products: preserving and guaranteeing product quality.
- VOC treatment and solvent recovery with Lin: reduced environmental emissions and at the same time recovery of the chemical products they contain
- Cryogenic cleaning with CO_2: replaces cleaning methods using water, solvents or sandblasting, thus limiting the environmental impact of residues.

OIL & GAS

Industries served

- Extraction
- Transport and pipelines
- Refining
- Raw materials and finished products stocking
- Off-shore
- Components and equipment

Technologies and solutions for:

- EOR processes with nitrogen and CO_2: increased extraction productivity avoiding the need for new wells
- Fluxing, pressurisation and stripping: plant cleaning with reduced use of polluting chemical additives.
- Controlled cooling with Lin: reduced plant maintenance times, faster cooling and less risk for operators.
- Inertisation and drying with nitrogen: plant maintained in controlled stand-by, limiting accident risks and permitting fast restart
- Cryogenic cooling with Lin: permits work on filled pipes without need for emptying.
- Claus processes with oxygen: improved and optimised recovery of sulphur from refinery flows and lower emissions.
- Control and regulation of technical and special gases, management and maintenance of emission control units: emission control units are kept efficient, reducing the risks of accidental emissions.
- LNG Services: gas stations, cryogenic equipment and LNG-powered trucks.

ENERGY & ENVIRONMENT

Industries served

- Multiutility
- Wastewater purification
- Purification
- Waste Management
- Special waste management
- Incineration
- Chemical, pharmaceutical, fabric and leather, food, paper, petrochemical and extraction industries.

Technologies and solutions for:

- Waste water treatment with O_2: makes purification more effective and increases purification capacity, reducing environmental impact and giving better control.
- Waste water treatment with ozone: reduction of colour, micro contaminants, nitrates: optimization of treatments, with reduced environmental impact
- AOP processes with ozone: on-site environmental clean-up, less removal of terrain and combustion treatments having higher environmental impact.
- Deodorising waste water with oxygen: reduced environmental impact.
- Disinfection with ozone: watercourses receiving treated wastewater are protected from bacterial pollution without the use of chlorine compounds.
- Reduction of surplus sludge with oxygen: less sludge to send for disposal, reduced environmental impact.
- pH control with CO_2: this substitutes mineral acids (sulphuric and hydrochloric) which leave pollutants in the water.
- Recarbonation and remineralisation of drinking water with CO_2: makes water drinkable meeting legal requirements using a certified food additive.
- Oxycombustion of waste with O_2: reduction of aeriform emissions and increased control of incinerator plant with widely varying waste loads (tourist areas).
- Afterburners with O_2: complete treatment of emissions, limiting quantity and environmental impact.
- VOC treatment and solvent recovery: reduced environmental emissions and recovery of the chemical products they contain.

COMMITMENT TO HEALTH

SOL IN THE HOSPITAL SECTOR

National Health Systems are increasingly orienting the treatment of the most critical diseases towards the so-called Smart Hospital, a hospital characterised by the most modern clinical and diagnostic technologies.

In this highly dynamic context, the SOL Group proposes itself as a **partner of the Health System** through the provision of medicinal products, services and technologies for the integrated management of operating flows within the hospital facility, to protect the quality and efficiency of healthcare services.

Medical Gases with AIC and Medical Devices

The range of Medical Gases includes both drugs under the AIC regime (traditional or innovative), and a wide selection of gases classified as Medical Devices. These include, for example, medical device liquid nitrogen, which can be used for surgical and dermatological operations, or for the cryopreservation of tissues and biological samples intended for transplantation, available in Cryobanks certified as Tissue Institutes.

The SOL Group supports Hospital Pharmacists with its EPGA Accredited Mobile Laboratory, thanks to which it is possible to analyse medical gas samples directly at the delivery point and certify compliance with the purity requirements established in the monographs of the European Pharmacopoeia, ensuring the compliance of the drug's characteristics from the storage centre to the patient's bed.

Total Gas Management

Medical gases are atypical drugs which are potentially dangerous, as most of them are oxidising and complex to manage. For this reason SOL supports healthcare facilities with the Total Gas Management service which, thanks to the **daily presence of specialised technicians**, provides for the supply of Medical Gases, their distribution within hospitals, as well as the control of packaging, medical administration devices and centralised distribution systems. The Total Gas Management service was essential during the Covid-19 pandemic to ensure effective distribution and the safe use of medical oxygen, considered in all respects the drug of choice for the treatment of this respiratory disease.

Training services

Training in the safe use of medical gases, their containers and accessories is fundamental for their correct handling and administration.

The training activities for all professionals active within the healthcare facility are carried out through courses delivered physically or remotely, which are also ECM accredited.

Medical Device classified Medical Gas Distribution Plants

The SOL Group designs, manufactures, certifies and manages centralised systems for the production and distribution of Medical Gases, endocavitary aspiration and anaesthetic gas evacuation within hospital facilities. The certified and of high quality components used are designed and produced by BEHRINGER, a SOL Group company active in the production and sale of devices for the supply and administration of Medical Gases.

InfoHealth SOLution

The InfoHealth® SOLution web platform is the control room from which the SOL Group plans, coordinates and manages all the activities carried out within the healthcare facilities that use the medical gases and medical devices provided by SOL. The same platform monitors the routine and extraordinary maintenance of medical devices, electromedical equipment and technological systems, the results of EPGA analyses (to verify compliance with Pharmacopoeia monographs), the sanitisation of equipment as well as the traceability of medical gas packages (validated according to Good Manufacturing Practice) and mobile medical devices.

InfoHealth® Solution is also the tool for the integrated management of the maintenance of medical devices of ambulance fleets.

Global Service of electromedical equipment

The SOL Group is the primary operator in the management of electromedical equipment in health facilities, safety checks, routine maintenance and extraordinary emergency repair interventions, under the global service regime.

The skills acquired in over 30 years of activity by SOL Group companies, combined with the constant monitoring of the performance provided by the electromedical equipment, allow the Group to authoritatively support healthcare facilities in the definition of asset management programmes relating to the planning of the entire life cycle and the periodic renewal of the machine fleet.

Hospital hygiene and environmental monitoring

The SOL Group offers integrated hospital hygiene management programmes: from the design, construction and operation of sanitary water and air conditioning treatment and sanitation systems, to the turnkey construction of surgical instrument sterilisation plants (including integrated management).

To protect the health of staff and patients, healthcare companies can draw on a full range of environmental, particulate, microbiological, microclimatic and specific pollutant monitoring services (such as anaesthetic gases and formaldehyde in operating environments), scalable for each type of room, in order to make the impact on healthcare activities negligible according to the actual exposure limits established by current legislation.

Particular attention has been paid to environmental monitoring services during the pandemic, as SOL was able to provide specialised Covid-19 disinfection services, complete with surface analysis with dedicated tests.

Total Ambulance Management

Patient care begins from the moment patients are transferred to the hospital. The Total Ambulance Management service frees emergency associations from any worries related to the management of their vehicles, guaranteeing the complete operation of the vehicle fleet including both its sanitary compartment and medical equipment (maintenance, periodic checks, electrical safety checks, sanitation), and for the vehicle, with the related periodic maintenance activities. The entire life cycle of the ambulance is monitored, optimised, managed and always available online thanks to the InfoHealth® SOLution platform.

Design and development of biobanks

The service of designing and creating cryo-biological rooms and plants is aimed at public and private structures that carry out scientific research, assisted fertilisation and manipulation for cell, tissue and organ transplants and need to preserve their biological samples for long periods of time in liquid nitrogen

Turnkey solutions are offered, including the design, construction of premises, provision of all devices and maintenance and training services and, where requested, also specialised biotechnological services.

Disaster Recovery

The Disaster Recovery service guarantees the transfer and storage, in emergency situations, of biological samples from public and private structures to cryobiological rooms owned by the SOL Group.

In particular CRYOLAB, the SOL joint venture with Tor Vergata University of Rome, is authorised by the Italian Ministry of Health and the Italian National Transplant Centre for the long-term and disaster recovery conservation of human gametes and blood.

Bioshipping

The Bioshipping service makes it possible to transport biological samples all over the world in completely safe and traceable conditions, with continuous temperature monitoring and tracking.

This service is becoming increasingly popular and important, and is also used for delicate and often unique samples such as gametes. CRYOLAB, in particular, is able to satisfy the reliability and very high specialisation requirements established by applicable regulations for Medically Assisted Procreation structures.

HEALTH AND INNOVATION: PENELOPE® HAS BEEN CREATED, THE NEW FRONTIER FOR THE ADMINISTRATION OF THE ACTIVE INGREDIENT NO (NITRIC OXIDE)

In 2020, the SOL Group completed the development of **Penelope®**, a highly complex medical device (Class 2B) for the administration of inhaled Nitric Oxide (iNO), the active substance contained in the drug Neophyr.

Combined with the drug nitric oxide pre-diluted in nitrogen, which the SOL Group has registered in many European countries under the name Neophyr®, **Penelope®** allows SOL to offer hospitals an effective, innovative and at the same time user-friendly system that can deliver a medical gas that is increasingly used in Europe for specific situations related to the treatment of pulmonary hypertension.

Penelope® **doses the drug i**n the ventilatory flow of neonatal, paediatric or adult patients, administering the nitric oxide dose at the desired concentration. This objective is achieved thanks to a **double feedback system** that is able to read, with extreme precision, the ventilation flow and instantly check the NO, NO_2 and O_2 values on the inhalation line of the circuit. A simple and intuitive graphical interface supported by a series of integrated tutorials round off the device, ensuring easy and immediate use. The device also allows constant control of residual **pressure** in cylinders, continuous analysis of **environmental safety parameters**, historicisation of **drug dosage** data and the possibility to immediately generate reports.

Penelope® was designed and manufactured by **SOL GROUP LAB**, the SOL Group company dedicated to technological innovation in the medical field.

Penelope® obtained the **EC marking** for medical devices and is already used in intensive care in Italy and in many countries, both EU and non-EU (including the United Kingdom).

VIVISOL FOR HOME CARE

VIVISOL has established itself in Italy, Europe and Brazil as one of the leading **Home Care Providers** of technological and health services for complex therapies and often life support for chronic patients.

In a demographic context characterised by progressive population ageing and in an epidemiological panorama marked by an increase in the major chronic diseases, the role of Home Care Providers becomes increasingly relevant for the **optimised management of chronic patients**, who often suffer from multiple conditions as well as vulnerability. In fact, adequate models of Home Care provided by specialised 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 local 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

VIVISOL provides **oxygen therapy** services for people with respiratory failure at home, but also in other contexts. In fact, the **ViviTravel** service is capable of following the patient on the road, throughout Europe.

Thanks to close partnerships with well-established manufacturers worldwide, VIVISOL has used the best technologies over the years to guarantee the patient complete management of respiratory therapy with invasive and non-invasive **home mechanical ventilation**. Supporting ventilatory therapy, VIVISOL assists the most complex patients also with complementary technologies and assistance including bronchoaspiration, cough assistants and humidifiers. VIVISOL also carries out an **aerosol therapy** service, often used in the treatment of many diseases.

VIVISOL is one of the leading companies in the market for the diagnosis and **treatment of respiratory sleep disorders**. Innovative diagnostic solutions and personalised therapeutic care are supported by remote monitoring of patient status with the aim of improving treatment completion rates.

Infusion therapies

To support patients requiring intravenous or subcutaneous home drug therapy, VIVISOL (together with industry experts) has designed a series of dedicated services: services for artificial nutrition, for **insulin therapy** with pumps, for **immunotherapy**, for the **treatment of pain** and for **Parkinson's** disease.

Each service involves a careful **selection of the medical device** by a highly specialised multidisciplinary team. This is supported by **training** for the patient and their caregiver (clinicians, nurses or any family members) on the use of the device, the coordination of activities for the management of the patient upon return from the hospital and the dietary and nursing care dedicated to them, with the aim of ensuring therapeutic continuity at home, in complete serenity.

InfuSol was created in 2019, the new brand of the SOL Group's Home Care division dedicated to infusion therapies, and is now active in France.

Advanced Home Care

VIVISOL provides **home healthcare and social care services** for patients with temporary or chronic clinical needs through medical, nursing and rehabilitation teams. The various health activities are managed by 24-hour Operations Centres and on IT platforms that allow fluid communication between VIVISOL operators and the patient's clinical contact. The system, built around the needs of the patient, ensures reliability and efficiency. VIVISOL has acquired specific know-how in the **management of highly complex patients**, who are guaranteed the personalised care of their assistance needs, integrating healthcare services with the management of life support technology. VIVISOL has a structured **Palliative Care** network for patients with oncological and degenerative diseases for which there are either no therapies or such therapies are ineffective for a significant prolongation of life. These benefits can be provided at the patient's home or in **Hospices** (as in Germany and Poland). VIVISOL also has specialised facilities dedicated to psychogeriatrics to assist the neuro-psychological decay of elderly patients, and protected apartments for people with complex disabilities which are designed according to the clinical-care needs of the patient.

VIVISOL EVOLUTION IN 30 YEARS OF EXPERIENCE

1986

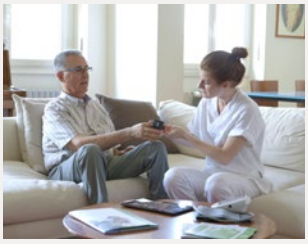
Home oxygen therapy

Oxygen therapy resulted from the production of medical O_2

1996

Device and services management

Progressive diversification of activities through high-tech home services



2005

Home health care services

Provision of health and rehabilitative services also of high assistance complexity (including palliative care)

2018

Management of chronic patients course of care

Integration of the health care element and technological one with a multidimensional and multi professional approach

One of VIVISOL's strengths is the **continuous training** of its healthcare and technical operators, who are constantly specialised through specific training courses for the different home activities in order to offer increasingly high quality service.

Telemedicine and digital services

VIVISOL has consolidated experience in **Telemedicine** services. The constant search for innovative solutions to improve the patient's quality of life and the relative need for treatment completion has favoured the development of a model which, alongside Home Care, also allows for the remote monitoring of important clinical and vital patient parameters:

- advanced respiratory function monitoring
- predictive capacity of COPD exacerbations (via the innovative Resmon Pro Diary device)
- remote monitoring of nutrition therapy (via the automated transmission of pump data) and home dialysis
- remote supervision of skin lesion management with specialist vulnologists
- technological enhancement of healthcare activities and palliative care at home.

To manage the complexity of these activities and to improve the patient care path at home, VIVISOL has set up a **Remote Clinical Centre**. This is a health centre composed entirely of medical staff and nurse coaches who support the patient in the management of their therapy and the hospital specialist (or local doctor) in the remote care of the patient, allowing constant monitoring of clinical outcomes.

Healthcare aids

VIVISOL has extensive experience and vast skills in the **management and supply of healthcare aids**, with which it offers a service including delivery to the patient's home, technical assistance, maintenance, sanitation, disinfection and online software for the computerisation of data.

Thanks to the information technologies applied to overcome disabilities, VIVISOL provides an **alternative augmentative communication** service that allows patients without motor skills to have autonomous communication, including through an **eye pointer**.

VIVISOL MYCARE, THE QUALITY OF HOME CARE IN THE PALM OF YOUR HAND

People's life expectancy is constantly increasing and this leads to a growing need for specialist care and support. In this context, technology plays a fundamental role and can substantially contribute to the effectiveness of care services.

