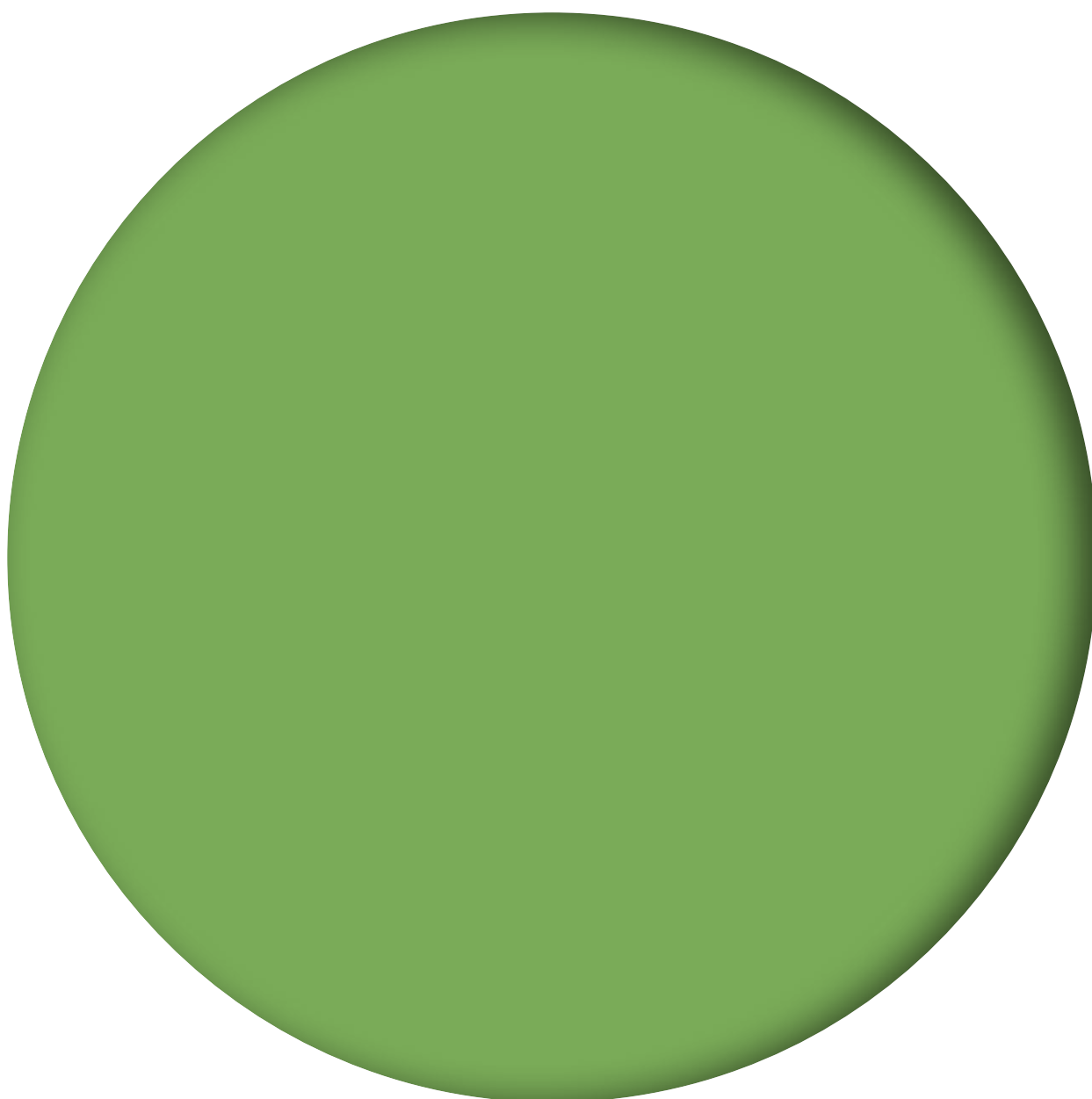


SUSTAINABILITY REPORT 2023

SIAD GROUP ANNUAL OVERVIEW





A TRIBUTE TO THE LEADERSHIP OF OUR CHAIRMAN ROBERTO SESTINI

The SIAD Group's 2023 Sustainability Report is dedicated to our Chairman, Dr. Roberto Sestini, to acknowledge his extraordinary commitment and contribution to communities and the Group's sustainable and responsible growth.

The morning of January 6, 2024, the Chairman of the SIAD Group, Dr. Roberto Sestini, left a massive void in the company and in the life of the people who knew him.

Dr. Roberto Sestini headed the SIAD Group for more than half a century, leading its growth, diversification and internationalization, with constant attention to the local area and communities in which the various Group companies maintain a presence.

Over the years, he held various positions, including: President of the Bergamo Industrial Union from 1985 to 1991; President of the Bergamo Chamber of Commerce, Industry, Crafts and Agriculture from 1992 to 2010; Vice-President of Federchimica from 1989 to 1993.

In addition to his entrepreneurial qualities, he stood out for his support for philanthropic, cultural and social initiatives. As an educationalist, he always supported educational and scientific institutions. As a sportsman, he is remembered for his great passion for the sea, as a powerboat champion and sailor.

He leaves the helm of a solid and constantly expanding Group to his son Dr. Bernardo Sestini, in the company since 1996 and CEO since 2005, who represents the authentic values of his family.



Letter to Stakeholders: Group results and objectives

“In memory of my father Dr. Roberto Sestini, I can assure you that his valuable lessons will always stay with me throughout my time as the Group’s Chairman and Chief Executive. I intend to make sure that the SIAD Group will become more solid and united than ever before. The company’s core values, which he passed on to us, leading by example, will guide me – and all of you, together as one big team – as the Group continues to grow.”

- Bernardo Sestini -

In 2023, the SIAD Group confirmed its continuous development by consolidating the leadership position it had gained in previous years. In an unstable market environment, the Group has focused its attention on emerging opportunities as part of the transition to sustainable energy sources, by expanding its presence in key areas such as renewable energy, the alternative hydrogen supply chain and the capture, recovery and use of carbon dioxide. With a turnover of **€1,008 million** and **2,278 employees**, the SIAD Group has demonstrated its ability to **diversify its activities and the sectors in which it operates**, to promote innovation and to invest in research and development.

The activities of the SIAD Group cover diversified industrial segments, from the production and distribution of industrial gases, to the healthcare sector with home and hospital care products and services. Through its subsidiaries – SIAD Macchine Impianti, Tecno Project Industriale (TPI) and ESA – the Group extends globally in the Engineering sector, with a focus on the design and implementation of diversified systems, such as air separation plants, natural gas liquefaction plants, biogas upgrading plants, biomethane liquefaction plants, CO₂ capture and liquefaction plants, process and PET compressors, analytical systems, and industrial combustion equipment.

Through its 100% controlled subsidiary Istrabenz Plini, the SIAD Group has also established itself in the LPG and Natural Gas markets.

From the outset, values such as **Solidity, Innovation, Authenticity and Difference** have enabled the SIAD Group to grow and continue to expand year after year in a responsible and sustainable manner.

GREAT ACHIEVEMENTS IN 2023

2023 was a year packed with achievements. Of the many projects launched, the SIAD Group invested €16 million in the **Gases of Life District**, confirming its dedication to innovation and research. Inaugurated in September at the Osio Sopra plant, the SIAD research center focuses on the study and development of innovative gas mixtures and their automated and robotic production.

In the medical and life sciences sector, an agreement was signed in July 2023 to create **Viva**, one of the largest and most technologically advanced research biobanks in Italy. It will have a storage capacity of up to five million biological samples of various types (human, animal and environmental) according to the highest quality standards, to enable interdisciplinary research. Located at the Italian National Institute of Health, the biobank will be ready in 2025.

In 2023, **SIAD Americas** – active throughout the American continent – was founded, marking a new stage in the Group’s expansion in the Engineering sector. Its specific focus is on technologies for reducing carbon emissions, engineered by SIAD Macchine Impianti (SIAD MI) and Tecno Project Industriale (TPI).

OUTLOOK FOR 2024

Looking to the future, the SIAD Group aims to consolidate its position through **innovation** and interdisciplinary collaboration between sectors to face the challenges posed by the energy transition in a tangible manner and with increasing awareness. Significant expansion is expected in the emerging hydrogen and carbon dioxide sectors, where the Group has developed advanced technologies such as the **550 bar oil free high pressure hydrogen compressors** designed by SIAD MI, the innovative hydrogen ready industrial burners designed by ESA that contribute to the decarbonization of various production chains, and solutions for the production and distribution of biogenic CO₂ designed by TPI. Moreover, in 2024, through a production-only joint venture between SIAD and SOL, **OXY** – a new air separation plant in Croatia – is due to be opened.

Constant commitment to sustainable and innovative solutions remains central to the SIAD Group’s corporate strategy.

BERNARDO SESTINI
Chairman and Chief Executive Officer
SIAD Group

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IN 2023**

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SUSTAINABILITY REPORT 2023: THE JOURNEY CONTINUES

With this 2023 Sustainability Report, we continue our commitment to share with stakeholders the results achieved in the field of sustainability, confirming our mission to ensure responsible and sustainable growth. This edition serves as another step forward in our desire to maintain and consolidate our objectives, continuing to communicate transparently the actions implemented by the SIAD Group. We firmly believe in the importance of this path, which reflects the fundamental value of sustainability in guiding all the work we do every day. We will therefore continue to pursue sustainability with conscience and conviction, aiming at sharing and presenting it to anyone with an interest in what we do and in our results.

