



2023

SUSTAINABILITY
REPORT
SOL GROUP

SUMMARY



SOLGROUP



SOLGROUP

SOLGROUP
a breath of life
ΤΕΧΕΙ ΑΡΘΡΟ / LAR

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LETTER TO STAKEHOLDERS

Sustainable and responsible growth

In the following pages you will find a Summary of the fifteenth Sustainability Report of SOL, relating to 2023. The year was marked by external factors that had a strong impact on the economy and the Group's activities. The war in Ukraine, which began in 2022, was followed by the one between Israel and Hamas and, as a corollary, by the ongoing guerrilla war in the Suez Canal caused by Houthi attacks on international ships. The increase in geopolitical tensions had the direct effect of keeping the costs of raw materials high compared to 2021 values, in particular energy, and of preventing a rapid return from the inflationary flare-up of 2022. An indirect effect of the said tensions was the increase in interest rates and their persistence at high levels. As a result, the global economy was slow, particularly in Europe.

The SOL Group, once again, was able to adapt to the challenging context, finding the right levers to continue developing and growing.

Thus, 2023 closed with an increase in turnover to EUR 1,487 million, with EUR 108 million growth, equal to 7.8%. Investments were also extremely significant, amounting to EUR 233 million, including acquisitions. Margins remained at good levels. As at 31 December 2023, 6,372 people worked in the Group, over 621 more than at the end of the previous year.

In the more specific area of our commitment to sustainable and responsible development, 2023 coincided with important initiatives:

- **ISCC plus certification** was obtained for the Wanze plant in Belgium and the **"B"** score in the **CDP** rating was confirmed;
- in relation to our People, the **"Diversity and Inclusion Manifesto"** was launched and the **"SOL Group Women Development Program"** project was implemented;
- as regards health and safety, the **campaign to reduce the risks associated with the use of forklifts** was further pursued within

our factories;

- in relation to initiatives for the communities in which we operate, we provided support to **Emilia Romagna** and implemented the **“Schooling for a better world”** training project in **Mozambique**;
- as regards governance, it was decided to establish an **Internal Control, Risk and Sustainability Committee** within the Board of Directors of SOL Spa, starting from 2024.



Aldo Fumagalli Romario
SOL Group Chairman



Marco Annoni
SOL Group Vice Chairman



KEY NUMBERS

	2019	2020	2021	2022	2023
FINANCIAL DATA (millions of euro)					
Group turnover	904.3	973.8	1,112.9	1,379.2	1,487.1
Technical Gas Turnover	412.6	438.2	558.4	762.4	776.6
Home care turnover	491.7	535.6	554.5	616.7	710.5
Gross operating margin	211.3	255.4	260.8	328.3	382.2
Operating profit	88.7	140.0	135.8	192.5	227.1
Investments	103.3	112.9	132.3	131.2	183.5

ENVIRONMENTAL DATA					
Specific electricity consumption (ASU; base 2019=100)	100	101	104	103	108
Electricity 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	272,317	272,317	278,650	285,230

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
Training Hours	71,821	61,150	67,281	98,549	124,061
Injuries at work					
- Frequency Index	3.4	3.6	3.8	4.0	3.9