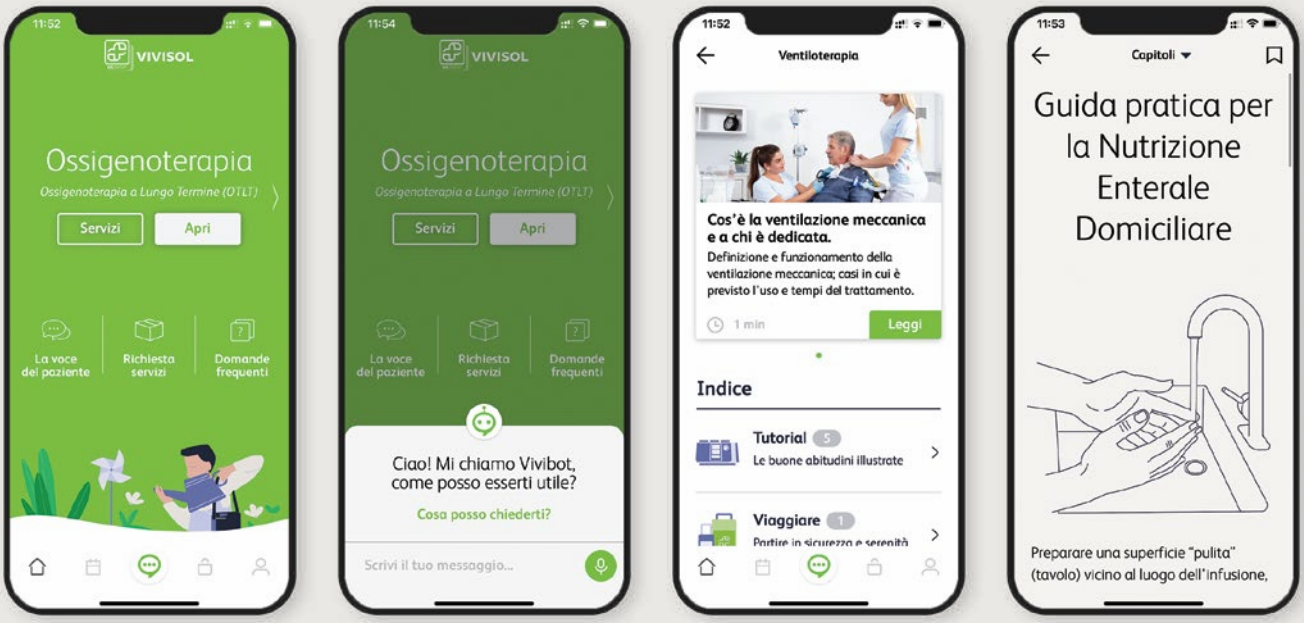
In its continuous commitment to improving its patients' quality of life, VIVISOL has developed VIVISOL MyCare, a mobile application to support patients and caregivers in the **daily management of care**.

The app includes content aimed at **patient empowerment** (for the greater awareness of favourable behaviour for the patient's health) and the **improvement of compliance** with therapy. Insights, illustrated tutorials, frequently asked questions, all the contents of the app are certified and authoritative, and aimed at constructive individual **training**, so that patients concretely improve their lifestyle.

VIVISOL MyCare is also a useful tool for **dialogue between patients, caregivers and VIVISOL**, thanks to features such as the Smart Chatbot, which uses Artificial Intelligence to respond to requests in real time. Patients can evaluate the services received and submit specific requests in the contact area and questionnaire area. These also include **Video Call Request**, which allows patients and caregivers to communicate quickly and easily.

It is obviously possible to customise the app according to the therapy and the tender contract to which the patient belongs, simply photographing the QR code provided. This thereby makes it possible to take advantage of a digital experience which is customised and in line with needs.

VIVISOL strengthens its leadership in Home Care with this innovative tool, establishing itself as one of the first providers in the digitisation of services dedicated to patients.



THE IMPORTANCE OF HIGHLY SPECIALISED RESIDENTIAL CARE CENTRES FOR VULNERABLE AND COMPLEX PATIENTS

The increasing lifespan of the population also brings with it a growth in the need for assistance to people suffering from **chronic and/or acute diseases**, who need highly specialised health care. These are **vulnerable patients**, often elderly, who suffer from chronic disabling diseases, who often have medium-high clinical complexities and therefore require prolonged treatment and continuous care. In many cases, it becomes impossible to manage the patient at home. Specialised facilities capable of providing suitable healthcare are therefore necessary.

Conscious and attentive to the emerging needs of a constantly changing society, the **SOL Group** operates **highly specialised residential care** facilities in **Germany** and **Poland**. These facilities can accommodate complex patients who need long-term care (such as artificial nutrition or mechanical ventilation) as well as ongoing care.

In particular, the **Sue Ryder Home** clinic (residential centre managed by the Polish company **PALLMED**), welcomes people with terminal oncological and neuro-degenerative diseases, and more generally patients with disabling complexities who require **advanced palliative care**. Recently renovated thanks to contributions from the European Fund, the facility is located next to an important cancer centre and has 37 beds.

Given the importance of this approach to care, a second facility will be inaugurated in 2021, again in Poland, but in the **Znin** area. The new centre will have 26 beds and will be able to accommodate patients in need of **long-term care**, thanks to European funding.

Experiences similar to those in Poland are also underway in neighbouring **Germany**, where with **VIVICARE** and **KOMPASS** facilities, the SOL Group responds to the growing demand for **specialist around-the-clock health care**. These two centres have 35 beds; they are residential facilities (sheltered homes) that are highly specialised for the permanent care of patients who are not self-sufficient.

NEW COMMITMENT TO BIOTECHNOLOGY

BIOTECHSOL

Diagnostics

PERSONAL GENOMICS, the genetics laboratory accredited by the Veneto Region and certified by SIGUCERT, provides **pre- and post-natal diagnostic screening services** which are an important element for ensuring the correct development of newborns. In fact, these services allow the diagnosis of numerous diseases which, if not diagnosed in time, can lead to serious consequences, while if diagnosed early can be cured. These activities to support preventive and precision medicine are complemented by genetic and bioinformatics analyses, molecular swab analysis for the identification of Sars-Covid 19, possible thanks to Next Generation Sequencing technologies and advanced bioinformatics tools.

DIATHEVA, a SOL Group company that operates in the industrial and biomedical biotechnology sector, develops innovative diagnostic systems that allow the identification and quantification - through DNA amplification techniques - of pathogens in any matrix and for any need.

Compared to traditional techniques (which require several days, such as cultures), the new DIATHEVA systems can reduce the time required to obtain results to just a few hours, and are aimed principally at the food and environmental control sectors where fast analytical results are critical for making decisions that affect the safety of people and the environment.

Biotechnology and biomedical research and applications

DIATHEVA focuses on the research, development, production and marketing of innovative products (such as monoclonal antibodies, recombinant proteins, molecular kits) for research, diagnosis and clinical application in the hospital, environmental, veterinary and food sectors. In addition, the company has conducted studies and research that allow it to operate as a qualified partner of large pharmaceutical companies in the oncology sector, in relation to microbial and viral infections, and pharmacogenetics.

DIATHEVA aims to translate the results of basic research into industrial applications in the biomedical and industrial fields by cooperating with public and private companies and research institutions.

PREVENTION AND EARLY DIAGNOSIS: PERSONAL GENOMICS' RESPONSE TO WOMEN'S CARE

We know that cancer is a disease related to random mutations in specific DNA genes. But research has also shown that 5-10% of **breast**, **ovarian and uterine** cancers in women are related to a **genetic predisposition**.

In this context, unfortunately made up of many variables, **prevention** plays a fundamental role. **Diagnostic and screening tests** are therefore the first weapon to **identify mutations** in specific genes and therefore begin to intervene before the disease arises.

The **predictive tests** of **PERSONAL GENOMICS** fall within this field of prevention, as effective tools for detection a predisposition to developing **breast**, **ovarian and endometrial** cancer.

The tests are carried out with the use of **specific genetic panels**, capable of examining multiple genes at the same time. A simple blood sampling allows for the study of DNA on which **Next Generation Sequencing** techniques are applied to analyse the genomic sequences deemed relevant.

In particular, PERSONAL GENOMICS offers the possibility of performing three different tests for the analysis of breast cancer depending on the correspondence detected.

A **first-level test**, able to identify genetic mutations affecting the two genes BRCA1 and BRCA2 (those most commonly involved in **breast or ovarian cancer**). A **second-level test**, able to extend the research to other relevant genes if the analysis of the BRCA1 and BRCA2 genes is negative. This is an **extended test**, even more in-depth and complete than the previous ones.

All the tests are for doctors and their patients, both to search for possible individuals at risk (with a **family history**), and to confirm a **clinical suspicion**.

CUSTOMER AND PATIENT SATISFACTION

The SOL Group monitors customer and patient satisfaction, with the aim of analysing the perception of its service and identifying the areas and services in which quality improvement is possible.

Their satisfaction is verified through the constant **monitoring** of some **key performance indicators** (customer and patient complaints, response times to customer orders and patient requests, etc.) which allow to promptly activate the necessary corrective actions.

During 2020, some Group companies carried out **ad hoc surveys** that involved 141 customers in the technical gases division and 3,363 patients in Home Care. These surveys proved very useful and showed a very positive perception of the SOL Group and the service provided to customers and patients in all the countries involved (Bosnia, Brazil, Bulgaria, Croatia, Ireland, France, the Netherlands, Poland, Slovenia, Spain and Turkey).

SUPPLIERS

Sustainability is also an important issue in the SOL Group's relations with suppliers and for purchasing management. The sustainable governance of the supply chain is characterised by cost optimisation, purchasing efficiency, the protection of local interests, respect for supplier activity and agreed payment times.

SOL is aware that the supplier's role is central at all development stages of a project or an idea and for the image of the company itself. The suppliers with which the company comes into contact are asked to uphold SOL's value system, as it is deemed an effective and safe mechanism for the correct and transparent management of relations.

The companies that are part of the SOL Group are essentially **"local" entities**: the production systems are built near customers.

The main products and services purchased by the Group companies are electricity, resale gasses and transport, maintenance, technical and nursing assistance services. On the other hand, the choice of supply sources for capital goods and resale products is wider: mainly production facilities, tanks, reservoirs, cylinders for the technical gases division and medical devices for the Home Care division.

In 2018 the Group issued a **new directive** (document valid for all Group companies) in relation to the **supplier evaluation** process in a **risk analysis** logic. When selecting its partners for the supply of goods and services that are critical for safety, quality and the environment, SOL uses a qualifying process to establish whether a potential partner meets the requirements demanded by company procedures. Possession of these requisites is verified by objective methods such as the special questionnaires and, where necessary, carrying out audits at supplier premises.

During 2020, 142 supplier audits were performed (132 in 2019), which mainly concerned aspects connected to quality, environment, health and safety.

Suppliers are required to respect the Group Code of Ethics and, in Italy, also the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01, as well as the Group's safety and environment policies, and they are asked to apply them in the conduct of their activities.

THE ENVIRONMENT

30,440

tonnes CO_2 equivalent **avoided** for the production of **energy from renewable sources**

48,576

tonnes of CO_2 equivalent **avoided** thanks to **on-site plants**

MAIN ENVIRONMENTAL ASPECTS

Electricity consumption in production plants and the distribution of products to customers, hospitals and patients are the most significant environmental aspects for the SOL Group.

The activities of the SOL Group have a limited impact on biodiversity, as the production units are relatively small and located in industrial areas.

Most of the raw materials used for the production of technical gases are renewable. Furthermore, the substances produced and handled by the SOL Group do not pose a polluting risk to the soil and subsoil. The table shows the raw materials used for the main types of production plants and the environmental aspects connected to these activities.

TYPE OF UNIT	N°	RAW MATERIALS	ENVIRONMENTAL ASPECTS
AIR SEPARATION UNITS (ASU)	16	The process of air separation for the production of oxygen, nitrogen and argon is a physical process that uses atmospheric air as its raw material.	The process has significant indirect environmental impacts due to the consumption of a large amount of electricity. On the other hand, it does not use raw materials other than atmospheric air and involves negligible emissions of CO_2, sulphur oxides (SO_x) and nitrogen oxides (NO_x), already present in the treated air.
HYDROGEN PRODUCTION PLANTS	2	The raw materials are natural gas and water (steam) which chemically react with each other to produce hydrogen.	Hydrogen production plants emit CO_2 as a sub product of the chemical reaction and negligible quantities of nitrogen oxides (NO_x). Added to this is the consumption of methane for heating process currents.
NITROUS OXIDE PRODUCTION PLANTS	4	These use ammonium nitrate, either solid or in water solution, as a raw material in a thermal dissociation process.	N_2O production plants can emit the gas produced (greenhouse gas) through vents, and consume electricity to bring the ammonium nitrate to reaction temperature. Chemicals (H_2SO_4, $KMnO_4$, NaOH) are used for the purification of nitrogen oxide.
ACETYLENE PRODUCTION PLANTS	4	These use calcium carbide as a raw material, a solid that decomposes in water.	One by-product of this process is calcium hydroxide which, where possible, is used in industry or agriculture. Otherwise the lime is disposed of as waste.
PLANTS FOR PURIFYING AND LIQUEFYING CARBON DIOXIDE	5	The raw material is carbon dioxide itself, obtained as a by-product from chemical plants or from natural underground deposits. The carbon dioxide is purified and liquefied with the use of energy.	CO_2 production plants can emit the gas produced (greenhouse gas) from their vents. On the other hand, the carbon dioxide obtained in this way is used in industrial applications instead of being emitted directly into the atmosphere.
SULPHUR DIOXIDE PRODUCTION PLANTS	1	The raw materials are oxygen and sulphur, from chemical plants or petroleum refining processes. The sulphur is reacted in a controlled manner with an oxygen stream.	The main environmental aspects relate concern the storage of sulphur and possible emissions in an emergency.
NITRIC OXIDE PRODUCTION PLANTS	1	The raw materials are water and ammonium nitrate which, heated to about 250 °C, decomposes into nitric oxide (N_2O). The water is separated and the nitric oxide is liquefied to be sent into cryogenic storage tanks.	The main environmental aspects of oxide plants concern the consumption of electricity to maintain the ammonium nitrate in liquid form, the use of water to cool hot gases leaving the reactor, and the use of chemicals for gas purification before liquefaction.

The environmental data reported in this chapter refer to the types of plants listed above with the exception of waste, for which the waste produced by the secondary units is also reported. This chapter does not contain the environmental data of the sites of the companies SICGILSOL India Private Limited and SICGILSOL GASES PRIVATE LIMITED, as they are excluded from the reporting scope.

ENERGY CONSUMPTION

The SOL Group uses **electricity**, **methane and steam** as energy vectors.

The Group's most significant environmental impact is the electricity consumption in its primary production plants. In fact, both the compression of gases and their liquefaction are highly energy-intense operations: it is estimated that these activities constitute about 90% of the energy consumption of the whole Group. Conversely, the methane and steam consumption in primary production plants and the electricity consumption in secondary production plants and offices are considered negligible.

The actions to reduce energy consumption are not limited to the optimisation of processes and careful plant management but also extend to the design and choice of plant solutions and the upgrading of the machinery used in plants, for which an important percentage of the investment budget is set aside each year.

Consumption is however considerably influenced by customer demand and the start-up (or shutdown) of production plants.

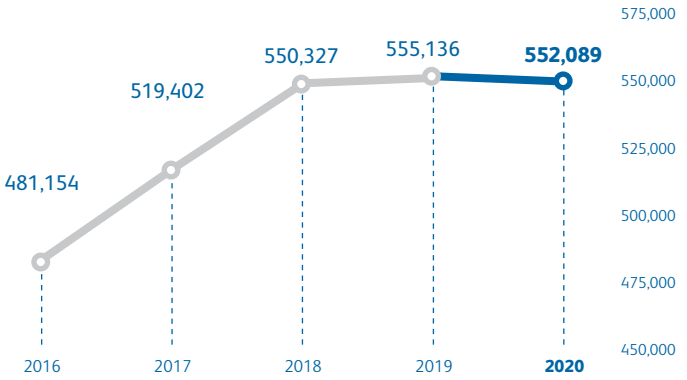
ENERGY PRODUCTION FROM RENEWABLE SOURCES

The production of technical gases is strongly coupled with electricity consumption, which is mostly produced from fossil fuels (such as gas, coal and oil) that have a considerable impact on the environment.

In light of its highly energy-intensive activities, since 2002 the Group has invested in the production of energy from renewable sources with 16 hydroelectric power plants, amounting to a total installed capacity of around 31 MW, located in Slovenia, Albania, Bosnia Herzegovina and Macedonia. The electricity produced and sold on the grid totalled 88 GWh in 2020, corresponding to 16% of the Group's energy consumption.

The avoided emissions of **CO_2 equivalent** into the atmosphere in 2020 can be estimated to be **30,440 tons** thanks to the generation of electricity produced in the Group's hydroelectric power plants (29,577 tCO_2 equivalent in 2019).