OUR GOALS IN 2023

Last year's Sustainability Report ended with the future prospects and key objectives the SIAD Group had set itself to continue its commitment towards responsible and sustainable development.

The goals and results we achieved in 2023 are set out below:



TO INCREASE ITS INTERNAL CIRCULARITY, USING BIOGENIC CO₂ AS A LOW-IMPACT PRODUCT

The start-up of new plants **producing biogenic CO₂** – mainly from recovered raw materials – is planned for the year 2024-2025.

TO CONTINUE THE DEVELOPMENT OF HIGH EFFICIENCY AND LOW NOX EMISSION BURNERS, INCLUDING HYDROGEN-READY BURNERS

Continuing on the path of technological innovation, ESA has launched on the market a new family of self-recuperative burners for direct and indirect heating. The old REKO-SIK series of burners has been entirely replaced by the new **REKO-SIK-NxT** series, which provides **significant energy savings and a reduction in pollutant emissions.**

Find out more about the project on p. 110

TO ACTIVELY CONTRIBUTE TO THE CHAIN TO MAKE HYDROGEN AN ALTERNATIVE ENERGY VECTOR

The first **high-pressure (up to 550 bar) hydrogen compressor with oil-free technology** has been built and installed at the Osio Sopra plant.

Find out more about the project on p. 80

TO IDENTIFY NEW APPLICATIONS FOR SUSTAINABLE ENERGY SOURCES SUCH AS HYDROGEN AND BIOMETHANE/BIOLNG

Biomethaverse (Demonstrating and Connecting Production Innovations in the Biomethane Universe) aims to diversify the technological base for biomethane production in Europe, increase its cost-efficiency and contribute to the uptake of these innovative technologies.

Find out more about the project on p. 82

TO FURTHER REDUCE CONSUMPTION, USING INCREASINGLY EFFICIENT SYSTEMS SUPPORTED BY DIGITAL TECHNOLOGIES THAT ARE ESSENTIAL TO OPTIMIZE PROCESSES AND FOR EVOLUTIONARY MAINTENANCE, TOWARDS THE USE OF TECHNOLOGIES WITH LOWER ENERGY CONSUMPTION

In 2023, the **APC air separation management software** was installed at the ASU plant in the Czech Republic and, in the coming months, it will be installed in Hungary (2024) and Romania (2025). This implementation will **reduce electricity consumption and Scope 2 CO₂ emissions**, and increase argon productivity, ensuring greater process stability. In addition, the evolutionary maintenance of a compressor at the Osio Sopra Plant is planned for August 2024, which will bring greater energy efficiency.



ORGANIZATIONAL PROFILE



MISSION

The SIAD Group's mission is to provide products and services within four main lines of business: Industrial Gases, Engineering, LPG & Natural Gas and Healthcare, with the aim of becoming more and more of a global benchmark.

The Group aims, where possible, to provide “supply chain” products and services that integrate the knowledge and skills of the companies in the four sectors. As well as attentive to customer requirements and a high level of customization when required, all products are conceived and designed with a constant focus on innovation, sustainability and economic development of the value chain.

VISION

To promote the growth and well-being of our customers, through research, innovation, excellent products and services.

To become more and more global with the utmost attention to respect for our values, the local area and the environment.



SUSTAINABILITY STRATEGY & BUSINESS MODEL

In its Governance model, the SIAD Group considers **business growth** and the sustainable approach as two closely interconnected and complementary aspects. In the current global context, there can be no business that does not take ESG issues into account, and at the same time, the principles of sustainability cannot be pursued unless supported by a solid business strategy. At SIAD, the company's choices are intrinsically oriented towards sustainability as they are guided by the values based on attention to the environment, the territory and on appropriate and transparent relationships with stakeholders, as well as on research and innovation approached and pursued as drivers for the well-being of the Group and the community.

For SIAD, **authenticity** means pursuing the Group's values and its governance model, including by promoting circular and sustainable innovation. This commitment translates concretely into the series of projects set out in this Sustainability Report.

In the context of corporate **solidity** and the development of **partnerships**, one example is **Herccules**, an international research project launched in February 2023 that aims to trigger concrete actions to contain CO₂ emissions according to an innovative, integrated and replicable approach. The primary focus is the decarbonization of cement production and waste-to-energy, two strategic sectors for the circular economy as well as “Hard to Abate” (this project will be explored in the next pages).

The SIAD Group has also always been committed to innovation in its range of products and services, seeking to meet market needs and generate value for all stakeholders, working to limit environmental impacts, optimize processes, and actively support the communities in which the Group operates.

Specifically in the field of **innovation**, the **Gases of Life District** was launched in 2023 as the new research center focusing on studies of innovative gas mixtures and their automated and robotic production, which will be explored in further detail in the “Innovation” chapter of this document.

With a view to engagement and improving people's skills, which make the **difference** and are the real strength of the Group, **professional training courses** have been set up, with a total of 50,502 hours per year, alongside **team coaching** courses to share skills and improve communication processes between colleagues, aiming to achieve a common goal of increasing awareness of roles and, as a result, operational processes and well-being in the company.

Because at SIAD, sustainability has always been a discourse set up with **a view to the future**.

GROUP STRUCTURE

Considering the corporate structure of the SIAD Group, propensity to growth clearly emerges at both a local and international level, as well as the ability to diversify. The Group, headquartered in Bergamo, is one of the main players in international markets. The Parent Company, Società Italiana Acetilene e Derivati - SIAD S.p.A., is a joint-stock company and its shareholding structure can be broken down as follows.

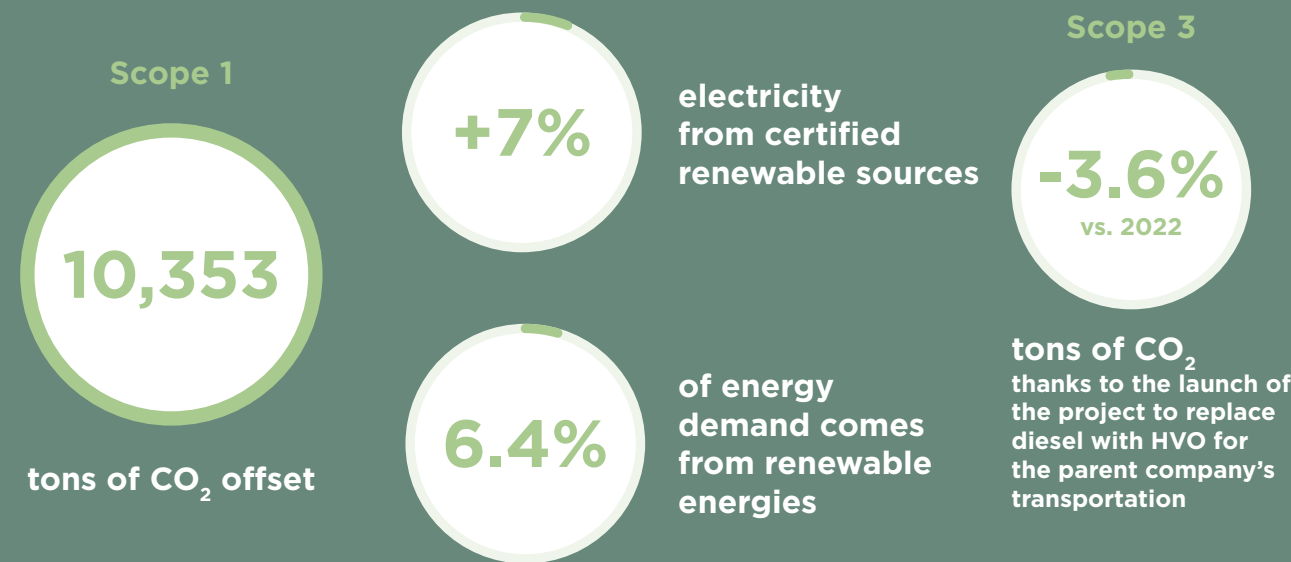
In this document, SIAD S.p.A. is referred to as the “Parent Company” as the company responsible for preparing the consolidated financial statements, holding the majority of the share capital of all consolidated companies, directly or through subsidiaries. In addition, its Board of Directors is actively involved in defining the strategic orientations of all subsidiaries.