32

countries
on 4 continents

1,487.1

million euro turnover

6,372

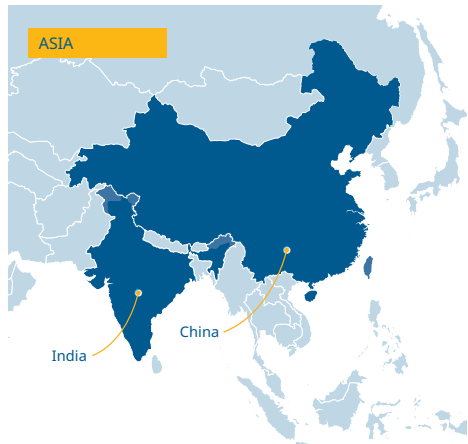
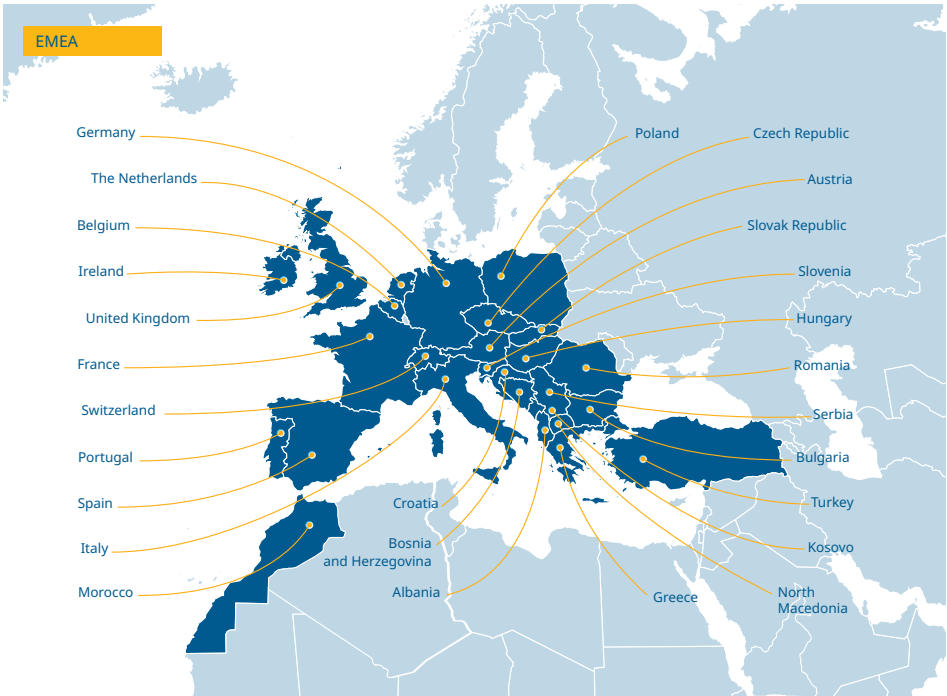
employees

63

pharmaceutical
workshops



THE SOL GROUP IN THE WORLD



PROFILE

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

In the **industrial sector**, the Group supplies technical gases (compressed, liquefied and cryogenic), equipment, plants and services to customers in most industrial sectors.

In the **healthcare sector**, it supplies medical gases, medical devices for administering and dosing medical gases, equipment, gas distribution systems, facility management services, electro-medical equipment, sterilisation plants and the turnkey construction of cryobiological rooms and laboratories.

As regards **home care**, the Group, which has established itself as one of the leading Home Care Providers in Europe and beyond, provides services and treatments for chronic patients who, on behalf of the health systems of different countries, are cared for outside a protected setting such as a hospital. VIVISOL is able to comprehensively take care of chronic patients often suffering from cri-

pling diseases and socially fragile conditions, or in need of life-sustaining treatments, with the aim of keeping them in their social and emotional context, thus improving their quality of life and therapeutic consistency.

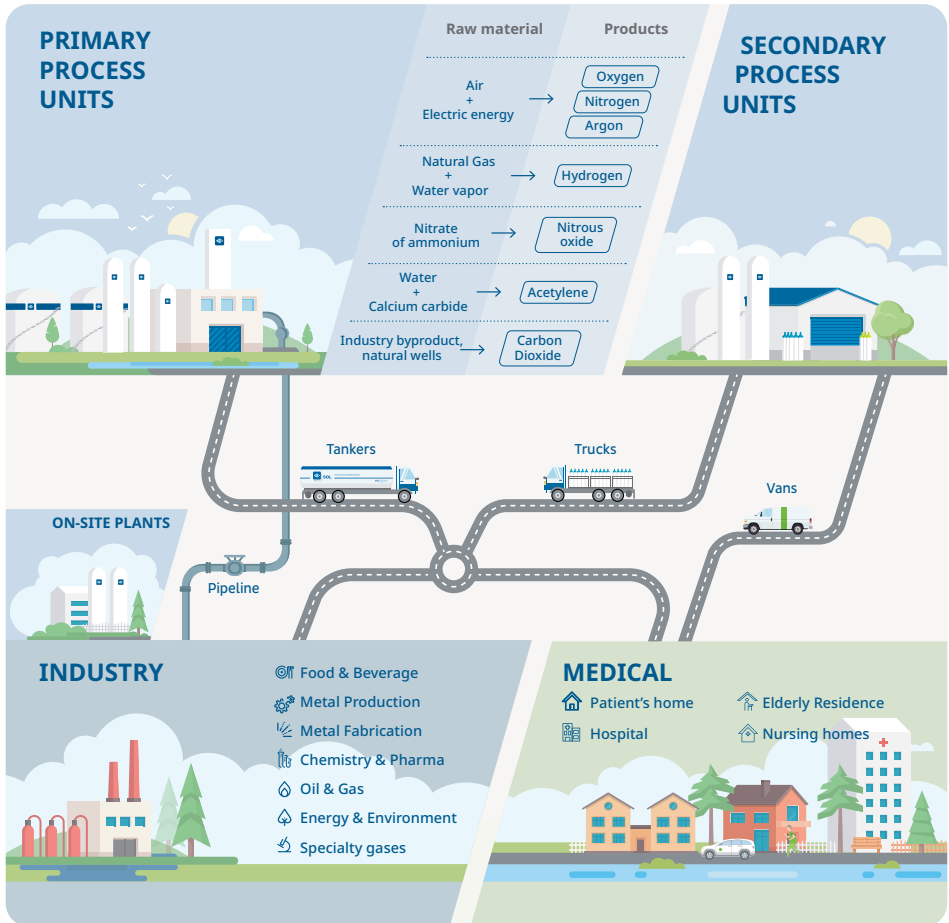
In the **biotechnology sector**, the Group develops tests and analytical services in the world of human and animal clinical research and diagnostics, conducts clinical trials for the development of proprietary biotechnological molecules, performs accredited genomic and molecular genetic diagnostic services,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