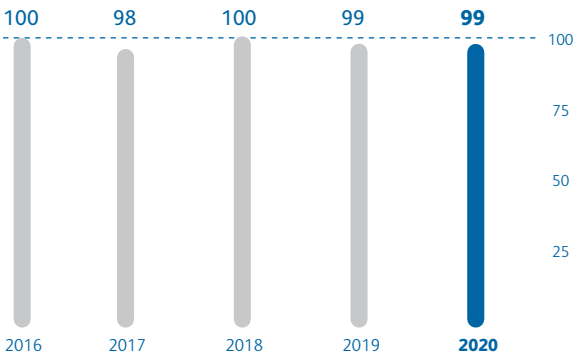
ELECTRICITY CONSUMPTION
(MWh)



Currently the Group has not signed specific contracts for the supply of electric energy from renewable sources.

Following a refinement of the data collection process, the data from 2016 to 2019 relating to electricity consumption have been restated with respect to those published in the previous Non-Financial Statement. For the previously published data, please refer to the Consolidated Non-Financial Statement 2019, published on the website http://www.solgroup.com.

ELECTRICITY CONSUMPTION PER M³ OF GAS PRODUCED
(Base 2016=100)



The indicator is calculated on the basis of the electricity consumption of the air separation units (ASU).

GREENHOUSE GAS EMISSIONS

The SOL Group's greenhouse gas emissions can be separated into:

- **direct emissions** from its production plants;
- **indirect emissions** deriving from the consumption of electricity by the primary production plants;
- **direct emissions connected with deliveries to** customers and patients.

In addition, the **emissions avoided** thanks to the installation of self-production systems for technical gases at customers' premises, called **"on-site plants"**, have been calculated. This solution, where the characteristics of the gas and the customer's needs allow it, is an alternative to the traditional supply of cylinders or liquefied cryogenic gases. The environmental benefit is that on-site plants have lower specific energy consumption than centralised production plants, and emissions due to the road transport of gases are also avoided. In 2020, the avoided emissions of carbon dioxide amounted to **48,576 tons** of CO_2 equivalent.

Direct emissions

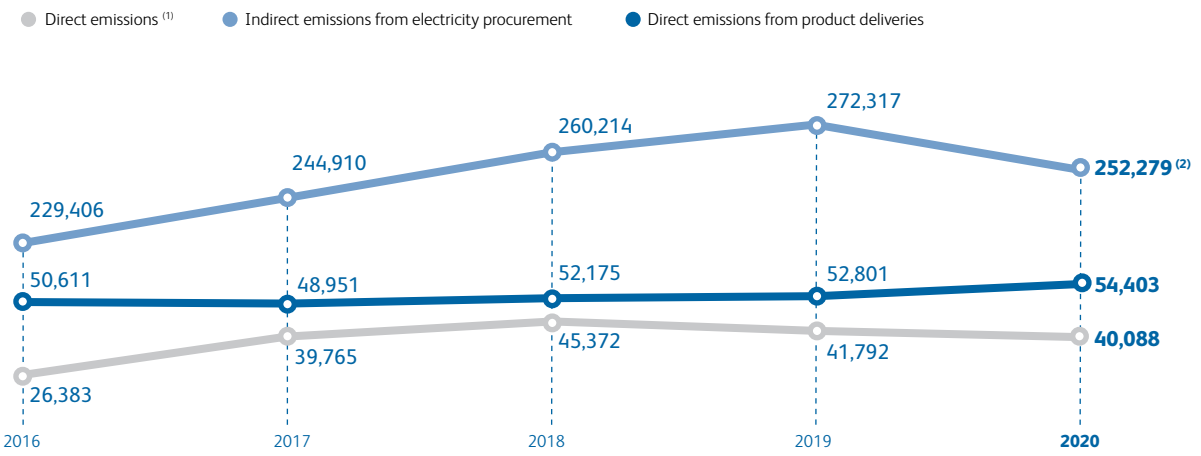
The direct emissions of greenhouse gases are caused by:

- carbon dioxide: a by-product generated by the plants producing hydrogen through the steam reforming of methane, emitted from the plants producing CO_2 or vented during the dry ice production process;
- nitrous oxide: emitted from plants producing N_2O from ammonium nitrate;
- HFC (hydrofluorocarbons), used in plant refrigeration circuits.

Direct emissions decreased mainly due to a lower restoration of Fgas in the plant refrigeration circuits and lower emissions in the nitrogen oxide bottling process.

Carbon dioxide is a gas with numerous applications in the industrial sector: from water treatment to metal processing to processes in the food industry, which use it for the cooling, freezing and transport of food. There are several sources of

GREENHOUSE GAS EMISSIONS
(tCO_2 equivalent)



(1) Emissions from the Caserta and Cremona units in Italy have been estimated.

Following a refinement of the collection process, the data from 2016 to 2019 relating to electricity consumption have been restated with respect to those published in the previous Non-Financial Statement. For the previously published data, please refer to the Consolidated Non-Financial Statement 2019, published on the website http://www.solgroup.com

(2) European countries' Scope 2 emissions are expressed in tons of CO_2, however the percentage of methane and nitrogen oxide has a negligible effect on total greenhouse gas emissions (CO_2 equivalent), as can be inferred from the reference technical literature

this gas, which can be obtained from natural underground deposits or as a by-product of chemical and biological processes.

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, the carbon dioxide is recovered, purified and marketed in liquid form.

Examples include the plants in Bulgaria (Ihtiman) and Germany (Zeitz) that recover CO_2 from bioethanol. In 2020 they recovered **97,240 tons of CO_2**, which would otherwise have been released into the atmosphere.

In 2019 a consortium was created in Italy, 50% of which is held by SOL, for the recovery of CO_2 from biogas generated by the anaerobic digestion of the organic fraction of municipal solid waste (FORSU).

Indirect emissions

Starting with an analysis of the energy supply mix, the indirect emissions generated by the production of the electricity acquired by the SOL Group for its production plants were calculated. These emissions amounted to **252,279 tons of CO_2** equivalent (calculated using the "market-based" method), a slight decrease compared to 2019.

Direct emissions from deliveries to customers and patients

In 2016, the monitoring of emissions as a result of delivery activities was extended to all product types:
- products in tankers and tube trailers;
- products in mobile containers;
- Home Care products.

Attention to transport is of fundamental importance as regards environmental and safety aspects.

Products are distributed mainly by road and to a customer base which is extremely widespread throughout the countries in which we operate.

The chemical and physical characteristics of the main products also make it necessary to use special vehicles for transportation (heavily insulated tankers for cryogenic liquids) or special containers (cylinders for compressed gases and base units for liquid oxygen for Home Care use). In both cases, the unfavourable ratio between the tare weight and the weight of the transported products results in a low level of fuel efficiency per product unit sold.

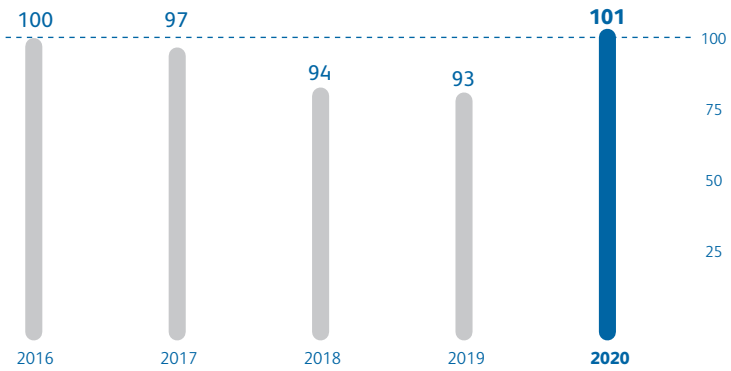
Bearing these restrictions in mind, the SOL Group's actions in order to reduce fuel consumption and therefore its environmental impact have focused on:
- developing production units spread as widely as possible across the country in order to shorten the distances that the vehicles must travel;
- periodically upgrading the company fleet, particularly with the purchase of next-generation heavily insulated tankers, with a better ratio between the weight of the transported product and the total weight;
- adoption of logistics management methods aimed at optimising routes.

Rainbow, the software for planning the distribution of liquid products adopted and fine-tuned in 2012 for companies operating in Italy, has gradually also been adopted by all of the other companies.

A total of 95.8 million kilometres were travelled in 2020.

Based on the type of vehicle for the three main types of products transported, total forecast emissions came to around 54,000 tons of CO_2 equivalent.

KILOMETRES TRAVELLED PER M³ OF PRODUCT TRANSPORTED BY TANKER
(Base 2016=100)



Following a refinement of the data collection process, the data from 2016 to 2019 relating to kilometres travelled per m3 of cryogenic gases transported in tankers have been restated with respect to those published in the previous Non-Financial Statement. For the previously published data, please refer to the Consolidated Non-Financial Statement 2019, published on the website www.solgroup.com

DOLBY VIVISOL IS CARBON NEUTRAL

DOLBY VIVISOL, the British Home Care company of the SOL Group, is the first to have completed the journey to become **Carbon Neutral**. For VIVISOL, becoming Carbon Neutral has meant identifying the right objectives to **eliminate the environmental impact** caused by the carbon dioxide produced by the company's activities.

The path to achieve this important certification was developed in four main phases:

OBSERVE: DOLBY VIVISOL established what should be included **in the measurement perimeter**, such as emissions from owned or leased vehicles; emissions from power generation used to heat Dolby facilities; and staff travel.

MEASURE: Once all the data was collected, it was possible to calculate **the 2019 carbon footprint**, working with a specialised third-party company to assess the carbon emissions measurements of the activities defined.

MITIGATE: A plan was identified **to reduce carbon emissions** in the business, including passing the DOLBY sites to green energy tariffs, reviewing the routes taken by Home Care technicians to reduce mileage travelled, etc. DOLBY VIVISOL has also committed to offsetting its CO_2 emissions by purchasing **carbon credits**. In particular, DOLBY VIVISOL has decided to promote projects to support the production and consumption of renewable energy from wind sources: Theni Wind Power, India and Soma Wind Power, Turkey.

COMMUNICATE: Finally, a detailed communication plan was developed to disseminate the message of carbon neutrality achieved **to internal and external stakeholders** (such as partners and patients).

The plan was supported by a specialised third-party company, Natural Capital Partners, which independently certified the carbon reduction and subsequent communications to the market.

DOLBY VIVISOL will hold the Carbon Neutral title from 1 September 2020 to **31 August 2021.**

WASTE

The majority of the waste produced derives from activities carried out:

- **in our primary production plants**, connected with maintenance activities: non-hazardous waste (mainly scrap iron, packaging and insulating materials) and hazardous waste (mainly used oil, used for the lubrication of machines, and ammonia solution from ammonia conditioning);
- **in the Group's specialist maintenance centres**: testing of cylinders and cryogenic containers, repair of electric and electronic equipment.

The only waste material directly generated by the production processes adopted in the Group's Units is calcium hydroxide, a by-product of the acetylene production process which, when it can't be sold as a sub-product, must be disposed of as hazardous or non-hazardous waste depending on its characteristics.

The other types of waste produced vary from year to year depending on the number and type of maintenance activities carried out.

WATER CONSUMPTION AND WASTEWATER

For the SOL Group, managing water resources means:

- optimising the use of water in its plants by reducing withdrawals to a minimum also through investments in recycling;
- research and application at customer sites of technologies which, by using technical gases, allow to improve processes such as the treatment of wastewater or the purification of water for public use.

Most of the withdrawn water is used in the **cooling circuits** of machinery inside the primary process units. These systems are **closed circuit**: the consumed water is the water reintroduced into the circuit to compensate for evaporation.

The quantities used in secondary process units and offices are negligible and are therefore not reported.

The figure for 2020 is in line with previous years.

Water effluents in production plants are periodically controlled. Analyses show that their concentration is well below legal limits.

WASTE PRODUCED
(t/year)

	2016	2017	2018	2019	**2020**
Non-hazardous waste	1,111	2,223	2,272	8,521	**4,178**
Hazardous waste	2,273	1,117	1,505	545	**209**

WATER WITHDRAWALS
(Megalitres)

	2016	2017	2018	2019	**2020**
Water main		126	62	72 (27)	**63 (22)**
Well		1,271	1,419	1,299 (506)	**1,248 (461)**
TOTAL	1,337	1,397	1,481	1,371 (533)	**1,311 (483)**

Withdrawals from high and very high water-stressed areas are shown in parentheses. The Aqueduct tool developed by the World Resources Institute was used to determine the areas subject to water stress

WASTEWATER: A RESOURCE IN THE CIRCULAR ECONOMY

The management of sewer networks involves the treatment of millions of tons of waste each year. Recent institutional reports in Italy (published by the Higher Institute for Environmental Protection and Research – ISPRA) estimate **waste** from sewer network management to be about **4 million tons** each year, most of which is attributable to the **biological sludge** produced by the sewage treatment process.

Depending on its chemical composition and the presence of pollutants, this sludge must be disposed of in landfills, aggravating the already critical conditions of the waste disposal system. The possibility of applying treatments that allow its **reuse** form part of the virtuous **circular economy** framework, which aims to fully exploit and recycle products otherwise considered waste.

Sewage sludge can make a valuable contribution as a **"soil improver" or "remediator",** and can contribute to plant nutrition thanks to its organic component and the content of suitable amounts of nitrogen and phosphorus, to which potassium, calcium and sulphur can be added.

In collaboration with ALAN, a company specialised in treatments for the reuse of sewage sludge and digestates, **SOL has developed and patented** a **process for the production of an agricultural corrective** called "Calcium carbonate of defecation" **produced from biological sludge and digestates**.

The processing to obtain this remediator initially involves the addition of limestone to the sludge. The biomaterial thus obtained is then treated with carbon dioxide to produce the calcium carbonate. The innovation contributed by SOL concerns the way the **CO_2 is infused in the sludge**. In fact, solid carbon dioxide is used in the form of crystals, made using "snowblowers" consisting of special nozzles, which use liquid CO_2 taken directly from the storage tanks. **The use of carbon dioxide** allows to **avoid the use of mineral acids**, such as sulphuric acid, which generates high amounts of sulphur compounds.

The use of carbon dioxide brings many advantages: it creates products that are completely compatible with the environment (such as carbonates), it reduces maintenance costs, and in particular mitigates the bad odours when spreading the soil improver on agricultural land.

PRIMARY PRODUCTION PLANTS CERTIFICATIONS

Country	Unit	Plant type	ISO 14001	ISO 50001	EMAS	OHSAS 18001/ ISO 45001
ALBANIA	Tirana	Sulphur dioxide production	+			+
BELGIUM	Feluy	Air separation (ASU)	+			
BOSNIA-HERZEGOVINA	Petrovo	Carbon dioxide production	+			
BULGARIA	Devnya	Carbon dioxide production				+
	Devnya	Air separation (ASU)				+
GERMANY	Burgbrohl	Carbon dioxide production		+		
	Francoforte	Air separation (ASU)		+		
	Zeitz [1]	Carbon dioxide production		+		
ITALY	Ancona	Acetylene production	+			+
	Augusta	Air separation (ASU)				+
	Marcianise	Nitrous oxide production				+
	Cremona	Nitrous oxide production	+			+
	Cuneo	Air separation (ASU)				+
	Mantova	Air separation (ASU)	+		+	+
	Monza	Nitrous oxide production				+
	Novara	Air separation (ASU)				+
	Piombino	Air separation (ASU)				+
	Ravenna	Hydrogen production	+			+
	Salerno	Air separation (ASU)	+			+
	Verona	Air separation (ASU)	+		+	+
NETHERLANDS	Tilburg	Nitrous oxide production				+
SLOVENIA	Jesenice	Air separation (ASU)	+	+	+	+

[1] Production plant of CT BIOCARBONIC, a jointly controlled company consolidated using the equity method and therefore excluded from the reporting scope of this Sustainability Report


SOLGROUP
SOL
SOLGROUP
SOL
SOLGROUP
a breath of life
ТЕЧЕН АРГОН / LAR
ТЕЧЕН АЗОТ / LIN
400 m³
ТЕЧЕН КИСЛОРОД / LOX
400 m³
SOL
Technical and Medical Gases
SCANIA

PEOPLE AND THE COMMUNITY

91% of employees have **permanent contracts**

81% of our companies have reached the **"Zero injuries"** goal

Over 61,000 **Training** hours

OUR PEOPLE

Creating a favourable working environment is an essential requirement for a company like SOL, which aims to **attract the talent** of younger people as well as those with more consolidated experience, in the hopes of making everyone feel like **part of a broad and shared project**, in order to foster their know-how and knowledge.