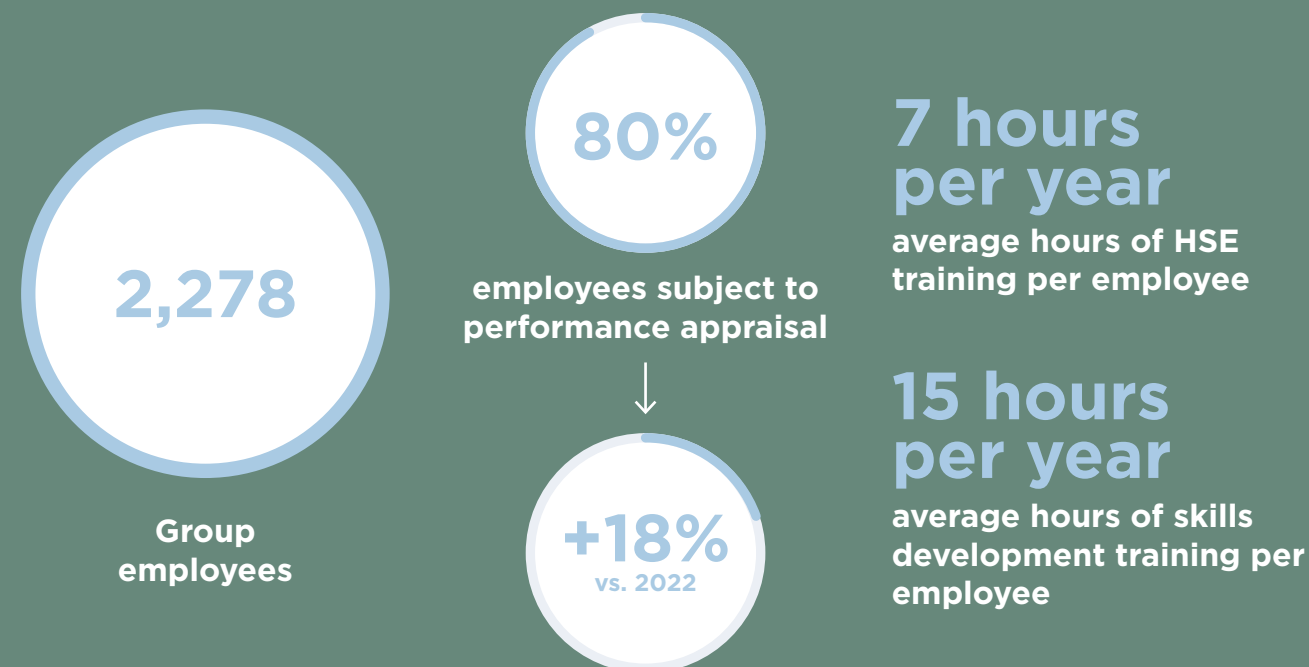


SUSTAINABILITY HIGHLIGHTS 2023

E ENVIRONMENTAL



S SOCIAL



G GOVERNANCE



SUSTAINABILITY PROJECTS

E

CO₂ RECOVERY PLANTS



Tecno Project Industriale (TPI) offers integrated solutions for the capture and recovery of CO₂. A recently built plant captures CO₂ from waste-to-energy processes.

-47,040

tons of CO₂ emitted into the atmosphere in 2023.

Find out more on p. 75

REKO-SIK-NxT RECUPERATIVE BURNER



New self-recuperative burners that provide significant energy savings and a reduction in pollutant emissions.

-15.3

tons of CO₂ per year emitted into the atmosphere by each burner.

Find out more on p. 110

SIAD & ENVIRAL, CAPTURING BIOGENIC CO₂



Partnership with Enviral for the installation of a plant for the recovery and liquefaction of biogenic CO₂ in Slovakia.

+40,000

tons per year of biogenic and circular CO₂ placed on the market, a potential substitute for fossil CO₂.

Find out more on p. 78

BIOMETHAVERSE



As part of an international research project, SIAD is proposing the process of ozonolysis combined with the anaerobic digestion of sludge from wastewater treatment plants to promote the increase in biogas production and reduce the impact on the community.

+30/50%

biogas production compared to the traditional process.

Find out more on p. 82

S

TEAM COACHING

Group courses to collaborate, interact and share skills and experiences, to improve well-being in the company.

30

attendees in 2023.

Find out more on p. 132



ViVa, THE RESEARCH BIOBANK

In collaboration with the Italian National Institute of Health, construction of "ViVa", one of the largest Italian research biobanks in the medical and biological fields.

Option of storing up to

5,000,000

biological samples to improve biomedical research.

Find out more on p. 59



G

HERCCULES

International research project aimed at containing CO₂ emissions in highly industrialized areas.

25

partners working together to develop innovative CCUS model in "Hard to Abate" sectors.

Find out more on p. 58



ZERO TRUST

To improve the security of the Group's IT infrastructure.

0%

data loss due to external cyber threats in 2023.

Find out more on p. 53



OUR SUSTAINABILITY PRINCIPLES



THE FOUR PILLARS OF THE SIAD GROUP

The acronym SIAD encompasses the four pillars that describe the Group's **commitment to sustainability** in a simple but effective way, where **S** stands for solidity, **I** for innovation, **A** for authenticity and **D** for difference.



SOLIDITY

The Group's economic growth is based on a **solid and thoroughly thought out foundation**, built on almost a century of history. Expansion into new markets, consistently positive balance sheets and a growing EBITDA stand as testament to this long-standing commitment. For us, fundamental values are a prerequisite for growth.



INNOVATION

We have always been committed to the **search for unique and non-standardized solutions**, creating synergies and inspirations through technological cross-fertilization between the different sectors of the Group. Our customers are privileged partners in this path of continuous improvement, which aims to meet their needs in an innovative and personalized way. Innovation is the linchpin of our processes, aimed at reducing the environmental impact for our customers and for the entire SIAD Group.



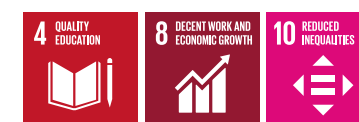
AUTHENTICITY

We have firmly kept to the legacy of our founders, Quirino and Bernardo Sestini, based on the importance of **relations with the value chain and the local area**. We invest in growing skills and reliability, always aiming to forge direct, meaningful relations with all our stakeholders. Our deep-rooted presence in the area is manifested through a series of projects focusing on training and culture, which have always been supported by SIAD and SIAD Fondazione Sestini.



DIFFERENCE

People ensure we can make a difference, as the beating heart of SIAD and our wealth, based on diversity and the skills of those who make up and represent our Group today. The combination of tradition, innovative spirit, quality research and a wide range of projects, activities and interests are the distinctive elements that combine to make the SIAD Group unique in the Italian and international industrial scene.



VALUES & ETHICAL PRINCIPLES OF THE SIAD GROUP

The four fundamental pillars outlined in the previous section are closely linked to the **core values** that have always guided the path and choices of the SIAD Group

- Experience, tradition and solidity
- Geographic and sector diversification
- Reliability, professionalism and competence
- Research, technology and innovation
- Commitment to quality, safety and the environment
- Attention to social and cultural issues

These values guide our sustainable growth, focused on meeting the social, environmental and governance requirements of our stakeholders.

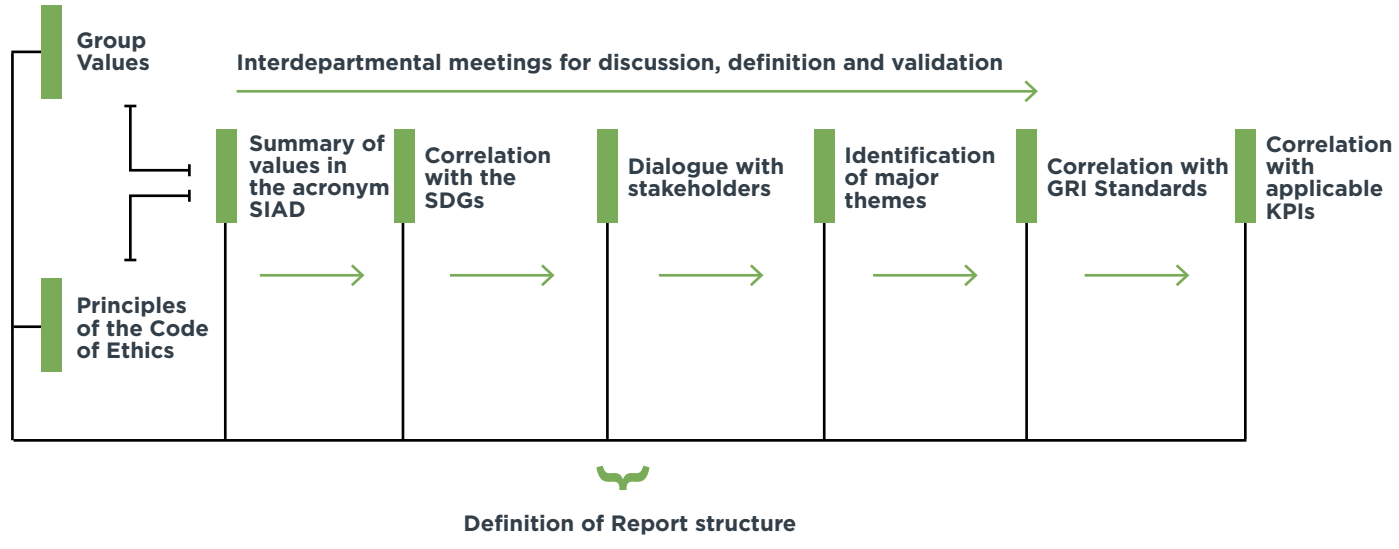
We also fully identify with the ethical principles that guide our strategies and decisions.



The increasing importance of sustainability issues and our awareness of the impact on the local area have accelerated the transition towards a Group capable of rediscovering itself as increasingly sustainable and committed to **constantly improving the management of ESG aspects**.

On these bases, with the annual publication of the Sustainability Report we assume the responsibility of actively involving our Stakeholders in the commitment to society and the local area, paying specific attention to people and the **environment**.

The scheme on which we have also decided to structure this edition of the Sustainability Report begins with our own identity, **SIAD**, as an acronym for the four pillars that have always been the basis for the Group: **Solidity, Innovation, Authenticity, Difference**, each of which corresponds to the founding values, specific Sustainable Development Goals (SDGs), relevant sustainability issues and measurable KPIs. All four central chapters of this Report are structured as such.



