



2023

SUSTAINABILITY REPORT 2023 **SOL GROUP**

Consolidated Non-Financial
Statement pursuant to Italian
Legislative Decree 254/2016

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2023

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SOLGROUP
a breath of life
ТЕЧЕН АРГОН / LAR



ТЕЧЕН А307 / LAR

ТЕЧЕН БИОПРОП / LAR

LETTER TO STAKEHOLDERS

Sustainable and responsible growth

The following pages present SOL's 15th Sustainability Report, covering the year 2023. The year was marked by external challenges that had a strong impact on the Group's economy and activities.

The war in Ukraine that began in 2022 was followed by the war between Israel and Hamas, flanked by the ongoing guerrilla war in the Suez Canal caused by Houthi attacks on international ships. The increase in geopolitical tensions directly affected the costs of raw materials, especially energy, keeping them at high levels compared to the values of 2021 and preventing a rapid return from the inflationary flare-up of 2022. Indirect effects included the rise in interest rates and their continuation at high levels. As a result, the world economy proceeded slowly, especially in Europe.

The SOL Group was once again able to adapt to the challenging environment, finding the right levers to continue to develop and grow. The focus on sustainability issues was always at the top of our agenda.

In the field of industrial gases, the resilience of sales volumes, the contribution of turnover from new partnerships and strong sales actions to counteract the increase in costs not related to energy all made it possible to offset the drop in turnover due to the reduction in prices for the portion related to electricity. In the home care sector, we managed to reach high growth thanks to the resumption of growing patient numbers and having broadened the scope of our companies. This was accompanied by targeted actions to counteract the margin erosion effect caused by the fixed prices in contracts with Health Systems in different countries for several years now, in an inflationary and rising cost environment.

2023 thus ended with an increase in turnover to €1,487 million, with €108 million, or 7.8%, growth. There was also an extremely significant value in investments, amounting to €233 million, including acquisitions. The margins remained at good levels. As at 31 December 2023, 6,372 people worked in the Group, 621 more than at the end of the previous year.

Among the many **investments** made and started during the year, several deserve mention. The first was in the technical gas sector, where work is in its final stages on a new modern air separation unit at **Ranipet in India**, which will be commissioned during 2024. In **Croatia**, the construction of a large air separation unit in Zagreb by OXY, a manufacturing partnership between SOL and SIAD, is almost complete and will begin production in June 2024. In Florina, **Greece**, major investments were made to upgrade carbon dioxide production, and the creation of a large air separation unit began in Thessaloniki. In **Germany**, investments were completed to improve CO₂ production at the Burgbrohl plant. Lastly, in Indapur, **India**, a project is underway to expand the production capacity of the ultra-pure gas plants of the company BHORUKA SPECIALTY GASES PRIVATE Ltd.

Many investments were also made in the home care area during the year. In particular, VIVISOL Srl completed the construction of a new, modern and automated logistics centre in **Burago**, near Monza, as a hub for the whole of Italy. In **England**, the company's new headquarters in Crawley became operational. In **Belgium**, expansion work was carried out on the warehouse and offices in Lessines.

The implementation of the **new VISION4 ERP platform** continued in the Netherlands, Austria and Germany to strengthen the digitalisation and operational efficiency of the home care business.

Several acquisitions and partnerships also took place in 2023. In the field of industrial gases, Airsol Srl signed a new strategic partnership in South America, acquiring the majority of the industrial gas companies **SWISSGAS DEL ECUADOR Sa** based in Guayaquil (Ecuador) and **INDUSTRIAS CRIOGÉNICA DEL PERÚ Sac** based in Lima (Peru), both belonging to the important and sound Ecuadorian Group CONAUTO. Airsol Srl also acquired a majority stake in **WONSAK KOHLENSÄURE-SERVICE GmbH**, a CO₂ and dry ice company in Hamburg, Germany.

There were also a plethora of acquisitions in the home care sector in 2023. Airsol Srl acquired 100% of the company **ANAPNOI IKE** in Thessaloniki (Greece) active in sector, thereby acquiring a leading position in this market in Greece. Airsol Srl also acquired a 15% stake in the company **SOMNOMEDICS GmbH** (Germany), a global leader in the field of sleep diagnostics, while Vivisol Deutschland GmbH acquired a 100% stake in the company **SOMNOMEDICS PATIENTENBETRETUNG GmbH** (Germany), active in the field of home sleep apnoea assistance. Following the acquisition, the company was merged into VIVISOL DEUTSCHLAND GmbH. In France, France Oxygene Sarl acquired 100% of **MIDIPERF SANTÈ FRANCE Sas** in Vendargues (France), which is active in the home perfusion sector. Lastly in Poland, Pallmed sp. z.o.o. acquired 100% of **MAGNUS OPIEKA DOMOWA Sp zoo** in Chorzów (Poland) from Air Liquide, active in the home care sector.

The addition of these companies to the SOL Group includes many new colleagues, with whom we will continue to grow and through whom our Group will be enriched with skills and knowledge to share. We send our warmest welcome to all of them.

In the more specific area of our commitment to sustainable and responsible development, there were several important initiatives in 2023.

The plant in Wanze, Belgium obtained **ISCC plus certification** (a voluntary certification system that documents the complete traceability and sustainability of the raw materials used).

As for our people, and in particular to further nurture a growing awareness of the value and role of women within the Group, the **'Diversity and Inclusion Manifesto'** was disseminated and the **'SOL Group Women Development Programme'** was implemented.

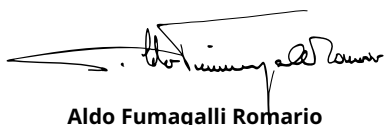
On the subject of health and safety, the campaign to reduce the **risks associated with forklift use within our plants continued**. While the project focused on the installation of technical solutions in 2022, it continued in 2023 with a targeted information and awareness-raising campaign, supported by appropriate signage indicating the correct conduct to adopt while working.

In relation to initiatives for the communities in which we operate, the support provided to the **Emilia Romagna region** hit by adverse weather conditions should be noted. The SOL Group welcomed the solidarity initiative organised by Confindustria, in agreement with CGIL, CISL and UIL, to support the people and production systems affected by the flooding; half of the donation came directly from employees and the other half from the SOL Group. A major training project was also implemented in **Mozambique** in 2023: **'Schooling for a better world'**, a welding training project for students at the Don Bosco Institute (ISBD) in Maputo. The project began in 2022 after an online training session, and ended in 2023 with a cycle of in-person lessons at the school, held by the specialised team of SOL staff.

The **CDP** (Climate Development Programme) confirmed SOL's '**B**' rating in 2023, which reflects the Group's continuous improvement efforts.

In the area of governance, a decision was made in 2023 to establish an **Internal Control, Risk and Sustainability Committee** within the Board of Directors of SOL Spa as of 2024.

In addition to a great deal of detailed information, the following report also presents the values that inspire our daily actions, and which we believe underlie much of our success and above all our satisfaction.



Aldo Fumagalli Romario
Chairman



Marco Annoni
Deputy Chairman



KEY NUMBERS

	2019	2020	2021	2022	2023
ECONOMIC MEASUREMENTS					
(€ million)					
Group's net sales	904.3	973.8	1,112.9	1,379.2	1,487.1
Technical gas area net sales	412.6	438.2	558.4	762.4	776.6
Home care area net sales	491.7	535.6	554.5	616.7	710.5
Gross operating margin	211.3	255.4	260.8	328.3	382.2
Operating result	88.7	140.0	135.8	192.5	227.1
Investments	103.3	112.9	132.3	131.2	183.5

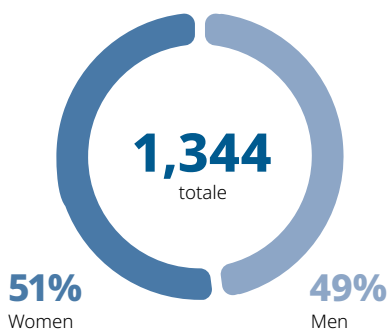
ENVIRONMENTAL MEASUREMENTS					
Specific energy consumption (ASU; base 2019=100)	100	101	104	103	108
Electrical energy produced (GJ)	322,072	318,136	327,920	280,429	351,597
Greenhouse gas emissions (tonnes CO ₂ equivalent)					
- Direct emissions (Scope 1)	41,792	40,088	46,631	60,040	61,339
- Indirect emissions (Scope 2)	272,317	252,279	288,193	278,650	285,230

OUR PEOPLE					
Employees as at 31/12	4,320	4,613	5,101	5,751	6,372
- Italy	1,218	1,248	1,350	1,499	1,605
- Other countries	3,102	3,365	3,751	4,252	4,767
Hours of training	71,821	61,150	67,281	98,549	124,061
Work-related injuries					
- Frequency index	3.4	3.6	3.8	4.0	3.9

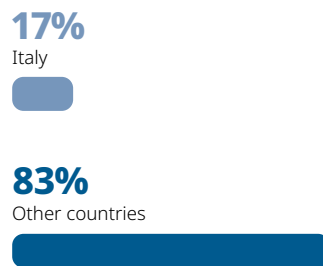
SOL GROUP PEOPLE IN 2023

NEW EMPLOYEE HIRES

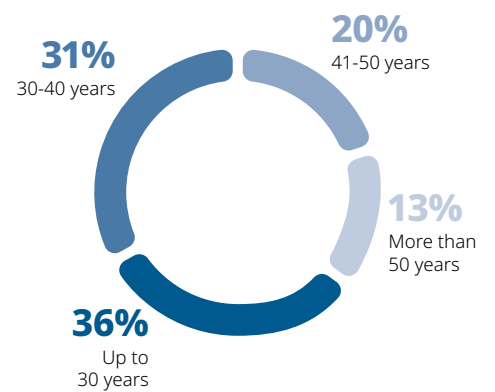
By gender



By region

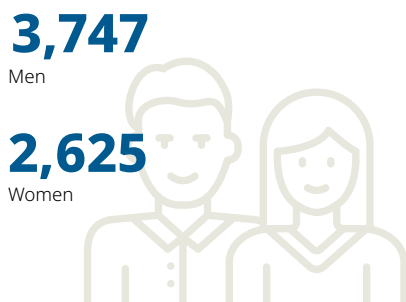


By age group

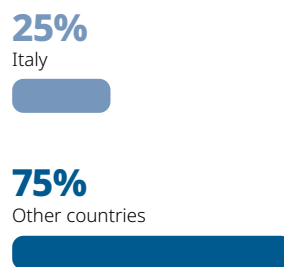


EMPLOYEES TODAY

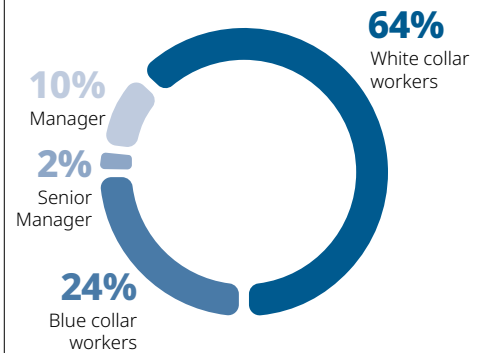
By gender



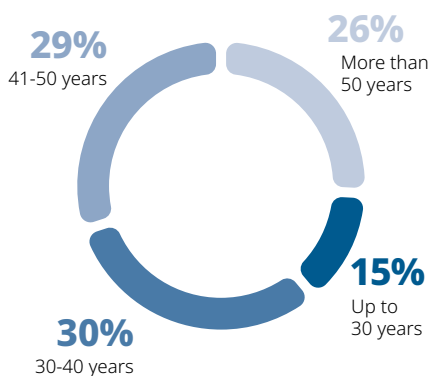
By region



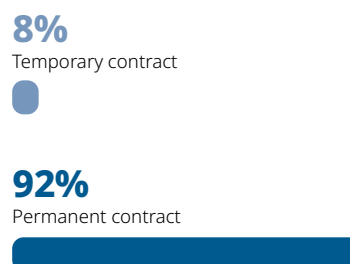
By employee category



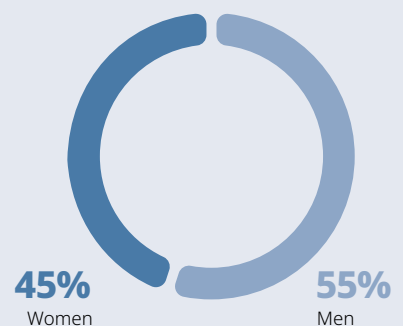
By age group



By employment contract



Board of Directors Composition



OUR IDENTITY

1,487.1

€ million net sales

6,372

employees

183.5

€ million in investments



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



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 medicinal gases, medical devices for the administration and dosing of medicinal gases, equipment, gas distribution systems, plant management services, services for the healthiness of hospital environments, global service management services for electro-medical equipment, sterilisation plants and the turnkey construction of cryobiological rooms and laboratories.



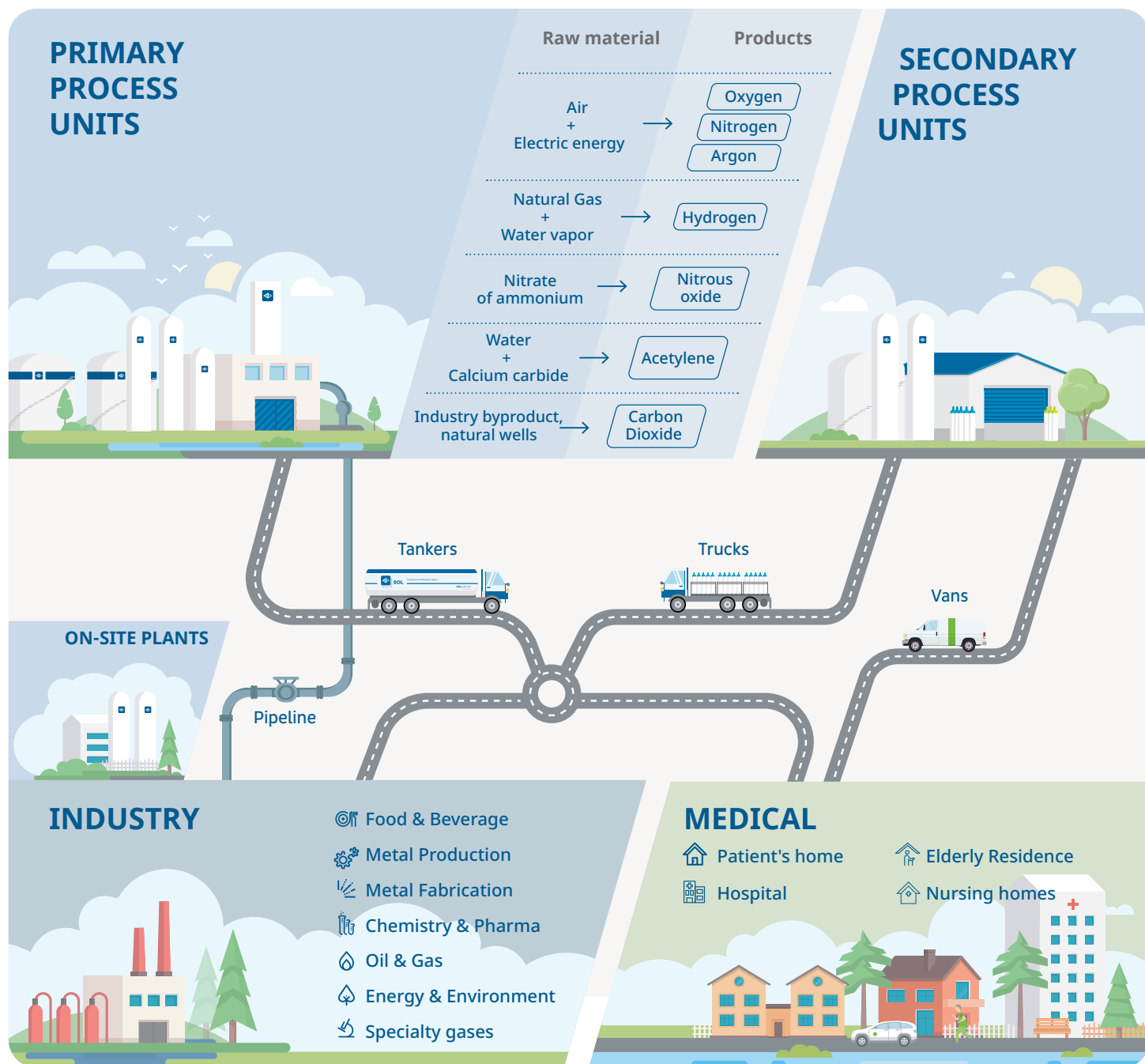
In the **home care sector**, through VIVISOL, the Group provides services and therapies for chronic patients who, on behalf of the Health Systems of the different countries, are cared for outside protected contexts such as hospitals. VIVISOL delivers all-round care to chronic patients who often have disabling diseases and are in vulnerable conditions, or who need life-support treatment and care, with the aim of directly supporting them in their social and emotional context, thus improving their quality of life. VIVISOL provides home-based respiratory and infusion therapies as well as telemedicine and telemonitoring services and highly complex medical and nursing care. With its well-established experience in the sector, VIVISOL is now one of the main Home Care Providers both inside and outside Europe.



HYDROSOL

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

THE BUSINESS MODEL



59%

Healthcare net sales

41%

Industry net sales

40%

Italy net sales

60%

Other countries net sales

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

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



SUSTAINABILITY, A GLOBAL GOAL

Recognising that sustainable growth is a key element for corporate development, the SOL Group integrates its corporate strategy with

the priorities of its key stakeholders and with the **goals set by the United Nations 2030 Agenda.**

Sustainability for employees



MATERIAL TOPICS

SOL GROUP'S STRATEGY

Ability to attract talent and human resources development

Health and safety of workers

Corporate welfare and employee well-being

Respect for human rights and workers' rights

The SOL Group has always invested in the **well-being of its people**, fostering a meritocratic and inclusive climate, based on the principles of **equality** and **equal opportunities**, where collaboration and listening are considered essential.

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

Through the **Code of Ethics**, the SOL Group shares with all its employees the principles to which the people of SOL must refer when adopting and implementing good behavioural practices in line with the Group's identity and spirit.

Sustainability for the industrial sector and for healthcare



MATERIAL TOPICS

SOL GROUP'S STRATEGY

Energy efficiency and climate change

The Group works to reduce energy consumption and emissions by offering **highly effective and efficient oxy-fuel solutions**, which are widely used in metal, ceramic and cement production processes.

Environmental impact of products

With the construction of **plants for the on-site production** (plants built directly at the customer's premises and managed remotely) of oxygen, nitrogen, hydrogen and syngas mixtures, the Group offers a solution that has a **lower environmental impact**, reduces road transport and streamlines energy consumption.

Efficient use of raw materials

Environmental impact of transport

The Group protects water resources by offering industrial customers a service to **improve waste water quality**, thanks to the use of oxygen in sewage treatment.

Waste management

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

It contributes to the **reduction of food waste** and consumer safety by adopting preservative-free food freezing systems and promoting modified and controlled atmosphere storage technologies which preserve the organoleptic characteristics of consumer products.

It invests in systems aimed at **recovering carbon dioxide**, which is otherwise released into the atmosphere.

The environmental impact from activities in the health sector is also reduced through the **computerisation of accounting documents** and reporting, and the **optimisation of inventory**. This is achieved through management systems that also monitor the preventive, corrective and extraordinary maintenance of all devices.



A CONTINUALLY EVOLVING HISTORY

1927 •

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



1970 •

SOL was among the **leaders in the sector in Italy** thanks to the transition from a regional market strategy to a national one. This was accomplished by embracing the major transformations in the technical gas industry at the time, triggered by the development of cryogenic liquid gas storage and distribution technologies.



1989 •

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 involved significant quantities of oxygen and a highly specialist **home care** service. **VIVISOL** was established in 1989, a company dedicated to developing this market.

2002 •

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



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.



1987 •

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

1998 •

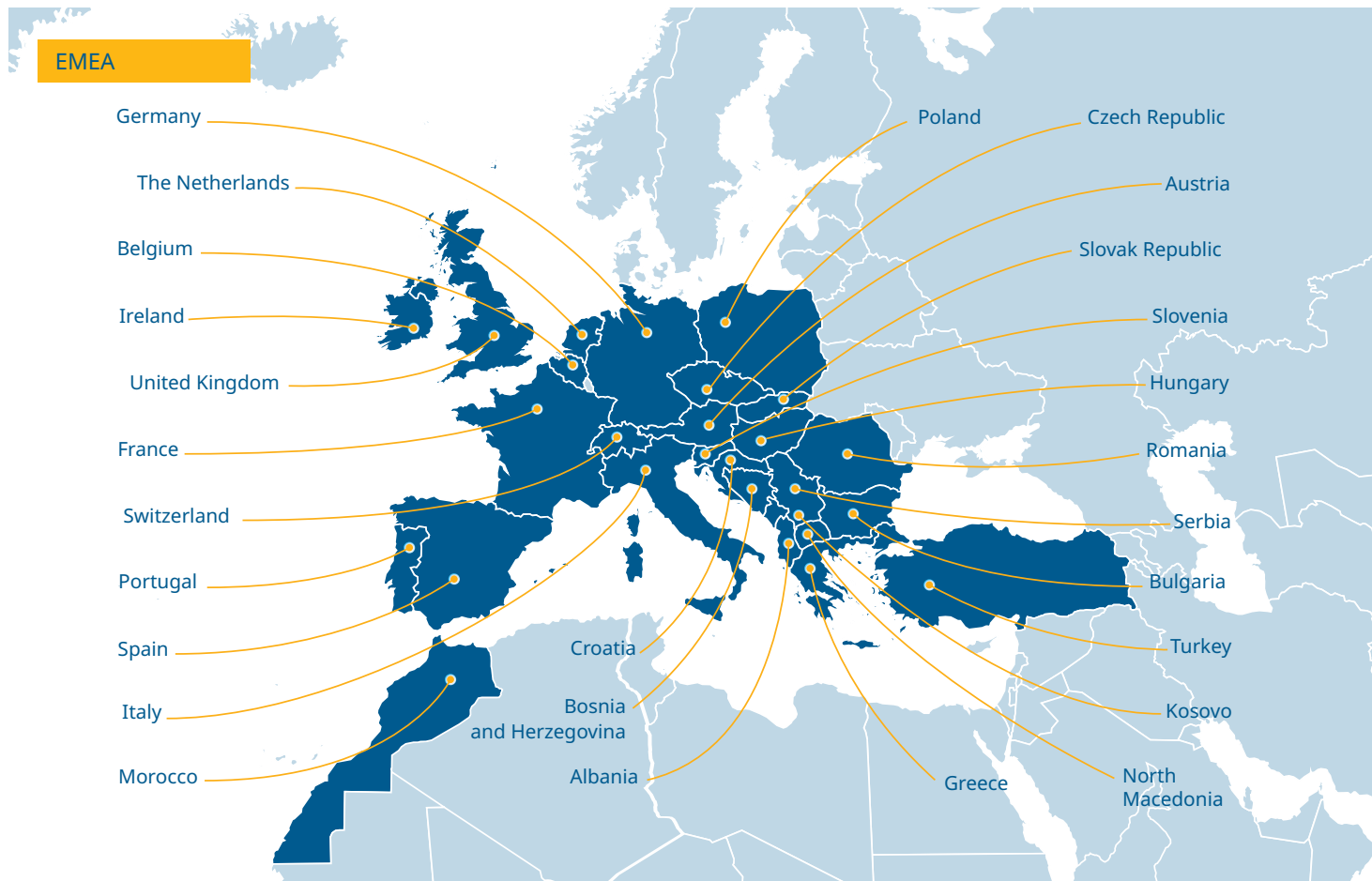
In order to be more competitive on the international markets, the parent company SOL Spa was listed on the **Milan Stock Exchange**. The arrival of the third generation of the Annoni and Fumagalli Romario families at the helm of the company, together with a young executive management team from outside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

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**.



SOL GROUP WORLDWIDE



AND INVES

Main corporate operations

Several acquisitions were completed both in Italy and abroad in 2023.

In the field of industrial gases, the SOL Group entered into majority strategic partnerships with SWISSGAS DEL ECUADOR Sa, based in Guayaquil, **Ecuador**, ICP - INDUSTRIAS CRIOGÉNICA DEL PERÚ Sac, based in Lima, **Peru**, and WONSAK KOHLENSÄURE-SERVICE GmbH, based in Hamburg, **Germany**.

In the home care sector, the SOL Group acquired 100% of ANAPNOI IKE in Thessaloniki, **Greece**; MIDIPERF SANTÈ FRANCE SAS in Vendargues, **France**; MAGNUS OPIEKA DOMOWA sp. z o.o. in Chorzów, **Poland**; and SOMNOMEDICS PATIENTENBETREUUNG GmbH in **Germany**. Lastly, the Group acquired a 15% stake in SOMNOMEDICS GmbH in Germany, a global leader in the field of sleep diagnostics.