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

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



THE BUSINESS MODEL



59%
Health sector
Turnover

41%
Industry
Turnover

40%
Italy
Turnover

60%
Other Countries
Turnover

MISSION AND VALUES

For over 90 years, our mission and values have guided us in the search for **innovative and technologically advanced solutions** and in the development of services for the **delivery of the best care**, contributing to improving the quality of life on the planet.

Values

Ethical behaviour towards all stakeholders.

Security for employees, contractors, customers and patients.

Customer satisfaction providing innovative and technological solutions and improving patients' quality of life.

Balanced and constant development over time of economic value.

Protecting the environment through optimisation of processes and energy resources.

Enhancement of human resources through the continuous training of people.

Since 2006, the SOL Group has adopted its own **Code of Ethics**, a reference tool for members of corporate bodies, employees of the SOL Group, and any third parties who work in the name of, on behalf of or in the interest of the SOL Group.

The contribution to the SDGs



Medical gases for diagnostic examinations

Home care services to avoid hospitalisation

Prevention of diseases through genomic diagnostic tests

Commitment to health and well-being of all its employees



Commitment to overcome all gender differences, ensure equal opportunities and social inclusion



Responsible management of water resources through processes for water purification and the reduction of water consumption of our sites



Energy production through hydroelectric power plants

Promotion of sustainable mobility (hydrogen-fuelled, biofuel, LNG and BIOLNG)



Integrated Services for Healthcare



Development of innovative technologies for more efficient, safe and environmentally friendly processes in industry



We invest in plants that work for recovery of carbon dioxide that would otherwise be released into the atmosphere



GROUP DEVELOPMENT

The main technical investments

Italy

In **Burago**, work on the construction of VIVISOL Srl's new logistics centre has been completed

Belgium

In **Lessines**, work on the expansion of VIVISOL B Srl's warehouse has been completed.

United Kingdom

The new headquarters of DOLBY MEDICAL Ltd in **Crawley** is now operational.

Germany

In **Burgbrohl**, Germany, work has been implemented to upgrade the carbon dioxide production plant of the company SOL KOHLENSAURE WERK GmbH.

Kosovo

The new medical oxygen filling branch has been realised.

Greece

In Thessaloniki, work has begun on the construction of a new air separation plant of the company SOL HELLAS Sa, while the work to upgrade the carbon dioxide production plant at the Florina site has been completed.

India

In Ranipet (Tamil Nadu), work on the construction of a new air separation plant of the company SOL INDIA PRIVATE LIMITED is underway. In **Indapur**, instead, the project to expand the production capacity of the ultrapure plants of the company BHORUKA SPECIALTY GASES PRIVATE LIMITED is underway.