Each letter in the SIAD acronym stands for a section in the Sustainability Report that discusses the KPIs identified for significant values and material topics, as well as the projects in which the Group is involved.

S

SOLIDITY

Values

- Experience, tradition and solidity
- Geographical and sector diversification
- Reliability, professionalism and competence
- Legality

SDGs



Material topics

- Economic performance and responsible growth
- Business ethics
- Business continuity
- Responsible purchasing and supply chain
- Data protection and information security

I

INNOVATION

Values

- Research, technology and innovation
- Customer centricity

SDGs



Material topics

- Innovation, research and development
- Environmental technologies
- Product durability and circularity

A

AUTHENTICITY

Values

- Commitment to quality, safety and the environment
- Honesty, transparency and attention to social and cultural issues
- Responsibility towards the community

SDGs



Material topics

- Occupational health and safety
- Quality of products and services provided to customers
- Climate action
- Responsible management of natural resources
- Commitment to the community
- Communication

D

DIFFERENCE

Values

- Loyalty
- Respect for people
- Merit and equal opportunity
- Knowledge sharing
- Flexibility

SDGs



Material topics

- Diversity and inclusion
- Feedback culture

THE ROUTE TO CSRD

In November 2022, the European Union officially adopted the *Corporate Sustainability Reporting Directive (CSRD)*, which imposes an obligation on many companies to draw up a **Sustainability Report**. The measure aims to increase transparency in environmental, social and governance matters, to combat greenwashing, and to strengthen the sustainable footprint of the economy and the market at EU level.

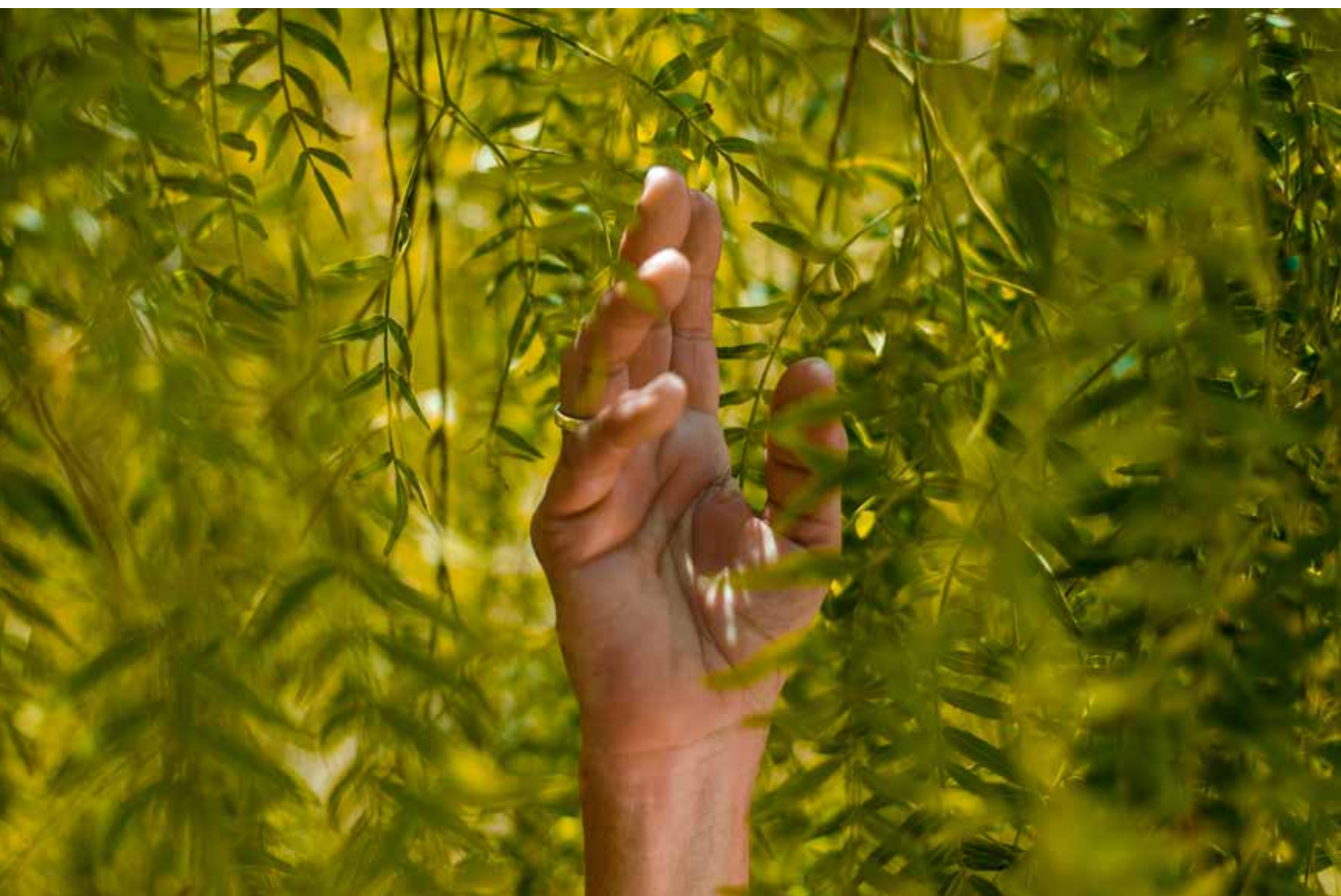
The progressive adaptation to the new sustainability reporting rules began by assessing the requirements for carrying out a dual materiality analysis, which the CSRD sets as a basis for identifying the relevant issues and the consequent indicators and disclosures according to the *European Sustainability Reporting Standards (ESRS)*.

SIAD's strategy to comply with regulatory requirements is summarized as shown in the diagram on the next page.

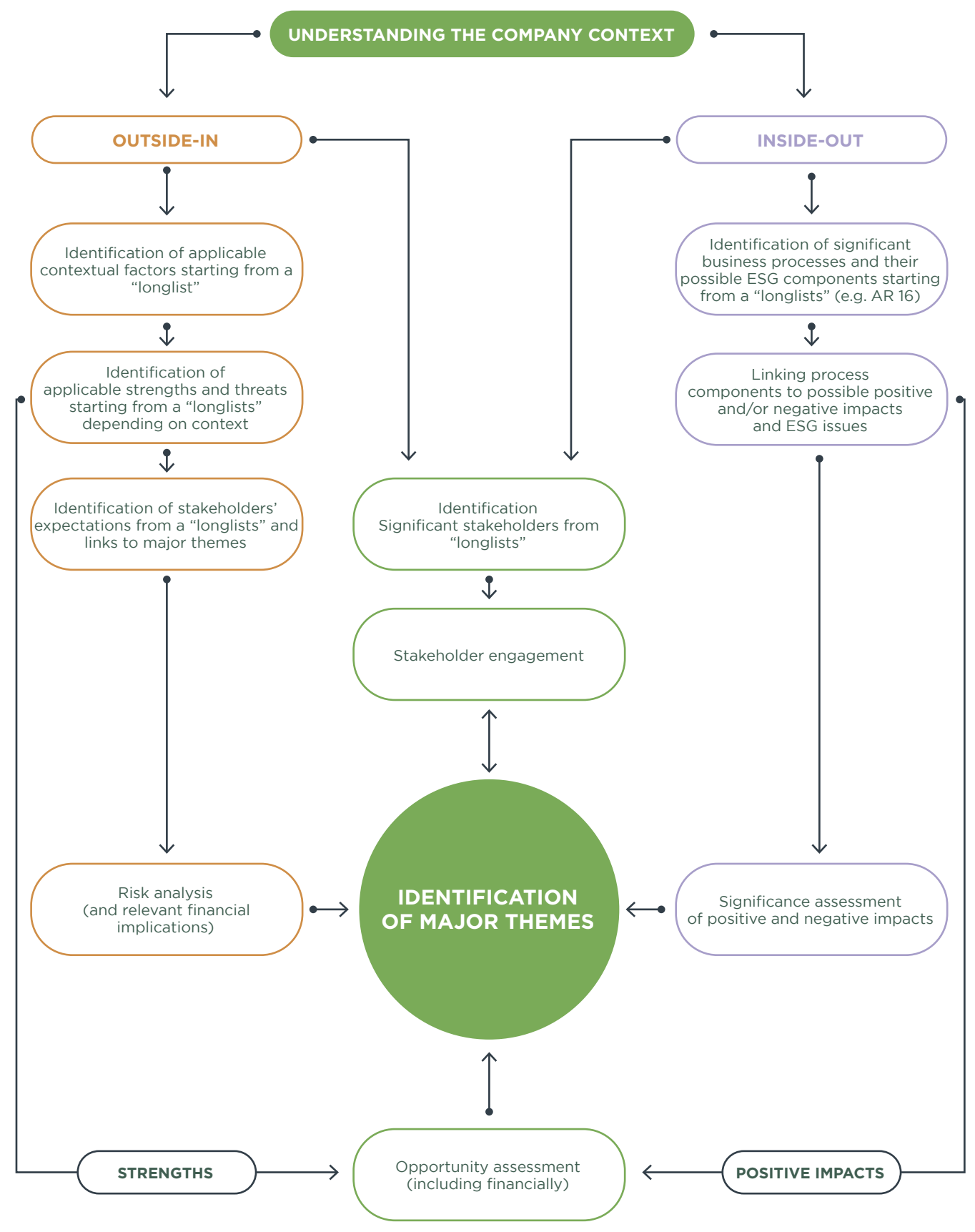
All this has made it possible to highlight how the processes of context analysis, identification of interested parties, risks and opportunities already overseen and structured in SIAD S.p.A.'s business management systems already substantially overlap with the requirements of the CSRD.