The Group's constant development is accompanied by continuous growth in the number of people who join the company. SOL's objectives are to involve our employees in projects, to share the ethical principles that form the company's constitutional charter and to realise our employees' professional potential, considering the **internationalisation** and **inclusion** of elements that are integral to the Group's culture and progress.

STAFF TRENDS

During 2020, thanks to the increased presence in companies in India and Brazil, SOL recorded an increase of 7% compared to the total number of employees of the previous year. Net of the change in the scope of the company, the increase was 4%.

At 31 December, SOL had 4,613 employees, of whom 60% were men and 40% women. **91%** are employed with **permanent contracts**.

Attention to employees' well-being and stability is also ensured by the measures taken by SOL aimed at creating a collaborative environment that ensures adequate support for balancing work with the needs of personal and family life. The Group has 606 voluntary part-time positions in place, corresponding to 13% of employees.

In the face of the Group's continued growth, the contribution of young talent is considered a valuable and fundamental resource for future development open to innovation. This led to the recruitment of 1,349 employees in 2020, 32% of whom were under 30 years of age. Of the new recruits, 51% are men and 49% women.

The Group's **overall turnover** was 18%: lower in Italy (7%) than abroad (22%). In particular, the figure abroad has slightly increased compared to 2019 due to the different dynamics of local labour markets and their marked competitiveness, especially in the medical sector where there was a general scarcity of candidates in 2020, which further increased the dynamism in the health professions' labour market.

The **overall rate of absenteeism** was 5% in 2020 but the rates in Italy and abroad were quite different. In Italy it is 3.9%, while in the foreign companies there was an absenteeism rate of 5.7%. The figure must however be viewed positively, considering the pandemic context and the management (in many countries where the Group operates) of absences due to fiduciary quarantine, often considered as sick leave.

In addition to direct employees, the Group employs about 2,500 external collaborators for certain services provided to patients at home, such as nurses, doctors and physiotherapists.

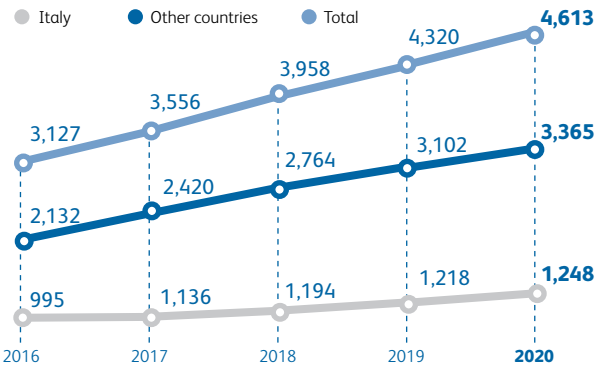
EMPLOYEES BY GENDER AND EMPLOYEE CATEGORY

(no.)

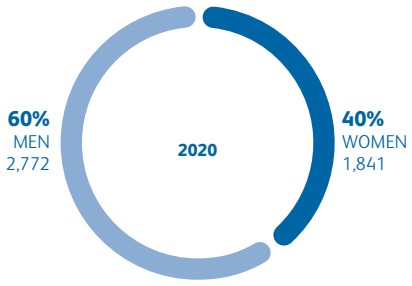
	Man	Women
Senior Manager	98 (92.5%)	8 (7.5%)
Manager	270 (67.1%)	131 (32.9%)
White Collar Workers	1,294 (45.8%)	1,530 (54.2%)
Blue Collar Workers	1,110 (86.6%)	172 (13.4%)

EMPLOYEES BY REGION

(no.)



EMPLOYEES BY GENDER



TRAINING AND SKILLS DEVELOPMENT

The SOL Group believes in the **continuous training** of its people, in the recognition of performance and in the realisation of talent in all its forms: professional growth in the company is based on these three pillars.

The difficult period of the health emergency risked impacting our training continuity. Despite the complex situation, efforts were made to find alternative solutions that would still guarantee the provision of training, with flexibility being a key element for success. The planned training projects were redesigned and modified to be carried out **remotely**, adapting them to a digital model that would make them available online.

In addition to ensuring that employees were enrolled in various webinars and training courses organised by external partners, all the meetings envisaged in the **On boarding** calendar, the Group's initiative to welcome new colleagues, even remotely, were held online. In addition to bringing the new arrivals into contact with the SOL world, its history and the organisation of its business, the activity first offers brief training meetings (directed by the quality, health and safety and regulatory affairs departments) and provide the opportunity to get to know the function manager of each new hire.

Finally, also remotely, the **"Follow-up SOL YOUth Academy"** was carried out, the important project that called the participants of the previous three editions of the Youth Academy to take part in management simulation business games through a web platform. The **SOL YOUth Academy** is entirely dedicated to employees under the age of 35 and seeks to develop Project Management and Business Presentation skills through team working, sharing and collaboration activities, with the aim of identifying tomorrow's leaders. In 2020, it was not possible to offer **SOL YOUth Academy International**, an international version of the project, which will instead take place in the second quarter of 2021.

Despite these efforts, there was a decrease in training hours per employee in 2020: 13 hours compared to 17 hours in 2019.

With the aim of promoting and encouraging the specialisation and growth of employees, SOL provides funding for **master's degrees and qualifying study courses**, allowing employees of any age and level to pursue training suitable for their professional role.

The desire to maintain close contact with young graduates and make itself a reference point has always pushed SOL to cultivate **partnerships** with different universities over the years. In particular, the Group interacts regularly with the **Polytechnic University of Milan** thanks to frequent meetings throughout the year. Through these moments of contact with students, SOL has the opportunity to make itself known and to provide assessment, orientation and recruiting activities, offering a fundamental service for young people. The Group continues to provide training projects for the **Collège des Ingénieurs Italia**, a management training institute, by making the skills and experiences of its people available. The incisiveness of this initiative is not limited to the sharing of specialist know-how, but lies in the opportunity for young talents to alternate a six-month work experience in the company with their Master's degree in the classroom.

NEW DIGITAL EDUCATION: SOL PROMOTES BITE-SIZED TRAINING

The lockdown period we all experienced was a source of ideas and innovations, aimed at an increasingly contemporary evolution of the concept of training. In fact, the experience of recent months led to the idea of **bite-sized training**, where the principle of **agile accessibility** to content has been integrated with the concept of **informal learning**.

The modern teaching concept promotes training that is not organised and does not have a set timetable, based on the individual's unplanned and proactive learning. The **digital** bite-sized snippets have therefore been structured and designed to be easily accessible by anyone, at any time and from any device, becoming an **informal educational tool** available to the **entire Group population.**

The **video** content was a tool to support the development of hard skills (such as negotiation and project management) and soft skills (such as effective communication and time management), to then touch on skills of a more cross-functional nature to be a source of **practical advice** that can be applied in the workplace and beyond.

The use of the internal **SOLConnect** platform has ensured the intra-company and international dissemination of this new educational, informal, fast, flexible and on demand tool dedicated to professional growth.

PROTECTING DIVERSITY

People with diverse cultural backgrounds work and grow within the SOL Group. They have different origins, ages and abilities which bring new and unique points of view. The Group believes in diversity as a resource to be nurtured, because everyone's original contribution promotes agility, creativity and innovation for everyone.

The progressive extension of our activities in new countries requires us to pay increasing attention to the **national and cultural differences** present within the Group companies. The SOL Group's aim is to promote local resources at all levels of the organisation, giving priority to local managers and assigning control and monitoring tasks to central functions.

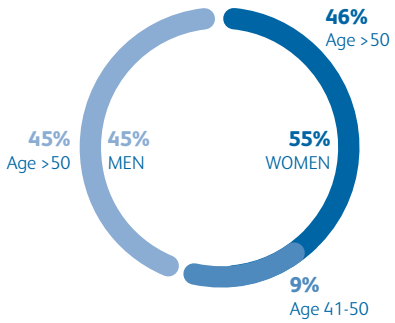
The multiplicity and wealth of the SOL Group can also be seen when considering the following indicators:

- 40% of employees are women. There are more female white collar workers, representing 54% of the category;
- SOL employees are divided within the following age groups: twenty years old (14%), thirty years old (33%) and forty years old (29%), while the over fifty represent 24% of the company population.

Moreover, the percentage of women who sit on the Board of Directors of Parent company SOL Spa is 55%.

COMPOSITION OF THE SOL SPA BOARD OF DIRECTORS

as of December 31st, 2020



EQUAL OPPORTUNITY: FRANCE STANDS FOR GENDER EQUALITY AT WORK

Occupational equality between men and women is now a topic of common, rallying interest, which promotes the adoption of measures to curb and combat gender inequalities at work.

The Index de l 'égalité professionnelle (Occupational Equality Index) has been in force in France since 2018. The indicator was established with the aim of **highlighting and ending inequalities**, and is based on substantial principles such as the **right to equal pay** and **equal opportunities for professional growth**.

Through the evaluation of **five criteria** (pay gap, difference in the distribution of individual raises, difference in the distribution of promotions, number of increased salaries upon return from maternity and equality among the ten highest-paid roles) the Index identifies possible gender inequalities within business contexts, assigning a final score on a **scale from 0 to 100.**

Since **1 March 2020**, all companies with at least 50 employees have been required to report and publish their **Occupational Equality Index** annually.

According to the regulation, **VIVISOL FRANCE** participated in the evaluation of the Index last year, reaching a **score of 87/100**, a result above the average of the best published indices.

This figure is a source of **pride** and **satisfaction** for the whole Group, testimony of the **attention and respect** for the values of **justice**, **equity and gender equality** within our company.

INTERNAL COMMUNICATIONS AND ENGAGEMENT

The SOL Group considers internal communication an important support for motivation and for the creation of **corporate culture** and the **growth** of people and the organisation, encouraging and promoting the exchange of information, knowledge and experience.

The desire to inform and involve all people has led to the adoption of different communication tools. First of all **SOLConnect**, a completely renewed corporate intranet site, which represents the link between the headquarters and the local entities. The platform is constantly updated with news, services aimed at employees, information about the company and colleagues, as well as useful tools for everyday work. New applications, called **iApps**, have been developed (and will be constantly deployed) to ensure totally new workflows and update existing ones. The latest **iApp** developed has the aim of coordinating and monitoring the **training** carried out within the Group, keeping track of the courses provided and any training needs expressed by employees.

Another internal communication tool is **SOL News**, the corporate house organ renewed in 2017, which collects in-depth articles on the main innovations affecting the Group.

The **Editorial Committee** was created in 2020 with the aim of giving voice to all our national and international initiatives, stimulating the active participation of the corporate population in the life and development dynamics of the company. The Committee has the specific task of drafting an Editorial Plan collecting the Group's initiatives and projects, and defining ways, timing and communication channels to share the most important news.

Thematic newsletters are another way of communicating with and reaching all colleagues: examples include **Safety Alerts** sent by HSE Management and other corporate departments. Through these periodic communications, SOL intends to provide its people with the necessary tools to cope with new regulations or to manage critical situations, starting from specific events.

In 2020 in the Netherlands, VIVISOL carried out a **climate survey** with the aim of evaluating the strengths and areas of improvement of the business climate. The results of the survey were analysed and shared with the employees involved, and specific internal meetings were held to assess the data and define any necessary improvement actions.

The objective for 2021, postponed by one year due to the health emergency, is to create a real **HR Community** that brings together the HR Managers of the Group companies so that they can meet (also virtually) to share best practices and define guidelines at Corporate level on the main issues concerning human resources management.

REMUNERATION AND INDUSTRIAL RELATIONS

The SOL Group strictly applies the legislation relating to National Collective Labour Agreements or, alternatively, wages in any case above the legal minimum. It is open to dialogue and discussion with trade unions, where required by local regulations.

59.9% of the SOL Group's employees are covered by collective labour agreements, including 100% of Italian employees and 45% of employees in other countries.

On average, wages and salaries, which are monitored by local managers and the Central Staff and Legal Affairs Department, are better than those of the market. The SOL Group makes no distinction between the sexes in the management of remuneration policies which, for each role, are based on merit, skills and results.

In 2020 the overall salary paid to Chairman and CEO Aldo Fumagalli Romario was 15.35 times the average overall gross annual salary of Group employees in Italy.[1]

Every year, all managers are required to evaluate the performance of their staff and to refer wage increase and/or career development proposals to the relevant departments and the Central Staff and Legal Affairs Department.

In any case, the wage increases established by collective industry contracts or by law are guaranteed and, where union representation is present, supplementary contracts are negotiated that can include, as is the case in Italy, France and Macedonia, production and/or participation bonuses connected with productivity, company profitability and accident rate parameters.

In countries where there is collective bargaining, the Group strives to incentivise tools that protect the health of employees and their families, and those that integrate the pension services established by local laws.

The Central Staff and Legal Affairs Department directly manages industrial relations for all Italian companies in the Group and supports overseas companies, intervening when necessary.

SOL is an active member of the chemical industry confederation (Federchimica) and takes part in negotiations in Italy for the renewal of the chemical and chemical-pharmaceutical national collective labour agreements and in other joint schemes by the social partners.

Where it was possible to negotiate with the trade unions for the agreements relating to corporate welfare, agreements were reached to strengthen contractual pension and health promotion instruments, and a regulation was established for Italy for the donation of holidays between colleagues. Moreover, for the Italian companies, collective bargaining and company supplements guarantee all employees, regardless of contractual form or part-time or term employment, pension, health and parental leave coverage. By joining the contractual Welfare funds, for which employee contributions are subsidised, additional insurance coverage can be obtained in the event of death or disability.

At corporate level SOL maintains periodic relations with its unions based on the principles of utmost cooperation and transparency. No labour disputes occurred in any of the Group companies and in 2020 there were **no recorded hours of strike action.**

[1] The overall salary includes gross annual remuneration plus the variable components. The employees of SOL Spa and all the Italian companies of the Group are considered.

HEALTH AND SAFETY

SOL promotes the commitment to protecting the health and safety of workers within all its production processes and in third-party companies. This issue is a **fundamental aspect** sustainability for SOL: at the heart of the strategy relating to health and safety are the constant commitment of all, training, reporting and analysis of accidents and near misses and the sharing of experiences throughout the Group.

Employee training is of utmost importance: all employees are involved in constant **awareness and training** activities aimed at reducing the possible impact of our activities on the environment and ensuring high levels of workplace safety. To this end, periodic meetings are organised, also with the contribution of external specialists, to enhance expertise and to stimulate collaboration between units and to share management methods.

Online training activities accelerated significantly in 2020, also due to the pandemic, which did not always permit training to be provided in a traditional way.

In this context, the choice made at the end of 2019 to build a platform for the planning, delivery and reporting of training proved timely and useful. In particular, **889 individual training sessions were provided to 235 different users** through the new platform in 2020; as of December 2020, courses verified by the Joint Notified Body (OPN) and therefore valid for the purposes of the mandatory update on health and safety according to the State Regions Agreement can also be provided.

Moreover, after the positive experience gained in the verification activities of vehicles for the transport of liquid and compressed gases, and for the delivery activities of the Home Care sector, during 2020 the promotion activities of the B-BS protocol were extended to filling activities in Italy and abroad.

The activity was carried out through three phases:

- **Phase 0:** preparation of the checklist together with the Technical Department and some territorial units, and "beta testing" phase for collecting feedback on the IT tool;
- **Phase 1**: theoretical training on the principles of B-BS and qualification of observers; start of the observation phase in all units, without providing feedback, to create a "baseline" that reproduces the real situation found in the field;
- **Phase 2**: training of qualified observers on how to provide feedback, initiation of immediate feedback during observations and monitoring of observations through dashboards on Google, also made available to all units.

At the end of 2020, approximately 1,100 structured observations were made and analysed through specific checklists.

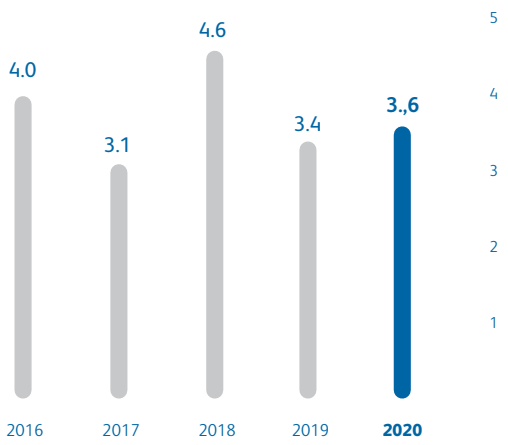
The year included other important occasions for discussions regarding the environment, health and safety issues, namely the annual meeting of the **Safety and Environment Reference Person** (SERP) managers, as well as the meeting for **the ASPPs (Prevention and Protection Service Officers)**, albeit held online.