Main investments

During 2023, **€90.7 million** were invested in technical and intangible assets in the technical gases area, and **€92.1 million** in the home care sector.

In Burago, **Italy**, work was completed on the construction of VIVISOL Srl's new logistics centre. The extension of the VIVISOL B Srl warehouse in Lessines, Belgium was completed. In **England**, the new head office of DOLBY MEDICAL Ltd in Crawley became operational.

In Burgbrohl, **Germany**, the modernisation work of the carbon dioxide production plant of the company SOL KOHLENSAURE WERK GmbH began.

The new medical oxygen branch was set up in **Kosovo**.

In **Greece**, work started on the construction of a new air separation unit for SOL HELLAS S.A. in Thessaloniki, while work was completed to upgrade the carbon dioxide production plant at the Florina site.

In **India**, activities continued to build a new air separation unit for SOL INDIA PRIVATE LIMITED in Ranipet (Tamil Nadu). In Indapur, the expansion of the production capacity of the ultra-pure plants of BHORUKA SPECIALTY GASES PRIVATE LIMITED is underway.

The improvement and modernisation programme in the primary and secondary technical gas production plants continued, more specifically on the plants in Feluy, Augusta and Mantua.

The secondary production plants for technical and medical gases also continued their improvement, modernisation and rationalisation programme, more specifically for the units in Catania and Padua in Italy and Thessaloniki in Greece.

Moreover, several on-site industrial and medical plants were built and commissioned in Italy and abroad (in particular, the pure gaseous nitrogen production plants in Italy and Greece deserve mention), 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 to support the Group's development in all of its business areas and geographical regions.

Lastly, in terms of software, investments continued for the implementation of IT systems in both the technical gas and home care sectors.

The SOL Group strengthens its presence in South America

The SOL Group has entered the technical and medical gases market through a strategic partnership with the CONAUTO Group

SOL SWISSGAS DEL ECUADOR Sa and INDUSTRIAS CRIOGÉNICAS DEL PERÚ Sac (ICP) joined the Group in 2023. They operate in **Ecuador** and **Peru**, respectively in the technical and medical gases sector.

With its main offices in Guayaquil, the CONAUTO Group was established in 1970 following the dissolution of 'MAX MULLER Y CIA,' a company founded in 1865 by Swiss entrepreneur Max Muller, and today counts several companies operating in Ecuador, Peru, Colombia and Vietnam in different industrial sectors.

The entry of the two companies, together with the strategic partnership with the CONAUTO Group, **plays a key role, expanding the Group's presence in South America to the technical gases market** after the success of the home care business in Brazil.

With a sound and successful history, the SOL Group and CONAUTO have set the goal of accelerating the growth of the two newly acquired companies, cooperating and integrating their respective skills to contribute to the development of South America.





GOVERNANCE SYSTEM

186

certified units
ISO 9001

88

certified units
ISO 45001

40

certified units
ISO 14001

CORPORATE GOVERNANCE

The Corporate Governance system is a key element of the SOL Group's business model: alongside the corporate strategy, it supports the relationship of trust with stakeholders and contributes to the achievement of business results, creating sustainable, long-term success. The system is based on the principles of **integrity, transparency and fairness**.

SOL's **governance structure** includes the following bodies: the Board of Directors with its Internal Board Committees (Remuneration Committee, Committee for Transactions with Related Parties and Control, Risk and Sustainability Committee), the General Manager, the Shareholders' Meeting, the Independent Auditors, the Manager responsible for drafting the accounting documents, Employers regulated by occupational safety laws, in addition to the Internal Control Department, the Supervisory Body pursuant to Italian Legislative Decree 231/2001 and the other company departments involved in the company's internal controls, and in particular the legal department overseeing the Antitrust Compliance Programme and the Anti-Corruption Programme. The **Control, Risk and Sustainability Committee** has been operational since 1 January 2024. It is responsible for supporting the Board of Directors' assessments and decisions regarding the Internal Control and Risk Management System, and sustainability issues related to the Group's activities.

Since 1 January 2021, SOL has complied with the **Code of Conduct for Listed Companies** promoted by the Corporate Governance Committee in the new version approved on 31 January 2020.

The Board of Directors is appointed by the Shareholders' Meeting every three years, on the basis of **lists submitted by the Shareholders** in compliance with the pro tempore regulations in force on gender balance and the presence of at least the minimum number of Directors meeting the independence requirements, in the manner specified in SOL Spa's Articles of Association.

The Board of Directors has competence and full powers for all acts of ordinary and extraordinary management of the company. The Board of Directors is tasked with examining and approving the strategic, industrial and financial plans of the company or the Group, the most significant transactions and those with related parties, as well as defining the corporate structure and the allocation of operational responsibilities and powers of management.

Lastly, the SOL Group organises regular initiatives focused on training directors and statutory auditors on various corporate and business issues, as well as in-depth sessions which also include various

company managers and are held during meetings. Information is provided which, in terms of content and frequency, allows them to receive adequate knowledge of company and Group activities, their evolution and related business processes, all also under the banner of sustainable development.

Composition of the SOL Spa Board of Directors at 31/12/2023



The Internal Control System

The internal control system is the set of corporate bodies and functions, controls, rules, procedures and standards whose primary objective is to implement sound and prudent management and to monitor and prevent fraud to the detriment of the company and the market. It also serves to prevent the commission of offences reflecting an apparent interest or benefit of the company by either top management or, more generally, all its employees, thereby ensuring compliance with laws in every area of the company's and the Group's activities based on the principles of fairness, transparency, efficiency, reliability and sustainability of corporate management.

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

SOL Spa, VIVISOL Srl and its subsidiaries RE.V.I. Srl, STERIMED Srl and TESI Srl have an **Organisation, Management and Control Model** suitable for preventing the offences listed in Italian Legislative Decree 231/2001. They have appointed their own collegial or single-member Supervisory and Control Body that is responsible for



verifying and controlling that the Model is effectively implemented and ensuring that it is constantly updated. The Group's **Code of Ethics** is an integral part of the Model; it was updated and expanded in 2017, given a new layout and disseminated throughout the Group, including online. The Model pursuant to Italian Legislative Decree 231/2001 has also been subject to numerous revisions to take account of the progressive expansion of offences with administrative liability pursuant to the same Decree that could abstractly be committed in the context of the company's activities. The latest edition of the Model is dated May 2021 and the sixth edition is nearing the end of the drafting process; it will soon be submitted to the Board of Directors for approval. It will consider all the offences hitherto included among those covered by the administrative liability of entities. The Model's revision was completed in 2023 and followed a review of the mapping of exposed activities, highlighting and measuring inherent and residual risk.

Following the entry into force of Italian Legislative Decree 24/2023 ("Whistleblowing Decree") transposing EU Directive 2019/1937, on 20 July 2023 the Board of Directors of SOL Spa approved the **Whistleblowing Procedure**, which is an integral part of the Organisation, Management and Control Model. This procedure establishes the reporting methods via an internal web channel to make it possible to send written reports (using software applying data encryption) or oral reports, and defines the responsibilities of those who receive and handle reports. The company has adopted a single software programme for the Group companies and appointed a single Whistleblowing Manager for the Italian companies, namely the Head of the Internal Control Department; all while ensuring adequate disclosure and the protection of privacy. During 2023, two reports were received that, after appropriate investigation, did not reveal any non-compliance with laws, regulations or Group procedures. They were suggestions for improvement in the management business processes, which were accepted and implemented.

The SOL Group is also strongly committed to protecting and respecting the principles of free market and competition. On 14 September 2017, the Board of Directors of SOL Spa approved a first **Antitrust Code** with the purpose of enabling all the people working for the SOL Group to have an easy-to-consult tool familiarising them with the fundamental principles of antitrust law and facilitating compliance with these principles in the performance of their activities. It also facilitates identifying and reporting any circumstances or conduct that might even just appear to be unlawful under competition law. Following the entry into force of the Antitrust Authority's Guidelines precisely on the subject of compliance in 2018, as well as following the experience gained, a review of the Group's Programme was launched in 2021 to align it with best practices and, above all, make it effective for the purposes of reducing possible sanctions. Therefore, a new Manual was prepared that replaced the previous Code, along with a series of Operating Guidelines that the Programme's recipients have found quite useful. They were approved by the Board of Directors of SOL Spa on 17 February 2022, together with a specific Policy signed by the Chief Executive Officers, testifying to top management's commitment on this issue. The Board of Directors also appointed an Antitrust Compliance Manager and given the department its own specific and independent budget.

The company proceeded to disseminate the new **Antitrust Compliance** Programme tools and training to all recipients of the Programme also in English. Three training (board induction) sessions were held for directors and statutory auditors in 2023, including one specifically dedicated to this topic.

The Antitrust Compliance Programme is also part of the initiatives focused on fostering the development of a corporate culture of legality and protection of competition, and on establishing procedures and systems to minimise the risk of regulatory violations within the broader context of the Compliance initiatives promoted by the Group and dedicated to anti-corruption, corporate governance, diversity enhancement and the development of gender equality and equal opportunities.

With regard to the protection and **processing of personal data (GDPR)**, SOL appointed a Group Data Protection Officer (DPO) for Italy long ago and adopted a **Privacy Policy** in compliance with the regulation. It has been published and disseminated to all staff, accompanied by an intensive ongoing training programme, also remotely, that has involved and continues to involve all staff. Privacy compliance activities subsequently continued with specific protocols, the creation of processing registers, the appointment of the various figures involved, etc., all in order to fully implement the GDPR in Italy and in the other countries where the SOL Group is present. The DPO periodically reports to the Board of Directors and the Board of Statutory Auditors.



On 14 November 2023, the Board of Directors of SOL Spa approved an **Anti-Corruption Code** to allow all those working for the SOL Group to have an easy-to-consult tool which, in addition to what is already set out in the 231/2001 Model and in the Integrated Management System Rules and Procedures, emphasises the problems of corruption and the principles of conduct in the main risk and instrumental areas.

Systematic control of the correct application of corporate governance principles is carried out through a system that also involves an **Internal Control Department**, which relies on the support of the corporate structures that monitor, control and manage corporate risks in the various Executive Departments. The Board of Directors of the parent company SOL Spa has appointed the above-mentioned Internal Control Department with the task of ensuring that internal operating and administrative procedures are correctly carried out. Verification activities are performed both at the management offices of the Monza headquarters and at the offices of the Group's operating companies in Italy and abroad.

Tax policy

The Group's approach to tax risk is integrated into the broader corporate risk management framework. Tax risks are managed consistently with applicable regulatory requirements and 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 abusing of the principles and purposes of the tax system.

In particular, the SOL Group operates in 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 a robust control system that enables it to verify the timeliness and the formal and substantial correctness of its tax obligations.

The responsibility for managing tax issues lies with the Corporate Executive 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, or related to the integrity of the organisation in relation to tax issues.

SUSTAINABILITY GOVERNANCE

Sustainability is central to the strategy of the SOL Group which ever since its establishment has considered its growth to be closely linked to that 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.

The Board of Directors' main role is to govern and manage the company, with the fundamental objective of pursuing the Group's sustainable success, while always taking into account the interests of all relevant stakeholders. In particular, the Board of Directors is responsible for climate-related issues: all significant sustainability initiatives are evaluated by the Board.

In fact, it is the Board that approves the information contained in the annual Sustainability Report and reviews the materiality analysis which, by also gathering the views of the various stakeholders, represents the Group's main impacts. In addition, the Chief Executive Officers and Executive Directors, together with the Executive Board, approved the SOL Group's **sustainability plan**.

Moreover, on 28 November 2016, the **Corporate Social Responsibility (CSR) Committee** was set up with the mandate of approving the sustainability goals and of coordinating and stimulating the operational structures of all Group companies on the topic. The members of the **CSR Committee** are the Directors, the Executive Board and the Executive Directors. In 2021, the **Sustainability, Mobility and Communication** service was also set up as part of the Corporate Executive Department for Quality, Safety and Environment, Regulatory Affairs and Sustainability. Its purpose is to coordinate the definition of the Group's sustainability objectives in the ethical, social, environmental and governance spheres, and communicate them internally and externally together with all the Departments concerned.

Our Responsible Care Commitment

SOL Spa has subscribed to **Responsible Care** 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. The companies SOL HELLAS Sa, FLOSIT Sas, SOL FRANCE Sas, SOL NEDERLAND Bv are also members of the programme.



On 7 January 2015, SOL Spa also joined the '**Responsible Care Global Charter**', undertaking to promote the principles and contents of the initiative in all countries where the Group is present.

Sustainability Ratings

In 2022, the SOL Group participated in the **CDP Climate Change** questionnaire for the first time, achieving a 'B' rating (which goes from 'A' to 'F'). This result was then confirmed in 2023.

Participation in the CDP questionnaire is a crucial step in SOL's sustainability journey. In fact, the positive result confirms that the commitment and efforts made to date by the group towards sustainability are also recognised and appreciated externally. In fact, companies that obtain a B rating have addressed the environmental impacts of their business and ensure good environmental management.

This important achievement comes on top of other ratings obtained in recent years: Ecovadis (Silver), MSCI (A) and Sustainalytics (Low Risk).

The Sustainability Plan

In 2021, SOL Group drew up its first Sustainability Plan, a fundamental tool to further strengthen SOL Group's strategic vision of sustainability by setting qualitative and quantitative targets that the Group will pursue over time.

The **Sustainability Plan** responds to some of the global challenges (United Nations Sustainable Development Goals, or SDGs) and integrates initiatives proposed by Group employees that were collected from the Little Big Innovations project.

The plan objectives are reviewed annually, taking into account both the results achieved and any new initiatives that may be implemented.



SUSTAINABLE PRODUCTION PROCESS

- increasing the percentage of energy consumed from renewable sources
- optimising the energy efficiency of the sites/products supplied
- reducing CO₂ emissions from transport
- increasing circularity in our processes



SUSTAINABILITY IN THE WORKING ENVIRONMENT

- promoting an inclusive working environment
- maintaining high safety standards for our employees and partners working with us



DIALOGUE AND LISTENING

- strengthening the process of listening to patients and doctors
- listening to employees to improve the working environment with more systematic and regular processes
- disseminating the principles of our Code of Ethics
- supporting the community



SUSTAINABLE INNOVATION

- offering customers sustainable products/services, such as BioCO₂, BioLNG
- supporting our customers in improving the sustainability of their processes

Integrated Management System

The governance of the Management systems, the review of their proper functioning and the verification of their effectiveness is entrusted to the Quality, Safety and Environmental Management System Steering Committee (CGSQ) which is made up of the Directors, General Manager, the Corporate and Business Executive Directors and the Internal Control Department. The Corporate Executive Department for Quality, Safety and Environment, Regulatory Affairs and Sustainability (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 Executive Directors on a quarterly basis.

The Group's Integrated Management System is the instrument that guarantees the coordination of all the structures responsible for governing company processes, environmental performance and safety at work, which has been accompanied over time by further certifications and accreditations. It is an important risk management tool, as it highlights potential risks in the areas observed and identifies appropriate mitigation actions.

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 been gradually implemented in relation to Group activities. The scope was then extended to other locations and countries. The table below summarises the main certifications obtained by the SOL Group, broken down by country and company, as at 31 December 2023.

COUNTRY	COMPANY	ISO 9001 Quality	ISO 45001 Health and safety of workers	ISO 14001 Environment	EMAS Environment	ISO 50001 Energy	ISO 13485 Medical devices	ISO 27001 Data security	ISO 22000 Food safety
Technical gases sector									
Albania	GTS	1	1	1			1		1
Austria	SOL TG	1					1		
Belgium	SOL Branch Belgium	2		1					2
	BTG	1							
Bosnia-Herzegovina	TGP	1		1					1
	TGT	1							
Bulgaria	SOL BULGARIA	2	2						3
China	SHENWEI MEDICAL GAS	2	2	2					
Croatia	UTP	2							
	SOL CROATIA	1							
Ecuador	SWISSGAS	3	3	3					
France	BEH FRANCE	1					1		
	SOL FRANCE	3							
Germany	SOL DEUTSCHLAND	3							2
	SOL SPA FRANKFURT	1				1			1
	SOL KOHLENSAURE	1							1
	CT BIOCARBONIC ⁽¹⁾	1				2			1
Greece	SOL HELLAS	5		5			2		5
India	BHORUKA SPECIALTY GASES	2							
	GREEN ASU PLANT	1							
	SOL INDIA	2							
Ireland	IRISH OXYGEN	1							
	POLAR ICE	1							
Italy	SOL Spa	21	29	3	1		2	1	
	SGP	9	9	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	1	1			1		
	STERIMED	1	1	1			1		
	RE.VI.	1	1	1			1		
North Macedonia	TGS	3	3	3					3
	SOL SEE	2	2	2					1
Morocco	FLOSIT	1							
Netherlands	SOL NEDERLAND	2	2						2
Romania	GTH	1	1						1
Serbia	SOL SRBIJA	1		1					1
Slovenia	SPG	1	1	1		1			1
	TPJ	1	1	1		1			1

(1) Jointly controlled company consolidated using the equity method and therefore excluded from the reporting scope of this Sustainability Report.

COUNTRY	COMPANY	ISO 9001 Quality	ISO 45001 Health and safety of workers	ISO 14001 Environment	EMAS Environment	ISO 50001 Energy	ISO 13485 Medical devices	ISO 27001 Data security	ISO 22000 Food safety
Spain	SOL FRANCE ESPANA	1							
Turkey	GEBZE GAZ	1							
	SOL TK	1							1
Hungary	SOL HUNGARY	1							

Home care sector

Austria	VIVISOL AUSTRIA	2							
France	FRANCE OXYGENE	15							
	VIVISOL FRANCE	1	1						
Germany	VIVISOL DEUTSCHLAND	4							
	MEDTEK	1							
	PROFI GESUNDHEITS SERVICE	1					1		
	INTENSIVSERVICE	1							
	PIELMEIER	1							
Greece	VIVISOL HELLAS	3					3		
Ireland	DIRECT MEDICAL	2							
Italy	ITOP	1							
	VIVISOL	18	19	1			2	1	
	VIVISOL CALABRIA	1							
	VIVISOL NAPOLI	1	1						
	VIVISOL SILARUS	1							
Netherlands	VIVISOL NEDERLAND	1						1	
Poland	PALLMED	21						21	
	MEDSEVEN	1							
Czech Republic	VIVISOL CZECHIA	2							
United Kingdom	VIVISOL UK	4	4	4				2	
Spain	VIVISOL IBERICA	4	4	4			1	3	
Switzerland	SITEX	1							

Biotechnologies sector

Italy	CRYOLAB	1							
	DIATHEVA	1							
	BIOTECHSOL							1	
	PERSONAL GENOMICS	1							

Renewable energy production sector

Slovenia	ENERGETIKA	1							
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TOTALE		186	88	40	3	5	22	31	30
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In addition to the certifications shown in the table, the Pure Gas Plant (SGPM) in Monza, the company STERIMED Srl in Italy, GTS Shpk in Albania and SOL SRBIJA Do have been accredited as test laboratories in accordance with **ISO 17025**. SGPM obtained accreditation according to **ISO 17034** as a producer of certified reference materials in 2021.

In 2023, CRYOLAB Srl obtained **ISO 21973** certification for the transport of cells for therapeutic use. STERIMED Srl obtained **SA 8000** certification, a standard focused on working conditions. The central IT department based in Monza has instead obtained **ISO 27701** certification for the services offered to the companies SOL Spa, VIVISOL Srl, SOL GAS PRIMARI Srl and BIOTECHSOL Srl; this standard enhances the Group's efforts in information security by also including privacy management.

Given the kind of gases they produce and the quantities they stock, 24 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 strict auditing by the Authorities. In 2023, six units were inspected (all the inspections concerned the Management System), all of which were concluded with positive results.

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

ISCC PLUS Certification for the CO₂ Production Chain

The SOL Group continues its sustainability journey, obtaining the prestigious 'ISCC Plus' certification for its new plant in Wanze, Belgium

ISCC is a voluntary certification system for the complete traceability and sustainability of raw materials, including agricultural and forestry biomass, biogenic waste and residues, circular materials and renewable sources.

The Group decided to certify the site in Wanze, Belgium according to the ISCC Plus standard. Through the installation of a carbon dioxide purification and liquefaction unit at a partner's bioethanol production plant, the site in Wanze recovers and converts part of the gaseous CO₂ of biogenic origin into liquid form, reducing the emission of gas into the atmosphere.

The Group embraces and endorses the ISCC's mission to protect the environment and biodiversity by enabling and promoting the utilisation of waste and increasing traceability. Being able to certify the entire production chain, from raw materials to intermediate and final products, is key to providing sustainable solutions and contributing to the energy transition.

This certification represents a further important and concrete step towards sustainability for the Wanze site, which had already begun with the implementation of the certified management system for quality and food safety (ISO 9001, ISO 22000 and FSSC 22000).

In addition to the production site, SOL KOHLENSAURE WERK GmbH & Co, which forms the last leg of the supply chain (meaning the one that reaches the end customer), was also certified.



The Regulatory Affairs and Pharmaceuticals Department

Oxygen, medical air and nitrogen oxide, Donopa (a mixture of oxygen and nitrogen oxide) and Neophyr® (whose active substance is nitrogen monoxide) are the main **drugs** that the Group distributes in hospitals and, with regard to oxygen, in patients' homes. Again in the healthcare sector, the Group produces and sells **gas for medical devices**, such as liquid nitrogen for cryopreservation and cryotherapy, 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 Corporate Executive Department for Quality, Safety and Environment, Regulatory Affairs and Sustainability, the **Regulatory and Pharmaceutical Affairs Department (DARF)** is responsible for supporting, controlling and coordinating all SOL Group companies in the authorisation process for the production, distribution and sale of gases for medical use and medical devices.

Medicinal products must have a marketing authorisation (AIC), issued by the pharmaceutical agencies of the countries where they are marketed.

The **pharmaceutical workshops** that produce the drugs must be authorised by the Drug Agencies - organisations that verify at national level that all stages of the production process comply with the GMPs (Good Manufacturing Practices). Compliance with these guidelines guarantees the quality of the medicinal products, which in turn is a prerequisite for the medicinal product to be defined as safe and effective. Medical device manufacturers must obtain the EC marking, which proves that their products comply 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, i.e. facilities (laboratories or companies) authorised by the competent authorities of EU countries.

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 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 require each Group company to submit specific reports to DARF for the collection of reports, for analyses and for the evaluation of any notification to the competent authority.



MEDICINAL GASES

145

Marketing Authorisation for medicinal gases filed in

25

countries

63

Pharmaceutical Workshops:
61 for the production of medicinal gases
1 for the production of Galenic Drugs
1 for the production of API and experimental drugs from biotechnology



MEDICAL DEVICES

Medical device gases produced in

20

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 **business risk mapping and assessment** methodology that assigns a relevance score to the risk according to its impact, the likelihood of occurrence and the level of detectability. The risks, and the related opportunities, have been determined by considering the expectations and needs of the main stakeholders with whom the Group interfaces. Action thresholds have been defined to identify the most relevant risks and actions have been identified to address and minimise them. At the same time, related opportunities have been identified along with the actions to seize them.

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

Climate change: in 2023 the Group confirmed its previous assessments aimed at identifying the climate change risk factors that are most relevant for the Group, both with regard to physical risks and transitional risks, as well as any opportunities connected to them. As a result of these activities, the Group considers that among the most important transitional risks are aspects related

to customers' demands on the sustainability of its supply chain and purchased products (risks arising from changes in market demand), technological evolution (risks related to necessary technological innovations) and regulatory evolution (i.e. risks arising from legislative or policy impositions aimed at triggering change).

In this context, consistent with the implementation of its Sustainability Plan, the Group has identified specific actions aimed at managing these risk factors, with a view to minimising their possible consequences on the company's business in the foreseeable future. For example, the Group intends to strengthen the customer offer of sustainable products/services (BioCO₂, LNG, BioLNG), implement measures to reduce greenhouse gas emissions generated both directly and indirectly (for example, progressively increasing the percentage of consumed energy from renewable sources, or using low-emission vehicles for home care), and support customers in improving the sustainability of their processes (see also what is reported in the previous chapter 'Sustainability, a global objective'). Instead with reference to physical risks, due to the type of activities carried out and the geographical location of the plants, as well as its past experience, the Group does not currently consider the possibility of suffering damage or interruption of activities as a consequence of atmospheric events due to climate change as significant in the short term. In any case, the Group constantly monitors the exposure of its infrastructure (both those already existing and, for those under construction, from the design phase) to these types of risks in order to adopt the appropriate mitigation measures. In this context, the Group has not currently identified the need for urgent action or significant investments.