SIAD has therefore chosen to integrate the existing analysis model, to make it compliant with the requirements of the latest directives and to spread it throughout the Group as a single tool for the governance of impacts, risks and opportunities.

The new model includes a **stakeholder engagement** process to enable the organization to involve all key stakeholders, to confirm the relevant issues identified internally and the related priorities.



Double materiality

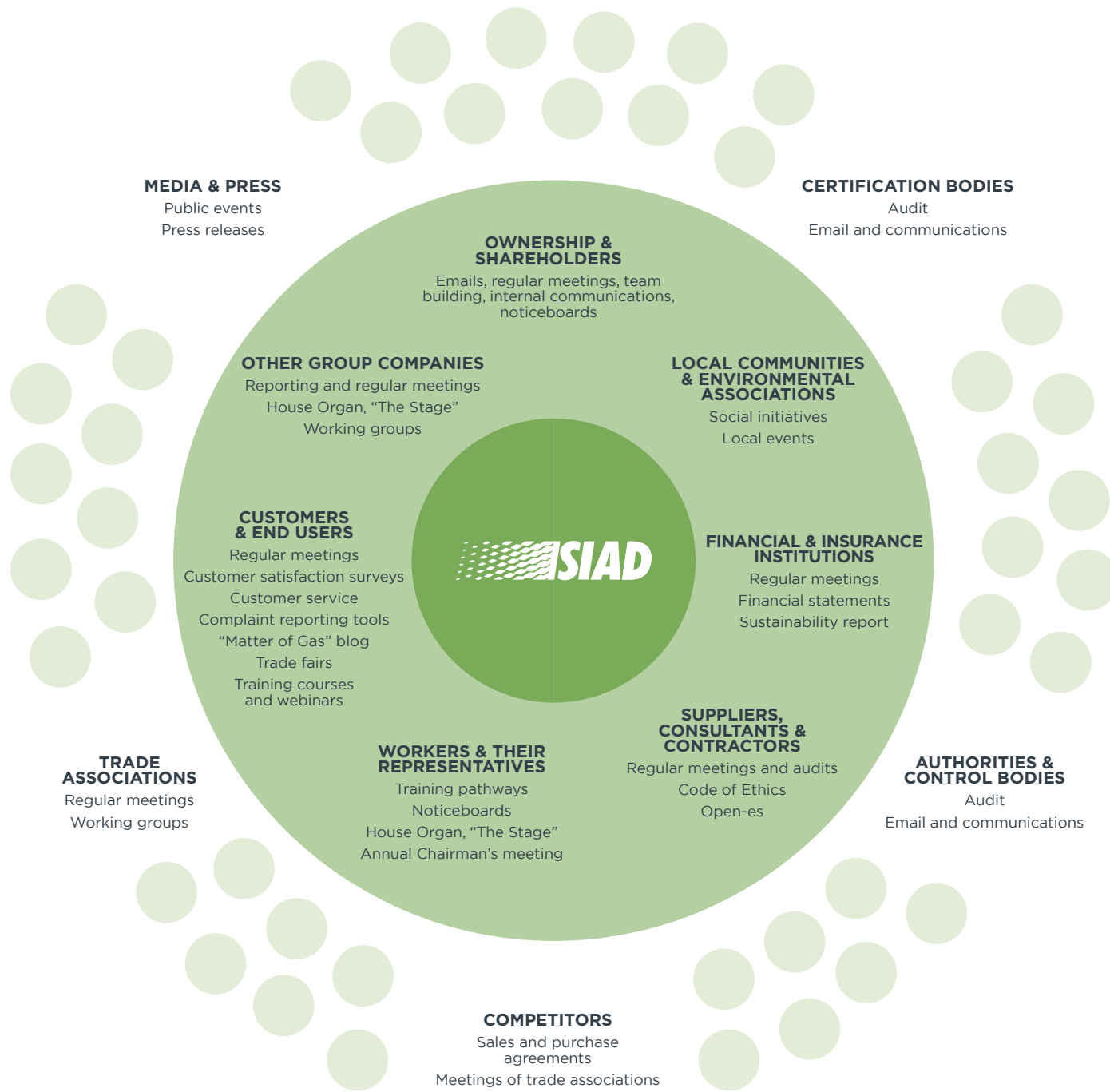


Note: "Longlists" are based on benchmark analyses

OUR STAKEHOLDERS

The centrality of our relations with our **stakeholders** is embodied in the need for a **constructive, direct and effective discussion**, to set out the route of the way we do business as best we can. Understanding the needs of our stakeholders helps the entire Group to outline its **business objectives** effectively.

In further detail, as can be seen in the table, appropriate **channels of discussion** are adopted for each stakeholder.



SOLIDITY

4



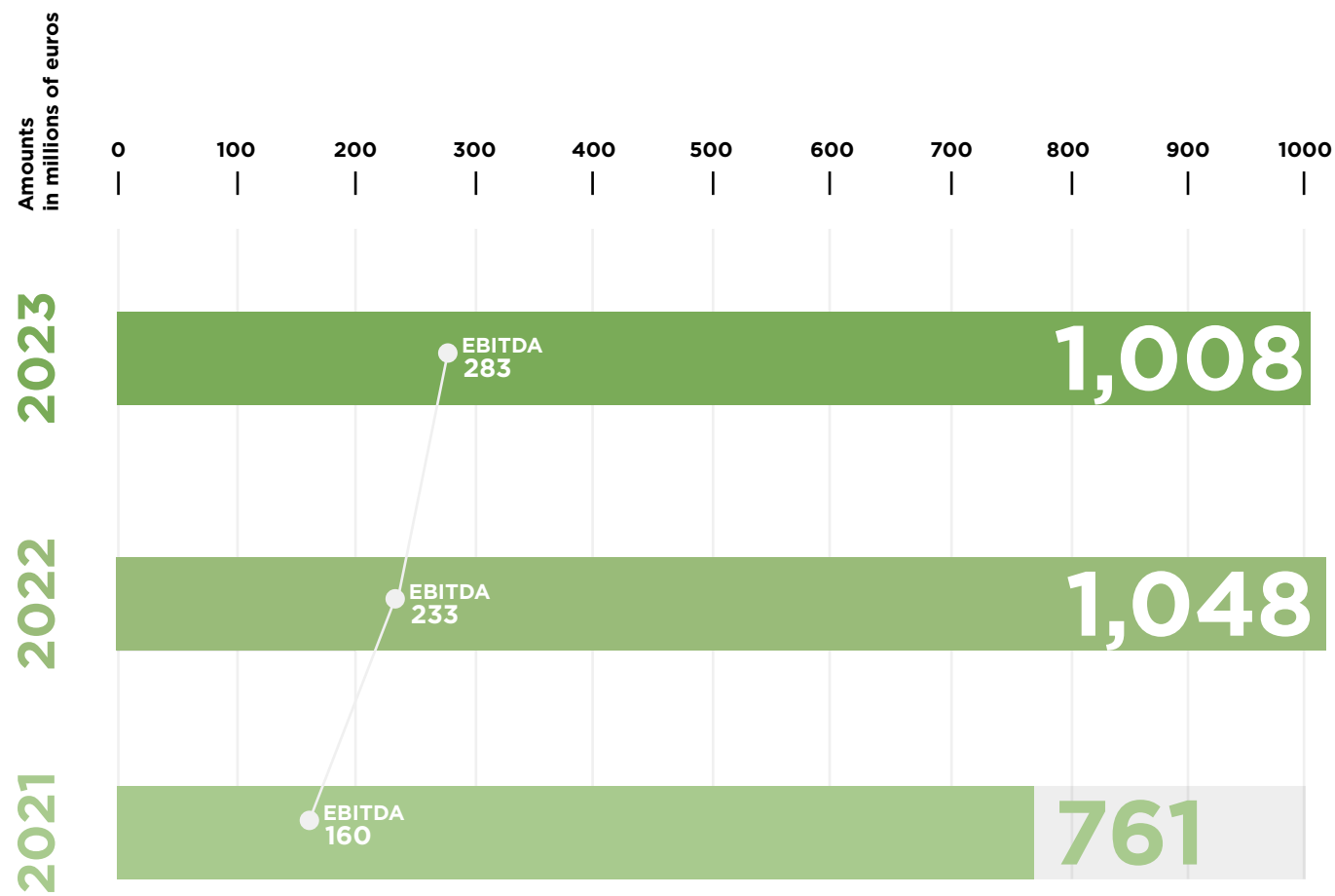
In the SIAD Group's vision, the value of solidity is manifested through a series of fundamental elements. These include stable and thoroughly thought out economic growth, rooted in almost a century of company history and a strong appetite for market and product diversification, accompanied by consistently positive balance sheets and an expanding EBITDA.

Development is inextricably linked to our core values, which will be covered in depth below, and which embrace:

- experience, tradition and solidity;
- geographic and sector diversification;
- reliability, professionalism and competence.