The SOL Group has several specific **communication tools** at its disposal: among these, the "Safety Alerts" that, starting from events that have occurred in the sector, call for compliance with correct rules of conduct. And the "Quarterly Accident Reports" which explain and analyse any incidents that have occurred during the period within the Group and in other companies in the sector belonging to Assogastecnici and EIGA.

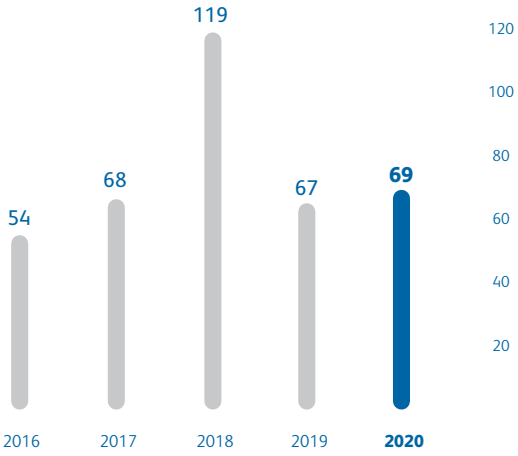
During 2020, the frequency (IF) and severity (IG) rates of Group injuries remained substantially stable.

In 2020 the "Zero injuries" goal was met by 75% of the companies in Italy and 83% of the companies abroad. There were no cases of occupational illness.

INJURY RATE
(number of injuries/10^6 hours worked))



SEVERITY RATE
(days of absence/10^6 hours worked)



Only injuries that led to at least one day of absence from work, excluding the day of the event, and which were strictly connected with production, logistics and office activities were considered.

ASSOGASTECNICI REWARDS THE GOOD SAFETY PRACTICES OF THE SOL GROUP

Every year **Assogastecnici** (National Association of Companies operating in the field of the production and distribution of technical, special and medical gases) and EIGA (European Industrial Gases Association) recognise companies in the sector for their production units (with more than 15 employees) that record an absence of injuries in the workplace for at least five consecutive years or multiples of five years.

During 2020, the **SOL Group**, thanks to the adoption of good protection practices for its workers, received awards for some of its units: in particular, the **Logistics Antenna of Mantua** and the **Operational Management Centre of Rome** stood out for having registered **zero injuries** in the last five years, while the Ravenna Plant stood out for having reached 15 years without any injuries.

The SOL Group has also won the **Kelvin Award** in Italy (established on behalf of the physicist Lord William Thomson Kelvin), created to enhance and promote the application of cutting-edge solutions aimed at increasing safety in the technical gases sector.

The award was obtained thanks to the campaign to promote vehicle controls and load fixing methods, developed through a new computerised recording method of gas transport controls in operational management centres and using the principles and methods of providing feedback envisaged by Behaviour Based Safety.

The digitisation of the verification phase, carried out through a Google form by our operators, has made it possible to **efficiently manage the controls** of vehicles dedicated to the transport of gases in order to **prevent injuries and accidents**, in compliance with the **ADR regulation** (legislation that applies to the transport of dangerous goods by road). It also allowed sharing **data in real time**, facilitating the **monitoring of results**, any **non-conformities** and i**nformation and training provided to transporters.**

COMMITMENT TO THE COMMUNITY

The SOL Group's commitment to be an active and integral part of the communities in which it operates is reflected in its desire to listen, understand and accept the needs and expectations of the communities. This is why the Group supports bodies, institutions, associations and sports clubs that operate in harmony with its values, making financial contributions and offering them its expertise.

In **Italy**, the SOL Group provided its support to the La Meridiana Cooperative in Monza this year as well, promoting the **SLAncio** project which provides people affected by invalidating neurological and neuromuscular diseases with assistance, and the **Il Paese Ritrovato** project, a small village without architectural barriers designed for the free movement of people with dementia.

THE SOL GROUP TOGETHER WITH THE MARCHE REGION FOR THE IMPLEMENTATION OF PROGETTO 100

At the end of March 2020, the Marche Region launched **Progetto 100**, an initiative dedicated to the construction of a new Covid facility at Civitanova Marche (in the province of Macerata, Italy).

The **project** was created with the aim of ensuring new intensive care beds in the Marche area. It not only involved some of the most important local companies contributing in solidarity through significant donations, but also the **SOL Group**, which strongly **contributed to the creation** of the facility.

The great value associated with the construction of these facilities lies in their ability to expand or reduce intensive care beds as needed while remaining stable installations, ready whenever necessary, and which do not have to be dismantled.

The aim of making the plant operational quickly pushed SOL to make a significant collaboration, **donating the design, supply and construction of the medical oxygen distribution system** necessary for the facility. The **drug storage plants** were also made available, on loan for use, for two medical oxygen tanks, with a capacity of 20,000 and 10,000 litres, in addition to a 20,000 litre FU nitrogen tank.

All this was **realised in just nine days**, with great satisfaction and recognition from the collaborators and the Region itself.

Inaugurated on 16 May 2020, the facility was built with the aim of responding to the **need of the moment and to be the reference point of tomorrow**, alleviating the commitment of hospital facilities and guaranteeing thousands of patients the right to an **adequate health response**.

VIVISOL actively supports research, funding grants and scholarships for different hospitals, such as the **Institute for Biomedical Research and Innovation in Palermo**, which carries out important activities to develop innovative solutions and diagnostic approaches with the application of sophisticated biomedical engineering methods. The **Operational Unit of Pneumology of the University of Catania** was given a contribution for the "Sleep Project" dedicated to monitoring solutions for patients with sleep respiratory disorders and COPD (Chronic Obstructive Pulmonary Disease).

VIVISOL has also supported the **Italian Union for the Fight against Muscular Dystrophy**, on the occasion of **National UILDM Day**, guaranteeing 125 sessions of medical advice to patients with neuromuscular diseases with its contribution.

Various contributions were donated in the field of pneumology, for hospital university centres, including the **Polyclinic of Sant'Orsola in Bologna** for the development and implementation of the sleep laboratory, **San Carlo Borromeo Hospital** in Milan for the development of the **Sleep Centre**, and the **University of Messina** for the support of university training activities in the field of pneumology.

The participation of employees in SOL's company life also takes place beyond working hours and professional commitments, for example through participation in projects such as the **Medical Device Challenge**, the "distance race" organised by **Confindustria Medical Device** together with **Dynamo Academy** (Italian Recreational Therapy Camp dedicated to children and young people suffering from serious or chronic diseases) and **FISPES** (Italian Federation of Paralympic and Experimental Sports), to contribute to the set-up of the internal medical facility of Dynamo Camp (Club Med) with medical and paramedical devices.

In **Spain**, VIVISOL IBERICA and in **France**, VIVISOL FRANCE, France Oxygène and MBAR supported organisations for clinical research into respiratory illnesses.

In **Austria**, VIVISOL provided important support for pneumological projects, together with the sponsorship of the World Day for Chronic Obstructive Pulmonary Disease (COPD).

In the **Netherlands**, VIVISOL NEDERLAND participated as a sponsor in the launch of the new digital platform published by Longfonds, the main non-profit organisation engaged in the fight against lung diseases. The online platform will be a meeting and discussion place between Covid and post-Covid patients and healthcare professionals to receive support and assistance by sharing questions and useful information on the course of the disease. The platform will begin development in 2021.

VIVISOL DELIVERS HIGH-ALTITUDE EMOTIONS

Last autumn, at **Aviosuperficie Massalengo** (Lodi, Italy), **VIVISOL** participated in two days of **social inclusion**, supporting the non-profit association **Fly Therapy** to create an unprecedented experience: a high altitude flight!

The non-profit organisation founded in 2018 was created with the aim of giving **disabled people** the opportunity to go beyond their limits and enjoy unusual experiences. Young people and adults with Down's syndrome, ALS and the most diverse motor difficulties were all summoned to experience the **thrill of soaring** among the clouds, experiencing a unique adventure. The enthusiasm and joy elicited in those 30 minutes of flight are the priceless gratification that inspires the pilots of the association to pursue this initiative, which finds support and continuity thanks to collaborations and donations.

Always by the side of the most vulnerable people, VIVISOL seized the opportunity to make a **valuable contribution** to this project, organising and promoting two unforgettable days.

THE SOL GROUP FOR ITS LOCAL COMMUNITIES: THE CATHEDRAL OF MONZA SHINES AGAIN

After six years of restoration work, the **Cathedral of Monza**, symbol of Brianza and architectural jewel of Lombardy, has resurfaced in all its splendour.

Of ancient and noble origins, the Cathedral was built at the end of the 6th century by Queen Teodolinda (wife of the Lombard king Autari and then of Agilulfo) as a chapel of the nearby royal palace, in an area of the small village of Monza which was considered marginal, a short distance from the Lambro River.

It was in 2013 when, as parts of the building deteriorated, the Curia and Monsignor Provasi decided to launch the project to **restore the majestic façade** of the Gothic Church. The work began in 2015 after two years of analysis on the state of conservation.

United by an inseparable link with its birth town, the SOL Group contributed with an important financial donation of €70,000, specifically intended for the **restoration of the Cathedral's protirum**, an architectural element placed to protect and cover the main entrance of the Church.

Finally free of all the scaffolding, the building has re-emerged in all its magnificence, offering passers-by a view of its articulated stylistic details such as the two-tone marble and Renaissance protirum, emblematic peculiarities of this timeless work of art.

ASSOCIATIONS

International industry associations

SOL Spa and IRISH OXYGEN are members of IOMA (International Oxygen Manufacturers Association), which unites the world's leading operators in the technical and medical gases sector. The principal objective of the association is to coordinate the harmonisation of safety rules so that operational practices are the same throughout the world.

SOL Spa, SOL NEDERLAND, BTG, SOL DEUTSCHLAND, IRISH OXYGEN and VIVISOL AUSTRIA are members of EIGA (European Industrial Gases Association), which gathers together Europe's leading operators in the technical and medical gases sector.

To date, the SOL Group is present with its representatives on the Board of EIGA, in four Councils, 15 Working Groups and 20 ad hoc Groups/Task Forces, contributing to the definition of industry standards and best practices.

SOL Spa is a member of the European, Middle Eastern & African Society for Biopreservation & Biobanking (ESBB).

In Italy, SOL is a member of FEDERCHIMICA and ASSOGASTECNICI; within Assogastecnici SOL is present in all the Steering Committees (Giulio Bottes is Chairman of the Steering Committee of the Medicinal Gas Group for Hospital Services). VIVISOL is a member of Confindustria Dispositivi Medici (Confindustria Medical Devices), in which it has promoted the creation of the association "Home & Digital Care" (of which Claudio Petronio is Chairman), an association that brings the main Home Care providers and digital health professionals together.

In Italy, SOL is on the Board of Directors of the Association H2IT created to promote the progress of knowledge and the study of disciplines related to technologies and systems for the production and use of hydrogen.

Other associations

FBN-I - The Family Business Network unites over 3,600 family-run companies, with 16,000 members from 65 countries, with the goal of helping family businesses to develop and prosper over the generations through the exchange of experiences and new ideas.

AIDAF - Italian Association of Family Businesses, which brings together Italian family-run companies that share the guiding values of business ethics, meritocracy, social responsibility and a healthy development model of family businesses.

Aspen Institute Italia, which promotes and encourages the development of enlightened leadership that is open to dialogue and able to face the challenges of a global society.

ISPI (Istituto Studi di Politica Internazionale) – Institute for International Political Studies, one of the oldest and most prestigious Italian institutions specialising in international activities which, among other things, constitutes a benchmark for companies and institutions intending to extend their range of action abroad, offering materials and ad hoc meetings.

SHAREHOLDERS AND FINANCIAL INSTITUTIONS

1,269.8
million euro
capitalisation

973.8
million euro
net sales

112.9
million euro
investments

43.1%
sales in Italy

FINANCIAL DATA

During 2020 the **technical gases area** recorded **sales growth** of 6.2% over the previous year, achieving sales to third parties totalling €438.2 million.

Sales in the technical gas area have been affected both negatively and positively by the **effect of the Covid-19 pandemic**.

The negative effect was felt in most industrial sectors, with particularly significant consequences in the transport, petrochemical, metallurgical and automotive sectors, with a significant impact on technical gas sales, which decreased mainly in the second quarter of the year and significantly recovered in the fourth quarter. On the other hand, as regards medical gases, especially oxygen, and the provision of facilities and services to hospitals, there were significant peaks in demand, especially during the most critical periods of the spread of the pandemic.

The **Home Care** business grew by 8.9%, with a turnover from third party customers of €535.6 million, achieved both in Italy and abroad.

The growth of the sector is partly due to the demand for more services and equipment to cope with the spread of Covid-19. However, the slowdown in the growth of some activities due to the downturn in the prescriptions of new patients caused by the effects of lockdowns in the various countries where the Group operates should also be highlighted.

Overall in the health sector, Group sales totalled €664 million, equal to 68.2% of total sales.

In terms of costs, it should be noted that the gross operating margin grew to €44.1 million compared to 2019, equal to 20.9%.

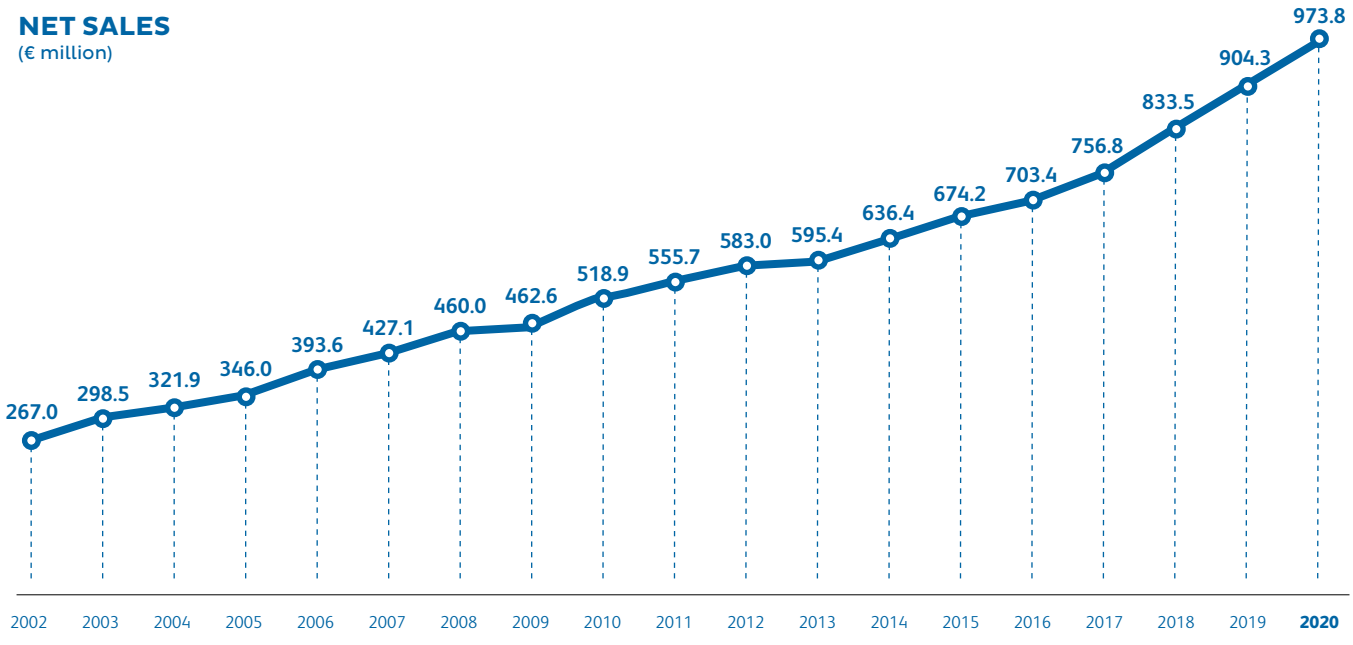
The operating result, without non-recurring charges, increased by €51.3 million compared to 2019, equal to 57.9%.