Environment: the SOL Group's products and activities are subject to increasingly complex and stringent authorisation and environmental regulations. This concerns its production plants, which are subject to regulations on atmospheric emissions, waste disposal, water disposal and the prohibition of soil contamination. The Group constantly monitors the regulatory context in order to avoid situations of non-compliance.

Social: potential risks should be noted, relating to compliance with existing regulations on the proper disclosure 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 related to the suppliers of services in the home care sector and in general to the management of social and environmental risks along the supply chain, and potential risks related to the market and the respect for human rights, with particular reference to the supply chain.





Employees: potential risks are noted related to employee health and safety and to compliance with occupational health and safety regulations.

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

In view of the potential risks identified, the company assessed the safeguards set up for each activity, any gaps to be filled and the changes for improvement. Please refer to the table in the chapter 'Materiality analysis' for the identification of the risks and the relevant management methods associated with the material topics.

The Company Managers are coordinated by the Corporate Executive Department for Quality, Safety and Environment, Regulatory Affairs and Sustainability and are the governing bodies that oversee the main **environmental, health and safety risks**.

Furthermore the Company Managers, supported by any local or corporate appointed 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 health, safety and the environment, respecting human rights, and preventing and combating corruption, applies to whoever enters into contact with the Group, including suppliers, partners and customers.

The Group has introduced **processes and management systems to mitigate the most relevant risks** and therefore ensure the correct control of the topics. In particular, the Group's units have obtained ISO 9001, ISO 45001, ISO 14001, ISO 50001, ISO 13485, ISO 27001, and ISO 22000 certifications.

CUSTOMERS, PATIENTS AND SUPPLIERS

Over

650,000

patients served

Over

50,000

industrial customers

Over

13,500

patients and customers listened to



COMMITMENT TO A SUSTAINABLE INDUSTRY



Focus on the customer

The SOL Group identifies and promotes innovative technological solutions for the use of technical gases in all sectors of the industry, making the activities of its customers and their production processes increasingly **sustainable**.

The Group establishes genuinely true partnerships with customers, enabling them to achieve **energy and production efficiency**, **reduce environmental impact** and **protect the health** of their employees. This is possible because the Group's offer does not only include the supply of technical gases, but also extends to the supply of advanced gas application technologies, the design and construction of specific plants to match industrial processes, and the provision of maintenance and technical assistance services.

The Group's technicians are constantly engaged in applied research activities leading to the development of a wide range of modern gas application technologies, which are accompanied by a wide range of services developed and constantly updated by the Group's marketing departments. Every industrial sector, from agro-food to metallurgy, from chemical-pharmaceutical to oil, from mechanics to ceramics and glassmaking, is supervised by the Group's specialists, who create **tailor-made** solutions, designed and built on the specific needs of each customer.

The SOL Group 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 and bioLNG).



TECHNOLOGIES, PRODUCTS, SYSTEMS AND SERVICES

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 & SOLUTIONS

- Cooling, flash freezing, cryogenic freezing, IQF with Lin or LCO₂: improved quality of frozen product, taste characteristics maintained, better aesthetic aspect, reduced freezing times and space saving.
- Packaging in atmosphere modified with N₂ and CO₂: shelf life optimisation, improved aesthetic aspect, freshness maintained and waste minimisation.
- Transport at temperature controlled with Lin or dry ice: safeguarding of freezing chain to preserve quality of food and avoid spread of bacteria.
- Carbonic fertilisation with CO₂: increase in production and in quality and look of the product.
- Fish and mussel farming with O₂: increase in production and quality of the finished product.
- Sanitization and disinfection with CO₂, avoiding the use of chemicals.
- Fumigation and pest control with CO₂ of biological agricultural products for which no chemical products, such as phosphine, can be used.
- 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 & SOLUTIONS

- 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 NO_x: 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.
- On-site installations: reduction energy consumption, transport activities and relative emissions.

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 & SOLUTIONS

- 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 well-head valves).

Specialty gases



INDUSTRIES SERVED

- Research centres and universities
- Healthcare sector
- Pharmaceutical industries
- Automotive
- Chemical and petrochemical industries
- Electronics
- Zootechnology
- Safety
- Environmental control
- Energy
- Metal production
- Analytical instrumentation
- Food industry
- Aerospace industry
- Laboratories

Chemistry & Pharma



INDUSTRIES SERVED

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

TECHNOLOGIES & SOLUTIONS

- 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 CO₂: replaces cleaning methods using water, solvents or sandblasting, thus limiting the environmental impact of residues
- On-site installations: reduction energy consumption, transport activities and relative emissions.

Oil & Gas



INDUSTRIES SERVED

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

TECHNOLOGIES & SOLUTIONS

- EOR processes with nitrogen and CO₂: 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 maintenance 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, cogenerators.

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 & SOLUTIONS

- Waste water treatment with O₂: makes purification more effective and increases purification capacity, reducing environmental impact and giving better control on effluents.
- pH control with CO₂: this substitutes mineral acids (sulphuric and hydrochloric), leaving less pollutants in the water.
- 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.
- Recarbonation and remineralisation of drinking water with CO₂: makes water drinkable meeting legal requirements using a certified food additive.
- Oxycombustion of waste with O₂: reduction of aeriform emissions and increased control of incinerator plant with widely varying waste loads (tourist areas).
- Afterburners with O₂: 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.

TECHNOLOGIES & SOLUTIONS

- Chemical and pharmaceutical synthesis
- Lasers
- Burner calibration
- Sensor and leak detector calibration
- Exhaust gas calibration
- Emission and immission control
- Spirometry
- Calibration of laboratory equipment and process
- Clinical diagnostics
- Research and testing
- Inert and controlled atmospheres
- Biological research
- Underwater research
- Biological cryopreservation
- Fruit ripening
- Supercritical applications
- Magnetic resonances
- Laboratory generators
- Lamp production
- Fibre optics production
- Solar cell production
- Electronics
- Heat treatment
- Certified installations
- Sanitisation

The SOL Group Operating Support Center

State-of-the-art service to support the primary production facilities

Two years after the start of the project, the SOL Group's Operating Support Center (OSC) has been confirmed as a key investment, allowing tangible benefits to be provided to the Group's customers. Through specific connections within the SOL network to all production units around the world, different units can be monitored and supported from a single control room. The control room is located at the Verona plant and is operated by suitably trained staff with experience in process optimisation.

The OSC not only **ensures constant monitoring and immediate support** for the various units, but also offers a platform for **exchanging know-how and for the critical analysis of operational data**. This approach allows the Group's best practices to be adopted on a global scale and adapted to the specific local conditions of each plant. The result is a noticeable

improvement in operational efficiency and flexibility, enabling SOL Group to quickly and effectively respond to changing market needs. Moreover, OSC colleagues will support the start-up of new plants in India, Greece and Germany planned for 2024-2025.

There are clear benefits for the customers served: **greater availability and reliability at the production level, optimisation of plant start-up and shut-down processes**, adapted according to market demand.

With most of the plants already integrated in the OSC and with the aim of bringing all others on board in the coming months, SOL Group is committed to offering its customers an even better and more efficient service.



COMMITMENT TO HEALTH CARE



SOL in the hospital sector

National Health Services are increasingly steering the treatment of highly critical diseases towards the so-called Smart Hospital, a hospital featuring the most modern clinical and diagnostic technologies.

Hospitals have undergone a major reorganisation of their internal processes since the pandemic and are now increasingly digital and sustainable.

In this highly dynamic context, the SOL Group acts as a **partner of the Health Service**: it provides medicinal products, services and technologies for the integrated management of operating flows within hospital facilities, thereby protecting the quality and efficiency of healthcare services.

MEDICINAL GASES WITH MARKETING AUTHORISATION AND MEDICAL DEVICES

The range of Medicinal Gases includes both drugs under the marketing authorisation regime (traditional or innovative) and gases classified as Medical Devices (MD). Among the innovative drugs, special emphasis is placed on the development of the nitrous oxide nitrogen mixture (Neophyr®) used as a vasodilator in premature infants and after cardiac surgery, and the nitrous oxide-oxygen mixture (Donopa®), used for its analgesic and pain-relieving properties.

MD gases include liquid nitrogen, which can be used for dermatological applications or for the cryopreservation of biological samples (cells, tissues, organs) intended for transplantation, stored in cryobiological rooms certified as Tissue Institutes.

The SOL Group supports Hospital Pharmacists with its **EPGA Accredited Mobile Laboratory**, which analyses medical gas samples at the delivery point and certifies compliance with the purity requirements established by the European Pharmacopoeia, thus ensuring that the characteristics of the drug are maintained from the storage centre to the patient's bed.

TOTAL GAS MANAGEMENT

Medicinal gases are particular drugs whose risk index derives from being packaged under high pressure or cryogenic temperatures. Most of them are oxidising gases and therefore require complex handling.

For these reasons, SOL supports healthcare facilities with the Total Gas Management service which, through the **daily presence of specialised technicians**, supplies Medicinal Gases, distributes them in hospitals, and controls the packaging, medical administration devices and centralised distribution systems. The Total Gas Management service was essential during the Covid-19 pandemic to ensure the effective distribution and 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 medicinal gases**, their containers, systems and accessories is essential for their correct handling and administration.

The training activities for all professionals operating in healthcare facilities are carried out through courses delivered physically or remotely, which are also ECM accredited.

MEDICINAL GAS DISTRIBUTION PLANTS CLASSIFIED MEDICAL DEVICE

SOL Group designs, manufactures, certifies and operates **centralised systems for the production and distribution of medicinal gases**, endocavitary aspiration and anaesthetic gas evacuation within hospital facilities. The certified and high-quality components used are designed and produced by BEHRINGER Srl, a SOL Group company that deals with the production and sale of devices for the supply and administration of medicinal gases.

DISPENSING AND MONITORING SYSTEMS FOR MEDICAL DEVICE CLASSIFIED MEDICINAL GASES

SGLAB Srl is the SOL Group company that is engaged in the development of electronic systems suitable for the control and management of technical gases and their mixtures, for medical, scientific and industrial uses. It has developed CE-IVD certified Medical Devices that allow the administration and dosing, in automated or manual mode, of the nitric oxide nitrogen mixture **Penelope** and **GeaNOX**, respectively. The company also develops the **EMONO** device: a mobile evacuation device designed to draw the exhaled breath of a patient undergoing anaesthetic therapy.

INFOHEALTH SOLUTION®

The InfoHealth® SOLution web and mobile platform **is the control room from which all the activities carried out within the healthcare facilities** that use the medicinal gases and medical devices provided by SOL are planned, coordinated and managed. The platform monitors the routine and extraordinary maintenance of medical devices, electromedical equipment and technological systems, as well as the traceability of medicinal gas packages (validated according to Good Manufacturing Practice).

It is also used for the integrated management of maintenance on the medical devices in ambulance fleets, as well as for handling administrative and technical deadlines connected with the vehicles.

The platform effectively manages the Group's activities thanks to the numerous plants in Italy and abroad, but it is constantly evolving and being updated to ensure constant digitalisation of the Group's customer activities.

GLOBAL SERVICE OF ELECTROMEDICAL EQUIPMENT

The SOL Group is a leading 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 electromedical equipment performance, allow the Group to offer its experienced support to 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

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 central units (including integrated management).

To protect the health of staff and patients, the Group offers healthcare companies 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 a very minor impact on healthcare activities, according to the actual exposure limits established by current regulations.

Particular focus was placed on environmental monitoring services during the pandemic, which helped to **increase awareness of the healthiness and pollution of healthcare environments**, and enabled SOL to provide specialised services for environmental monitoring and sanitation.

EMERGENCY CARE

Patient care begins with the patient's transfer to hospital and it is precisely on this initial contact between patient and hospital that SOL Group has focused on structuring an integrated emergency vehicle management service. The Emergency Care service offers associations, organisations and regional emergency response bodies, **complete take-over and management of the vehicle fleet**, including the vehicle's sanitary compartment and medical equipment (maintenance, periodic checks, electrical safety checks, sanitation, IT management), as well as the vehicle itself with regular servicing. With more than 270 emergency vehicles operated across the territory, SOL Group provides a comprehensive package of products and services designed to ensure their best performance and the safety of the patient and health workers.

CRYOMANAGEMENT

The design and development of **Cryobiological Rooms and Biobanks** is a service offered to all public and private facilities that carry out scientific research, produce biological drugs and work on manipulations for transplanting cells, tissues, organs and that need to store their biological samples at cryogenic temperatures in the medium to long term.

SOL offers turnkey solutions that include the design, the construction of premises and the supply of all hardware devices certified as Medical Devices and GAMP-validated LIM software for sample tracking, as well as maintenance, validation and training services.

DISASTER RECOVERY PLAN

The Disaster Recovery Plan service guarantees the **immediate transfer, in emergency situations, of equipment from public and private facilities to the three Cryobiology Rooms owned by the SOL Group** through its subsidiary CRYOLAB Srl, which has specific authorisations for the service issued by the Ministry of Health, the National Transplant Centre and the National Blood Centre.

CRYORECOVERY

The CryoRecovery service allows the **medium- and long-term storage of drugs and biological samples** at CRYOLAB Srl facilities, in compliance with the storage and traceability conditions indicated by specific industry regulations.

BIO SHIPPING

The BioShipping service moves **drugs and biological samples around the world under absolutely safe, traceable conditions**, with continuous and fully traceable control of the temperature recorded during transport and maintenance, where required, of the correct cold chain.

CRYOLAB Srl has a specific authorisation for the transport of stem cells, blood, blood products and human gametes and UNI ISO 21973 certification for the transport of cells for therapeutic use.

'Oxalys Smart': the new digital oxygen therapy valve that starts to communicate

A further step towards expanding the offer in the field of oxygen therapy

The 'Oxalys Smart' digital valve for medical oxygen cylinders is the new frontier in oxygen therapy, ensuring accurate patient care and facilitating the work of healthcare staff.

The project stems from a careful observation of healthcare workers' needs in order to improve the use of oxygen cylinders in a complex hospital environment, **minimise the risk factors and critical issues** that can lead to errors or improper use, and **optimise the internal logistics** of the cylinder fleet.

The result is a digital valve with:

- an integrated pressure reducer designed to facilitate the dispensing process, in compliance with safety requirements imposed by current standards;
- a digital pressure gauge that clearly shows both the residual pressure and the remaining dispensing time according to the set dispensing flow;
- an alert system that notifies the operator, via an acoustic signal and the display of an icon, of parameters such as low battery, low residual pressure, high/low temperature, low remaining dispensing time, kinked or obstructed hose;

- an IoT electronic board with integrated GPS that allows healthcare workers and SOL hospital technicians to access a complete overview of the location and status of delivered cylinders at any time, which can be crucial for smart and lean cylinder fleet management.

The medical oxygen cylinder thus begins to communicate and allows **remote monitoring** of the interconnected device through the use of the InfoHealth platform.

The platform then acts as a hub for all the information that the smart valve can capture and transmit in encrypted form: it remotely monitors values such as cylinder fill level, remaining dispensing time, valve opening or closing and remaining battery life. Furthermore, the platform helps to **track the movement of the cylinders** delivered to hospital facilities, thus optimising the recovery of empties, simplifying internal logistics and saving time in cylinder fleet management.



VIVISOL for home care

In addition to being well established in Italy, Europe, Brazil and Turkey as one of the leading **Home Care Providers** of technological and health services for complex and often life-support therapies for chronic patients, VIVISOL now also operates in China.

In a demographic context where the population is progressively ageing and an epidemiological landscape marked by an increase in major chronic diseases, the role of Home Care Providers is of growing importance for the **optimised management of chronic patients**, who often suffer from multiple conditions as well as vulnerability. Ensuring that appropriate models of home care are delivered by specialised providers can indeed 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 reaching across all the countries in which it operates**, thanks to a local network of Health Service Centres and Operational Centres open 365 days a year, 24 hours a day, from which home activities are coordinated and managed for over 650,000 patients worldwide.

RESPIRATORY THERAPIES

VIVISOL provides **oxygen therapy** services for people suffering from chronic respiratory failure at home but also temporarily in other locations. Through the **ViviTravel** service, VIVISOL can guarantee patient care while travelling throughout Europe.

Through its close partnerships with well-established global manufacturers, VIVISOL has used the best technologies over the years to guarantee the patient complete management of respiratory therapy through invasive and non-invasive **home mechanical ventilation**. To support ventilatory therapy, VIVISOL assists highly complex patients also with complementary technologies and assistance such as bronchoaspiration, cough assistants and humidifiers. VIVISOL also provides an **aerosol therapy** service, which is used in the treatment of multiple pathologies, including cystic fibrosis.

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

VIVISOL evolution in 35 years of experience

1989



HOME OXYGEN THERAPY

Oxygen therapy resulted from the production of medical O₂

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

2022



VIVITOP IS BORN

From the union of the experiences of VIVISOL, ITOP and Centro Ortopedico Ferranti comes VIVITOP, with the aim of strengthening the Group's presence within the orthopaedics, prosthetics and aids sector



INFUSION THERAPIES

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

Each service involves a careful **selection of the medical device** by a highly specialised multidisciplinary team. Added to this is the **training** delivered to the patient and the caregiver (clinicians, nurses or any family members) in the use of the device, the coordination of activities for handling the patient when he or she returns from hospital, and the dietary and nursing care provided to the patient, with the aim of ensuring the best possible continuity of therapy at home.

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.

HOME AND PALLIATIVE CARE

VIVISOL provides **homecare and social care services** for patients with temporary or chronic clinical needs through medical, nursing and rehabilitation teams. The healthcare activities are managed from 24-hour Operations Centres and on IT platforms that allow communication between the VIVISOL operators, the patient's referring medical professional and the patient himself/herself, guaranteeing reliability and efficiency. VIVISOL has acquired specific know-how in the **management of highly complex patients** and ensures they receive personalised care, integrating healthcare services with the management of life support technologies. VIVISOL has a structured **palliative care** network for patients with oncological and degenerative diseases for which there are

either no specific 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 for psychogeriatrics and for assisting the neuro-psychological decay of elderly patients, as well as protected apartments for people with complex disabilities which are designed according to the patient's clinical and care needs.

One of VIVISOL's strengths is the **continuous training** of its healthcare and technical operators: constantly specialised through specific training courses for the various home activities, they ensure that increasingly high-quality services are offered.

TELEMEDICINE AND DIGITAL SERVICES

VIVISOL has established expertise in **telemedicine services, expressed through the VIVICHECK platform**. The constant search for innovative solutions to improve the patient's quality of life and the need for therapeutic adherence have led to developing a model that combines home care with the possibility of remotely monitoring important clinical and vital patient parameters: advanced monitoring of respiratory function, predictive capacity for COPD flare-ups and asthma (using the innovative Resmon Pro Diary device), telemonitoring of nutritional therapy (via automated transmission of pump data) and home dialysis, technological enhancement of healthcare activities and home palliative care.

To manage the complexity of these activities and to improve the patient's care path at home, VIVISOL has set up a **Telemedicine Health Centre**. This is a health centre composed entirely of medical staff and nurse coaches who help patients in the management of their therapy, and hospital specialists (or local doctor) in assisting the patient remotely, allowing constant monitoring of clinical outcomes.

HOME DIALYSIS

VIVISOL integrates services designed for the **home care of nephropathic patients**, with a special focus on **dialysis patients**. The services developed by VIVISOL, in line with its patient-centred approach, offer therapies capable of **adapting dialysis treatment to the lifestyle and possible comorbidities of the nephropathic patient**, providing continuous assistance during the different stages of treatment.

HEALTHCARE AIDS

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

Specifically, through the brand VIVITOP that was created in 2022, the acquisition of ITOP Spa OFFICINE ORTOPEDICHE and CENTRO ORTOPEDICO FERRANTI Srl, the latter in 2023, and the continued work of IL POINT Srl, the SOL Group has strengthened **its role within the orthopaedic sector**. By combining the specific expertise of these companies, the Group has built an increasingly broad and innovative offer: patients have the opportunity of using highly customised and innovative services and products that meet the highest standards of 'Made in Italy' technology, enhanced by a human and empathetic approach to the customer, who can go directly to the reference shops in the area.

Another particularly important element is IT applied to overcoming disabilities: one such example is the **alternative augmentative communication** service, which enables patients without motor faculties to communicate independently, including through an **eye pointer**.

VIVIOPEN: the evolution of VIVISOL's digital services

Digital transformation is one of the biggest challenges that the National Health Service is facing today and will need to address in the coming years. The use of NHS services by citizens and health professionals can indeed no longer ignore the changes that have taken place in society following major technological innovations in every field, as well as the specific medical needs in the digital field that overwhelmingly emerged in the recent pandemic.

VIVISOL has fully embraced this challenge: after devoting massive resources to **digital health research and development** over the past three years, today it launches VIVIOPEN.

Conceived with a mobile first perspective, distributed on the cloud and designed according to User Centered Design principles, the platform is accessible from smartphones, tablets or computers with specific displays automatically adapted to the screen of each device.

VIVIOPEN is the platform that transforms the complexity of home care management into simple daily browsing on a digital portal, meeting the new needs of doctors, NHSs and patients. VIVIOPEN is a single platform that opens into customised views for the 'key figures' involved in the care pathway.

The platform allows its users to access the VIVISOL world via a single website. From login onwards, functions designed specifically according to the user's role and VIVIOPEN authorisations are automatically displayed.

This approach allows VIVIOPEN to ensure **greater flexibility** in the Personal Area and a strong focus on the **individual user's specific activities and needs**.

COMMITMENT IN THE FIELD OF BIOTECHNOLOGY



Diagnostics

PERSONAL GENOMICS Srl, a medical genetics laboratory accredited by the Veneto Region and SIGUCERT certified, offers **diagnostic services in the field of medical genetics analysis**. The laboratory in Verona develops new genetic panels for clinical diagnostics in the field of oncology, cardiology, gynaecology and rare diseases. Alongside these activities in support of preventive and precision medicine, genetic and bioinformatic analyses are carried out to support the scientific research activities.

DIATHEVA Srl develops innovative diagnostic systems that identify and quantify - via DNA amplification techniques - pathogens in any matrix and for any requirements. DIATHEVA also has a proprietary pipeline for the development of new biotechnological drugs in oncology.

In 2023, AIFA authorisation was obtained for **the Fill&Finish process for the production of drugs for human use**.

Applications and research in the Biomedical and Biotechnology fields

DIATHEVA's activity is mainly focused on the **GMP production of finished biotechnological drugs** for preclinical phases or phase I/II clinical trials, starting with product optimisation, passing to industrial-scale production scale-up and ending with the final bottling. Since the entire project is customisable, all production steps or only a single part can be carried out according to customer requirements.

A second branch instead focuses on the research, development, production and sale of innovative products (such as monoclonal antibodies, recombinant proteins and molecular kits) for research, diagnostics and clinical applications in the hospital, environmental, veterinary and food sectors.

DIATHEVA mission is to transfer basic research into industrial applications by cooperating with public and private companies and research institutes.



The new 'Fill&Finish' service for the production of finished biotechnological drugs

In 2023, Diatheva obtained AIFA authorisation to carry out the last step of the GMP manufacturing process

The "Fill & Finish" is the aseptic filling process into vials performed at the end of the GMP production process of a pharmaceutical and/or biological product. This is achieved through the use of an isolator with an **integrated semi-automatic filling system** that allows **the filling of sterile products in small volumes** and is dedicated to pharmaceutical companies that provide biological or injectable drugs.

Obtaining the **authorization for the production of sterile experimental medicines issued by the Italian Medicines Agency (AIFA)** allows DIATHEVA to enrich and complete its offer in the field of biotechnological drug production, thus being able to expand its market also to the sector of finished drug development.

DIATHEVA, in fact, provides this service in two ways: both as a service to Pharma Companies that require filling, quality control (according to customer-specified

specifications), and product release, and as the final phase of the entire GMP production process, since DIATHEVA is already authorized by the Italian Medicines Agency for the production of Active Ingredients.

In the Fill&Finish service, both the formulation of the Active Ingredient and the filling of the finished Product (Drug product) are carried out. This phase completes the entire production process according to Good Manufacturing Practices, which starts from the optimization of the "proof of concept" of the target product, through industrial-scale production scale-up with the possibility, therefore, of obtaining a finished sterile experimental drug usable for preclinical and clinical studies.

This new service therefore allows DIATHEVA to enrich its offer of biotechnological drug production and further strengthen its role as a **qualified partner for pharmaceutical companies**.

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.

Customer satisfaction is checked by continually **monitoring** certain **key performance indicators** (customer and patient complaints, response times to customer orders and patient requests, etc.), so that any necessary corrective actions can be promptly taken.