Main corporate transactions

In the technical gases sector, the SOL Group has entered into strategic majority partnerships with the companies SWISSGAS DEL ECUADOR Sa, based in Guayaquil, **Ecuador**, ICP – INDUSTRIAS CRIOGENICAS DEL PERU Sac, based in Lima, **Peru**, and WONSAK KOHLENSÄURE-SERVICE GmbH, based in Hamburg, **Germany**.

In the home care sector, the SOL Group has acquired 100% of the companies: ANAPNOI IKE in Thessaloniki, **Greece**; MIDIPERF SANTÈ FRANCE Sas in Vendargues, **France**, MAGNUS OPIEKA DOMOWA sp. zoo in Chorzów, **Poland** and SOMNOMEDICS PATIENTENBETREUUNG GmbH in **Germany**. Finally, in Germany the Group has acquired a 15% stake in the company SOMNOMEDICS GmbH, a global leader in sleep diagnostics.

+180

million euros
invested

+90

million euros in the
technical gas area

+90

million euros
in home care

186

ISO 9001
certified units
(Quality)

88

ISO 45001
certified units
(Occupational
Health and Safety)

40

ISO 14001
certified units
(Environment)

30

ISO 22000
certified units
(Food Safety)

22

ISO 13485
certified units
(Medical devices)



SUSTAINABILITY GOVERNANCE

Our Strategy

Sustainability is central to the strategy of the SOL Group, which considers its growth, since its establishment, to be closely linked to that of the world

in which it operates. Therefore, 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 Sustainability Plan

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


The SP, which responds to some of the global challenges (United Nations Sustainable Development Goals, or SDGs), has been supplemented with initiatives, proposed by Group employees, gathered from the Little Big Innovations project.

The objectives of the Plan are reviewed annually, on the one hand, by verifying the results achieved and, on the other hand, by taking into account new initiatives that might be initiated.



SUSTAINABLE PRODUCTION PROCESS

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



DIALOGUE AND LISTENING

- strengthening the process of listening to patients and doctors
- listening to employees to improve the working environment with more systematic and periodic processes
- dissemination of our Code of Ethics principles
- community support



SUSTAINABILITY IN THE WORKING ENVIRONMENT

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



SUSTAINABLE INNOVATION

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



Over
50,000
industrial customers

Over
650,000
patients served

CUSTOMERS AND PATIENTS

Commitment to a sustainable industry

The SOL Group, through accurate and timely service, provides its industrial customers with **innovative technological solutions** capable of making the industry's activities and processes increasingly **sustainable** in terms of **energy and production efficiency, reduction of environmental impact and protection of employee health and safety**.

In addition to the supply of technical gases, SOL offers the most advanced technologies for **application of gases** along with the design and construction of specific plants to match industrial processes, and provides the necessary maintenance and technical assistance services.

SOL addresses its services to customers in most industrial sectors: steel, metallurgy, glass and ceramics, metal fabrication, chemicals and pharmaceuticals, food and beverages, oil industry and services for the environment and transport of goods and people.

The main gases produced and distributed by SOL are:

- oxygen
- nitrogen
- argon
- hydrogen
- carbon dioxide
- sulphur dioxide
- acetylene,
- nitrous oxide
- gas mixtures
- ultra high purity gases
- food gases
- gaseous helium
- liquid helium
- gases for electronics
- ammonia
- combustible gases for industrial use
- liquefied natural gas (LNG)



Healthcare commitment

National healthcare systems are increasingly directing the treatment of critical illnesses towards the so-called *Smart Hospital*, a hospital characterised by the presence of the most modern **clinical and diagnostic technologies**.

The SOL Group therefore proposes itself as **partner of Health Services** by supplying medicinal products, services and technologies for the integrated management of internal hospital work flows, safeguarding the quality and efficiency of healthcare services.

The SOL Group caters to **hospitals** (public and private), Scientific Hospitals, University Hospitals, Clinical Research Centres, Medically Assisted Reproduction Centres, nursing homes and assisted living facilities.

Services in the health sector

- Medicinal Gases with MA and Medical Devices
- Total Gas Management Services
- Training Services
- Distribution and Dispensing Systems for Medical-Device Classified Medicinal Gases
- InfoHealth SOLution®
- Global Service of electromedical equipment
- Hospital hygiene and environmental monitoring
- Emergency Care
- Design and implementation of biobanks
- Disaster Recovery
- Bioshipping

The home care sector

VIVISOL has established itself in Italy, Europe, Brazil and Turkey as one of the leading **Home Care Providers** able to provide technological and healthcare services for complex treatment and often *life support* for chronic patients.