The increase in income margins is also linked to the containment of operating expenses, due to lower travel and transfers and the postponement of promotional activities following the movement restrictions imposed by the health emergency.

The Group's net debt decreased by €41.6 million, even against the technical investments and the acquisitions made in 2020.

Indebtedness indices remain very solid, with the debt/equity ratio of 0.378 and the cash flow cover equal to 0.98.

NET SALES
(€ million)



	2016	2017	2018	2019	2020
Number of countries	28	28	29	29	**29**
Market Capitalisation [1]	722.8	964.1	986.8	952.3	**1269.8**
Group's net sales [1]	703.4	756.8	833.5	904.3	**973.8**
Technical gas area net sales [1]	373.1	369.2	403.2	412.6	**438.2**
Home Care area net sales [1]	360.0	387.6	430.3	491.7	**535.6**
Gross operating margin [1]	167.6	167.2	186.9	211.3	**255.4**
Operating result [1]	80.9	76.2	89.7	88.7	**140**
Group's cash flow [1]	127.5	127.3	142.6	157.9	**219.2**
Net profit [1]	44.1	40.2	51.9	49.3	**103**
Group's investments [1]	103.7	99.3	99.8	103.3	**112.9**
% net sales in Italy	47.1	46.0	45.7	43.7	**43.1**

[1] in millions of euro

FINANCIAL COMMUNITY

The main communication tools for shareholders are the Financial Statements and the Sustainability Report, published respectively in the Investor Relations/Financial Publications section and in the Sustainability/Sustainability Reports section of the Group's website (www.solgroup.com).

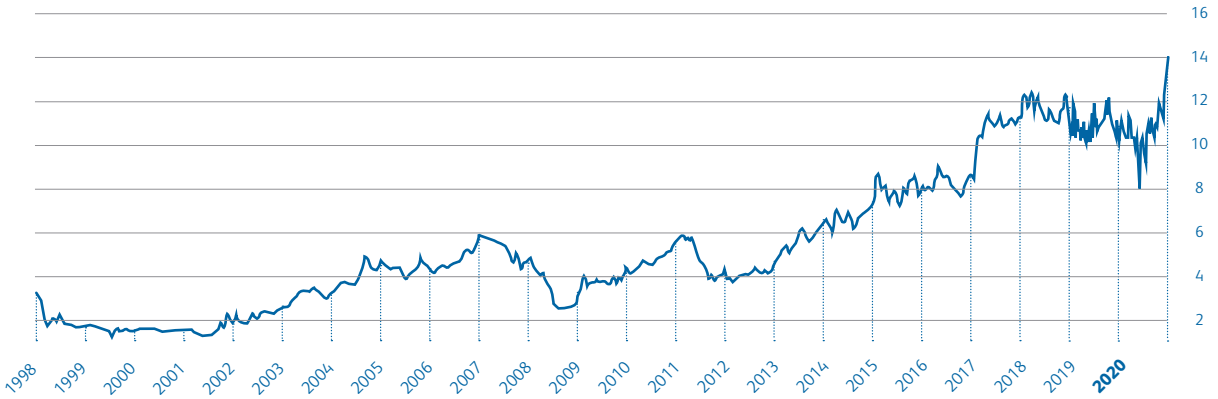
For this reason, in addition to complying with legal obligations, the financial statements have been enriched with useful information for a better understanding of the activities carried out.

The communication activity with shareholders and investors is also conveyed by:

1. the periodic publication of press releases on the Group's website and their dissemination to institutional investors;
2. participation in conferences promoted by financial institutions;
3. meetings and conference calls with investors and analysts.

PERFORMANCE ON THE STOCK EXCHANGE

(in euro)




ANTASOL 180

MATERIALITY ANALYSIS

IDENTIFICATION OF PRIORITY STAKEHOLDERS AND MATERIAL TOPICS

The SOL Group embraces the concept of a sustainable company as an entity capable of creating value for all those involved internally and externally, generating a consequent positive impact on the economic, environmental and social dimension.

In this context, keeping all its stakeholders in consideration becomes a fundamental approach for grasping the main indications and expectations capable of determining the Group's behaviours and improvement actions.

The relationship of mutual influence between SOL and its stakeholders therefore leads to the establishment of constant communication between the parties.

The stakeholders considered important to the SOL Group are:

1. Associations
2. Environmental associations
3. Authorities and public bodies
4. Shareholders, investors and financial institutions
5. Patients
6. Customers
7. Communities
8. Employees
9. Suppliers and partners

For the definition of the material topics, in 2020 the SOL Group created a questionnaire through which it collected the main concerns of its stakeholders. The project was divided into the following phases:

- Comparison of material topics with industry best practices and formulation of the questionnaire;
- Identification of the main stakeholders;
- Administration of the questionnaire;
- Data collection and analysis;
- Materiality matrix definition.

After a first phase dedicated to the collection and evaluation of the aspects considered relevant by the main actors in the sector, the questionnaire was formulated based on a comparison with the topics selected by the Group in previous years.

To identify the stakeholders, it was decided to refer to a sample of subjects inside and outside the Group, of different nationalities and representative of the categories involved: employees, customers and suppliers.

Employees were involved in dedicated training with the aim of creating awareness on sustainability issues and providing the correct cognitive tools to coherently answer the questionnaire.

The questionnaire was translated into several languages to promote its correct and timely understanding, and was sent out in October.

The questionnaire was divided into four macro categories (Economic responsibility and governance, Product responsibility, Social responsibility and human resources, Environmental responsibility), and the 30 factors selected for the assessment were included.

The data collection and analysis phase identified the main topics, which were initially shared with Top Management and subsequently presented to the Parent Company's Board of Directors (12 November 2020).

The Materiality Matrix was finally updated, confirming most of the topics identified in 2019. There are four exceptions that have been integrated into the 2020 Matrix: regarding economic responsibility and governance, the issue of ethics and corporate integrity; regarding social responsibility and human resources, respect for human rights and workers' rights; finally, regarding environmental responsibility, the efficient use of raw materials and waste management.

ECONOMIC RESPONSIBILITY AND GOVERNANCE

1. Sustainable economic growth
2. Compliace with voluntary lows, regulations and standards
3. Business ethics and integrity

PRODUCT RESPONSIBILITY

1. Customer and patient centricity
2. Sustainable solutions for customers
3. Traceability of products and services

SOCIAL RESPONSIBILITY AND HUMAN RESOURCES

1. Attracting talents and developing human capital
2. Company welfare and employee well-being
3. Employee health and safety
4. Respect for human rights and workers' rights
5. Sustainable supply chain

ENVIRONMENTAL RESPONSIBILITY

1. Energy efficiency and climate change
2. Waste management
3. Efficient use of raw materials
4. Environmental impact of products
5. Environmental impact of transport

MATERIALITY MATRIX

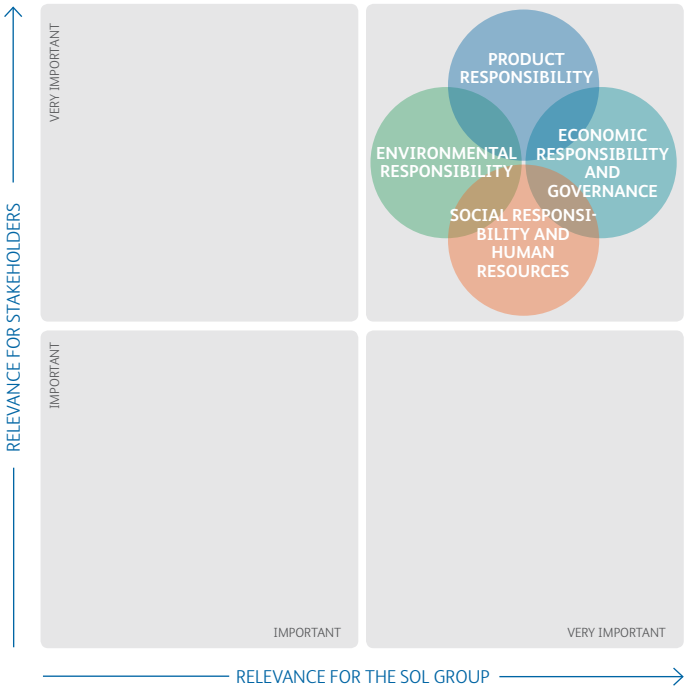


TABLE OF THE BOUNDARY OF MATERIAL TOPICS FOR THE SOL GROUP AND RECONCILIATION WITH THE RELATED TOPIC GRI

Area	Material topic	Topic-specific Standards	Where the impacts occur	Type of impact
ECONOMIC RESPONSIBILITY AND GOVERNANCE	Sustainable economic growth	Economic performance	SOL Group	Caused by the Group
	Compliance with laws, regulations and voluntary standards	Anti-corruption	SOL Group, partners	Caused by the Group Caused by the Group and directly linked through a business relationship
		Anti-competitive behaviour		
		Customer privacy		
	Business ethics and integrity	Tax	SOL Group	Caused by the Group
PRODUCT RESPONSIBILITY	Customer and patient centrality	Customer health and safety	SOL Group, partners	Caused by the Group Caused by the Group and directly linked through a business relationship
	Sustainable solutions for customers	Topic-specific Standards not present	SOL Group	Caused by the Group
	Traceability of products and services	Marketing and labelling	SOL Group	Caused by the Group
SOCIAL RESPONSIBILITY AND HUMAN RESOURCES	Attracting talents and developing human capital	Employment	SOL Group, partners	Caused by the Group Caused by the Group and directly linked through a business relationship
		Training and education		
		Diversity and equal opportunity		
	Company welfare and employee well-being	Employment	SOL Group	Caused by the Group
	Employees health and safety	Occupational health and safety	SOL Group	Caused by the Group
	Respect for human rights and workers' rights	Non-discrimination	SOL Group, partners	Caused by the Group Caused by the Group and directly linked through a business relationship
	Sustainable supply chain	Supplier social assessment Supplier environmental assessment	SOL Group, partners	Caused by the Group Caused by the Group and directly linked through a business relationship
ENVIRONMENTAL RESPONSIBILITY	Energy efficiency and climate change	Energy	SOL Group	Caused by the Group
		Water and effluents		
		Emissions		
	Waste management	Effluents and waste	SOL Group, suppliers and partners, customers, patients	Caused by the Group Caused by the Group and directly linked through a business relationship
	Efficient use of raw materials	Materials	SOL Group	Caused by the Group
	Environmental impact of products	Energy	SOL Group	Caused by the Group
		Water and effluents		
		Emissions		
	Environmental impact of transport	Emissions	SOL Group, suppliers and partners	Caused by the Group Caused by the Group and directly linked through a business relationship

Identification of risks related to material topics

For every non-financial aspect identified as significant in the materiality analysis, the following table summarises the main risks incurred or generated by the Group through its activities and along the value chain, as well as the major actions taken in response to such risks.

Topics of Italian Legislative Decree 254/2016	Material topics	Risk identification	Risk response
THE FIGHT AGAINST BRIBERY AND CORRUPTION	Compliance with laws, regulations and voluntary standards Business ethics and integrity	Potential risks related to non-compliance with laws and regulations (concerning anti-competitive behaviour, corruption, privacy)	- Implementation of the Code of Ethics - Adoption of an integrated management system - Adoption of a Model of organisation, management and control pursuant to Italian Legislative Decree no. 231/2001 - Employee training - Audit activities - Adoption of an Antitrust Compliance Program, an Antitrust Code and a Handbook - Appointment of a DPO (Data Protection Officer) and publication of a procedure according to GDPR - Certification according to ISO 27001 - Investments in IT security systems
SOCIAL MATTERS	Customer and patient centrality	Potential risk of losing customers and profits	- Monitoring customer and patient satisfaction - Audit activities - Training employees and partners who work on behalf of SOL - Adoption of an integrated quality, safety and environment management system - Certification according to ISO 9001
	Sustainable solutions for customers	Potential risk of losing customers and profits	- Monitoring customer and patient satisfaction - Audit activities - Training employees and partners who work on behalf of SOL - Adoption of an integrated quality, safety and environment management system - Certification according to ISO 9001
	Traceability of products and services	Potential risk of failing to ensure product traceability and potential risk to the health and safety of consumers	- Adoption of software for product traceability - Implementation of a management system for Pharmacovigilance and Materiovigilance - Training employees and partners who work on behalf of SOL - Audit activities - Certification according to ISO 13485
	Sustainable supply chain	Potential social and environmental risks along the supply chain	- Adoption of a Directive on the qualification process of suppliers in terms of risk analysis - When selecting its partners for the supply of goods and services that are critical for safety, quality and the environment, SOL uses a qualifying process to establish whether a potential partner meets the requirements demanded by company procedures.
EMPLOYEES' RELATED MATTERS	Attracting talents and developing human capital Company welfare and employee well-being	Potential risk related to the lack of adequate and qualified staff	- Collaboration with various universities, social development - Group training programme - Recognising and investing in young resources through international programmes - Structured company process of recruitment and onboarding - Retention and development plans
	Employees health and safety	Potential risks related to employees' health and safety and to compliance with legislation concerning occupational health and safety.	- Adoption of an integrated quality, safety and environment management system - Staff training - Audit activities - Certification according to OHSAS 18001/ISO 45001 - Monthly monitoring of the main health and safety KPIs
RESPECT FOR HUMAN RIGHTS	Respect for human rights and workers' rights	Respect for human rights, with particular reference to the supply chain	- Implementation of the Code of Ethics - Training and communication for employees and partners who work on behalf of SOL - Approval of a Group Directive on the qualification process of suppliers in terms of risk analysis

ENVIRONMENTAL MATTERS	Environmental impact of products	Potential risks associated with the consumption of electricity by the Group's primary processing plants, the potential risks of direct and indirect emissions of greenhouse gases Potential risk that a major meteorological event may occur that could result in a period of unavailability of the company's buildings and assets, with the simultaneous interruption of the activities conducted there by the Group.	- Adoption of an integrated quality, safety and environment management system - Monthly monitoring of the main environmental KPIs - Audit activities - Training employees and partners who work on behalf of SOL - The Group already has business continuity procedures in place that cover the main areas of greatest risk posed by climate change, and monitors any critical areas also through compliance with the provisions of the integrated management system. - Certification according to ISO 14001/50001
	Energy efficiency and climate change		
	Efficient use of raw materials	Potential risk of depletion of natural resources	- Adoption of an integrated quality, safety and environment management system - Monthly monitoring of the main environmental KPIs - Certification according to ISO 14001
	Waste management	Potential risk associated with low waste management control throughout the value chain	- Compliance with local regulatory systems on waste management in relation to product life cycle - Adoption of an integrated quality, safety and environment management system - Certification according to ISO 14001 - Audit activities - Training employees and partners who work on behalf of SOL
	Environmental impact of transport	Potential risks related to outbound logistics, with particular reference to road transport	- Progressive implementation of software for logistics planning - Monitoring kilometres travelled

METHODOLOGY

This document is the Consolidated Non-Financial Statement (hereinafter also the "Sustainability Report"), prepared in accordance with Italian Legislative Decree 254/2016 and, as envisaged in Art. 5 of the aforementioned Decree, constitutes a separate report from the management report. This document addresses the issues considered relevant and set out in Art. 3 and 4 of Legislative Decree **254/2016 with reference to the year 2020** (from 1 January to 31 December), to the extent necessary to ensure an understanding of the business, its progress, its results and the social and its environmental impact.

The reporting scope of the Sustainability Report is the same as the SOL Group's Consolidated Financial Statements as of 31 December 2020 (§ "Group Composition and scope of consolidation" of the Consolidated Financial Statements).

For environmental data and information, see the chapter "The environment", which explains any eventual variations in the scope of reporting, which do not limit the understanding of the Group's activities or its impact. Environmental data relating to the two Indian companies SICGILSOL India Private Limited and SICGILSOL GASES PRIVATE LIMITED have not been reported, as they entered the scope of full consolidation of the SOL Group only at the end of the 2020 financial year; these data will be included in the 2021 Sustainability Report.