During 2023, some Group companies launched **ad hoc surveys** that involved 1,410 customers in the technical gases division and 12,400 patients in home care. The surveys were very useful and revealed customers' and patients' very positive perception of the SOL Group and the service it provides.

SUPPLIERS

The SOL Group is aware that the role played by suppliers is becoming increasingly important to effectively respond to the new sustainability challenges, seeking to involve the entire value chain more deeply. The suppliers with which the company comes into contact are asked to uphold SOL's value system, regarded as an effective and safe mechanism for the correct and transparent management of relations.

The main products and services purchased by the Group companies are electricity, resale gases and transport, maintenance, technical and nursing assistance services. The choice of supply sources for capital goods and resale products is instead 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 **Directive** (document valid for all Group companies) regarding the **supplier evaluation** process in a **risk analysis** logic. Furthermore, **78 supplier audits** were performed, which mainly concerned aspects connected to quality, environment, health and safety.

Suppliers are required to comply with 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. Suppliers are asked to apply them in the conduct of their activities.

More sustainable supply chain management

The new collaboration between the SOL Group and Ecovadis

SOL Group has decided to take a **further step in its sustainability journey** by further engaging its value chain.

It sought support from Ecovadis to do so, having participated in its rating process since 2018. Through its assessment platform, Ecovadis supports the Group in assessing and managing the supply chain from an ESG perspective.

The project consists of inviting the Group's **suppliers to be assessed by Ecovadis on four areas related to corporate social responsibility**: Environment, Ethics, Labour and Human Rights, Sustainable Procurement. The rating is the result of an in-depth analysis of the responses, which considers supplier size and sector, as well as being supported by documents proving the truthfulness and actual implementation of what was stated.

The company that invites its suppliers to join the platform for the first time, or connects those who have already obtained a rating, can view the assessment results and obtain both a detailed and an overall view of the sustainability of its supply chain, as well as recommend suppliers implement improvement measures. The first invitation campaign was successfully concluded in 2023, and a second, larger-scale edition is planned for 2024.

Integrating sustainability into purchasing processes means involving our suppliers in a mutually supportive relationship, fully sharing the Group's ethical principles; only in doing so is it possible to **transform the value created by the company into a long-term positive impact on the community and the environment**.



THE ENVIRONMENT

28,786

ton CO₂ equivalent
avoided for the
production of **energy**
from renewable sources

43,950

ton CO₂ equivalent
avoided thanks to the
construction of **on-site**
plants

146,954

ton CO₂ **recovered** from
other processes, purified,
and reintroduced on the
market

MAIN ENVIRONMENTAL ASPECTS

The most significant environmental aspect of the SOL Group's activities is electricity consumption in its production facilities. A further environmental factor to consider is the consumption of water used for cooling process equipment.

The activities of the SOL Group instead have a **negligible impact on biodiversity**, since the production units are relatively small and located in industrial areas.

The **raw materials** used for the production of industrial gases mainly consist of **renewable resources**. Furthermore, the substances produced and handled by the SOL Group do **not** pose a **polluting risk to the soil and subsoil**.

The following table shows the raw materials used and related environmental aspects for the main types of production plants.

TYPE OF PLANT	NUMBER	RAW MATERIALS	ENVIRONMENTAL ASPECTS
Air separation units (ASU)	19	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	3	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. In addition, the SOL Group also began operating a hydrogen production plant by means of water electrolysis in 2023. Water electrolysis is a process that breaks water down into oxygen and hydrogen using electricity, without direct CO ₂ emissions.
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 ₂ O production plants can emit the gas produced (greenhouse gas) through vents, and consume electricity to bring the ammonium nitrate to reaction temperature. Chemicals (H ₂ SO ₄ , KMnO ₄ , NaOH) are used for the purification of nitrogen oxide.
Acetylene production plants	5	These use calcium carbide as a raw material, a solid that decomposes in water.	One by-product of this process is calcium hydroxide which is used in industry or agriculture, where possible. Otherwise the lime is disposed of as waste.
Plants for purifying and liquefying carbon dioxide	6	The raw material is carbon dioxide, 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.	The main environmental aspects are related to CO ₂ process vents and the use of hazardous substances for the extraction of CO ₂ from process streams (e.g., MEA in the case of stream separation processes of hydrogen production plants).
Sulphur dioxide production plants	1	The raw materials are oxygen and sulphur, from chemical plants or oil refining processes. The sulphur is reacted in a controlled manner with an oxygen stream.	The main environmental aspects concern the storage of sulphur and possible emissions in an emergency.
Nitrous oxide production plants	1	The process uses ferrosulphate and sodionitrite in an aqueous solution, in a batch process.	The reaction results in spent aqueous chemical solutions containing mainly sulphates as by-products which are disposed of as waste.

ENERGY

Energy consumption

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

Electricity consumption in primary production plants is the **most significant** in terms of environmental impact. In fact, both the compression of gases and their liquefaction are highly energy-intensive operations: it is estimated that these activities account for roughly **90% of the energy consumption** of the entire Group.

Conversely, the consumption of methane and steam in primary production plants, and electricity in secondary production plants and offices, have a negligible impact on total consumption.

Actions to reduce energy consumption mainly consist of care in the design and operation of production sites, process optimisation and plant renewal: activities to which significant portions of investments are allocated each year.

The consumption trend is strongly influenced by both the production levels and running speeds of the plants, which require different modulations to adapt to **the multiple product mixes**

requested by customers. These different aspects lead to varying specific energy consumption. For these reasons and due to the expansion of the Group's scope (following the company acquisitions made during the financial year), which includes plants with lower energy efficiency, there was an increase in electricity consumption in 2023.

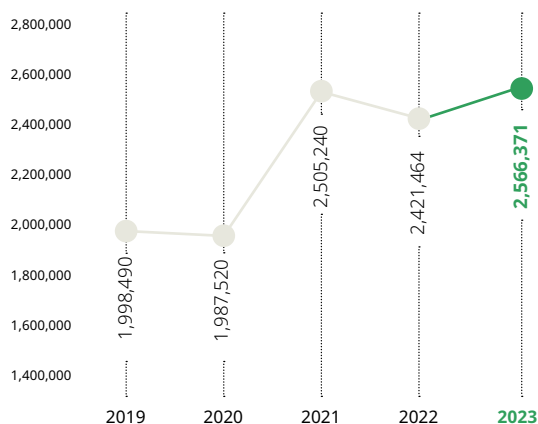
Energy production from renewable sources

Awareness of the environmental impact of the Group's highly energy-intensive primary activities has led the SOL Group to invest in energy production from renewable sources since 2002.

To date, there are 16 hydroelectric power plants in operation, located in Albania, Bosnia-Herzegovina, North Macedonia and Slovenia, with a total installed capacity of approximately 31 MW. The electricity produced and sold to the grid in 2023 amounted to 351,597 GJ, corresponding to 14% of the Group's energy consumption.

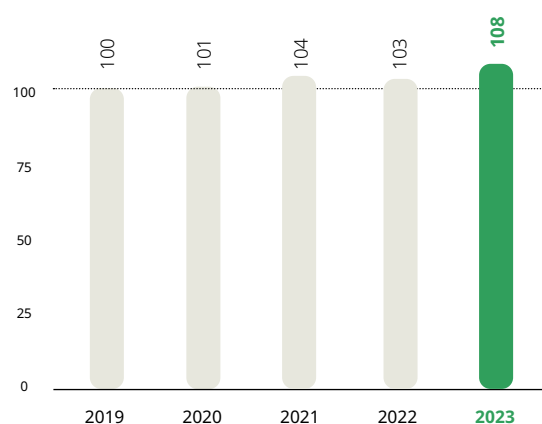
It is estimated that **28,786 tonnes of CO₂ equivalent were avoided** in 2023, as a result of the generation of electricity in the Group's hydroelectric power plants.

ELECTRICITY CONSUMPTION (GJ)



ELECTRICITY CONSUMPTION (KWh) PER NM³ OF GAS PRODUCED (BASE 2019=100)

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



SOL Group's investments in renewable energy

The SOL Group continues to keep a close eye on the renewable energy sector

In Slovenia, SOL PLIN GORENJSKA Doo in 2023 avoided the emission of 12,441 t CO₂eq into the atmosphere by covering a large part of its electricity consumption with green energy, thanks to the certification through Guarantees of Origin (GO) of the hydropower production of ENERGETIKA-ŽJ, Doo.

SOL INDIA has signed a **Power Purchase Agreement (PPA)** which allows 53% of energy consumption to be covered by wind and solar power, avoiding the release of 9,570 tCO₂ into the atmosphere. Also in India, GREEN ASU PLANT PRIVATE Ltd was acquired in 2022, which powers all its plants with **self-generated renewable energy from its own wind farm**, avoiding the release of 21,184 tCO₂ into the atmosphere.

In Europe, SOL HELLAS signed a PPA that allowed the company to cover part of its electricity consumption while avoiding the emission of 927 tCO₂.

In addition, new investments are planned for the installation of photovoltaic panels at some of the Group's production plants.

Moreover, DOLBY MEDICAL Ltd has been **Carbon Neutral® since 2020**. The path towards Carbon Neutrality has involved several corporate departments and stakeholders in projects and initiatives that have led to increasingly ambitious targets for calculating, reducing and offsetting carbon emissions.



GREENHOUSE GAS EMISSIONS

The SOL Group's greenhouse gas emissions can be allocated to the following categories:

- **Direct emissions** from production facilities and the use of vehicles under the direct control of the Group (**Scope 1**);
- **Indirect emissions** from electricity consumption in primary production plants (**Scope 2**);
- **Indirect emissions** occurring along the Group's value chain (**Scope 3**).

Direct Scope 1 emissions also included those generated by the company car fleet, the reporting of which covered 94% of Group companies.

Where permitted by the gas specifications and the customer's needs, systems for the self-production of gas may be installed at the customer's premises. Called '**on-site plants**', they are an alternative to the traditional supply of cylinders or liquefied cryogenic gases. The **environmental benefit** stems from the fact that on-site plants have lower specific energy consumption than centralised production plants; secondly, emissions due to the transport of gas by road are avoided. In 2023, avoided carbon dioxide emissions amounted to **43,950 tonnes of CO₂ equivalent**.

Direct emissions (Scope 1)

The **direct emissions of greenhouse gases** are caused by:

- Carbon dioxide: a by-product generated by the hydrogen production plants through the steam reforming of methane, emitted from the plants producing CO₂ or vented during the dry ice production process;
- Nitrous oxide: emitted from plants producing N₂O from ammonium nitrate;
- HFC (hydrofluorocarbons): used in plant refrigeration circuits;
- Emissions from directly controlled Group vehicles (owned or leased) used for delivering products and services to customers and from company cars assigned to employees.

In 2023, direct emissions were 61,339 tCO₂eq, in line with the 2022 figure. The slight increase in Scope 1 emissions is mainly due to the inclusion of companies acquired by the Group during 2022, whose environmental impacts were excluded from previous reporting (for more details see the DNF 2022 Methodological Note), and the inclusion of emissions from the Group's fleet.

The recovery and use of carbon dioxide

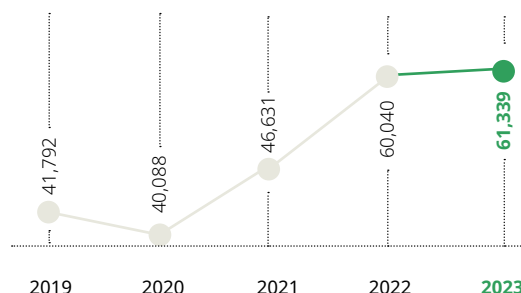
Carbon dioxide is a gas with many applications in industry: its uses range from water treatment to metalworking, and even food industry processes, where it is used for cooling, freezing and transporting food. This gas is extracted from multiple sources; it can in fact be obtained either from natural underground deposits or as a by-product of chemical and biological processes.

For several years now, the SOL Group has been investing in facilities that **recover carbon dioxide from production processes, preventing it from being released into the atmosphere**. The carbon dioxide can thereby be purified and subsequently marketed in liquid form.

The main plants dealing with the treatment of CO₂ obtained from bioethanol are those in Bulgaria (Ihtiman), Germany (Zeitz) and Belgium (Wanze). In 2023, **146,954 tonnes of CO₂** were recovered, which would otherwise have been released into the atmosphere.

In 2019, the SOL Group also helped found a consortium in Italy for the recovery of CO₂ from the biogas generated by the anaerobic digestion of the organic fraction of municipal solid waste (FORSU); it currently holds 50% of the consortium.

DIRECT (SCOPE 1) GREENHOUSE GAS EMISSIONS (tCO₂ EQUIVALENT)



Emissions from the Caserta and Cremona units in Italy and Ranipet in India have been estimated.

Data for 2018-2021 do not include emissions from company cars. Figures for 2022 include only emissions generated by company cars in Italy and home care vehicles under the direct control of the Group.

Indirect emissions (Scope 2)

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.

The reporting standard used (GRI Reporting Standards) provides two different methodologies for calculating Scope 2 emissions: 'Market-based' and 'Location-based.'

The 'market-based' approach uses emission factors defined on a contractual basis with electricity suppliers. Without specific contractual agreements between the organisation and the electricity supplier, such as the purchase of Guarantees of Origin, the emission factor relative to the national 'residual mix' is used for the market-based approach. The emissions calculated using the market-based approach were **285,230 tonnes of CO₂ equivalent** in 2023. In line with the increase in energy consumption, emissions are also increasing compared to 2022. In addition, the emission factors used in the calculation for some of the Group's key countries were revised by the issuing body to more adequately reflect the worsening of the 'residual mix'.

The 'Location-based' approach calls for the use of average emission factors related to the specific national energy mix of electricity production. The emissions calculated according to this method amounted to **233,439 tonnes of CO₂ equivalent**. Despite the

increase in energy consumption mentioned above, emissions - thus calculated - are decreasing compared to 2022. In this case, the update of the factors used reflects the improved energy mix of the countries in which the SOL Group is present.

Indirect emissions (Scope 3)

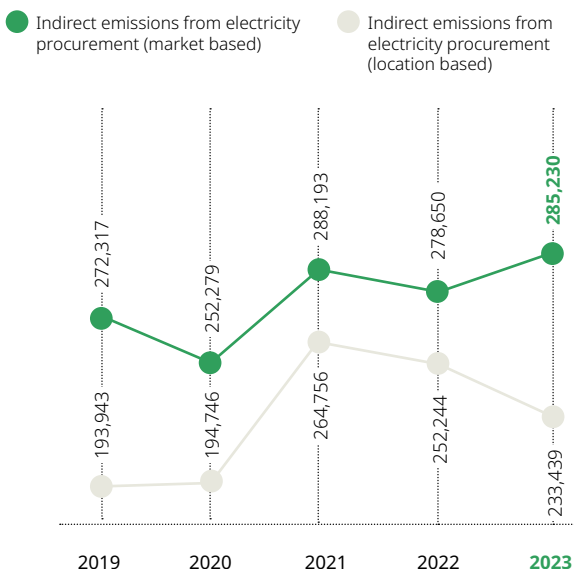
In 2021, the SOL Group implemented a methodology for calculating its Scope 3 emissions according to the GHG Protocol guidelines, since it was aware of the impact created along its value chain, although not under its direct control.

The sources considered are listed below, broken down by GHG protocol category. The methodology for calculating the category 'Downstream transport and distribution' was revised to distinguish between when transport is performed by vehicles under the direct control of the Group and when the activity is outsourced.

Transport is a topic of great impact from both an environmental and safety perspective. This is due to the fact that the products and services are mainly distributed using road transport and are delivered to an extremely widespread customer base. The chemical and physical characteristics of the products distributed require the use of special vehicles for transportation (heavily insulated tankers for cryogenic liquids) or specific containers (cylinders for compressed gases and base units for liquid oxygen for home care use).

In order to calculate the emissions caused by home care deliveries made by third-party vehicles, a new method was introduced in 2022 allowing for a more accurate estimate of emissions. These emissions amounted to 6,626 tonnes of CO₂ equivalent. With regard to the delivery of technical gases, the CO₂ equivalent emissions were 41,401 tonnes in 2022.

INDIRECT (SCOPE 2) GREENHOUSE GAS EMISSIONS (tCO₂ EQUIVALENT)



INDIRECT (SCOPE 3) GREENHOUSE GAS EMISSIONS (tCO₂ EQUIVALENT)

	2021	2022	2023
Purchased goods and services	427,581	404,346	796,335
Capital goods	49,607	53,785	69,278
Fuel and energy-related activities (item not included in Scope 1 or Scope 2)	73,500	98,574	48,264
Downstream transportation and distribution	-	46,852	48,028
Business travel	3,529	4,927	5,688
Employee commuting	4,269	5,680	6,250
Use of sold products	1,265,915	1,089,618	1,452,971

How to make dry ice production more sustainable**The CRYOS project**

In 2023, CRYOS Srl, a SOL Group company specialising in cryogenic solutions, adopted a new solution to prevent the dispersion of CO₂ into the atmosphere in the production of dry ice. The dry ice production plant was integrated with a new machine at the Peveragno factory of CRYOS. It was carefully selected from the range of possible partners and allows **recovering and reusing air-blown CO₂ in the production process**, reducing CO₂ emissions, significantly improving the yield of liquid CO₂ in dry ice, and reducing logistics travel.

Dry ice production usually uses liquid CO₂ (LCO₂) which, brought to normal atmospheric pressure by pelletisers, is half converted into CO₂ snow and the other half into gas, called return gas. While the CO₂ snow is compressed into dry ice pellets, the return gas is usually dispersed into the atmosphere. Dedicated CO₂ recovery plants and

machinery like the one in CRYOS are used to collect the return gas and reuse it to produce more dry ice pellets.

The project is therefore of crucial importance to CRYOS, as it **allows the recovery of CO₂, giving it a new life**. The result is a **safe and commercially valuable product** that will lead to a reduction in costs in terms of both production and logistics, hand in hand with increased sales in terms of volume.

Moreover, the project has further potential: an intervention is being planned (currently under evaluation) that could make the process even more sustainable thanks to the installation of solar panels that will supply energy to the plant.

WASTE

The main waste generated comes from the activities carried out at:

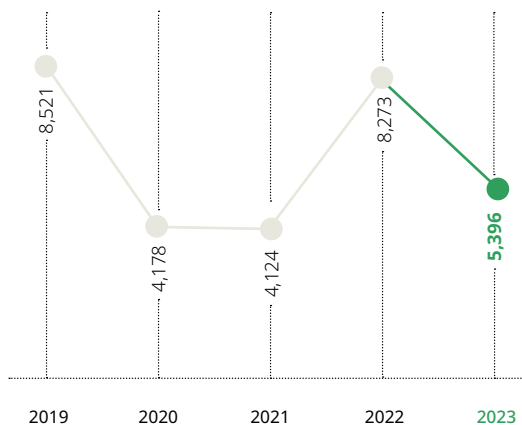
- **The primary production plants,** connected with maintenance activities: non-hazardous waste (mainly scrap iron, packaging and insulating materials) and hazardous waste (mainly used oil, used for the lubrication of machines, and ammonia solution from ammonia conditioning);
- **The Group's specialist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

The only waste generated directly by a production process in the Group's plants is calcium hydroxide, a by-product of the acetylene production process which, when it cannot be sold, must necessarily be disposed of as hazardous or non-hazardous waste depending on its characteristics.

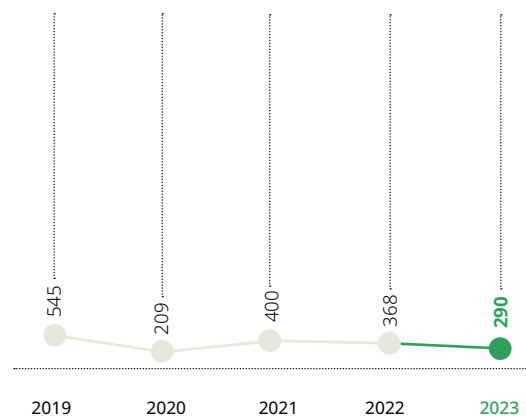
In 2023, the Group recorded a decrease in hazardous waste generation. The levels of non-hazardous waste are back in line with pre-2022 values, when the exceptional increase was due to the demolition and disposal of the ASU plant in Thessaloniki. As for the other types of waste, their variability is determined by the number and type of maintenance interventions carried out.



NON-HAZARDOUS WASTE (t)



HAZARDOUS WASTE (t)



Managing water resources more responsibly

Intervention at the ASU in Augusta

The SOL Group pursues its commitment to managing water resources more responsibly also through investments aimed at recovering water from production processes. One such example is the **dual intervention** carried out at the air separation plant in Augusta, Italy.

In fact, the plant uses water for the cooling circuit of the process equipment and generates liquid effluents both through the condensation of the moisture contained in the air and by bleeding the water circulating in the cooling circuit.

To curb this phenomenon, specific **plant modifications were made to reduce water dispersion**, and consequently water supplies.

The first modification includes a **condensate recovery system**: instead of being sent to the drain, the condensate is recovered in a special tank and then fed into the cooling water circuit, thus reducing the water supply demand of the latter. Recovering the water is actually more effective than adding new water, as it is free of salts.

The first modification included the installation of a **reverse osmosis system**, currently nearing completion. Pre-treating the water reduces both the amount of water needed and the use of chemicals for its treatment.



WATER RESOURCES

The responsible management of water resources is very important for the SOL Group's strategy, in line with its principles. For the Group, managing water resources consists of:

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

Most of the water withdrawn is used in the **cooling circuits** of machinery inside the primary processing units. A small part is instead used as **raw material for the production of hydrogen** through the steam reforming and electrolysis process.

Two different systems are applied for cooling ASUs: most units have systems that collect only a small amount of the water evaporated during the cooling process; in the remaining air separation units, the water extracted and fed into the cooling system is totally returned. In this case the water consumption is considered zero. In both cases, the cooling process has no material impact on the quality of the returned water.

The estimated amount of water consumed in the secondary processing plants and offices is negligible, thus it is not included in the reporting scope.

The overall figure for water consumption in 2023 is in line with previous years, except for the increase in water withdrawn in areas of high water stress, which is due to the worsening of the water stress in the locations of the SOL Group's production sites.

Production plant wastewater is periodically controlled. The analyses show that concentrations are well below the legal limits.



WATER WITHDRAWALS (Megaliter)

	2019	2020	2021	2022	2023
Water network	72 (27)	63 (22)	85 (62)	103 (46)	101 (43)
Well	1,317 (506)	1,266 (461)	1,552 (686)	1,430 (558)	1,473 (751)
Total	1,390 (533)	1,329 (483)	1,637 (747)	1,532 (604)	1,572 (792)

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.

CERTIFICATIONS OF THE PRIMARY PRODUCTION PLANTS

COUNTRY	UNIT	PLANT TYPE	ISO 14001	Emas	ISO 50001	ISO 45001
Albania	Tirana	Sulphur dioxide production	●			●
Belgium	Feluy	Air separation (ASU)	●			
Bosnia-Herzegovina	Petrovo	Carbon dioxide production	●			
Bulgaria	Devnya	Air separation (ASU)				●
Ecuador	Durán	Air separation (ASU)	●			
Germany	Francoforte	Air separation (ASU)			●	
	Zeitz ²	Carbon dioxide production			●	
Greece	Florina	Carbon dioxide production	●			
	Schimatari	Air separation (ASU)	●			
	Aspropyrgos	Acetylene production	●			
Italy	Ancona	Acetylene production	●			●
	Augusta	Air separation (ASU)				●
	Netherlands	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)	●	●		●
North Macedonia	Kavadarci	Air separation (ASU)	●			●
	Skopje	Air separation (ASU)	●			●
	Skopje	Hydrogen production	●			●
	Bitola	Carbon dioxide production	●			●
Netherlands	Tilburg	Nitrous oxide production				●
Slovenia	Jesenice	Air separation (ASU)	●		●	●

(2) Production plant of CT Biocarbonic GmbH, a jointly controlled company consolidated using the equity method and therefore excluded from the reporting scope of this Sustainability Report



Sustainable Natural Fuel

A composite image featuring a smiling female doctor in a white coat with a stethoscope on the left, and a close-up of an elderly patient with glasses on the right. The left side has an orange overlay.

PEOPLE AND THE COMMUNITY

6,372

total employees

92%

of employees are employed
on a permanent basis

87%

companies in Italy that
achieved The 'Zero
Accidents' target vs 83%
of companies abroad

OUR PEOPLE

SOL Group has always been committed to creating a working environment focused on the growth and well-being of employees, so that everyone feels they are part of a broad and shared development project, where internationalisation and inclusion are an integral part of culture and progress.

The Group promotes continuous learning, entrepreneurship and the enhancement of talent in all its forms.