REFERENCE VALUES

EXPERIENCE, TRADITION & SOLIDITY



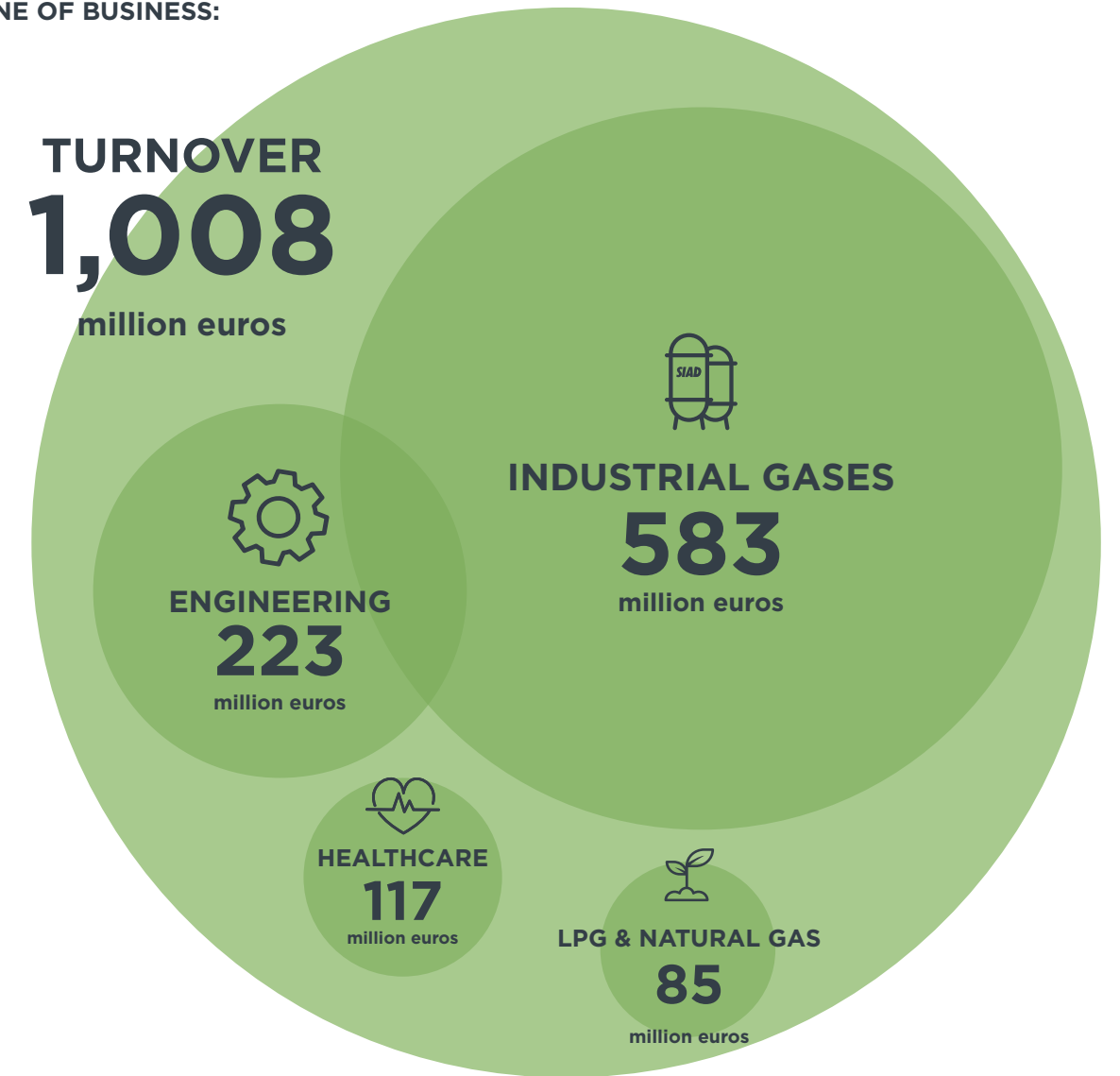
In 2023, there was 21% growth in the SIAD Group's EBITDA compared to 2022, a result indicative of the solidity of our company, reflecting the Group's strong and constant development and highlighting its ability to adapt to market challenges and to capitalize on emerging opportunities. This result not only demonstrates the extensive differentiation of the Group's sectors and markets and the effectiveness of its business

strategies, but also tangibly reveals the commitment and talent of all employees in pursuing operational excellence.

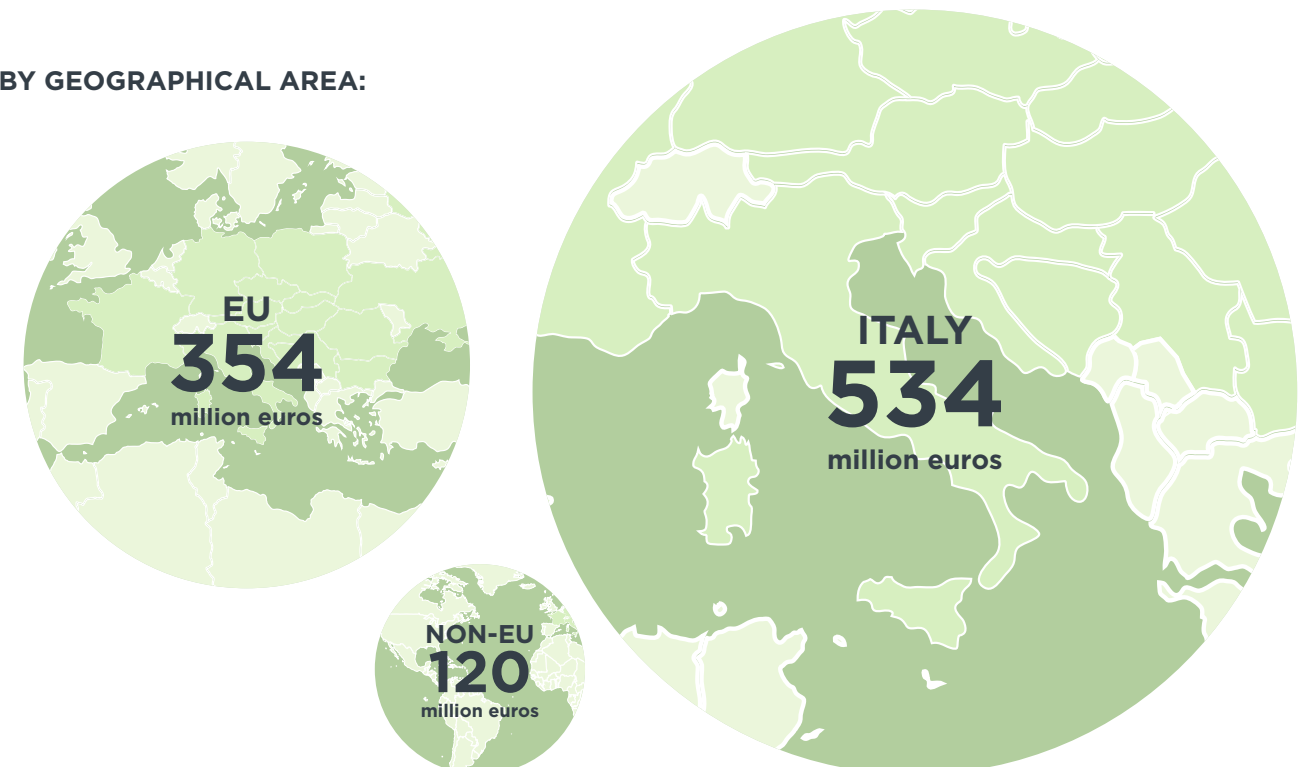
The 2023 results also confirm the full economic and financial sustainability of our business plans.

Revenues from sales and services received by the SIAD Group in the last year are broken down as shown below.

BY LINE OF BUSINESS:



BY GEOGRAPHICAL AREA:



GEOGRAPHIC AND SECTOR DIVERSIFICATION

- HEADQUARTERS
- ENGINEERING SECTOR COMPANIES
- PRESENCE IN THE INDUSTRIAL GAS AND ENGINEERING SECTORS
- PRESENCE IN THE ENGINEERING SECTOR

U.S.A., THE WOODLANDS TEXAS

BRAZIL, SÃO PAULO

ENGINEERING SECTOR

75

AGENCIES

40

SERVICE CENTERS

ENGINEERING SITES

4

6

PRODUCTION SITES

GERMANY, ENNEPETAL AND FRANKFURT

ITALY, BERGAMO Headquarters

RUSSIA, MOSCOW

INDIA, PUNE

CHINA, SHANGHAI

BELGIUM, BRUSSELS

SPAIN, MADRID

UZBEKISTAN, TASHKENT

UNITED ARAB EMIRATES, AJMAN

CHINA, HANGZHOU

- | | | | | | | | | |
|--|----------------|---------|--------------------|----------|----------------------|----------|---------|---------|
| | ITALY | AUSTRIA | BOSNIA-HERZEGOVINA | BULGARIA | CROATIA | FRANCE | GERMANY | POLAND |
| | CZECH REPUBLIC | ROMANIA | RUSSIA | SERBIA | SLOVAKIA | SLOVENIA | UKRAINE | HUNGARY |
| | ITALY | BELGIUM | BRAZIL | CHINA | UNITED ARAB EMIRATES | GERMANY | INDIA | SPAIN |
| | RUSSIA | USA | UZBEKISTAN | | | | | |



INDUSTRIAL GASES

We **manufacture, market and distribute** a wide range of industrial, food-grade, specialty, medicinal and refrigerant gases, as well as related services. Our gases are used in many sectors from the food and automotive industries, chemicals, metallurgy and metalworking to the glass, cement and rubber industry, medicine and testing/research laboratories.