The content of this Report refers to 2020 and, in particular, the activities carried out by the SOL Group during the year, unless otherwise noted. Data relating to previous years is reported where possible for comparative purposes, making it possible to assess longer-term trends in the Group's activities. Restatements to previously published comparative data are clearly indicated. Also, to give a fair view of the performance and to ensure the reliability of data, the use of estimates was limited as much as possible. Where estimates were used, they were based on the best available methodologies and suitably indicated.

The Sustainability Report has been prepared in accordance with the GRI Standards defined by the GRI in 2016 and subsequent versions, in compliance with the "in accordance – Core" option.

The information contained in the Report refers to **topics identified as material** and the related indicators that reflect the significant economic, environmental and social impacts of the organisation or that could substantially influence the evaluations and decisions of the Group's stakeholders. The materiality analysis updated in 2020 and shared with the Board of Directors of SOL Spa on 12 November 2020 served as a guideline for defining the content to report, in line with the expectations of stakeholders.

The emissions aspect, within the topic of the "environmental impact of products", was significant only in terms of CO_2 emissions. It should be noted, however, that with regard to other emissions, some production plants hold an Integrated Environmental Authorisation. The Authorisation provides for the monitoring of emissions of NOx, VOC, NH_3 and CO into the atmosphere and the annual notification thereof to the Competent Authority. There were no out-of-bounds errors in the reporting period.

The SOL Group has published an annual Sustainability Report since 2009. This Sustainability Report was **approved by the SOL Spa Board of Directors** on 30 March 2021.

The Report was subject to a limited assurance engagement according to the criteria set out by the ISAE 3000 Revised Principles. This engagement was carried out by Deloitte & Touche S.p.A. which, at the end of the work performed, issued a specific report with regard to the compliance of the information provided in the consolidated non-financial statement prepared by SOL Group as required by the Legislative Decree 254/2016.

The Group has set out a **continuous improvement** process with regard to material sustainability issues in order to comply in an increasingly virtuous way with regulations and best practices in the sector. More specifically, with regard to the topic of respecting human rights, in 2006 the Group adopted a Code of Ethics (updated in 2017) which has specific provisions on human rights issues. In fact, the SOL Group undertakes to support the protection and defence of human rights according to the principles laid down by the Universal Declaration of Human Rights (1948), and acknowledges the principles established by the basic Conventions of the ILO (International Labour Organization). The Code of Ethics applies to everyone who carries out work for the SOL Group (including all employees, interns, agency staff) and administrators of SOL Group companies. The Code of Ethics also applies to all those who, in various capacities, come in contact with the Group (such as suppliers, partners, customers etc.).

The Group will continue its commitment to the analysis and reconciliation of SOL's activities and priorities and the SDGs.

PERFORMANCE INDICATORS

PEOPLE

Employee performance (as of December 31st)

	2018		2019		2020	
Employees by gender and employee category	**n.**	**%**	**n.**	**%**	**n.**	**%**
Senior Manager, Manager, White Collar workers	2,763	100%	3,035	100%	3,331	100%
- Men	1,366	49%	1,438	47%	1,662	50%
- Women	1,397	51%	1,597	53%	1,669	50%
Blue collar workers	1,195	100%	1,285	100%	1,282	100%
- Men	1,070	90%	1,147	89%	1,110	87%
- Women	125	10%	138	11%	172	13%
Employees by age group and employee category	**n,**	**%**	**n,**	**%**	**n,**	**%**
Senior Manager, Manager, White Collar workers	2,763	100%	3,035	100%	3,331	100%
- Up to 30	316	11%	383	13%	452	13%
- 30-40	955	35%	1,007	33%	1,068	33%
- 41-50	864	31%	964	32%	1,006	30%
- Over 50	628	23%	681	22%	805	24%
Blue collar workers	1,195	100%	1,285	100%	1,282	100%
- Up to 30	146	12%	144	11%	154	12%
- 30-40	431	36%	452	35%	450	35%
- 41-50	320	27%	339	27%	355	28%
- Over 50	298	25%	350	27%	323	25%
Absenteeism rate of employees by gender and region		**%**		**%**		**%**
Italy		2.9%		2.4%		3.9%
- Men		2.4%		2.0%		4.2%
- Women		4.1%		3.5%		3.4%
Other countries		4.1%		5.0%		5.7%
- Men		3.3%		4.3%		5.2%
- Women		5.3%		5.8%		6.3%

	2018		2019		2020	
Employees by region and employment contract	**n.**	**%**	**n.**	**%**	**n.**	**%**
Italy						
Permanent contract	1,107	100%	1,153	100%	1,190	100%
- Men	810	73%	847	73%	868	73%
- Women	297	27%	306	27%	322	27%
Temporary contract	87	100%	65	100%	58	100%
- Men	55	63%	40	62%	38	66%
- Women	32	37%	25	38%	20	34%
Other countries						
Permanent contract	2,498	100%	2,834	100%	3,012	100%
- Men	1,470	59%	1,614	57%	1,704	57%
- Women	1,028	41%	1,220	43%	1,308	43%
Temporary contract	266	100%	268	100%	353	100%
- Men	101	38%	84	31%	162	46%
- Women	165	62%	184	69%	191	54%
Employees by gender and employment type	**n,**	**%**	**n,**	**%**	**n,**	**%**
Part-time	477	100%	576	100%	606	100%
- Men	98	21%	107	19%	111	18%
- Women	379	79%	469	81%	495	82%
Full-time	3,481	100%	3,744	100%	4,007	100%
- Men	2,338	67%	2,478	66%	2,661	66%
- Women	1,143	33%	1,266	34%	1,346	34%
New hires	**n.**	**%**	**n.**	**%**	**n.**	**%**
By gender						
- Men	374	15.4%	372	14.3%	684	24.7%
- Women	368	24.2%	405	23.3%	665	36.1%
Total	742	18.7%	777	17.9%	1,349	29.2%
By region						
- Italy	149	12.5%	126	10.3%	144	11.5%
- Other countries	593	21.5%	651	20.9%	1,205	35.8%
Total	742	18.7%	777	17.9%	1,349	29.2%
By age group						
- Up to 30	246	53.2%	233	44.2%	426	70.3%
- 30-40	275	19.8%	272	18.6%	508	33.5%
- 41-50	151	12.8%	150	11.5%	271	19.9%
- Over 50	70	7.6%	122	11.8%	144	12.8%
Total	742	18.7%	777	17.9%	1,349	29.2%
Turnover due to resignations and dismissals	**n.**	**%**	**n.**	**%**	**n.**	**%**
By gender						
- Men	266	10.9%	324	12.5%	397	14.3%
- Women	220	14.5%	323	18.6%	441	24.0%
Total	486	12.3%	647	14.9%	838	18.2%

	2018		2019		2020	
By region						
- Italy	58	4.9%	99	8.1%	91	7.3%
- Abroad	428	15.5%	548	17.6%	747	22.2%
Total	486	12.3%	647	14.9%	838	18.2%
By age group						
- Up to 30	116	25.1%	133	25.2%	197	32.5%
- 30-40	192	13.9%	210	14.3%	335	22.1%
- 41-50	93	7.9%	162	12.4%	192	14.1%
- Over 50	85	9.2%	142	13.7%	114	10.1%
Total	486	12.3%	647	14.9%	838	18.2%
Training hours provided[1]	**n.**	**%**	**n.**	**%**	**n.**	**%**
By gender						
- Men	39,438	61%	43,073	60%	36,389	60%
- Women	25,300	39%	28,748	40%	24,761	40%
Total	64,739	100%	71,821	100%	61,150	100%
By Employee category						
- Senior Managers, Managers and White Collar Workers	50,089	77%	54,894	76%	48,689	80%
- Blue Collar Workers	14,649	23%	16,927	24%	12,462	20%
Total	64,738	100%	71,821	100%	61,150	100%
Average training hours provided[1]	**n.**		**n.**		**n.**	
By gender						
- Men	16.19		16.66		13.13	
- Women	16.62		16.57		13.45	
Total	16.36		16.62		13.26	
By Employee category						
- Senior Managers, Managers and White Collar Workers	18.13		18.07		14.62	
- Blue Collar Workers	12.26		13.20		9.72	
Total	16.36		16.62		13.26	

[1] In Group companies where there is no system for collecting data on training hours by gender or employee category, these figures were estimated based on the composition of the population in each company.

PEOPLE

Health and Safety (data as of December 31st)

		2016	2017	2018	2019	2020
Injury rate						
Italy						
Technical and medical gases area	n.	6.6	1.8	3.5	4.1	3.3
Home Care Area	n.	0.0	0.0	2.0	0.0	1.9
Biotechnologies area	n.	0.0	3.9	2.1	5.7	8.2
Other countries						
Technical and medical gases area and energy production	n.	6.5	3.0	5.3	4.1	5.3
Home Care Area	n.	2.6	4.0	5.3	2.9	2.6

Severity index						
Italy						
Technical and medical gases area	n.	142	55	42	151	194
Home Care Area	n.	0	0	14	0	14
Biotechnologies area	n.	0	146	16	106	251
Other countries						
Technical and medical gases area and energy production	n.	74	114	203	55	58
Home Care Area	n.	19	50	133	49	22
Employability						
Medical examinations	n.	859	653	1,130	1,335	1,231
Clinical analyses	n.	601	578		662	549
Additional tests [1]	n.	662	549	536	428	527

[1] Electrocardiograms, spirometry, audiometry, etc.

ENVIRONMENT
(as of December 31st)

		2016	2017	2018	2019	2020
Waste disposal						
Landfill						
Non-hazardous	t.	436	1,492	1,332	1,285	3,093
Hazardous	t.	2,241	1,069	1,463	457	104
Recovery						
Non-hazardous	t.	675	630	675	7,101	886
Hazardous	t.	32	44	31	57	94
Incineration						
Non-hazardous	t.	-	101	265	136	199
Hazardous	t.	-	4	11	27	11

It should be noted that with regard to emissions, the reporting standard used (GRI Sustainability Reporting Standards 2016) provides for two different approaches to calculating indirect emissions: "Location-based" and "Market-based".

The "Location-based" approach (shown in the "GRI Content Index" table) provides for the use of average emission factors related to the specific national energy mix of electricity production. The "Market-based" approach (reported in the chapter "The environment") provides for the use of emission factors defined on a contractual basis with the electricity supplier. In the absence of specific contractual agreements between the Organisation and the electricity supplier (e.g. purchase of Guarantees of Origin), the emission factor related to the national "residual mix" was used for the "Market-based" approach, where available.

GREENHOUSE GAS EMISSIONS	SOURCES OF EMISSION FACTORS USED
Direct emissions	UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2020
Emissions from product deliveries	
Indirect emissions according to the market-based method (European Union countries)	Association of Issuing Bodies (AIB), European Residual Mixes 2019
Indirect emissions according to the market-based method (Bosnia-Herzegovina, Macedonia and Morocco)	International Energy Agency (IEA), Emissions Factors 2018 edition
Indirect emissions according to the location-based method	

GRI CONTENT INDEX

UNIVERSAL STANDARDS

GRI Standard	Page number	Information
GRI 101: FOUNDATION (2016)		
GRI 102: GENERAL DISCLOSURES (2016)		
Organisational profile		
102-1	SOL Spa	Name of the organisation
102-2	11; 31-42	Activities, brands, products, and services
102-3	Back cover	Location of headquarters
102-4	11; 16	Location of operations
102-5	11; 23	Ownership and legal form
102-6	11; 31-42	Markets served
102-7	4; 16; 67-68	Scale of the organisation
102-8	55-59	Information on employees and other workers
102-9	43	Supply chain
102-10	20	Significant changes to the organisation and its supply chain
102-11	29; 73-75	Precautionary Principle or approach
102-12	17-18; 25-29	External initiatives
102-13	25; 65	Membership of associations
Strategy		
102-14	2-3	Statement from senior decision-maker
102-15	17-18; 25-29	Key impacts, risks, and opportunities
Ethics and integrity		
102-16	13 Code of Ethics of SOL Group	Values, principles, standards, and norms of behaviour
Governance		
102-18	23-24	Governance structure
Stakeholder Engagement		
102-40	71	List of stakeholder groups
102-41	59	Collective bargaining agreements
102-42	71	Identifying and selecting stakeholders
102-43	71	Approach to stakeholder engagement
102-44	71	Key topics and concerns raised

Reporting practice		
102-45	77; Consolidate financial statement 2020 of the SOL Group	Entities included in the consolidated financial statements
102-46	72-73	Defining report content and topic Boundaries
102-47	72	List of material topics
102-48	46-48	Restatements of information
102-49	72-73	Changes in reporting
102-50	77	Reporting period
102-51	The 2020 Sustainability Report was approved by the SOL Spa Board of Directors on 30 March 2021.	Date of most recent report
102-52	77	Reporting cycle
102-53	Back cover	Contact point for questions regarding the report
102-54	77	Claims of reporting in accordance with the GRI Standards
102-55	82-86	GRI content index
102-56	87-89	External assurance

TOPIC-SPECIFIC STANDARDS

GRI Standard	Page number	Omission	Information
GRI 200: ECONOMIC SERIES (2016)			
Material topic: ECONOMIC PERFORMANCE **GRI 103: Management Approach (2016)**			
103-1	71 -72		Explanation of the material topic and its Boundary
103-2	20; 67-68		The management approach and its components
103-3	20; 67-68		Evaluation of the management approach
GRI 201: Economic performance (2016)			
201-1	19		Direct economic value generated and distributed
Material topic: ANTI-CORRUPTION **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	13; 23-24; Code of Ethics of SOL Group		The management approach and its components
103-3	13; 23-24		Evaluation of the management approach
GRI 205: Anti-corruption (2016)			
205-3	During 2020 there were no confirmed cases of corruption		Confirmed incidents of corruption and actions taken
Material topic: ANTI-COMPETITIVE BEHAVIOUR **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	13; 23-24; Code of Ethics of SOL Group		The management approach and its components
103-3	13; 23-24		Evaluation of the management approach
GRI 206: Anti-Competitive Behaviour (2016)			
206-1	Concerning the Antitrust proceeding, dating back to 2015, which involved VIVISOL Srl and VIVISOL NAPOLI Srl, already described in the 2019 Consolidated financial statements and Explanatory notes, the revocation appeals presented by VIVISOL Srl for the two events are, now, pending before the Council of State and before the Court of Cassation for the event involving VIVISOL NAPOLI Srl		Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
Material topic: TAX **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	24		The management approach and its components
103-3	24		Evaluation of the management approach
GRI 207: Management Approach (2019)			
207-1	24		Approach to tax
207-2	24		Tax governance, control, and risk management
207-3	24		Stakeholder engagement and management of concerns related to tax

GRI 207: Tax (2019)			
207-4		The Group's activities for structuring the disclosure regarding the topic-specific disclosure GRI 207-4 "Country-by-country reporting" are under development. This disclosure is expected to be developed predictably for the non-financial report for the year 2021.	Country-by-country reporting

GRI 300: ENVIRONMENTAL SERIES (2016)

Material topic: MATERIALS **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	12; 45; Safety and environment principles of SOL Group companies		The management approach and its components
103-3	12; 45		Evaluation of the management approach
GRI 301: Materials (2016)			
301-1	12; 45	Quantitative information has not been provided in this Sustainability Report, since it is confidential data and any external disclosure could compromise the company's position on the market.	Materials used by weight or volume
Material topic: ENERGY **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	25-29; 45-46; 52; Energy management policy of SOL Group companies Safety and environment principles of SOL Group companies		The management approach and its components
103-3	25-29; 45-46; 52		Evaluation of the management approach
GRI 302: Energy (2016)			
302-1	46		Energy consumption within the organisation
302-3	46		Energy intensity
Material topic: WATER AND EFFLUENTS **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its boundary
103-2	29; 50; Safety and environment principles of SOL Group companies		The management approach and its components
103-3	29; 50		Evaluation of the management approach
GRI 303: Management Approach (2018)			
303-1	29; 50		Interactions with water as a shared resource
303-2	29; 50		Management of water discharge-related impacts
GRI 303: Water and effluents (2018)			
303-3	50; The water withdrawn is only fresh water (≤1,000 mg/l total dissolved solids)		Water withdrawal
Material topic: EMISSIONS **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	25-29; 45; 47-48; Safety and environment principles of SOL Group companies		The management approach and its components
103-3	25-29; 45; 47-48		Evaluation of the management approach
GRI 305: Emissions (2016)			
305-1	47-48		Direct (Scope 1) GHG emissions
305-2	47-48; Indirect emissions, calculated according to the location-based methodology, are equal to 194,746 tonnes of CO_2 equivalent		Energy indirect (Scope 2) GHG emissions
Material topic: EFFLUENTS AND WASTE **GRI 103: Management Approach (2016)**			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	25-29; 50; Safety and environment principles of SOL Group companies		The management approach and its components
103-3	25-29; 50		Evaluation of the management approach
GRI 306: Effluents and waste (2016)			
306-2	50; 81		Waste by type and disposal method