Staff trends

As a result of the various acquisitions in Ecuador, Peru, Greece, Germany, France and Italy, as well as organic growth, the SOL Group recorded an 11% increase in the total number of employees in 2023 compared to the previous year. Net of the change in the corporate perimeter, the increase was 6%.

As at 31 December, there were **6,372 people in the Group**, 59% of whom were men and 41% women.

Attention to employee well-being and stability is ensured by the measures the Group takes to guarantee an appropriate balance

between the demands of personal and family life. 92% of staff are employed with permanent contracts and the current voluntary part-time positions account for 14% of employees.

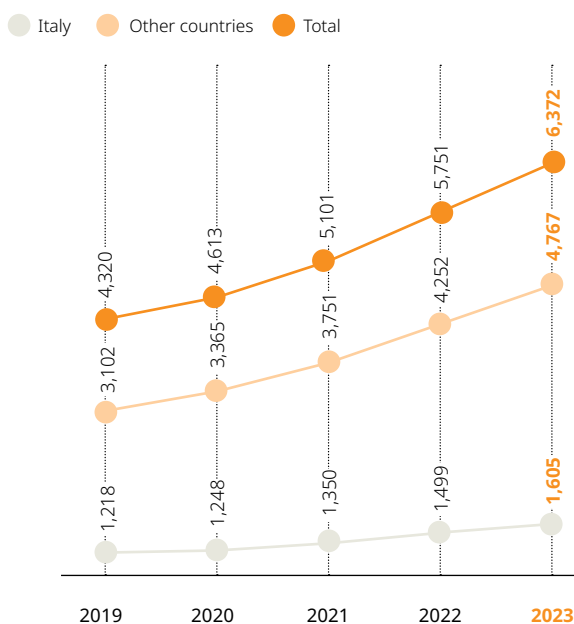
Thanks to continuous growth, a total of **1,358 employees** joined the Group in 2023, 36% of whom were under 30 years of age and 51% women.

The Group's overall **turnover** was 15%, a slight increase compared to the previous year, and lower in Italy (6%) compared to the other countries (17%). Overall, the turnover dynamics are partly conditioned by an increasing volatility of the labour market and high competition between companies due to the difficulty in recruiting certain professional figures and, in general, in finding specific skills for the job positions in demand.

The overall **absenteeism rate** was 4% in 2023, down from the previous year. In Italy it was 3%, while in the foreign companies there was an absenteeism rate of 5%.

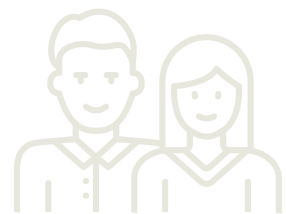
In addition to direct employees, the Group also employs around **3,140 external collaborators**, such as nurses, doctors, physiotherapists, particularly for certain services provided to patients at home.

EMPLOYEES BY REGION (no.)

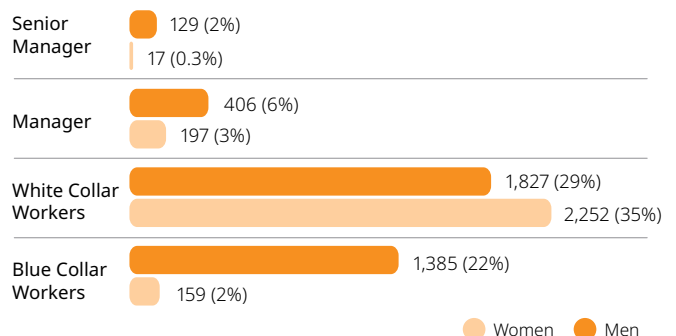


EMPLOYEES BY GENDER (no.)

3,747 Men
2,625 Women



EMPLOYEES BY ROLE AND GENDER (no.)



The Group's training pathways

Professional development is at the heart of every SOL Group employee's journey. Training and development play an important role in day-to-day business. 124,061 **total training hours** were provided in 2023, corresponding to 19.5 hours per employee.

From their very first days in the company, new hires are involved in **Onboarding Training** focused on welcoming them, familiarising them with the Group, its history and business organisation, and offering the first training sessions led by the Corporate Executive Quality, Safety, Environment, Regulatory Affairs and Sustainability Department, the DPO and the Information Security Department on cross-cutting topics. The welcome to the company became even more sustainable this year thanks to the 'Sustainable Welcome Pack' project. It is part of the Little Big Innovations corporate initiative for which new employees are given a kit of environmentally friendly office products with which to start their adventure in the company in line with the Group's philosophy.

Considering the importance of the moment and the Group's geographical expansion, three international online conferences were held in 2023 to celebrate the arrival of colleagues from the main Countries in which the Group operates.

During their professional career in the company, employees are encouraged to cultivate their skills and inclinations and to develop new ones; the SOL Group finances various **master's degrees and qualifying study courses** for this purpose, enabling employ-

ees to pursue training suited to their professional figure and development.

In addition to this, the Corporate Executive Department for Human Resources and Legal Affairs organises and promotes training courses on soft skills, to support the professional and personal growth of each individual.

The **People Management** topic has received particular attention in recent years, highlighting the importance of managers' contribution to building a collaborative working environment, in line with corporate values and oriented towards the growth and inclusion of people. Ad hoc training courses on the subject have been organised both in Italy and abroad: in fact, given the success of the Italian editions, the first international edition was organised in 2023, involving colleagues from all over the world.

Training activities considered useful not only for the individual employee but especially for group dynamics include **team building projects**. One such example is the 'Plant Lab' held at the Vehicle Center in Verona, where the topics of feedback, active listening and motivation were addressed through guided LEGO® SERIOUS PLAY® activities.

The added value of both national and international training courses lies not only in developing knowledge and skills: the relationships created between colleagues from different countries and business areas often continue outside the classroom, fostering continuous exchange of ideas.



Collaboration with the academic world

One of the main pillars of the SOL Group's corporate culture is contributing to the development of talent. For this reason, **partnerships with high schools and universities are of crucial importance**.

In this regard, Group staff are involved in events such as career fairs, testimonials, company visits, curricular internships and counselling for students entering the world of work for the first time.

During these moments, the company offers them an orientation service as well as an opportunity to make itself known and attract and recruit new staff.

Employee engagement

Given its major international expansion, keeping employees informed and engaged is an increasingly important corporate prerogative. The SOL Group considers internal communication an important tool for the motivation and creation of **corporate culture** and for the **growth** of people and the organisation, as it promotes the exchange of information, knowledge and experience.

The desire to inform and engage all colleagues has led to introducing and continually improving several communication tools, as well as developing specifically dedicated processes.

SOLConnect is used as the main communication tool: a company intranet that is the link between the headquarters and the terri-

The corporate project dedicated to DE&I (Diversity, Equity & Inclusion)

'SOL Group Women's Development Program' and creation of the Manifesto

New initiatives were undertaken following the previous year's work on DE&I issues.

Firstly, **vertical training** was held which involved Directors, Top Management and People Managers throughout the Group. The focus was on generating awareness of unconscious bias (how to recognise and avoid it), creating a common understanding of the value of this path, and gaining management's commitment to ensure its continuity in the future.

The **'SOL Group Women's Development Programme'**, winner of the **'Little Big Innovations'** corporate initiative, was also launched in 2023. Its aim is to support women in their career development in the company.

The 43 participants came from the main countries where the Group operates and were able to discuss and work together on various topics such as gender stereotypes and the development of skills, for instance, leadership, assertiveness, self-branding and managing work-life balance.

Four classes were organised in 2023; considering the success of the initiative, the course was included in the Corporate Training offering.

This program therefore marked another fundamental step in the evolution of an organisational culture based on merit and fairness. It is from this perspective that the approval, also in 2023, of the **DE&I Manifesto** should be interpreted. The corporate document attests to the inclusive approach adopted by the SOL Group.





tory, both in Italy and internationally. The platform is continuously updated and is used by employees to find information, news and services, as well as useful tools for their daily work. It is a constantly evolving tool, especially with regard to the 'iApps': applications that are continually updated and developed to ensure that existing workflows are updated and new ones created.

To keep continually up to date on the company's activities and projects, the long-standing in-house newsletter '**SOL News**' continues to feature in-depth articles on the main news affecting the Group.

With regard to internal processes, as a means to promote the dissemination of national and international initiatives undertaken by the Group, the **Editorial Committee** (set up in 2020 and made up of representatives from the marketing, HR and new plants departments, and coordinated by the Sustainability and Communication Department) organises quarterly update and alignment sessions on current activities in order to plan communication activities, not only internally but also on external channels.

Remuneration and industrial relations

SOL Group strictly enforces labour legislation in the countries where it operates by applying national collective labour agreements (where present) or in any case guarantees full compliance with the legal minimum wages for each employee. The Group is open to dialogue and discussion with the trade unions with which the HR departments maintain a constant flow of communication. 60% of the SOL Group's employees is covered by **collective labour agreements**, specifically 100% of Italian employees and 47% of employees in other countries, where national or sectoral collective labour agreements exist without the obligation to join them.

Remuneration is monitored by the local Heads and Executive Business Departments with the support of the Corporate Executive Staff and Legal Affairs Department; on average, it is higher than the market in most of the countries where the Group operates. The SOL Group makes no gender distinction in the management of remuneration policies which, for each role, are based on merit, skills and results.

The SOL Group is also committed to adopting measures to promote equal treatment and equal opportunities for men and women throughout the organisation. In this regard, it should be noted that an analysis conducted for the Group's Italian companies covered by the national collective bargaining agreement for the chemical sector did not reveal any significant gender pay gaps. Moreover, there is no gender pay gap in the entry conditions when first hired by the company for the same job and activity performed. Considering the above, SOL has started the process for gender certification according to UNI/PdR 125:2022.

A short-term incentive (MBO) was introduced for **General Managers and Executive Directors** which rewards the achievement of quantitative **objectives**, including **ESG** goals, thus contributing to the company's sustainable success.

The ratio of the median remuneration of the entire Group to the total remuneration paid to Chairman and CEO Aldo Fumagalli Romario was 23.22 in 2023 (last year it was 22.06).

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

The wage increases established by collective bargaining for the sector or by law are however guaranteed and, where union representation is present, supplementary contracts are negotiated that can include production and/or participation bonuses linked to the trend in company profitability and productivity parameters, such as improved quality and accident prevention.

Furthermore, the Group promotes **tools that protect the health of employees and their families** and instruments that supplement the social security benefits provided by local regulations.

Other initiatives to both support and promote equal opportunities have been taken by the Group through corporate **diversity** programmes and work-life balance tools. Trade union agreements have been signed in Italy to support parenthood, fostering remote work.

The Corporate Executive Department for Staff and Legal Affairs directly manages Industrial Relations for all Italian companies in the Group and supports overseas companies, taking action whenever necessary.

SOL Spa 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 has been possible to negotiate with the trade unions for the agreements relating to **corporate welfare**, agreements have been reached to strengthen contractual pension and health promotion instruments, and a regulation has been established for Italy for the donation of solidarity holidays. Moreover, for the Italian companies, collective bargaining and company supplements guarantee pension, health and parental leave coverage to all employees, regardless of contractual form or part-time or term employment. 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.

Initiatives continued in 2023 for strengthening the welfare projects for Group employees; in most of the foreign companies provided with an HR contact referent, initiatives were implemented that go beyond pure contractual obligations, allowing benefits to be delivered that cover service areas for all employees, in line with local legislation. The **most popular tools** included supplementary health coverage plans and voluntary additions by the company to employees' pension plans. In most cases, additional coverage is offered to the entire company population, regardless of whether permanent or temporary employees or working full-time or part-time. Only some categories of benefits (car, car insurance, fuel card and company credit card) are intended for different jobs or classifications such as Senior Managers, Managers, sales roles and territory technicians.

The use of **remote work** in a structural manner (and not merely for the purpose of combating the pandemic) as a work-life balance tool is widespread, though limited in its frequency.

At company level, SOL maintains regular relations with its trade union representatives, which are based on utmost cooperation and transparency thanks to the establishment of company observatories where topics relating to company bargaining, organisation and staff policies are discussed. **No labour disputes or high-conflict restructuring situations** with social effects were reported in any of the Group companies: no strike hours were recorded during 2023.

(3) The remuneration figure was updated as at July 2023 following the salary changes approved in the annual salary review for foreign companies and updated as at 31 December 2023 for Italian companies.

Health and safety

The SOL Group is committed to protecting the health and safety of workers within all its production processes and in third-party companies. This topic is a key aspect of sustainability for the Group: at the heart of its health and safety strategy are the unwavering commitment from all its staff, together with training and the sharing and analysis of accidents and near misses throughout the Group.

Employee **training** is of utmost importance: all employees are involved in ongoing awareness and training activities aimed to reduce the impact of our activities on the environment and ensure high occupational safety levels. Specifically, **regular meetings** are organised, where external specialists are also involved, to enhance expertise, stimulate collaboration between units and share management methods.

Activities for monitoring workers' behaviour continued in 2023, as did meetings with the HSE contact persons of all Group companies.

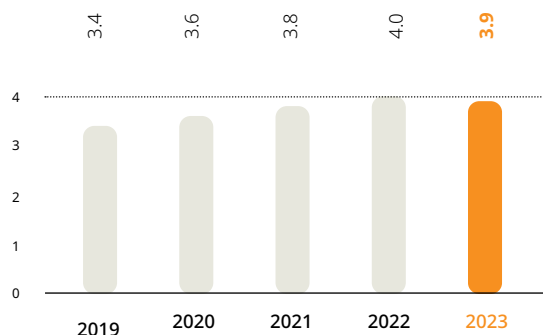
The SOL Group has several specific **communication tools**: among these, the 'Safety Alerts' that, based on events that have occurred in the sector, call attention to compliance with correct rules of conduct. And the 'Quarterly Accident Reports' which explain and analyse any incidents that have occurred within the Group and in other companies in the sector belonging to Assogastecnici and EIGA.

During 2023, the frequency (IF) and severity (IG) rates of Group injuries slightly improved. The 'Zero Accidents' target was achieved by 87% of companies in Italy and 83% of companies abroad. There were no cases of occupational illness.



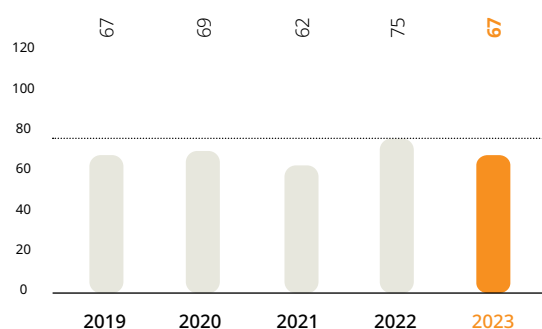
INJURY INDEX

(number of injuries/10⁶ hours worked)



SEVERITY INDEX

(days of absence/10⁶ 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.

Activities to reduce the risks associated with the use of forklifts continue!

A specific information campaign and the second phase of the project have kicked off

The pilot project focused on reducing collision and accident risks within the SOL Group continues! Launched in 2022, this important project promoted by the Corporate Safety and Environment Department has developed and implemented several solutions within the SOL Group's units, such as: the installation of LED light beams at the front and rear of the forklift; the installation of a 'transponder' system which uses special 'tags' to inform and make pedestrians and forklift drivers aware of each other's presence; and lastly the installation of a camera equipped with an artificial intelligence system that recognises pedestrians and forklifts and can emit an acoustic and visual alarm, as well as reduce the speed of the forklift. The project went one step further in 2023 with a **special information campaign, with a view to**

promoting prevention actions more actively and extensively. At the heart of the new campaign are eight simple behavioural rules specifically related to handling, maintenance and traffic; safe conduct was identified for each rule, and in some cases directly compared with risky conduct. The information campaign was offered to the entire Group both through dedicated panels and using the internal intranet to ensure widespread dissemination. In addition to this, and again in view of the campaign's success, a **check-list was also provided for observing the conduct of forklift drivers and pedestrians and for checking the structural conformity** of the forklift, as a further tool for observing and understanding the habits of pedestrians and forklift drivers in order to correct any risky behaviours.



COMMITMENT TO THE COMMUNITY

The SOL Group's commitment to be **an active player the communities** in which it operates is reflected in its desire to listen, understand and address their needs and expectations. This is why the Group supports bodies, institutions, associations and sports clubs that operate in accordance with its values, both with financial contributions and by offering them its expertise.

The SOL Group was happy to cooperate on the solidarity initiative organised by Confindustria, in agreement with CGIL, CISL and UIL in 2023, and offer its support to the people and businesses affected by the flooding in **Emilia-Romagna**: half of the donation came directly from employees and the other half directly from the Group, contributing to support the local community.

SOL and VIVISOL supported several associations in 2023. A few examples include: the contribution to Fondo Scuola Italia, with a

series of popular videos on oxygen that were specifically created and intended for students in all secondary schools in Italy that are members of **Fondo Scuola Italia**; support for the **La Meridiana Cooperative** in Monza to promote the SLancio project and the Il Paese Ritrovato project; support for the **University of Pavia** for its research on reproductive biology and biotechnologies; and lastly support for research in the field of obstructive sleep apnoea syndrome, in particular at the **University of Rome Tor Vergata** and the **IRCCS Istituto Neurologico Mondino in Pavia**.

The implementation of projects that are part of the corporate initiative **'Little Big Innovations'**, entirely focused on environmental and social sustainability, also continued in 2023. One example is **'Schooling for a better world'**, a welding training project for students at the Don Bosco Institute (ISBD) in Maputo, Mozambique; launched in 2022 with an online training session, it ended in 2023

'We Nourish Inclusion' together with PizzAut Onlus

SOL Group's support for the 'Autonomy Gyms' project

The SOL Group has decided to support the initiative of PizzAut Onlus, an association founded in 2017 with the aim of **promoting awareness of work opportunities for people with autism**. To make this dream come true, the association - working with constant and successful commitment - has opened two restaurants (the first in Cassina De' Pecchi and the second right in Monza, near the Group's Headquarters) managed by autistic staff. The association has also implemented other social inclusion projects to help make young individuals with autism more independent. The project that particularly caught the attention of the SOL Group is the 'Autonomy Gyms.' This initiative offers a specific pathway for autistic persons, helping them to get used to 'safe' environments with the accompaniment of educators. Houses and flats are specially designed

to familiarise them with the spaces in a guided manner and can be adapted to their individual needs. The ultimate goal is to enable autistic people to apply these skills to external contexts as well, promoting autonomy in their day-to-day lives. The project, in fact, also helps parents address the important issue of 'what comes after,' precisely because it focuses on helping young people leave their family home and become independent: **the project makes a significant contribution towards promoting social inclusion, starting from the work environment, and extending to the private sphere**. Thanks to projects such as these, supported by companies like the SOL Group, the road to an inclusive society can become more tangible and effective.

with a cycle of in-person lectures at the school held by the SOL team. The students' training was completed with a certificate recognising their acquisition of technical skills, a highly sought element in the local labour market that is increasingly looking for qualified personnel. In addition to this, upon completion of the course, the two most deserving students were awarded two scholarships for a Master's degree in Environmental Education and Sustainable Development.

In addition, the **My Forest Armenia** project dedicated to the reforestation of 50,000 trees continued, with the aim of countering the economic exploitation of resources and promoting the protection of future generations. **'Little Big Innovations'** will also implement other projects during 2024, to continue giving value back to the community in which the Group operates.

The support provided by the companies of the SOL Group extends beyond national borders and reaches out to the broader international community, in line with the multicultural spirit of the Group itself. Examples include support for **UNHCR** for the emergency in Ukraine from the Netherlands, support for healthcare facilities in **Senegal** from Poland and support for healthcare facilities in **Tanzania** and for children's education in **India** from Germany.

In India, **BHORUKA SPECIALTY GASES PRIVATE Ltd** and **GREEN ASU PLANT PRIVATE Ltd** grant their continuous support to the **UMAH Foundation**, that is a Public Charitable Organization formed in the year 2009 under the umbrella of Boruka Welfare and is, among the other activities, providing scholarships to meritorious girls from economically backward class who have excelled in their academics and wish to continue their study.

Finally, VIVISOL continued to offer its support to the **'COPD Tour'** project aimed at raising awareness of this chronic respiratory disease. This year it also reached the Col d'Aspin pass, a first-class pass in the Tour de France: a milestone where Philippe Poncet, the project's main promoter, founder of o2&Cie and a patient with severe COPD, climbed the mountain by bicycle with respiratory assistance provided by SITEX- VIVISOL.

Associations

INTERNATIONAL INDUSTRY ASSOCIATIONS

SOL Spa and IRISH OXYGEN Limited are members of **IOMA** (International Oxygen Manufacturers Association), which unites the world's leading operators in the technical and medical gases sector. The main goal 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 B.V., SOL FRANCE Sas., B.T.G. Srl, T.P.J. d.o.o., SOL DEUTSCHLAND GmbH, IRISH OXYGEN Limited, SOL HELLAS S.A., VIVISOL AUSTRIA GmbH and DOLBY MEDICAL Ltd are members of **EIGA** (European Industrial Gases Association), which groups together all the major European players in the industrial and medical gases sector.

In Italy, SOL Spa is a member of **FEDERCHIMICA** and **ASSOGASTECNICI**. VIVISOL Srl is a member of **Confindustria Dispositivi Medici**, within which it promoted the creation of the 'Home & Digital Care' association that brings together leading home care providers and digital health operators. SOL Spa is on the Board of Directors of the **H2IT Association** 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 4,000 family-run companies, with 17,000 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 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 promotes and encourages the development of enlightened leadership that is open to dialogue and able to address 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. The Institute, among other things, is a benchmark for companies and institutions intending to extend their range of action abroad, offering materials and ad hoc meetings.

SHAREHOLDERS AND FINANCIAL INSTITUTIONS

2,521.5

million capitalisation

1,487.1

million net sales

183.5

million in investments



FINANCIAL DATA

2023 was a year of **significant uncertainty** in terms of the global political and economic context, following the continuation of the war in Ukraine and, since October, a new conflict in the Middle East.

This situation also had economic repercussions, leading to a **slow-down in growth** especially in Europe, where the growth rate was just above zero. Central banks' policy also contributed to this, as they continued to raise interest rates in an attempt to reduce inflation, resulting in a consequent cooling of the economies of the various countries.

It should be noted that there was a decrease in natural gas and energy prices in 2023 compared to the abnormal values reached in 2022.

With reference to the **technical gases sector**, the decrease in the cost of energy led to a gradual reduction in sales prices counterbalanced, in part, by increases linked to the inflationary trend. In

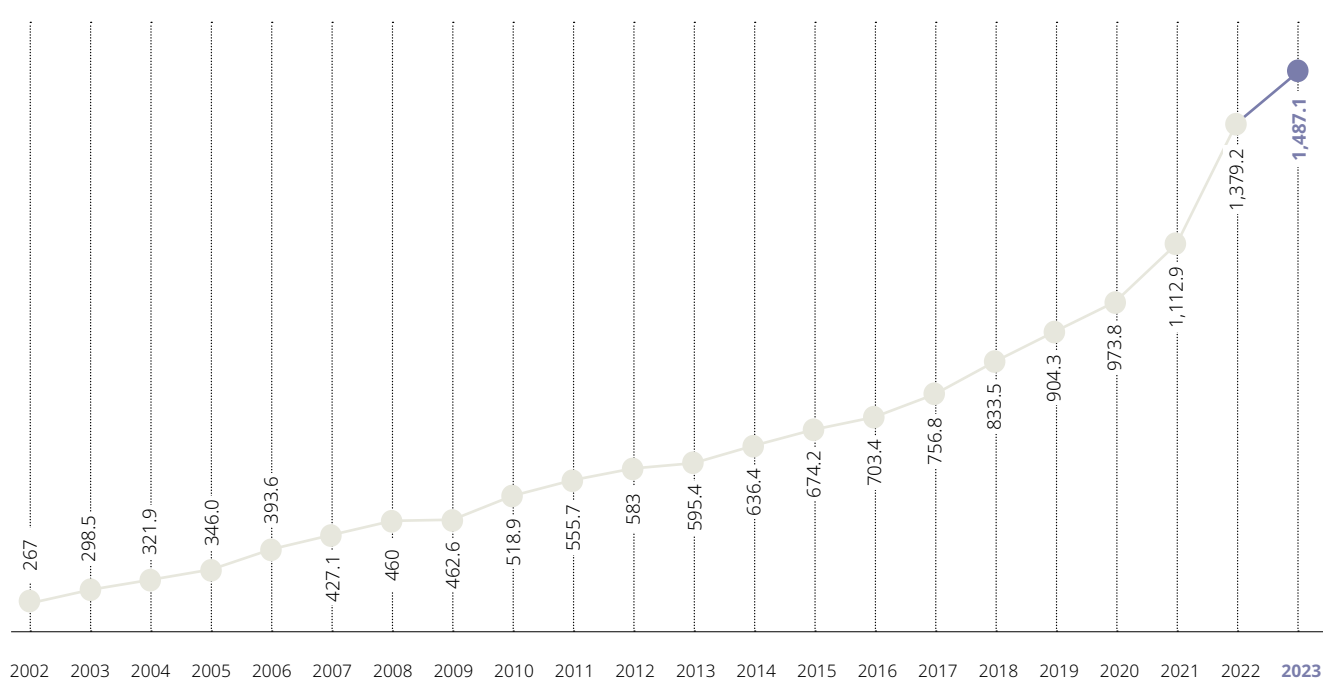
terms of quantities sold, a slight decrease was noted especially in the second half of the year. **Home care** activity recorded good growth also following the resumption of prescriptions from new patients.