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

Home care services

- **Respiratory therapies** oxygen therapy, mechanical ventilation, aerosol therapy, treatment of respiratory sleep disorders
- **Infusion therapies** artificial nutrition, insulin therapy, immunotherapy, pain treatment
- **Palliative home care**
- **Home dialysis**
- **Telemedicine and digital services**
- **Health aids** management and supply of health aids





VIVISOL has a **widespread presence in all the countries in which it operates**, thanks to a territorial network of Service Centres and Health Operating Centres active 365 days a year, 24 hours a day, from which home activities are coordinated and managed for over 585,000 patients worldwide.

The biotechnology sector

CRYOLAB is a highly specialised cryopreservation laboratory, providing services for the transfer, storage and handling of biological samples.

DIATHEVA develops innovative diagnostic systems that are able to identify and quantify pathogens in any matrix and for any need through DNA amplification techniques. DIATHEVA also has a proprietary pipeline for the development of new biological drugs in the oncology field.

PERSONAL GENOMICS, a medical genetics laboratory accredited by the Veneto Region and SIGU-CERT certified, offers diagnostic services in the field of medical genetic analyses.



28,786

tonnes of CO₂ eq.
avoided by energy
production from
renewable sources

43,950

tonnes of CO₂ eq.
avoided by building
on-site installations

146,954

tonnes of CO₂
recovered from other
processes, purified
and put back into the
market

THE ENVIRONMENT

Power consumption in production facilities is the most important environmental aspect for the SOL Group.

The awareness of the environmental impact of the Group's highly energy-intensive primary activities has led the SOL Group, starting in 2002, to invest in energy production from **renewable sources**. To date, 16 hydroelectric power plants are in operation in Albania, Bosnia-Herzegovina, North Macedonia and Slovenia, with a total installed capacity of approximately 31 MW. Electricity produced and sold to the grid for the current year amounted to 351,597 GJ, and corresponded to 14% of the Group's energy consumption.

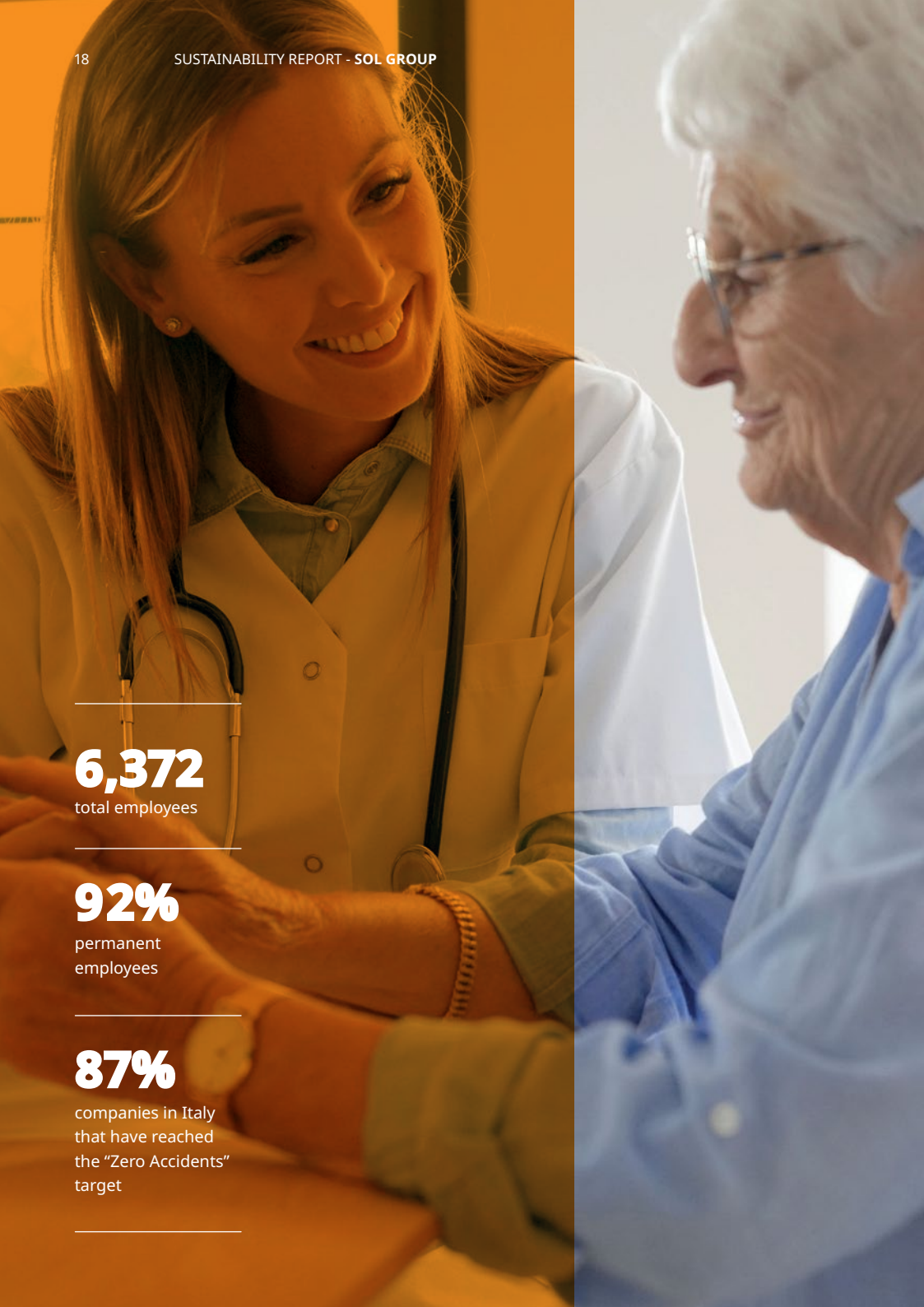
Careful **planning** and management of production sites, **process optimisation** and plant renovation cover significant portions of investment each year.