Material topic: SUPPLIER ENVIRONMENTAL ASSESSMENT			
GRI 103: Management Approach (2016)			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	43		The management approach and its components
103-3	43		Evaluation of the management approach
GRI 308: Supplier Environmental Assessment (2016)			
308-1	To date, the assessment of suppliers, as required by the Group Directive, has been implemented by 60% of the companies that replied to the questionnaire (56% redemption).		New suppliers that were screened using environmental criteria

GRI 400: SOCIAL SERIES (2016)

Material topic: EMPLOYMENT			
GRI 103: Management Approach (2016)			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	55		The management approach and its components
103-3	55		Evaluation of the management approach
GRI 401: Employment (2016)			
401-1	79-80		New employee hires and employee turnover
401-2	59	The disclosure is currently provided with reference to the Italian companies of the Group. The Group's activities for structuring the disclosure regarding the foreign companies are under development. This disclosure is expected to be predictably developed for the non-financial report for the year 2021.	Benefits provided to full-time employees that are not provided to temporary or part-time employees
Material topic: OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach (2016)			
103-1	72-73		Explanation of the material topic and its Boundary
103-2	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		The management approach and its components
103-3	7;25-29;52;60-61		Evaluation of the management approach
GRI 403: Management Approach (2018)			
403-1	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Occupational health and safety management system
403-2	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Hazard identification, risk assessment and incident investigation
403-3	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Occupational health services
403-4	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Worker participation, consultation and communication on occupational health and safety
403-5	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Worker training on occupational health and safety
403-6	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Promotion of worker health
403-7	7;25-29;52;60-61; Safety and environment principles of SOL Group companies		Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
GRI 403: Occupational Health and Safety (2018)			
403-9	60-61; In 2020, 29 employee injuries were recorded. 10 injuries were recorded for third-party companies working on behalf of the SOL Group. There were no fatalities as a result of work-related injuries nor high-consequence work-related injuries neither for employees nor for workers who are not employees but whose work and/or workplace is controlled by the organization. The hours worked by employees amounted to approximately 8.1 million (the figure is currently estimated, but the Group has begun a more systematic collection of this indicator). The hours worked by workers who are not employees but whose work and/or workplace is controlled by the Organization and the related rate are currently not available. The Group is launching a more systematic collection of this indicator.		Work-related injuries
Material topic: TRAINING AND EDUCATION			
GRI 103: Management Approach (2016)			
103-1	72-73		Explanation of the material topic and its boundary
103-2	56		The management approach and its components
103-3	56		Evaluation of the management approach
GRI 404: Training and Education (2016)			
404-1	80		Average hours of training per year per employee

Material topic: DIVERSITY AND EQUAL OPPORTUNITY **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	57; Code of Ethics of SOL Group	The management approach and its components
103-3	57	Evaluation of the management approach
GRI 405: Diversity and Equal Opportunity (2016)		
405-1	59; 74	Diversity of governance bodies and employees
Material topic: NON DISCRIMINATION **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	13; 57; Code of Ethics of SOL Group	The management approach and its components
103-3	13; 57	Evaluation of the management approach
GRI 406: Non-Discrimination (2016)		
406-1	During 2020 there were no confirmed cases of discrimination.	Incidents of discrimination and corrective actions taken
Material topic: SUPPLIER SOCIAL ASSESSMENT **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	43; Codice Etico del Gruppo SOL	The management approach and its components
103-3	43	Evaluation of the management approach
GRI 414: Supplier Social Assessment (2016)		
414-1	To date, the assessment of suppliers, as required by the Group Directive, has been implemented by 60% of the companies that replied to the questionnaire (56% redemption).	New suppliers that were screened using social criteria
Material topic: CUSTOMER HEALTH AND SAFETY **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	17-18; 28	The management approach and its components
103-3	17-18; 28	Evaluation of the management approach
GRI 416: Customer Health and Safety (2016)		
416-2	In 2020 there were no cases of non-compliance concerning the health and safety impacts of products and services	Incidents of non-compliance concerning the health and safety impacts of products and services
Material topic: MARKETING AND LABELING **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	17-18	The management approach and its components
103-3	17-18	Evaluation of the management approach
GRI 417: Marketing and Labeling (2016)		
417-1	17-18; 28	Requirements for product and service information and labeling
Material topic: CUSTOMER PRIVACY **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	24; Information security management policy of SOL Group companies	The management approach and its components
103-3	24	Evaluation of the management approach
GRI 418: Customer Policy (2016)		
418-1	No data breaches were reported to the Guarantor of national privacy	Substantiated complaints concerning breaches of customer privacy and losses of customer data
Material topic: SUSTAINABLE SOLUTIONS FOR CUSTOMERS **GRI 103: Management Approach (2016)**		
103-1	72-73	Explanation of the material topic and its Boundary
103-2	31-42	The management approach and its components
103-3	31-42	Evaluation of the management approach

INDEPENDENT AUDITOR'S REPORT

Deloitte & Touche S.p.A.
Via Tortona, 25
20144 Milano
Italia

Tel: + 39 02 83322111
Fax: + 39 02 83322112
www.deloitte.it

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3, PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND ART. 5 OF CONSOB REGULATION N. 20267/2018

To the Board of Directors of
SOL S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of SOL S.p.A. and its subsidiaries (hereinafter "SOL Group" or "Group") as of December 31, 2020 prepared on the basis of art. 4 of the Decree, and approved by the Board of Directors on March 30, 2021 (hereinafter "NFS").

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and "Global Reporting Initiative Sustainability Reporting Standards" established by GRI – Global Reporting Initiative (hereinafter also "GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by Law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

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.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies International Standard on Quality Control 1 (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. Analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art. 3 of the Decree and taking into account the adopted reporting standard.
2. Analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree.
3. Comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the SOL Group.
4. Understanding of the following matters:
   - business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
   - policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
   - main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

   Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a) of this report.

5. Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.
   In particular, we carried out interviews and discussions with the management of SOL S.p.A. and with the employees of SOL Gas Primari S.r.l., SOL France S.a.s., SOL Deutschland GmbH, SOL Kohlensaure GmbH & Co. KG, VIVISOL France Sarl, France Oxygene Sarl, MBAR Assistance Respiratoire S.a.s., VIVISOL Deutschland GmbH, VIVISOL Nederland B.V., Dolby Medical Home Respiratory Care Limited, VIVISOL Brasil Ltda., GLOBAL CARE ASSISTENCIA DOMICILIAR LTDA., UNIT CARE SERVICOS MEDICOS LTDA., DN GLOBAL HOMECARE LTDA, PALLMED sp.zo.o. e MEDSEVEN sp.zo.o., VIVISOL Iberica S.L.U., and VIVISOL Heimbehandlungsgeräte GmbH, and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

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In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the group level:

  a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
  b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.

- for the following subsidiaries and sites, Salerno production site for SOL Gas Primari S.r.l. and Stirling (UK) headquarters for Dolby Medical Home Respiratory Care Limited, which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the SOL Group as of December 31, 2020 is not prepared, in all material aspects, in accordance with article 3 and 4 of the Decree and GRI Standards.

Other matters

The data for the year ended December 31, 2016 presented for comparative purposes in the NFS have not been subject to a limited or to a reasonable assurance engagement.

DELOITTE & TOUCHE S.p.A.

Signed by
Riccardo Raffo
Partner

Milan, Italy
April 20, 2021

This report has been translated into the English language solely for the convenience of international readers.

GLOSSARY

Adsorption: physico-chemical phenomenon by which the surface of a solid substance, so-called adsorbent, fixes one or more components (atoms, molecules or ions) of another substance originating from a gaseous or liquid phase with which it is in contact.

Cylinder: container in steel or light alloy for compressed, liquefied or dissolved gases.

Conditioning: a production operation that consists in taking gas from a secondary storage tank and compressing it in a gaseous or liquid state and transferring it to mobile containers. Conditioning also includes the sequence of operations carried out on the containers from when they arrive at the centre to the storage of full containers ready for delivery.

Seveso Directive (2012/18/EU): European standard intended to prevent and control the occurrence of major accidents, through the identification of sites at risk.
It governs industrial activities that involve the storage and/or use of certain quantities of dangerous substances.

Medical Device (DM): any instrument, apparatus, equipment, machine, device, plant, reagent in vitro or for calibration, computer software, material or other similar or related product for use, alone or in culmination, on persons for one or more specific purposes of diagnosis, prevention, control, therapy or attenuation of an illness; for diagnosis, control, therapy, attenuation or compensation of a wound or handicap; for studying, substituting or modifying anatomy or a physiological process; for intervening on conception where the main desired action in or on the human body is not carried out with pharmacological or immunological means or through metabolism, but whose function can be aided by these means.

EMAS (Eco-Management and Audit Scheme): European Community regulation 761/2001.
A voluntary instrument for implementing EU Environmental Policy aimed at continually improving the environmental performance of the companies and businesses adopting it.

Cold converter: container with insulated vacuum chamber for highly refrigerated cryogenic gases, characterised by and constituting interception, measuring and safety instruments.

Air separation: process of separation, by distillation, of gas components of the air, obtaining liquid and gaseous products.

Medical gases: both gases intended to be administered to the patient (such as medical oxygen, oxygen 93%, nitrous of medical nitrogen, medical air) and gases not intended for administration but used for other purposes in the processing of the same, such as air and nitrogen for foods or surgical instruments.

Global Reporting Initiative (GRI): a multi-stakeholder network instituted in 1997 and made up of companies, NGOs, associations of accountancy experts, business organisations and other international stakeholders involved in subjects relating to Corporate Social Responsibility. GRI's mission is to develop, supply and promote global reference guidelines for the drawing up of Sustainability Reports that describe the economic, environmental and social impacts that companies or organisations cause with their activities.

Accident: unexpected event with potential harmful effect to oneself, other people or third-party assets.

Major accident: event such as a serious spill, fire or explosion due to uncontrolled developments in activities in the presence or use of dangerous substances, that could cause grave danger for human health or the environment.

Frequency index: ratio between the number of injuries and hours worked multiplied by 1 million. It measures the frequency of injuries.

Severity index: ratio between days of absence due to injury and hours worked multiplied by 1 million. It measures the severity of injuries.

Injury: undesired event in the workplace that causes bodily damage or objectively verifiable illness.

IPPC (Integrated Pollution Prevention and Control: Strategy instituted with European Directive no. 75 of 24/11/2010 "Industrial Emission Directive" (I.E.D.) for minimising the pollution caused by various sources throughout the EU. All types of installation listed in Appendix 1 of the Directive must obtain integrated authorisation from the authorities of the various countries. It is based on the premise that the failure to adopt a common approach for controlling emissions into air, water and terrain could lead not to a reduction of pollution but to its transfer from one area to another.

ISO 9001: recognised standard for Quality Management Systems which provides a method and reference standards for running an organisation in an intelligent and conscious manner for customer satisfaction.

OHSAS 18001/ISO 45001: this certification becomes even more important, as a guarantee for the top management, with the entry into force in Italy of Legislative Decree 81/2008, which establishes the adoption of a Management system in line with the OHSAS 18001/ISO 45001 standard as a necessary condition for being exempted from the application of the sanctions established by Italian Legislative Decree no. 231 of 2001.

ISO 13485 (Medical devices - Quality management systems): a standard specifically aimed at companies operating in the medical sector such as SOL, designed for those who apply targeted quality controls to medical devices.

ISO 14001 (Environmental Management): ISO 14001 is a guarantor of the precise control of environmental aspects, reducing impact and ensuring legislative compliance, aimed at maintaining an Environmental Management System.

ISO 22000 (Food Safety Management Systems): the standard defined for the effective control, improvement and development of food safety management, for organisations that aim to ensure such safety.

ISO 27001 (Information Security): the ISO 27001 standard defines the requirements for creating and running an Information security management system (logical, physical and organisational security), with the aim of protecting data and information from threats of all kinds, ensuring its integrity, confidentiality and availability.

ISO 50001 (Energy Management): standard aimed at helping organisations improve their energy performance, increasing energy efficiency and reducing climate and environmental impact.

Raw materials – primary process units: atmospheric air, for the production of oxygen, nitrogen and argon; natural gas, for the production of hydrogen and carbon dioxide; calcium carbide for the production of acetylene; ammonium nitrate for the production of nitrous oxide.

Sale equipment: technical/technological equipment purchased from third parties and supplied for use to customers as part of a service, but destined to remain the property of SOL; for example mobile containers, cold converters, etc.

Policy (quality, safety, environment): general principles and guidelines of an organisation, formerly expressed by top management.

REACh: EC regulation no. 1907/2006 (Registration, Evaluation, Authorisation and Restriction of Chemicals). Its main aim is to improve the awareness of the dangers and risks deriving from chemical substances, aiming to ensure a high level of protection of human health and the environment.

Mobile container: container for compressed, liquid, dissolved and cryogenic gases used for packaging products. Mobile containers include: cylinders, drums, gas cylinders, cylinder bundles, dewars, base units and portable units.

Residual mix: refers to the average primary energy sources that were not intended for a specific entity or to an end consumer. If consumers use the power grid without having purchased a GO certificate, they then must use the residual mix in the calculation of their energy footprint. The Residual mix is calculated for each year and country by organisations that are part of the European E-Track programme, such as RE-DISS.

Responsible Care: a voluntary programme of the world chemical industry based on the implementation of principles and conduct concerning the safety and health of employees and environmental protection, and the commitment to communicate the results obtained aiming for continual, significant and tangible improvement.

Food safety: hygienic and sanitary prevention, whereby food undergoes strict controls that ensure correct preparation in line with its use and consumption, assuring its safety for the consumer.

SIGUCERT: The SIGU (Italian Society of Human Genetics) standard certifies the organisational, operational, management and professional requirements of Medical Genetics Laboratories to carry out special investigations (genetic testing) for the identification of genetic diseases.

Quality, Safety and Environment System (SdG/QSA): that part of the general management system that includes the organisational structure, planning, responsibilities, procedures, processes and resources for drawing up, implementing and maintaining active and well-defined quality, safety and/or environmental policies.

Sustainability (see sustainable development)

Stakeholder: any entity, private or public, individual or collective, internal or external, that can influence the success of a business or whose interests are involved in business decisions: customers, suppliers, investors, local communities, employees, unions, public administration, future generations, etc.

Steam reforming: process in which methane reacts with steam, in the presence of a catalyst, to produce hydrogen and CO_2.
Primary storage: liquefied cryogenic gas container filled directly by the production plant.

Secondary storage: liquefied cryogenic gas container filled by tankers, normally installed in secondary process units.

Sustainable development: progress that helps meet current economic, environmental and social needs, consistent with the protection of the environment and the free goods (non-economic) of future generations.

Primary process units: units where gases are produced from raw materials.

Secondary process units: units where gases are conditioned and packaged, normally using gases coming from primary process units, into their physical form (which may be compressed gas or cryogenic liquid) in the containers (cylinders, cylinder bundles, drums or tanks) best suited for distribution to end users. These units also produce pure and high purity technical and medicinal gas mixtures.

ACKNOWLEDGEMENTS

The Sustainability Report has been a fundamental tool for us for years which seeks to communicate with all our stakeholders and clearly and efficiently share the initiatives and projects carried out.

We extend our sincere gratitude to all those who contributed to creating this document, whether by helping to collect the information published or, in particular, through their daily commitment to translating the values shared by the SOL Group people into appropriate behaviour.

For further details please contact:
SOL Group Central Quality, Safety and Environment Department, Regulatory Affairs
sustainability@solgroup.com

SOL Spa
Registered Office and Central Management
Via Borgazzi, 27
20900 Monza · Italy

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Responsible Care®
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SOL Spa
Via Borgazzi, 27
20900 Monza
Tel. +39 039 23961
Fax +39 039 2396375
sustainability@sol.it
www.solgroup.com