Against this backdrop, the SOL Group achieved net sales of €1,487.1 million, a 7.8% increase compared to 2022. On a like-for-like basis, the increase in sales was 5.3%. Compared to the previous year, sales increased by 14.6% abroad, while in Italy they decreased slightly, by 1.0%. Non-domestic sales at the end of 2023 represented 60.0% of total sales. The Technical Gas Division grew by 1.9% and the Home Medical Care Division, where the Group operates through VIVISOL, by 15.2%.

Compared to 2022, EBITDA increased in absolute terms by 16.4%, while the EBIT increased by 18.0%. Consolidated Net Profit amounted to €145.7 million and 9.8% of sales, a 9.0% increase compared to the previous year (€133.7 million).

NET SALES

(€ million)



SCOPE DESCRIPTION

(€ million)

	2019	2020	2021	2022	2023
Number of countries	29	29	30	30	32
Market Capitalisation	952.3	1,269.8	1,918.3	1,605.4	2,521.5
Group's net sales	904.3	973.8	1,112.9	1,379.2	1,487.1
Technical gas area net sales	412.6	438.2	558.4	762.4	776.6
Home care area net sales	491.7	535.6	554.5	616.7	710.5
Gross operating margin	211.3	255.4	260.8	328.3	382.2
Operating result	88.7	140	135.8	192.5	227.1
Group's cash flow	157.9	219.2	213.1	266.5	297.5
Net profit	49.3	103	89.5	133.7	145.7
Group's investments	103.3	112.9	132.3	131.2	183.5
% net sales in Italy	43.7	43.1	41.5	43.6	40.0

Financial community

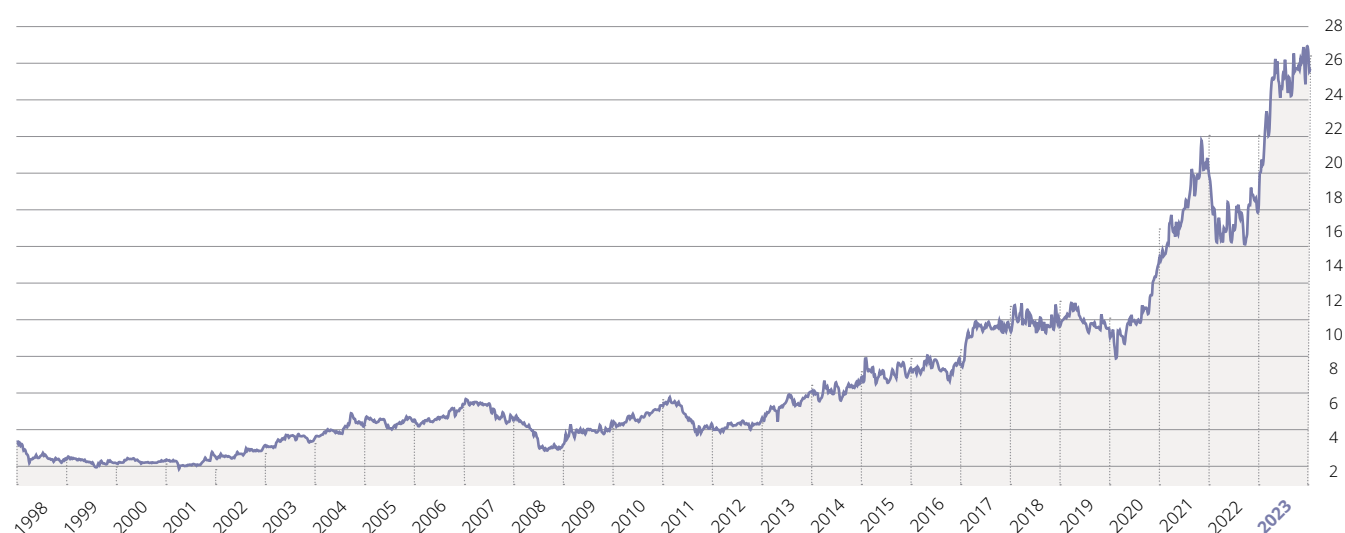
The main shareholder communication tools are the Annual Report and the Sustainability Report, which are published on the Group's website (www.solgroup.com).

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)



EUROPEAN TAXONOMY

EU Regulation 2020/852 (known as the Taxonomy) is part of the regulatory framework outlined by the European Union starting in 2018 with the publication of the Action Plan for Financing Sustainable Growth and subsequently relaunched in 2019 with the European Green Deal, with the ultimate goal of meeting the challenges posed by climate change and ensuring the continent's ecological transition to carbon neutrality by 2050, with an intermediate target of a 55% reduction in greenhouse gas emissions by 2030.

Acknowledging the decisive role of the financial sector in mobilising the resources needed to achieve these ambitious objectives, with the Taxonomy, the European Commission sought to create a common language for all market players which would allow an unambiguous definition of 'environmentally sustainable' activities with reference to the following environmental objectives: climate change mitigation; climate change adaptation; sustainable use and protection of water and marine resources; transition to a circular economy; prevention and reduction of pollution; protection and restoration of biodiversity and ecosystems.

Specifically, according to the Taxonomy, economic activities that contribute to at least one of the environmental objectives are considered 'environmentally sustainable' as long as they do not cause significant harm to any of the other environmental objectives (DNSH), they are carried out in compliance with minimum human rights safeguards, and they meet the criteria laid down in the Regulations' delegated acts.

To date, the Commission has adopted the following delegated acts:

- The Climate Delegated Act (2021/2139 EU) on the objectives of mitigation and adaptation to climate change (hereinafter also "the climate targets"), applicable from the first year of reporting on the taxonomy and supplemented by Delegated Act 2023/2485 EU of June 2023, which introduced additional eligible activities with reference to these objectives, specifying the technical criteria for their substantive contribution and DNSH;
- The Environmental Delegated Act (2023/2486 EU, June 2023) relating to the other four environmental objectives (hereinafter also referred to as "the Environmental Goals"), which came into effect for Non-Financial Statements published after January 1, 2024.

As of 1 January 2022, companies subject to non-financial disclosure regulations must include information in their non-financial statements on how and to what extent their activities are associated with economic activities that are considered environmentally sustainable under the Taxonomy.

EU Delegated Regulation 2021/2178, which supplemented Article 8 of the Taxonomy Regulation, further specifies the content and presentation of this information. In particular, for 2021 and in order to facilitate a gradual application of the regulations, non-financial companies were asked to report the proportion of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) associated with 'eligible' economic activities under the Taxonomy, i.e., included in the list of the Climate Delegated Act and thus considered economic activities that can potentially contribute to achieving the climate change mitigation and adaptation environmental objectives.

For fiscal year 2023, companies subject to the obligation to publish of the consolidated non-financial statement must give disclosure with respect to the share, in relation to the total, of their revenues, capital expenditures (CapEx) and operating expenses (OpEx) pertaining to the Group's economic activities that qualify both as potentially sustainable ("eligible") and effectively sustainable ("aligned") from an environmental perspective (i.e., which meet the aforementioned requirements of Art. 3 of the Regulation). This joint assessment covers for fiscal year 2023 the economic activities eligible for the objectives of i) mitigation and ii) adaptation to climate change.

With regard to the four additional environmental goals-namely (i) sustainable use and protection of water and marine resources, ii) transition to a circular economy, iii) pollution prevention and control, (iv) protection and restoration of biodiversity and ecosystems, and to the economic activities identified in Regulation Delegated Regulation 2023/2485 EU - for the fiscal year 2023, companies must only verify which activities qualify as "eligible", providing, for them, the share of turnover, capital expenditures and operating expenses.

APPLICATION OF THE TAXONOMY TO THE SOL GROUP

With regard to the 'Climate Change Mitigation (CCM)' objective, the SOL Group has identified the following activities as eligible:

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

These activities were then submitted for verification of the technical screening criteria in Annex I of Delegated Regulation (EU) 2021/2139 concerning the climate change mitigation (CCM) objective, compliance with the principle of doing no significant harm to any of the other environmental objectives (DNSH), and compliance with the minimum safeguards. This assessment was carried out through a qualitative-quantitative analysis and identified the production of electricity from hydropower (activity 4.5) as an eligible-aligned activity, limited to the plants located in North Macedonia and Slovenia.

The substantial contribution criterion to the climate change mitigation objective was met, as the power plants are run-of-river without an artificial reservoir. In order to ascertain that the identified activity (4.5) would do no significant harm to the other objectives applicable thereto -climate change adaptation (CCA); sustainable use and protection of water and marine resources (WTR); and protection and restoration of biodiversity and ecosystems (BIO) - an analysis was carried out on the existing environmental procedures, global procedures and national regulations in force in the Countries where the plants in question operate, and compliance with the authorisations for their operation was verified.

In addition, a specific assessment (conducted according to the requirements of Appendix A of Annex I of the Climate Act) was carried out to identify the relevant physical climatic risks for the plants in question, and the solutions and adaptation plans in place. This analysis revealed that the risks related to drought and water stress were most significant, in relation to which the most appropriate adaptation solutions were identified (e.g., adopting rainfall level monitoring plans and tools).

Regardless, the Group believes that these interventions are not urgent at this time, nor do they require significant investments. In terms of complying with minimum social safeguards, SOL guarantees and promotes the protection of human rights by operating within the framework of the principles and criteria defined by the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights, including the relevant principles of the International Labour Organisation. With this in mind, the Group has adopted a Code of Ethics, a system for evaluating suppliers according to social and environmental criteria, and - where applicable - a 231 Organisation Model. It should also be noted that the same activity 4.5 carried out at the Group's remaining plants was only assessed as permissible, in the absence of compliance with the alignment requirements as described above. Lastly, SOL reported financial metrics for each eligible activity by turnover (Turnover), capital expenditure (CapEx) and operating expenditure (OpEx).

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

The Turnover KPI represents the portion of net revenues from services or products, including intangible products, that originate from eligible-aligned economic activities (numerator) divided by the total revenues (denominator) corresponding to the item 'net sales' in the consolidated financial statements. Of the total revenue of € 1,379,187 thousand, € 14,958 thousand or 1.08% of the total, is included in the taxonomic analysis.

Of the analysed scope, 1.08% of revenues are eligible, of which 0.19% are eligible and aligned in relation to activity 4.5 Electricity generation from hydropower; the remaining portion, 98.92%, consists of non-eligible revenues. The Turnover KPI was presented in tabular format using the template in Annex II of Delegated Regulation (EU) 2021/2178.

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

Economic activities ⁽¹⁾	Code (a) ⁽²⁾	Turnover ⁽³⁾	Proportion of Turnover, 2023 ⁽⁴⁾	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)						Minimum safeguards ⁽¹⁷⁾	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 ⁽¹⁸⁾	Enabling activity category ⁽¹⁹⁾	Transitional activity category ⁽²⁰⁾
				Climate change mitigation ⁽⁵⁾	Climate change adaptation ⁽⁶⁾	Water ⁽⁷⁾	Pollution ⁽⁸⁾	Circular Economy ⁽⁹⁾	Biodiversity ⁽¹⁰⁾	Climate change mitigation ⁽¹¹⁾	Climate change adaptation ⁽¹²⁾	Water ⁽¹³⁾	Pollution ⁽¹⁴⁾	Circular Economy ⁽¹⁵⁾	Biodiversity and ecosystems ⁽¹⁶⁾				
		Currency €/000	%	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmental sustainable activities (Taxonomy-aligned)

Electricity generation from hydropower	CCM 4.5	2,979	0.20%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	N/A	Y	Y	0.19%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		2,979	0.20%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0.19%		
- Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	A	
- Of which transitional		0	0%							Y	Y	Y	Y	Y	Y	Y	0%		T

A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)

Manufacture of hydrogen (e)	CCM 3.10	2,998	0.20%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.34%		
Manufacture of organic basic chemicals (e)	CCM 3.14	2,605	0.18%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.19%		
Electricity generation from hydropower	CCM 4.5	9,921	0.67%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.36%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		15,524	1.04%	100%	0%	0%	0%	0%	0%								0.89%		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		18,502	1.24%	%	%	%	%	%	%								1.08%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities		1,468,634	98.76%																
Total		1,487,136	100%																

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

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

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of

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

PROPORTION OF TURNOVER/ TOTAL TURNOVER

Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.20%
CCA	
WTR	
CE	
PPC	
BIO	

(d) The same activity may align with only one or more environmental objectives for which it is eligible.
(e) The same activity may be eligible and not aligned with the relevant environmental objectives.
(f) EL - Taxonomy eligible activity for the relevant objective
N/EL - Taxonomy non-eligible activity for the relevant objective
(g) Activities are indicated in section A.2 of this model only if they are not aligned with any objective environmental objective for which they are eligible. Activities that are aligned with at least one environmental objective are indicated in section A.1 of this template.
(h) In order for an activity to be included in Section A.1 it must comply with all DNSH criteria and related minimum safeguards. For activities listed in section A.2, non-financial enterprises may voluntarily complete columns 5 a 17. Non-financial enterprises may indicate in section A.2 the substantial contribution and criteria DNSH met or not met, using: a) for the substantial contribution - codes Y/N and N/EL instead of EL and N/EL and (b) for DNSH - Yes/No codes. The Group voluntarily filled in the section on the substantial contribution in this table-7.

As for the second indicator required by the taxonomy, the CapEx KPI was calculated by dividing the capital expenditure related to eligible-aligned activities (numerator) by the value constituting the total CapEx (denominator) corresponding to the commentary notes 9 'real estate assets', 10 'Goodwill and consolidation differences', 11 'Other tangible fixed assets' of the consolidated financial statements. Specifically, the numerator for the calculation of CapEx is represented by additions to tangible and intangible assets and rights of use during the year, before depreciation, of any revaluations and excluding changes due to fair value.

The denominator instead comprises total capital expenditure and increases in usage rights, before depreciation, of any revaluations

and excluding changes due to fair value. 0.09% of the Group's capital expenditure is for investments in Taxonomy-eligible activities but which are not environmentally sustainable for a total amount of € 200,000; these investments relate to the installation of heating systems and solar panels. Leases that do not result in the recognition of a right of use on the asset side have not been counted as capital expenditure, but as operating expenditure, avoiding counting them twice in the KPI numerator when allocating capital expenditure to the various economic activities. The details of the form required by Annex II of the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 for the CapEx KPI are given below.



PROPORTION OF CAPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

As a result of improved reporting methodology, data related to the calculation of KPI capex for FY 2022 has been restated. For the previously published figure, please refer to the Sustainability Report 2022.

Economic activities ⁽¹⁾	Code (a) ⁽²⁾	CapEx ⁽³⁾	Proportion of Turnover, 2023 ⁽⁴⁾	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)						Minimum safeguards ⁽¹⁷⁾	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022 ⁽¹⁶⁾	Enabling activity category ⁽¹⁹⁾	Transitional activity category ⁽²⁰⁾
				Climate change mitigation ⁽⁵⁾	Climate change adaptation ⁽⁶⁾	Water ⁽⁷⁾	Pollution ⁽⁸⁾	Circular Economy ⁽⁹⁾	Biodiversity ⁽¹⁰⁾	Climate change mitigation ⁽¹¹⁾	Climate change adaptation ⁽¹²⁾	Water ⁽¹³⁾	Pollution ⁽¹⁴⁾	Circular Economy ⁽¹⁵⁾	Biodiversity and ecosystems ⁽¹⁶⁾				
		Currency €/000	%	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	"Y; N; N/EL; (b)(c)"	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmental sustainable activities (Taxonomy-aligned)

CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0	0,00%															0,00%		
- Of which enabling	0	0%																A	
- Of which transitional		0%																	T

A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)

Manufacture of organic basic chemicals (e)	CCM 3.14	-	0.00%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.01%		
Installation, maintenance and repair of energy efficiency equipment (e)	CCM 7.3	40	0.02%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.02%		
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (e)	CCM 7.4	65	0.03%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.00%		
Installation, maintenance and repair of renewable energy technologies (e)	CCM 7.6	370	0.16%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.07%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		475	0.21%	100%	0%	0%	0%	0%	0%								0.10%		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		475	0.21%	%	%	%	%	%	%								0.10%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy-non-eligible activities	230,903	99.79%																	
TOTAL	231,378	100%																	

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

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

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of

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

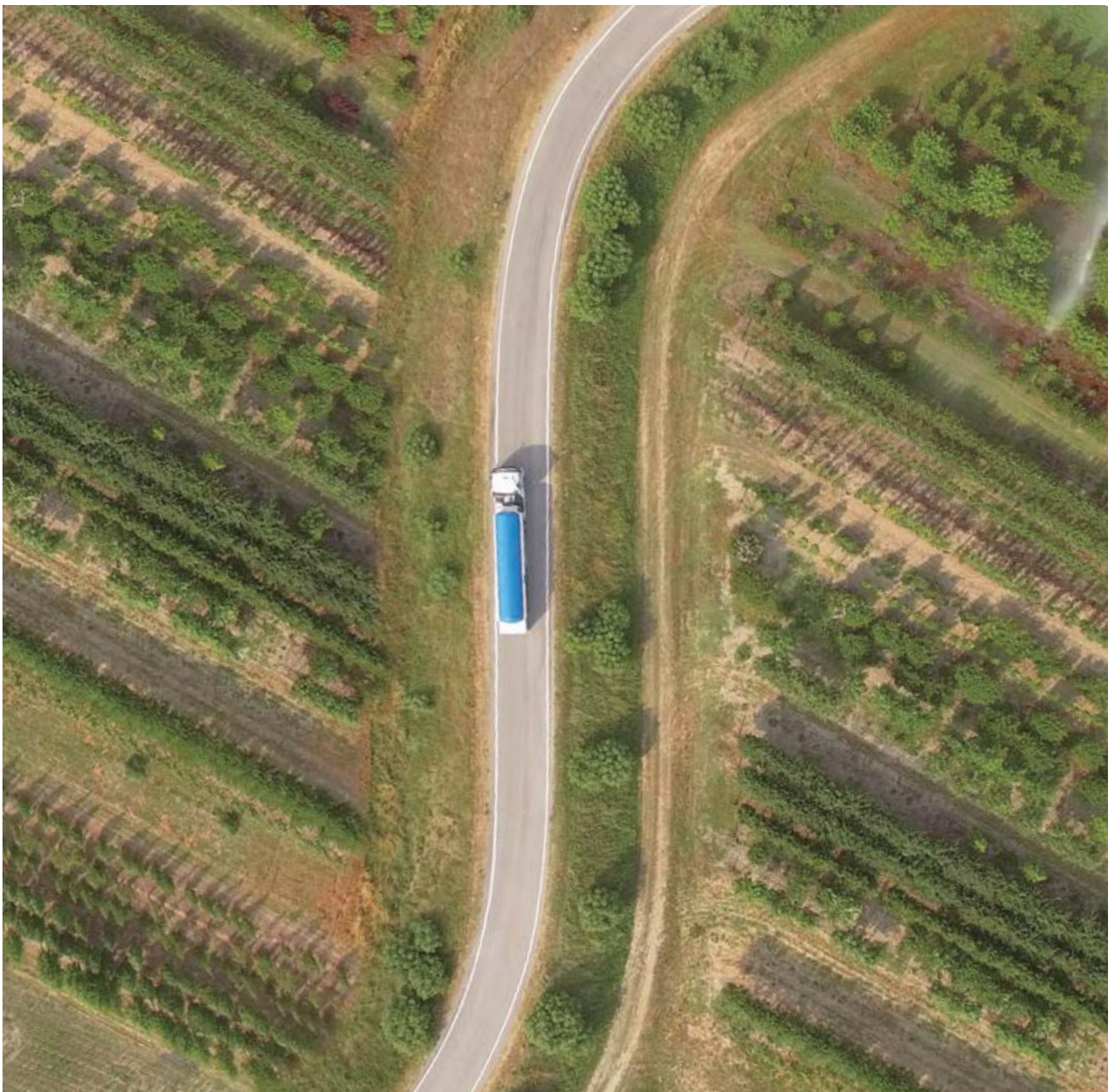
PROPORTION OF CAPEX/ TOTAL CAPEX

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.21%
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may align with only one or more environmental objectives for which it is eligible.
 (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
 (f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective
 (g) Activities are indicated in section A.2 of this model only if they are not aligned with any objective environmental objective for which they are eligible. Activities that are aligned with at least one environmental objective are indicated in section A.1 of this template.
 (h) In order for an activity to be included in Section A.1 it must comply with all DNSH criteria and related minimum safeguards. For activities listed in section A.2, non-financial enterprises may voluntarily complete columns 5 a 17. Non-financial enterprises may indicate in section A.2 the substantial contribution and criteria DNSH met or not met, using: a) for the substantial contribution - codes Y/N and N/EL instead of EL and N/EL and (b) for DNSH - Yes/No codes. The Group voluntarily filled in the section on the substantial contribution in this table-./.

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

The analysis showed that 2.05% of the costs incurred and analysed were eligible and 0.71% were also aligned. The remaining 98% were ineligible. The economic activity with Taxonomy-aligned operating expenditure is Electricity generation from hydropower amounting to € 265,000. The OpEx KPI is shown in tabular format: with reference to the disclosure pursuant to Article 8, paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178, which calls for the use of the templates provided in Annex XII for the disclosure of nuclear and fossil gas activities, it should be noted that all the templates have been omitted, as they are not representative of the company's activities.



PROPORTION OF OPEX FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING YEAR 2023

Economic activities ⁽¹⁾	Code (a) ⁽²⁾	OpEx ⁽³⁾	Proportion of Turnover, 2023 ⁽⁴⁾	SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (DOES NOT SIGNIFICANTLY HARM)						Minimum safeguards ⁽¹⁷⁾	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2023 ⁽¹⁸⁾	Enabling activity category ⁽¹⁹⁾	Transitional activity category ⁽²⁰⁾
				Climate change mitigation ⁽⁵⁾	Climate change adaptation ⁽⁶⁾	Water ⁽⁷⁾	Pollution ⁽⁸⁾	Circular Economy ⁽⁹⁾	Biodiversity ⁽¹⁰⁾	Climate change mitigation ⁽¹¹⁾	Climate change adaptation ⁽¹²⁾	Water ⁽¹³⁾	Pollution ⁽¹⁴⁾	Circular Economy ⁽¹⁵⁾	Biodiversity and ecosystems ⁽¹⁶⁾				
		Currency €/000	%	"Y: N; N/EL; (b)(c)"	"Y: N; N/EL; (b)(c)"	"Y: N; N/EL; (b)(c)"	"Y: N; N/EL; (b)(c)"	"Y: N; N/EL; (b)(c)"	"Y: N; N/EL; (b)(c)"	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmental sustainable activities (Taxonomy-aligned)

Electricity generation from hydropower (d)	CCM 4.5	420	0.96%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	N/A	Y	Y	0.71%		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		420	0.96%	100%	0%	0%	0%	0%	0%	N/A	Y	Y	N/A	N/A	Y	Y	0.71%		
- Of which enabling		0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%	A	
- Of which transitional			0%							Y	Y	Y	Y	Y	Y	Y	0%		T

A.2 Taxonomy-Eligible but not environmental sustainable activities (not Taxonomy-aligned activities) (g)

Manufacture of hydrogen (e)	CCM 3.10	205	0.47%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.51%		
Manufacture of organic basic chemicals (e)	CCM 3.14	172	0.39%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.16%		
Electricity generation from hydropower (e)	CCM 4.5	783	1.79%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.68%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		1,160	2.65%	100%	0%	0%	0%	0%	0%								1.35%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		1,580	3.61%	%	%	%	%	%	%								2.06%		

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy-non-eligible activities	42,238	96.39%																	
Total	43,819	100%																	

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

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

(c) Where an economic activity contributes substantially to multiple environmental objectives, non-financial undertakings shall indicate, in bold, the most relevant environmental objective for the purpose of computing the KPIs of

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

PROPORTION OF OPEX/ TOTAL OPEX

	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.96%	2.65%
CCA		
WTR		
CE		
PPC		
BIO		

(d) The same activity may align with only one or more environmental objectives for which it is eligible.
 (e) The same activity may be eligible and not aligned with the relevant environmental objectives.
 (f) EL - Taxonomy eligible activity for the relevant objective N/EL - Taxonomy non-eligible activity for the relevant objective
 (g) Activities are indicated in section A.2 of this model only if they are not aligned with any objective environmental objective for which they are eligible. Activities that are aligned with at least one environmental objective are indicated in section A.1 of this template.
 (h) In order for an activity to be included in Section A.1 it must comply with all DNSH criteria and related minimum safeguards. For activities listed in section A.2, non-financial enterprises may voluntarily complete columns 5 a 17. Non-financial enterprises may indicate in section A.2 the substantial contribution and criteria DNSH met or not met, using: a) for the substantial contribution - codes Y/N and N/EL instead of EL and N/EL and (b) for DNSH - Yes/No codes. The Group voluntarily filled in the section on the substantial contribution in this table-./.