Where the characteristics of the gas and the customer's needs allow it, the installation - at the customer's premises - of self-production plants for technical gases, known as "**on-site plants**", is an alternative to the traditional supply of cylinders or liquefied cryogenic gases. The environmental benefit is the **lower specific energy** consumption compared to centralised production plants, along with the reduction of emissions caused by the transport of gas by road.

For several years now, the SOL Group has decided to invest in **facilities capable of recovering carbon dioxide** - otherwise released into the atmosphere - from production processes. Thanks to

SOL, the gas is recovered, purified and marketed in liquid form. Examples are the plants built in Bulgaria (Ihtiman), Germany (Zeitz) and Belgium (Wanze), which recover CO₂ from bioethanol.





6,372

total employees

92%

permanent employees

87%

companies in Italy that have reached the "Zero Accidents" target

OUR PEOPLE

Training and development

Training and development play an important role within the company's daily life. From the very first days in the company, new hires are involved in **Onboarding Training**, the initial moment of their training path, which continues over time. In fact, each employee is encouraged to cultivate their own skills and inclinations and, for this reason, the SOL Group finances **Master's degrees, qualifying courses and training courses on transversal skills** with the aim of supporting everyone's professional and personal growth.

The path dedicated to DE&I

In continuity with the previous year, new initiatives were undertaken in 2023 in relation to DE&I issues:

- **vertical training** was carried out involving Directors, top management and people managers from across the Group with the aim of generating awareness regarding unconscious bias (how to recognize and avoid such bias), creating a

common purpose with respect to the value of this path and obtaining the commitment of all management to ensuring its continuity in the future;

- the **"SOL Group Women's Development Program"** project was launched, with the aim of best supporting women in developing their careers within the company;
- the **Manifesto** dedicated to DE&I, namely the corporate document which attests to the inclusive approach adopted by the SOL Group, was approved.

Health and safety at work

The SOL Group promotes a commitment to protecting the health and safety of workers within all its production processes and in third-party companies. During 2023, the Group's accident frequency (FI) and accident severity (SI) indices improved slightly. The "Zero Accidents" goal was achieved by 87% of companies in Italy and 83% of companies abroad.



This document is a summary of the Sustainability Report 2023.

The full document (Consolidated non-financial statement - Sustainability Report 2023), prepared in accordance with GRI Standards and subject to limited review by Deloitte & Touche S.p.A, is available in PDF format at www.solgroup.com

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