At the same time, we offer **industrial goods for welding and tooling**, as well as **specialist services in the recovery and disposal of industrial waste, remediation and environmental management**. We also supply **gas-related products** for the end-consumer market.



ENGINEERING

We design and construct **technological solutions** worldwide, including: **air separation units (ASU)**, **natural gas liquefaction (NGL)** plants, **reciprocating compressors for process gas and air** (including API 618) and **oil-free reciprocating compressors** for blowing r-PET and PLA bottles, **CO₂ capture and liquefaction** plants, **biogas upgrading** plants, **biomethane liquefaction** plants and **combustion systems**.

Moreover, we provide **global after sales services**.



MEDICAL

We offer services for healthcare, both public and private, with a range of **medical gases, medical devices, components, units and systems for cryobiology and the life sciences**.

We also deal with **home care** and a range of **products for hospitals and research facilities**.



LPG & NATURAL GAS

We deal with the marketing and distribution of **liquid petroleum gas and methane gas**. We produce heat and electricity using **cogeneration plants**.



LPG & NATURAL GAS



MECHANICAL INDUSTRY AND METALWORKING



COMBUSTION AND METALLURGY



FOOD & BEVERAGE



CHEMICAL, PETROCHEMICAL AND PHARMACEUTICAL



ENVIRONMENT AND RESEARCH



INDUSTRIAL GASES



OTHER SECTORS



HEALTHCARE

RELIABILITY, PROFESSIONALISM & COMPETENCE

Our company is constantly striving to provide high-quality services and solutions, based on high standards and a wealth of industry expertise. Our reputation for reliability has been built on a long history of success and customer satisfaction, demonstrating an unwavering commitment to quality and operational excellence. The Group's expertise is evident in its ability to face complex challenges and find innovative solutions to meet the ever-changing needs of the market. At SIAD, **reliability, seriousness and competence** are fundamental values that guide our everyday work and distinguish us as a trusted partner for our customers and in the industrial landscape.

LEGALITY

The SIAD Group is committed to acting in compliance with its **Code of Ethics** and internal corporate regulations, as well as to full respect for the **laws and regulations in force in the countries where it operates**.

Under no circumstances may the pursuit of the Group's interest involve or consider as acceptable crimes, unlawful acts or other conduct contrary to the principles of the Code of Ethics.

ALLIANCES & PARTNERSHIPS

By promoting sustainable supply chains and adopting sustainable economic models, the SIAD Group has consolidated the creation of **strategic partnerships** aimed at supporting cutting-edge projects and business initiatives.

The transfer of knowledge and expertise plays a vital role in shaping tools and initiatives to work together with civic society, the public sector, academia and other businesses. The SIAD Group therefore actively participates in a wide range of technical research groups and associations, both domestic and international. In the Industrial Gases sector, SIAD S.p.A. and its foreign subsidiaries collaborate with the European Industrial Gas Association (EIGA) and national industry associations, contributing to the definition of operational standards and the sharing of best practices in the sector.

SIAD is also a member of **IOMA**, the world association of the main operators in the technical and medical gases sector. Its participation highlights the Group's global commitment to promoting innovation and sustainability in the sector.

Our companies in the Engineering sector are members of the greatest international industry associations, including:

- **EFRC** - European Forum for Reciprocating Compressors;
- **ICAAMC** - International Compressed Air & Allied Machinery Committee;
- **CECOF** - European Committee of Industrial Furnace, Heating and Metallurgical Equipment Association;
- **GAWDA** - Gases and Welding Distributors Association.

GOVERNANCE

The Group's Governance is inspired by international best practice, basing its structure and conduct on the **principles of transparency, independence and inclusiveness**.

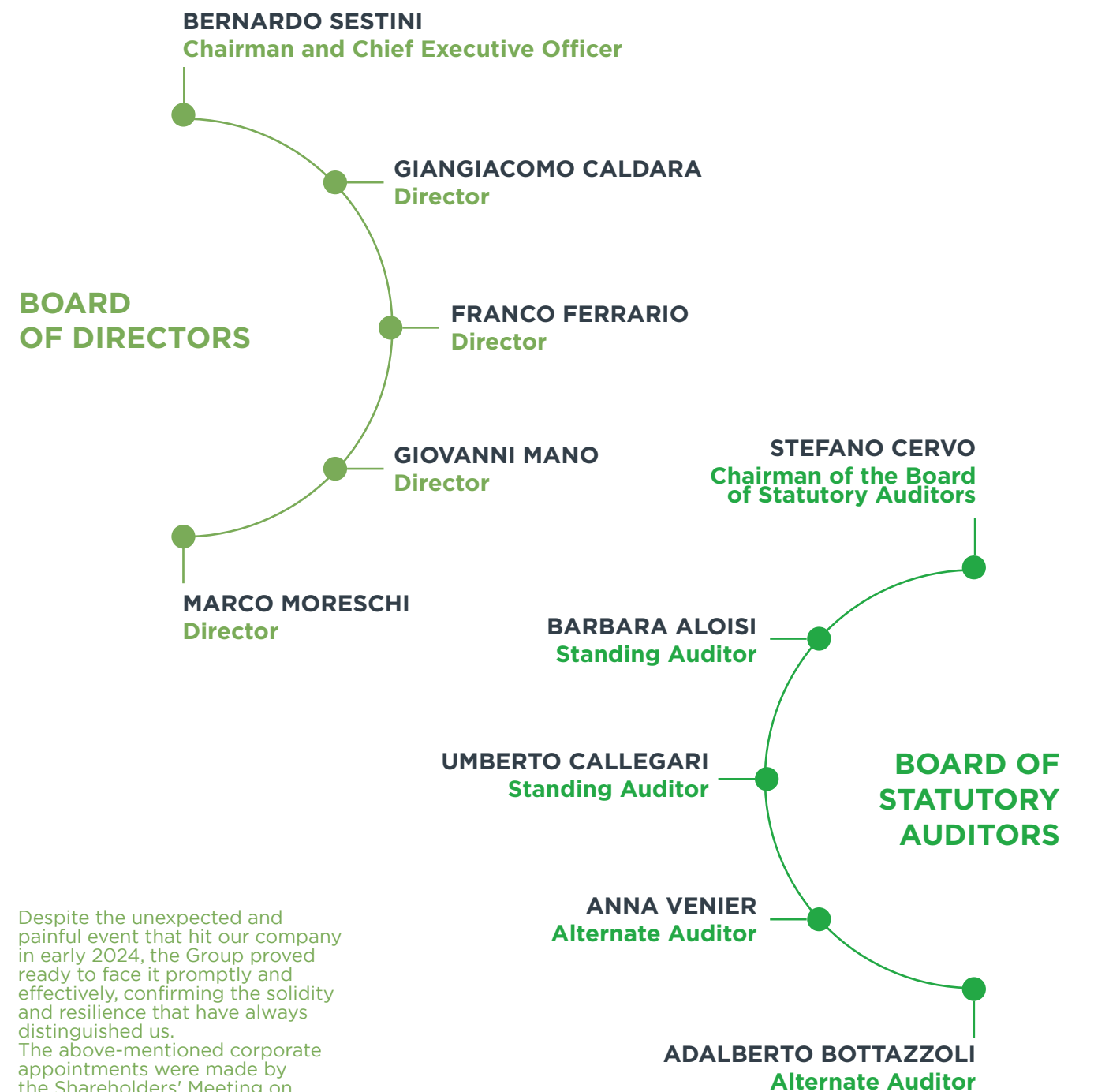
To facilitate the necessary process of change and updating, the Boards of Directors of the SIAD Group companies refer to and are structured according to periodically checked and updated schemes, and take all strategic decisions to ensure profitability is maintained over time.

Corporate Governance is the responsibility of the Board of Directors (or equivalent bodies), supported by company management in operational process management. In its work, the Board of Directors guarantees a **coherent and transparent business system**, examines and approves strategic, industrial and financial plans, defines the nature and level of risk, and assesses the adequacy of the control and risk management system. All this is guided by a clear vision for every employee and a commitment to **disseminating a culture of legality and fairness** as essential factors for the experience and for doing business.

The Parent Company's Board of Directors is entrusted with the central role of strategic direction and decision-making for the Group, with the ultimate aim of pursuing responsible and sustainable growth. With regard to diversity within the Boards of Directors of the Group companies, 15% of members are aged between 30 and 50, while 85% are over 50 years of age. In accordance with Legislative Decree 231/2001, the main **control bodies** are the **Board of Statutory Auditors** and the **Supervisory Body**. The Parent Company's Board of Statutory Auditors is tasked with supervising compliance with the law and the Articles of Association, compliance with the principles of proper administration, adequacy and effective functioning of the internal control system and the administrative, accounting and financial system, including for the Group as a whole. No **conflicts of interest** occurred in the three-year period from 2021 to 2023 (GRI 2-15). A conflict of interest exists when an interest or personal activity interferes or could interfere with SIAD. According to the Code of Ethics, the immediate line manager must be notified of any situation that could result in a potential or current conflict of interest.