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 its economic, environmental and social dimension. In this context, taking into account all its stakeholders is fundamental to grasp the main indications and expectations capable of determining the Group's behaviours and improvement actions.

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

The SOL Group's **relevant stakeholders** are: associations, environmental associations, authorities and public bodies, shareholders, investors and financial institutions, patients and doctors, customers, communities, employees, suppliers and partners.

In 2023, the Group confirmed the materiality analysis that had been revised the previous year in light of the new GRI 3 Material Topics 2021, which had identified the organisation's significant impacts (impact materiality) - negative or positive, actual or potential - on the economy, the environment and/or people, including their human rights, caused by the organisation's activities and investments, its products and/or services or its value chain in the short, medium and long term.

The list of material topics was shared with Top Management and presented to the Board of Directors of the Parent Company (14 November 2023).

AREA	MATERIAL TOPIC	IMPACT	DETAILS OF THE IMPACT		
			Actual/ Potential	P/N	Where the impact occurs
Economic responsibility and governance	Balanced economic development	Economic value generation and related distribution to stakeholders (employees, suppliers, etc.).	Actual	Positive	Caused by the Group
	Compliance with voluntary laws, regulations and standards	Violation of anti-corruption legislation.	Potential	Negative	Caused by the Group and directly connected to
		Violation of antitrust legislation.	Potential	Negative	Caused by the Group and directly connected to
		Loss of customer, supplier and employee data with negative impacts on the Group and stakeholders.	Potential	Negative	Caused by the Group and directly connected to
Economic responsibility and governance	Business ethics and integrity	Contribution to a society and market based on ethical principles.	Actual	Positive	Caused by the Group and directly connected to
		Violation of tax regulations with negative impacts on the Group and stakeholders.	Potential	Negative	Caused by the Group

AREA	MATERIAL TOPIC	IMPACT	DETAILS OF THE IMPACT		
			Actual/ Potential	P/N	Where the impact occurs
Product responsibility	Customer and patient centrality	Development of solutions focused on customer and patient needs in compliance with applicable regulations.	Actual	Positive	Caused by the Group
		Incidents of non-conformity in products/ services that may lead to impacts on the health and safety of customers.	Potential	Negative	Caused by the Group
	Sustainable solutions for customers	Contribution to the improvement of customer sustainability performance.	Actual	Positive	Caused by the Group
	Traceability of products and services	Inability to trace products in case of product recalls or customer/patient complaints.	Potential	Negative	Caused by the Group
Environmental responsibility	Energy efficiency and climate change	Energy consumption and contribution to resource depletion with negative impacts on the environment and people.	Actual	Negative	Caused by the Group and directly connected to
		Generation of GHG emissions (Scope 1/2) from production facilities with negative impacts on climate change.	Actual	Negative	Caused by the Group and directly connected to
		Generation of emissions along the Group value chain (Scope 3) with negative impacts on climate change.	Actual	Negative	Directly connected to
		Contribution to resource depletion through water abstraction.	Actual	Negative	Caused by the Group
	Waste Management	Environmental impacts related to the generation of hazardous and non-hazardous waste during the production.	Actual	Negative	Caused by the Group
	Efficient use of raw materials	Contribution to resource depletion through consumption of raw materials.	Actual	Negative	Caused by the Group
	Environmental impact of products	Energy consumption and contribution to resource depletion with negative impacts on the environment and people.	Actual	Negative	Caused by the Group and directly connected to
	Environmental impact of transport	Generation of GHG emissions (Scope 1) due to transport activities carried out by Group vehicles with negative impacts on climate change.	Actual	Negative	Caused by the Group and directly connected to
		Generation of GHG emissions (Scope 3) due to transport activities carried out by means with negative impacts on climate change.	Actual	Negative	Directly connected to
Social responsibility and human resources	Ability to attract talent and human resources development	Contribution to the growth of Group employees.	Actual	Positive	Caused by the Group
	Corporate welfare and employee well-being	Contribution to employee well-being in the company.	Actual	Positive	Caused by the Group
	Health and safety of workers	Injuries at work.	Potential	Negative	Caused by the Group
	Sustainable supply chain	Violation of environmental regulations along the value chain.	Potential	Negative	Directly connected to
		Violation of human rights regulations along the value chain.	Potential	Negative	Directly connected to
	Respect for human rights and workers' rights	Incidents of discrimination.	Potential	Negative	Caused by the Group

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 voluntary laws, regulations and standards Business ethics and integrity	Potential risks related to non-compliance with laws and regulations (concerning anti-competitive behaviour, corruption, privacy)	<ul style="list-style-type: none"> • Implementation of the Code of Ethics • Adoption of an integrated management system • Adoption of an Organisation, Management and Control Model pursuant to Italian Legislative Decree no. 231/2001 • Employee training • Audit activities • Adoption of an Anticorruption Code • Adoption of an Antitrust Compliance Programme, 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/ISO 22301 • Investments in IT security systems
	Customer and patient centrality	Potential risk of losing customers and profits	<ul style="list-style-type: none"> • 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
Social Topics	Sustainable solutions for customers	Potential risk of losing customers and profits	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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
Employee related matters	Ability to attract talent and human resources development Corporate welfare and employee well-being	Potential risk related to the lack of adequate and qualified staff	<ul style="list-style-type: none"> • 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
	Worker health and safety	Potential risks related to employees' health and safety and to compliance with legislation concerning occupational health and safety	<ul style="list-style-type: none"> • Adoption of an integrated quality, safety and environment management system • Staff training • Audit activities • Certification according to ISO 45001 • Monthly monitoring of the main health and safety KPIs

TOPICS OF ITALIAN LEGISLATIVE DECREE 254/2016	MATERIAL TOPICS	RISK IDENTIFICATION	RISK RESPONSE
Social Topics	Sustainable supply chain	Potential social and environmental risks along the supply chain	<ul style="list-style-type: none"> • 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.
Respect for human rights	Respect for human rights and workers' rights	Respect for human rights, with particular reference to the supply chain	<ul style="list-style-type: none"> • 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 topics	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	<ul style="list-style-type: none"> • 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
	Energy efficiency and climate change	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	<ul style="list-style-type: none"> • 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
	Efficient use of raw materials	Potential risk of depletion of natural resources	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • 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	<ul style="list-style-type: none"> • Progressive implementation of software for logistics plyearnsng • Monitoring kilometres travelled

METHODOLOGICAL NOTE

This document is the **Consolidated Non-Financial Statement** (hereinafter also the 'Sustainability Report'), prepared in accordance with Italian Legislative Decree 254/2016 and, as set forth in Art. 5 of the same Decree, is a separate report from the management report.

This document reports on the topics considered relevant and provided for by Articles 3 and 4 of Italian Legislative Decree 254/2016 with reference to the year 2023 (from 1 January to 31 December), to the extent necessary to ensure an understanding of the company's business, performance, results, and the social and environmental impact it generates.

The scope of the information and economic data contained in the NFS is the same as that in the SOL Group's Consolidated Financial Statements. The scope of social, health and safety data and information is composed of the companies consolidated on a line-by-line basis in the Consolidated Financial Statements (for the list of the companies consolidated on a line-by-line basis, see the section 'Group composition and consolidation area' in the Notes to the Financial Statements). With regard to environmental data and information, see the chapter 'The environment', where any limitations in the scope of reporting are explained which, however, do not affect the understanding of the Group's activity or the impact it generates. In particular, the emissions aspect was only relevant to CO₂ 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 NOX, VOC, NH₃ and CO emissions into the atmosphere and their annual notification to the Competent Authority. There were no cases of non-compliance with the authorised limits for such emissions during the reporting period.

Also with reference to the reporting scope, it should be noted that some significant changes occurred in 2023, which consequentially led to a change in the scope of consolidation following:

- the inclusion of SWISSGAS DEL ECUADOR Sa in Ecuador and INDUSTRIAS CRIOGENICAS DEL PERU Sac in Peru;
- the inclusion of ANAPNOI IKE in Greece;
- the inclusion of SOMNOMEDICS GmbH and WONSAK KOHLENSÄURE-SERVICE GmbH in Germany;

- the inclusion of MIDIPERF SANTÈ FRANCE Sas in France;
- the inclusion of MAGNUS OPIEKA DOMOWA sp. zoo in Poland.

With regard to environmental data, the companies ANAPNOI IKE, WONSAK KOHLENSÄURE-SERVICE GmbH, INDUSTRIAS CRIOGÉNICA DEL PERÚ Sac, SOMNOMEDICS GmbH, MIDIPERF SANTE FRANCE Sas, MAGNUS OPIEKA DOMOWA sp zoo have not been reported, as they entered the SOL Group's full consolidation scope during the financial year 2023; this data will be included in the sustainability reporting for the financial year 2024.

The content of this Report refers to 2023 and, in particular, to the activities carried out by the SOL Group during the year, unless otherwise specified. 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 data may in some cases have rounding errors due to the representation in thousands/millions; please note that changes and percentages are calculated on point data.

The Sustainability Report was prepared in accordance with the **GRI Standards** defined by the GRI, with an 'in accordance' level of application.

The information contained in the Report refers to the issues identified as material and the related indicators that reflect the organisation's significant economic, environmental and social impacts or that could substantially influence the evaluations and decisions of the Group's stakeholders. The materiality analysis, which was updated in 2022 and also confirmed for the year 2023 during the Board of Directors Meeting of SOL Spa held on 14 November 2023, served as a guideline for defining the contents to be reported, in line with stakeholders' expectations.

The Sustainability Report, which the Group has prepared annually since 2009, was approved by the Board of Directors of SOL S.p.A. on 27 March 2024.

The Report was subject to a limited review ("limited assurance engagement" according to the criteria set out by the ISAE 3000 Revised principle) by Deloitte & Touche Spa which, upon completion of the work performed, issued a report on the conformity of the information provided in the consolidated non-financial statement prepared by the SOL Group pursuant to Italian Legislative Decree 254/2016.

As a company required to prepare a Consolidated Non-Financial Statement (NFS) pursuant to EU Directive 95/2014 (implemented in Italy by Legislative Decree 254/2016), SOL Spa has the obligation to include in this document, starting with publications after 1 January 2022, the disclosure required by the regulations related to the EU Taxonomy (EU Regulation 2020/852 and its Delegated Regulations) in relation to the environmentally sustainable activities carried out by the Group.

Pursuant to Article 8 of EU Delegated Regulation 2020/852, this disclosure for the financial year 2023 relates to the proportion, with respect to the total, of the Group's turnover, capital expenditure and operating expenditure associated with i) Taxonomy-eligible and -aligned economic activities with reference to the climate change mitigation and adaptation objectives, (ii) Taxonomy-eligible economic activities with reference to the environmental objectives set out in EU Delegated Regulation 2023/2486, as well as (iii) the new economic activities identified as eligible for the climate-related objectives identified in EU Delegated Regulation 2023/2485. Please refer to EU Delegated Regulation 2021/2178 for the definition of these indicators. It should also be noted that the disclosure required by Article 8, paragraphs 6 and 7 of EU Delegated Regulation 2021/2178 is not applicable, as the Group does not operate in the nuclear/fossil gas business segments and therefore has not identified eligible/aligned activities in these areas.

Please refer to the section on 'The European Taxonomy'. It should also be noted that the limited review of this NFS carried out by the independent auditors Deloitte & Touche Spa does not extend to such disclosure.

The Group has set up a process to continually improve material sustainability issues, in order to comply more effectively 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. The SOL Group is in fact committed to supporting the protection and safeguarding of human rights according to the principles laid down by the Universal Declaration of Human Rights (1948), and acknowledges the principles established by the fundamental Conventions of the ILO (International Labour Organisation). The Code of Ethics applies to all employees, associates and directors of the SOL Group and to all those who, for various reasons, come in contact with the Group (such as suppliers, partners, customers etc.).

The Group's commitment to analysing and reconciling its business activities and priorities with the SDGs will continue.

Lastly, in relation to the Corporate Sustainability Reporting Directive (hereinafter also referred to as 'CSRD'), adopted in November 2022 by the European Parliament, the Group has planned to start a process over the next few months to adapt to the new reporting requirements applicable from the financial year ending 31 December 2024.

PERFORMANCE INDICATORS

Our people

	2021		2022		2023	
	no.	%	no.	%	no.	%
Employees by gender and role						
Senior Manager	122	100%	138	100%	146	100%
- Men	111	91%	121	88%	129	88%
- Women	11	9%	17	12%	17	12%
Manager	506	100%	554	100%	603	100%
- Men	349	69%	383	69%	406	67%
- Women	157	31%	171	31%	197	33%
White Collar Workers	3,009	100%	3,649	100%	4,079	100%
- Men	1,370	46%	1,689	46%	1,827	45%
- Women	1,639	54%	1,960	54%	2,252	55%
Blue Collar Workers	1,464	100%	1,410	100%	1,544	100%
- Men	1,258	86%	1,257	89%	1,385	90%
- Women	206	14%	153	11%	159	10%
Employees by age group and role						
	no.	%	no.	%	no.	%
Senior Manager	122	100%	138	100%	146	100%
- Up to 30	0	0%	0	0%	0	0%
- 30-40 years	6	5%	10	7%	13	9%
- 41-50 years	41	37%	42	30%	35	24%
- Over 50 years	75	61%	86	62%	98	67%
Manager	506	100%	554	100%	603	100%
- Up to 30	11	2%	10	2%	7	1%
- 30-40 years	133	26%	144	26%	150	25%
- 41-50 years	188	37%	210	38%	230	38%
- Over 50 years	174	34%	190	34%	216	36%

Our people

	2021		2022		2023	
Dependenti per fascia d'età e inquadramento	no.	%	no.	%	no.	%
White Collar Workers	3,009	100%	3,649	100%	4,079	100%
- Up to 30	465	15%	574	16%	729	18%
- 30-40 years	976	32%	1,203	33%	1,322	32%
- 41-50 years	883	29%	1,053	29%	1,136	28%
- Over 50 years	685	23%	819	22%	892	22%
Blue Collar Workers	1,464	100%	1,410	100%	1,544	100%
- Up to 30	158	11%	183	13%	225	15%
- 30-40 years	473	32%	419	30%	443	29%
- 41-50 years	425	29%	383	27%	414	27%
- Over 50 years	408	28%	425	30%	462	30%
Rate of absenteeism of employees by gender and region		%		%		%
Italy		3.0%		3.3%		2.8%
- Men		2.6%		3.2%		2.6%
- Women		3.8%		3.5%		2.8%
Other countries		6.0%		5.8%		4.9%
- Men		5.2%		4.6%		4.3%
- Women		6.9%		7.7%		5.8%
Employees by gender and employment contract	no.	%	no.	%	no.	%
Italy						
Permanent contract	1,284	100%	1,451	100%	1,553	100%
- Men	932	73%	1,039	72%	1,095	71%
- Women	352	27%	412	28%	458	19%
Fixed-term contract	66	100%	48	100%	52	100%
- Men	45	68%	33	69%	33	63%
- Women	21	32%	15	31%	19	37%
Other countries						
Permanent contract	3,417	100%	3,938	100%	4,344	100%
- Men	1,965	58%	2,240	57%	2,363	54%
- Women	1,452	42%	1,698	43%	1,982	46%
Fixed-term contract	334	100%	314	100%	423	100%
- Men	146	44%	138	44%	257	61%
- Women	188	56%	176	56%	166	39%

Our people

	2021		2022		2023	
	no.	%	no.	%	no.	%
Employees by gender and contract type						
Part-time	676	100%	824	100%	923	100%
- Men	122	18%	181	22%	191	21%
- Women	554	82%	643	78%	732	79%
Full-time	4,425	100%	4,927	100%	5,449	100%
- Men	2,966	67%	3,269	66%	3,556	65%
- Women	1,459	33%	1,658	34%	1,893	35%
New hires	no.	%	no.	%	no.	%
By gender						
- Men	500	16.2%	581	16.8%	652	17.4%
- Women	497	24.7%	646	28.1%	692	26.4%
Total	997	19.5%	1,227	21.3%	1,344	21.1%
By Region						
- Italy	187	13.8%	168	11.2%	229	14.3%
- Other countries	810	21.6%	1,059	24.9%	1,115	23.4%
Total	997	19.5%	1,227	21.3%	1,344	21.1%
By age group						
- Up to 30	315	49.7%	390	50.8%	484	50.4%
- 30-40 years	353	22.2%	409	23.0%	410	21.3%
- 41-50 years	208	13.5%	250	14.8%	273	15.0%
- Over 50 years	121	9%	178	11.7%	177	10.6%
Total	997	19.5%	1,227	21.3%	1,344	21.1%
Turnover due to resignations and dismissals	no.	%	no.	%	no.	%
By gender						
- Men	302	9.7%	370	10.7%	456	12.2%
- Women	295	14.6%	400	17.4%	473	18.0%
Total	597	11.7%	770	13.4%	929	14.6%
By Region						
- Italy	68	5%	147	9.8%	97	6.0%
- Other countries	529	14.1%	623	14.7%	832	17.4%
Total	597	11.7%	770	13.4%	929	14.6%
By age group						
- Up to 30	134	21.1%	179	23.3%	247	25.7%
- 30-40 years	235	14.8%	261	14.7%	327	17.0%
- 41-50 years	137	8.9%	200	11.8%	211	11.6%
- Over 50 years	91	6.7%	130	8.6%	144	8.6%
Total	597	11.7%	770	13.4%	929	14.6%

Our people

	2021		2022		2023	
Training hours provided	no.	%	no.	%	no.	%
By gender						
- Men	41,059	61%	60,187	61%	60,128	48%
- Women	26,222	39%	38,363	39%	64,398	52%
Total	67,281	100%	98,549	100%	124,526	100%
By role						
- Senior Manager, Manager, White Collar workers	48,545	72%	76,134	77%	89,906	72%
- Blue collar workers	18,737	28%	22,414	23%	34,620	28%
Total	67,281	100%	98,549	100%	124,526	100%
Average training hours provided	no.		no.		no.	
By gender						
- Men	13.29		17.45		16.04	
- Women	13.02		16.67		24.53	
Total	13.18		17.14		19.54	
By role						
- Senior Manager, Manager, White Collar workers	13.34		15.90		18.62	
- Blue collar workers	12.79		17.41		22.42	
Total	13.18		17.14		19.54	

Health and safety

	2021	2022	2023
Frequency index			
Italy			
Technical and medical gases sector	no.	1.7	8.2
Home care	no.	1.9	1.7
Biotechnologies sector	no.	1.9	3.7
Other countries			
Technical and medical gases sector and energy production	no.	8.4	4.8
Home care	no.	3.0	2.9

Health and safety

		2021	2022	2023
Indice di gravità				
<i>Italy</i>				
Technical and medical gases sector	no.	37	150	66
Home care	no.	19	9	62
Biotechnologies sector	no.	82	31	0
<i>Other countries</i>				
Technical and medical gases sector and energy production	no.	141	80	142
Home care	no.	40	66	43

Waste

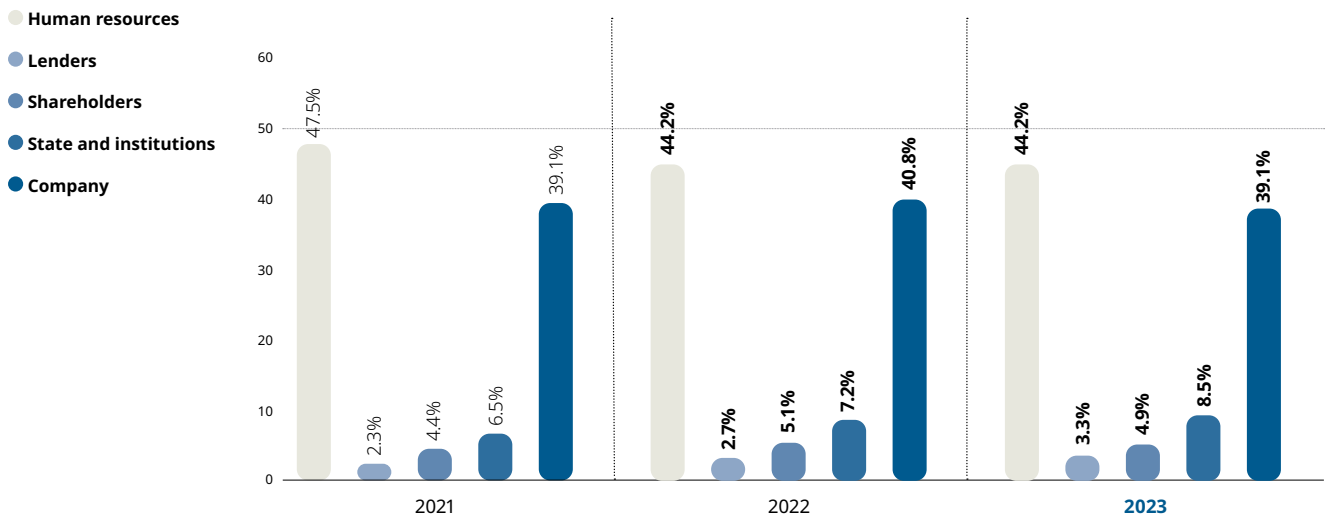
	Unit of Measurement	2021	2022	2023
Destination of waste produced				
<i>Landfill</i>				
Non-hazardous	ton	2,514	2,342	2,323
Hazardous	ton	156	86	96
<i>Recovery</i>				
Non-hazardous	ton	1,453	5,575	2,689
Hazardous	ton	180	267	151
<i>Incineration</i>				
Non-hazardous	ton	157	356	381
Hazardous	ton	64	16	43

Value generated and distributed

In 2023, the economic value generated for stakeholders was €683 million, a €95 million increase compared to 2022. 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 (company).

The distribution of the economic value to shareholders for the 2023 fiscal year corresponds to the dividend that the Board of Directors will propose as investments to the Shareholders' Meeting.

DISTRIBUTION OF ADDED VALUE



Taxes

(figures as at 31 December 2022)

Country	Main activities	Company	No. of employees	Revenues from third-party sales (€ Mln)	Revenues from intra-group transactions (€ Mln)	Profit/loss before tax (€ Mln)	Tangible assets other than cash and cash equivalents (€ Mln)	Corporate income tax paid on a cash basis (€ Mln)	Corporate income tax accrued on profit/loss (€ Mln)
Albania	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	G.T.S. Sh.p.K. HYDROENERGY Sh.p.K.	27	10.67	8.28	1.61	19.28	0.20	0.25
Austria	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL T.G. GmbH VIVISOL Heimbehandlungsgerate GmbH	183	47.75	2.69	6.01	16.33	3.04	1.60
Belgium	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	B.T.G. Bvba SOL SpA - Branch Belgio VIVISOL B Sprl	111	28.24	37.39	7.89	27.28	0.74	0.98
Bosnia-Herzegovina	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	MEL a.d., T.G.P. A.D., T.G.T. A.D.	42	5.97	1.13	1.24	5.30	0.36	0.10
Brazil	Sales, marketing or distribution; provision of services to unrelated parties; Holding of shares or other equity instruments	BLA SERVICOS HOSPITALARES LTDA, DN GLOBAL HOMECARE LTDA, GLOBAL CARE LTDA, JML SERVICOS HOSPITALARES LTDA, P PAR LTDA, Portare LTDA UNIT CARE LTDA, VIVISOL Brasil Ltda	198	26.53	0.81	6.23	2.86	0.61	3.41
Bulgaria	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Bulgaria E.A.D.	49	13.64	3.44	0.88	15.38	-	-
China	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	Shanghai Mu Kang Medical Device Distribution Service Co. Ltd, Shanghai Shenwei Medical Gas Co. Ltd	115	14.01	0.49	1.91	0.18	0.42	0.57
Croatia	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Croatia d.o.o. (ex KISIKA- NA), UTP d.o.o.	55	8.50	2.98	0.35	5.22	0.08	0.06
Czech Republic	Manufacture or production; Sales, marketing or distribution; Provision of services to unrelated parties; Internal group financing; Holding of shares or other equity instruments	SOL Czechia	6	0.235	-	0.04	0.22	0.02	0.01
France	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	BEHRINGER France Sarl, France Oxygene Sarl, MBAR Assistance Respiratoire S.a.s., SOL France Sas, SOL SpA - Branch Francia, VIVISOL France Sarl	598	129.18	4.66	15.34	46.55	5.53	3.74
Germany	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	ALLERSHAUSEN CARE GmbH, Kompass GmbH, KSD Kohlensaure- Dienst GmbH, Medtek Medizintechnik GmbH, Pielmeier Medizintechnik GmbH, Profi Gesundheits - Service GmbH, SOL Deutschland GmbH, SOL Kohlensaure GmbH & Co. KG, SOL Kohlensaure Verwaltungs GmbH, SOL Kohlensaure Werk GmbH & Co. KG, SOL Real Estate Deutschland GmbH, SOL SpA - Branch Francoforte, Vivicare GmbH, Vivicare Holding GmbH, VIVISOL Deutschland GmbH, VIVISOL Intensivservice GmbH, WIP Weiterbildung in der Pflege GmbH	796	163.23	38.08	21.28	63.46	4.66	5.13

Taxes

Country	Main activities	Company	No. of employees	Revenues from third-party sales (€ Mln)	Revenues from intra-group transactions (€ Mln)	Profit/loss before tax (€ Mln)	Tangible assets other than cash and cash equivalents (€ Mln)	Corporate income tax paid on a cash basis (€ Mln)	Corporate income tax accrued on profit/loss (€ Mln)
Greece	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Hellas S.A. TAE HELLAS VIVISOL Hellas S.A.	138	61.28	2.11	5.04	24.05	0.26	1.28
India	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	Bhoruka Specialty Gases Private Limited, Green ASU Plant Private Limited, SOL India Private Limited	214	9.35	-	0.03	51.53	0.02	-
Ireland	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	Direct Medical Limited Irish Oxygen Company Polar Ice Limited	60	10.54	0.04	4.34	5.30	0.66	0.56
Italy	Manufacture or production; Sales, marketing or distribution; Provision of services to unrelated parties; Internal group financing; Holding of shares or other equity instruments; Research and Development	AIRSOL Srl, BEHRINGER Srl, BiotechSol Srl, C.T.S. Srl, Cryolab Srl, CRYOS Srl, DIATHEVA Srl, I.C.O.A. Srl, Il Point Srl, ITOP ORTOPEDIE, ASSOCIATE Srl, ITOP SERVIZI Srl, ITOP SICILIA Srl, ITOP SpA, Officine, Ortopediche, MEDES Srl, ORTHOHUB Srl, Personal Genomics Srl, REVI Srl, SG - LAB Srl, SOL Gas Primari Srl, SOL SpA Italy, Sterimed Srl, Tesi Srl Tecnologia & Sicurezza Srl, VIVISOL Calabria Srl, VIVISOL Napoli Srl, VIVISOL Silarus Srl, VIVISOL Srl	1,499	691.79	202.06	115.43	232.07	6.05	13.82
Hungary	Sales, marketing or distribution; provision of services to unrelated parties	SOL Hungary KFT	22	7.57	0.03	0.85	6.99	0.06	0.01
Kosovo	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL-K Sh.p.K.	2	2.29	-	0.59	0.79	0.10	0.10
Morocco	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	FLOSIT S.A.	50	6.62	-	1.87	2.57	0.70	0.50
Netherlands	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Nederland B.V., VIVISOL Nederland B.V.	375	70.29	2.29	7.50	21.30	2.05	1.85
North Macedonia	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Hydropower d.o.o., SOL SEE d.o.o., TGS A.D.	101	22.04	13.83	5.47	19.14	0.58	0.65
Poland	Sales, marketing or distribution; provision of services to unrelated parties	MEDSEVEN sp.oz.o., PALLMED sp.oz.o.	161	26.27	3.20	4.85	7.90	0.74	0.69
Portugal	Sales, marketing or distribution; provision of services to unrelated parties	VIVISOL Portugal LDA	81	7.22	0.008	1.27	2.90	0.08	0.24
Romania	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	GTH GAZE INDUSTRIALE S.A.	21	3.41	0.063	0.31	5.460	-	-
Serbia	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Srbija d.o.o.	20	5.42	0.02	0.59	3.32	0.058	0.10
Slovacchia	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SOL Slovakia s.r.o.	5	0.93	64.86	0.40	0.96	-	-
Slovenia	Sales, marketing or distribution; provision of services to unrelated parties	Energetika Z.J. d.o.o., SPG – SOL Plin Gorenjska d.o.o., T.P.J. d.o.o., VIVISOL Adria d.o.o.	45	23.54	16.91	9.40	23.45	0.794	1.34
Spain	Sales, marketing or distribution; provision of services to unrelated parties	VIVISOL Iberica S.L.U, SOL France - Sucursal Espana.	144	13.43	0.34	2.13	12.02	-	-

Taxes

Country	Main activities	Company	No. of employees	Revenues from third-party sales (€ Mln)	Revenues from intra-group transactions (€ Mln)	Profit/loss before tax (€ Mln)	Tangible assets other than cash and cash equivalents (€ Mln)	Corporate income tax paid on a cash basis (€ Mln)	Corporate income tax accrued on profit/loss (€ Mln)
Switzerland	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	SITEX MAD SA, SITEX SA, SOL Spa - Branch Svizzera, SPITEX PERSPECTA.	228	24.46	0.01	2.40	0.57	0.19	0.34
Turkey	Manufacture or production; Sales, marketing or distribution; provision of services to unrelated parties	GEBZE GAZ A.S., RESPITEK A.S., SOL TK A.S.	76	9.53	2.26	0.10	3.93	0.22	0.45
United Kingdom	Manufacture or production; Sales, marketing or distribution; Provision of services to unrelated parties; Internal group financing; Holding of shares or other equity instruments	BTG UK, Dolby Healthcare Limited, Dolby Medical Home Respiratory Care Limited	329	36.72	0.302	1.46	28.91	0.00	0.01
SOL GROUP			5,751	1,481.00	344.49	258.89	656.81	28.61	37.53

The income statement figures are expressed in accordance with the local accounting standards applicable in the individual tax jurisdictions. Regarding any differences between the income tax accrued on profits and the tax due (GRI 207-4-b-x), please refer

to the Notes to the Consolidated Financial Statements of the SOL Group as at 31 December 2022. Revenues before consolidation adjustments.

GREENHOUSE GAS EMISSIONS

Direct emissions Scope 1

Indirect emissions according to the market-based method (European Union countries)

Indirect emissions according to the market-based method (Bosnia-Herzegovina, North Macedonia and Morocco)

Indirect emissions according to the location-based method

Indirect emissions Scope 3 - Category 1 Purchased Goods and Services

Indirect emissions Scope 3: Category 2 Capital Goods

Indirect emissions Scope 3: Category 3 Fuel- and Energy-Related Activities

Indirect emissions Scope 3: Category 6 Business Travel

Indirect emissions Scope 3: Category 7 Employee Commuting

Indirect emissions Scope 3: Category 9 Downstream Transportation and distribution

Indirect emissions Scope 3 - Category 11 Use of sold products

SOURCES OF EMISSION FACTORS USED

- UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023
- EMEP/EEA air pollutant emission inventory guidebook 2019
- CO₂MPAS provided by the JRC's Green Driving tool

Association of Issuing Bodies (AIB), AIB - European Residual Mixes 2023 (Ver. 1.0, 2023-06-01)

International Energy Agency (IEA), Emission factor 2023 edition

International Energy Agency (IEA), Emission factor 2023 edition

- Ecoinvent 3.8
- UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023
- Eurostat accounting tool - 2023 edition

Eurostat accounting tool - 2023 edition

- UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023
- UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2017

UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023

UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023

- UK Government GHG Conversion Factors for Company Reporting (DEFRA), Conversion Factors 2023
- EMEP/EEA air pollutant emission inventory guidebook 2019

- IPCC Fifth Assessment Report, 2014 (AR5)
- International Energy Agency (IEA), Emission factor 2023 edition



GRI CONTENT INDEX

Statement of use

The SOL Group has reported in accordance with the GRI Standards for the period 1 January 2023 - 31 December 2023.

GRI 1 used

GRI 1: Foundation 2021

Applicable GRI Sector Standard(s)

Not applicable

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation
General disclosures					
GRI 2- General Disclosures - 2021	2-1 Organizational details	pages 9, 18, back cover			
	2-2 Entities included in the organization's sustainability reporting	pages 84-85			
	2-3 Reporting period, frequency and contact point	pages 84-85, 112			
	2-4 Restatements of information	page 84-85			
	2-5 External assurance	pages 105-108			
	2-6 Activities, value chain and other business relationships	pages 9-10, 35-47			
	2-7 Employees	pages 61, 86-88			
	2-8 Workers who are not employees	page 61			
	2-9 Governance structure and composition	page 23, https://www.solgroup.com/en/governance/corporate-bodies			
	2-10 Nomination and selection of the highest governance body	page 23			
	2-11 Chair of the highest governance body	The Chairman of the Board of Directors is one of SOL's two CEOs. He has been given significant management powers. In the opinion of the Board of Directors, the coexistence of the two roles (Chairman of the Board of Directors and Chief Executive Officer) in the same person must be viewed positively, as it is motivated by the characteristics of the Director, which suggest and allow him to effectively cover the role of Chairman of the Board of Directors and Chief Executive Officer. In fact, through over 30 years' participation in the management of SOL with the exercise of operational proxies, he has been able to develop in-depth knowledge of the company, allowing him to act as a point of reference for all directors, as well as for shareholders and other relevant stakeholders. The Board of Directors appointed the Lead Independent Director who, among other tasks, coordinates the meetings of the independent directors and acts as a point of reference and coordination for the requests and contributions of the non-executive directors and, in particular, of the independent directors.			
	2-12 Role of the highest governance body in overseeing the management of impacts	pages 23, 26-27			

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
GRI 2- General Disclosures - 2021	2-13 Delegation of responsibility for managing impacts	pages 23, 26-27				
	2-14 Role of the highest governance body in sustainability reporting	page 26				
	2-15 Conflicts of interest	On 16 June 2021, the Board of Directors adapted the 'Procedures for Transactions with Related Parties' to the amendments introduced by Consob with Resolution 21624 of 10.12.2020 and Regulation 17221 of 12.3.2010 on the subject of transactions with related parties (the 'RPT Regulation'); these amendments came into force on 1 July 2021 (the 'New RPT Procedure'), as expressed in the Corporate Governance Report. The New RPT Procedure, as well as the 'Procedures for Transactions with Related Parties', is published on the company's website www.solgroup.com , in the 'Governance' section, subsection 'Corporate Documents - Procedure for Transactions with Related Parties'.				
	2-16 Communication of critical concerns	page 24				
	2-17 Collective knowledge of the highest governance body	page 23				
	2-18 Evaluation of the performance of the highest governance body	The BoD periodically assesses the effectiveness of its activities through a formalised self-assessment process, which also includes ESG issues, at least every three years. In the event of inadequate evaluations, the Board decides on the most appropriate action to be taken, if any.				
	2-19 Remuneration policies	<p>The remuneration policy adopted by the company is submitted to the Shareholders' Meeting for voting.</p> <p>Non-executive directors are given a fixed (and not variable) remuneration which is suited to the competence, professionalism and commitment required by the tasks assigned to them within the Board of Directors and Internal Board Committees, and is not linked to economic results or to specific company objectives. They do not have any share-based remuneration plans. Additional remuneration is envisaged only in the event of participation in the Related Party Transactions Committee, the Remuneration Committee and the Control, Risk and Sustainability Committee.</p> <p>Executive directors are paid a fixed component that guarantees an adequate and certain annual base remuneration (RBA) set in consideration of the role, the activity performed and the responsibilities assigned; a medium-long term variable component (LTI) linked to the achievement, at the end of a three-year period, of predefined financial and non-financial company objectives.</p> <p>The General Manager receives a gross annual fixed component (RAL) established on the basis of the position of the role in the reference market, the levels of responsibility attributed to it, the size of the Group, the complexities managed as well as the professionalism, competence and experience accrued; a gross short-term variable annual component (MBO) is awarded following the achievement of predefined company objectives. This component also takes into account non-financial indicators related to ESG issues.</p> <p>No indemnity or other treatment is currently envisaged either in the event of termination of office of the Executive Directors or termination of employment of the General Manager.</p> <p>There are no benefits envisaged upon termination.</p>				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
GRI 2- General Disclosures - 2021	2-20 Process to determine remuneration	The shareholders' meeting of the company is called, inter alia, to determine the overall remuneration of the Board of Directors for the current financial year. Since SOL spa has recommended that the individual resolution proposals also be brought forward with respect to the determination of the Board of Directors' remuneration, in order to allow all shareholders to become familiar with the individual proposals that will be presented at the shareholders' meeting and give their voting instructions to the Designated Representative, GTW (Gas ant Technologies World B.V.), the majority shareholder, submits in advance to the company its 'Resolution Proposal' published on the institutional website (www.solgroup.com). The Group does not use the support of external consultants in determining the remuneration of the Board of Directors.				
	2-21 Annual total compensation ratio	page 65	b.	Information not available/incomplete	The required figure for GRI indicator 2-21 b. is not currently available.	
	2-22 Statement on sustainable development strategy	pages 3-5, 27				
	2-23 Policy commitments	pages 12-14, 27, 32-33				
	2-24 Embedding policy commitments	pages 26-27, 65				
	2-25 Processes to remediate negative impacts	pages 26-27, 32-33				
	2-26 Mechanisms for seeking advice and raising concerns	pages 11, 24				
	2-27 Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations in 2023, in addition to what is reported in the GRI 406-1 indicators.				
	2-28 Membership associations	page 69				
	2-29 Approach to stakeholder engagement	page 80				
	2-30 Collective bargaining agreements	page 64				
GRI 3 - Material Topics - 2021	3-1 Process to determine material topics	page 80				
	3-2 List of material topics	pages 80-81				
Economic series						
Economic performance						
GRI 3 - Material Topics - 2021	3-3 Management of material topics	pages 19, 71-79, 80-81				
GRI 201: Economic performance 2016	201-1 Direct economic value generated and distributed	page 91				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
Anti-corruption						
GRI 3 - Material Topics - 2021	3-3 Management of material topics	pages 11, 23-25, 80-81, Group Code of Ethics				
GRI 205:	205-3 Confirmed incidents of corruption and actions taken	No cases occurred in 2023. With regard to criminal proceeding 6036/2022 of the General Criminal Records Registry - No. 4500/2022 RGGIP pending before the Court of Palermo and involving two former executives of the subsidiary VIVISOL SRL being investigated for the offences set out and punished by Articles 319 and 321 of the Ital- ian Criminal Code, with the involvement of the same company pursuant to Italian Legislative Decree 231/2001, it should be noted that the proceedings are ongoing and were not updated in 2023.				
Anti-competitive behaviour						
GRI 3 - Material Topics - 2021	3-3 Management of material topics	pages 11, 23-25, 80-81, Group Code of Ethics				
GRI 206: Anti- Competitive Practices 2016	206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	No cases occurred in 2023. With regard to the Antitrust proceedings that had involved VIVISOL Srl in 2017, in 2023 VIVISOL recov- ered the sum of €5,014,000 plus interest owed to it for the higher penalty paid at the time and subject to restitution following the Council of State rulings.				
Taxes						
GRI 3 - Material Topics - 2021	3-3 Management of material topics	pages 25, 80-81				
GRI 207: Management Approach 2019	Disclosure 207-1 Approach to tax	page 25				
	Disclosure 207-2 Tax governance, control and risk management	page 25				
	Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	page 25				
GRI 207: Tax 2019	Disclosure 207-4 Country-by- country reporting	pages 92-94, The figure for revenue from in- tra-group transactions includes those arising from transactions between companies based in the same tax jurisdiction.				
Environmental series						
Materials						
GRI 3 - Material Topics - 2021	3-3 Management of material topics	pages 10, 49, 80-81, SOL Group companies' envi- ronmental principles				
GRI 301: Materials 2019	Disclosure 301-1 Materials used by weight or volume	pages 10, 49	Total weight or volume of materials used	Confidentiality constraints	Quantitative information has not been provided in this Sustainability Report, since it is confidential data and any disclosure abroad could compromise the company's position on the market.	

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
Energy						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 27-30, 50-51, 80-81, SOL Group companies' energy management policy and SOL Group com- panies' environmental principles				
GRI 302: Energy 2016	Disclosure 302-1 Energy consumption within the organization	page 50-51				
	Disclosure 302-3 Energy intensity	page 50				
Water and discharges						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 57, 80-81, SOL Group companies' environmental principles				
GRI 303: Water and effluents 2018	Disclosure 303-1 Interactions with water as a shared resource	page 57				
	Disclosure 303-2 Management of water discharge-related impacts	page 57				
	Disclosure 303-3 Water withdrawal	page 57, The water withdrawn is only fresh water (≤1000 mg/l total dissolved solids)				
Emissions						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 27-30, 52-54, 80-81, SOL Group companies' environmental principles				
GRI 305: Emissions 2016	Disclosure 305-1 Direct (Scope 1) GHG emissions	page 52				
	Disclosure 305-2 Energy indirect (Scope 2) GHG emissions	page 53				
	Disclosure 305-3 Other indirect (Scope 3) GHG emissions	page 53-54				
Waste						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 27-30, 55, 80-81, SOL Group companies' environmental principles				
GRI 306: Waste 2020	Disclosure 306-3 Waste generated	pages 55, 90				
Supplier environmental assessment						
GRI 3 - Temi materiali - 2021	3-3 Management of material topics	pages 47, 80-81				
GRI 308: Supplier Environmental Assessment 2016	Disclosure 308-1 New suppliers that were screened using environmental criteria	page 47. During 2023, 91% of the new suppliers considered critical were subjected to risk level clas- sification according to the relevant Group Directive (83% of the companies responded to the question- naire on the transposition of Group Directives).				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
Social series						
Employment						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 61, 80-81				
GRI 401: Employment 2016	Disclosure 401-1 New employee hires and employee turnover	pages 61, 88				
	Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	page 65				
Occupational health and safety						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
GRI 403: Occupational health and safety 2018	Disclosure 403-1 Occupational health and safety management system	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-2 Hazard identification, risk assessment and incident investigation	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-3 Occupational health services	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-5 Worker training on occupational health and safety	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-6 Promotion of worker health	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				
	Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	pages 27-30, 58, 66-67, 80-81. SOL Group Companies' principles regarding the Protection of Health and Safety				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
GRI 403: Occupational health and safety 2018	Disclosure 403-9 Work- related injuries	In 2022, 37 employee injuries were recorded. Five injuries were instead recorded for third-party companies working on behalf of the SOL Group. With regard to the criminal proceedings arising from the double fatal accident which occurred on 28.9.2021 at the University Campus of Humanitas Mirasole Spa to two drivers of the haulage company Pè Giuseppe Srl entrusted with the delivery of liquid nitrogen by SOL Spa, on 14.03.2024 the preliminary hearing judge of the Court of Milan granted the request for the application of the agreed penalty formulated by all the defendants and, therefore, also by SOL, with the consent of the Public Prosecutor. The plea agreement was also requested, on the advice of counsel, pursuant to and for the purposes of the Cartabia Reform, and only envisages the economic fine of €120,000 for SOL. In this regard, it should be noted that following the amendments introduced by Italian Legislative Decree 150/2022 ('Cartabia Reform'), Article 445, paragraph 1 bis of the Code of Criminal Procedure states that 'the judgement provided for in Article 444, paragraph 2 of the Italian Code of Criminal Procedure, has no effect and cannot be used as evidence in civil, disciplinary, tax or administrative proceedings, including the proceedings for the ascertainment of accounting liability', i.e., in all extra-criminal proceedings. Moreover, if accessory criminal penalties are not applied, as was the case here, 'the legal provisions other than criminal law that equate the sentence provided for in Article 444, par. 2 with a conviction do not have effect'. The preliminary hearing judge of the court agreed to the request of SOL also insofar as it verified that SOL has engaged in all the restorative conduct required by Article 17 of Italian Legislative Decree 231/2001 and, in particular: a) the victims' relatives have been fully compensated; b) the harmful or dangerous consequences of the crime have been eliminated, given that the plant is no longer in operation; c) SOL has significantly implemented control over its organisational structure since the time of the facts.				
Training and education						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 62, 80-81				
GRI 404: Training and education 2016	Disclosure 404-1 Average hours of training per year per employee	pages 62, 89				
Diversity and equal opportunities						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 23, 63, 80-81, SOL Group Code of Ethics				
GRI 405: Diversity and equal opportunity 2016	Disclosure 405-1 Diversity of governance bodies and employees	pages 23, 61, 63, 86-87				

GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION			GRI SECTOR STANDARD REF. NO.
			Require- ment (s) omitted	Reason	Explanation	
Non-discrimination						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 11, 63, 80-81				
GRI 406: Non- discrimination 2016	Disclosure 406-1 Incidents of discrimination and corrective actions taken	In 2023, following a report received from an employee of inappropriate behaviour with sexual connotations by another employee in breach of at least the Group's Code of Ethics, after appropriate and timely investigations, the person was dismissed.				
Supplier social assessment						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 47, 80-81				
GRI 414: Supplier social assessment 2016	Disclosure 414-1 New suppliers that were screened using social criteria	page 47. During 2023, 91% of the new suppliers considered critical were subjected to risk level clas- sification according to the relevant Group Directive (83% of the companies responded to the question- naire on the transposition of Group Directives).				
Customer Health and Safety						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 13, 31, 80-81				
GRI 416: Customer health and safety 2016	Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In 2023 there were no cases of non-compliance concerning the health and safety impacts of products and services				
Products and services labelling						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 13, 80-81				
GRI 417: Marketing and Labelling 2016	Disclosure 417-1 Requirements for product and service information and labelling	page 31. In 2023 there were no cases of non-compliance concerning the product and service information and labelling				
Consumer privacy						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 24, 80-81, SOL Group companies' Information security management and business continuity policy				
GRI 418: Customer Privacy 2016	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	In 2023 one data breach was reported to the National Privacy Authority				
Sustainable solutions for customers						
GRI 3 - Material Topics - version 2021	3-3 Management of material topics	pages 12-14, 35-46, 80-81				



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Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* 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.

During the year covered by this assurance engagement, our auditing firm applied *International Standard on Quality Control 1 (ISQC Italia 1)* and, accordingly, maintained a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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;



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, 2023 is not prepared, in all material respects, in accordance with articles 3 and 4 of the Decree and the GRI Standards.

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Our conclusion on the NFS of the SOL Group does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph “European Taxonomy”.

DELOITTE & TOUCHE S.p.A.

Signed by
Matteo Bresciani
Partner

Milan, Italy
April 16, 2024

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



GLOSSARY

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 made up of interception, measuring and safety instruments.

Electrolysis: a process that breaks water down into oxygen and hydrogen using electricity and does not involve direct CO₂ emissions.

Air separation: process of separation, by distillation, of gas components of the air, resulting in 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 established in 1997 and made up of companies, NGOs, associations of accountancy experts, business organisations and other international stakeholders involved in Corporate Social Responsibility issues. GRI's mission is to develop, supply and promote global reference guidelines for the drafting of Sustainability Reports that describe the economic, environmental and social impacts that companies or organisations generate through their activities.

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

Major accident: event such as a serious release, fire or explosion resulting from uncontrolled developments during activities involving the presence or use of hazardous substances that seriously endangers 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 laid down by 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 soil may, instead of leading to a reduction in pollution, cause a shift 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 to the satisfaction of customers.

ISO 45001 (Workers' health and safety management system): with the entry into force in Italy of Legislative Decree 81/2008, which establishes the adoption of a Management system as a necessary condition for being exempted from the application of the sanctions provided for in Italian Decree no. 231 of 2001, this certification becomes even more important as a guarantee for Management.

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

ISO 14001 (Environmental Management): ISO 14001 is a standard that guarantees the accurate control of environmental aspects, the reduction of impacts and legislative compliance, and is 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 seeking to ensure food 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 and 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 processing 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 intended to remain SOL property; 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 purpose is to improve knowledge of the dangers and risks of chemical substances, with the aim of ensuring 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.

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

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

Quality, Safety and Environment System (SdG/QSA): the 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 CO₂. 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 processing units: units where gases are produced from raw materials.

Secondary processing units: units where gases are conditioned and packaged, normally using gases from primary processing 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

For years, the Sustainability Report has been an essential tool for all stakeholders in order to clearly and efficiently share the performance, initiatives and projects carried out in the field of sustainability.

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 SOL Group people into appropriate behaviour.

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