CORPORATE APPOINTMENTS

At the Parent Company SIAD S.p.A. as at 1/25/2024



Despite the unexpected and painful event that hit our company in early 2024, the Group proved ready to face it promptly and effectively, confirming the solidity and resilience that have always distinguished us. The above-mentioned corporate appointments were made by the Shareholders' Meeting on 25/01/2024.

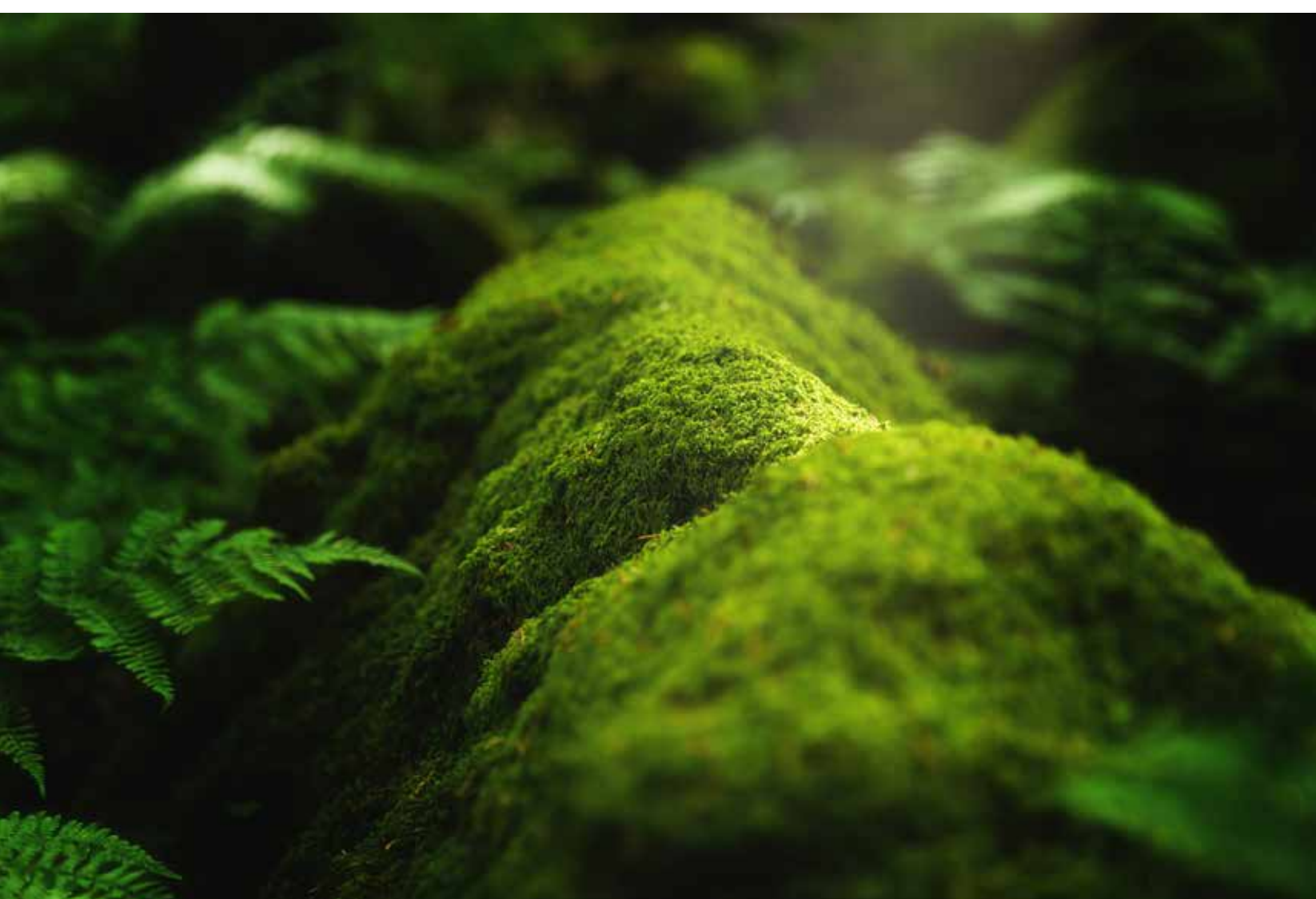
The Group has drafted a proprietary **organizational, management and control Model**, bearing in mind the company's specific business. In particular, an effective internal control system helps to **monitor the efficiency, understanding and verifiability of the Group's operations**; In general, it ensures the propriety and reliability of corporate management.

The Model is a coherent set of principles, procedures and provisions that:

- affect the company's operations and how it relates to the outside world;
- regulate the diligent management of a control system for sensitive activities, aimed at preventing the commission (or attempted commission) of the offenses set out in Legislative Decree 231/2001.

Consisting of a complex combination of documents, submitted for approval by the SIAD Board of Directors, the Model addresses the following topics:

- process of **identifying** corporate activities in the context of which the offenses specified in the Decree could be committed;
- **specific prevention and control protocols** for the sensitive activities identified;
- **Supervisory Body**;
- **flows of information** from and to the Supervisory Body and specific obligations of information regarding the Supervisory Body;
- **regular checks** on the sensitive activities and the related control standards;
- **disciplinary system** for punishing violation of the instructions contained in the Model;
- **training and communication plan** for employees and other persons who interact with the Company;
- **criteria for updating** and adapting the Model.



RISK ASSESSMENT SYSTEM

The risk analysis and assessment process is quite complex and must meet the Group's different strategic and compliance needs. The process takes into account the likelihood that an event could occur and the impact that event could have if it did occur.

The SIAD Group's governance system provides for an annual risk assessment in terms of:



Risk assessment makes it possible to prevent critical issues and take prompt action as a precautionary measure. The risk assessment takes into account the context in which the company operates and the following aspects:

- Macro-processes
- Macro-areas
- Company business
- Events that could impact processes

ESG RISKS & OPPORTUNITIES

The risk assessment takes into account the expectations of all interested parties and is contextualized for a level of risk attributed to every applicable threat. Based on this, any corrective actions and/or targeted improvement plans are identified in advance. This approach makes it possible to take prompt action to intercept and anticipate the onset of issues.

The main business risks identified, monitored and actively managed by the Group include:



The Group has identified specific risks and related control measures that can also be traced back to non-financial areas. In detail, these include risks relating to corruption, the environment and human rights, as well as risks in terms of:

- Energy supply
- Greenhouse gas emissions due to energy consumption
- Major safety and environmental incidents
- Potential business interruption



SOLIDITY SDGs



MAJOR THEMES & 2023 RESULTS

ECONOMIC PERFORMANCE & RESPONSIBLE GROWTH

The economic value generated and distributed represents the Group's ability to create wealth for itself and all stakeholders. In absolute terms, the economic value generated decreased slightly (-2.9%) compared to the previous year, in line with the reduction in the economic value distributed, of 2.5%. The retained economic value is therefore calculated as the difference between the economic value generated and the amount distributed.

INCOME STATEMENT (thousands of euros)	2023	%	2022	%	2021	%
Turnover	1,007,543	92.86%	1,048,097	96.58%	760,501	94.93%
Changes in inventories of in-process, semi-finished and finished products	37,178	3.43%	5,663	0.52%	21,745	2.71%
Other revenues and income	40,248	3.71%	30,330	2.80%	18,877	2.36%
Value of production	1,084,969	100%	1,084,090	100.00%	801,123	100.00%
Cost and changes in inventories of raw materials	-412,835	-38.05%	-471,088	-43.45%	-317,316	-39.61%
Added value	672,134	61.95%	613,002	56.55%	483,807	60.39%
Cost for staff and services	-374,655	-34.53%	-357,960	-33.02%	-313,932	-39.19%
Operating expenses	-8,629	-0.80%	-8,084	-0.75%	-8,185	-1.02%
Write-downs	-6,265	-0.58%	-14,214	-1.31%	-1,905	-0.24%
EBITDA	282,585	26.05%	232,744	21.47%	159,785	19.95%
Depreciation and amortization	-80,284	-7.40%	-75,354	-6.95%	-72,812	-9.09%
EBIT	202,301	18.65%	157,390	14.52%	86,973	10.86%
Non-operating income and charges	1,372	0.13%	-1,912	-0.18%	-4,307	-0.54%
EBIT	203,673	18.77%	155,478	14.34%	82,666	10.32%
Taxation	-44,513	-4.10%	-27,568	-2.54%	-20,098	-2.51%
Profit attributable to non-controlling interests	-2,185	-0.20%	-1,399	-0.13%	-1,032	-0.13%
SIAD GROUP PROFIT	156,975	14.47%	126,511	11.67%	61,536	7.68%

ASSETS (thousands of euros)	2023	2022	2021
Tangible and intangible fixed assets	673,041	618,921	618,720
Financial fixed assets	22,760	21,863	17,171
Short-term assets	873,029	792,218	642,885
TOTAL ASSETS	1,568,830	1,433,002	1,278,776





LIABILITIES (thousands of euros)	2023	2022	2021
Net equity of the SIAD Group	971,066	824,627	700,447
Net equity attributable to non-controlling interests	16,309	7,369	6,690
Funds	31,785	33,620	28,104
Short-term liabilities	449,118	455,922	402,793
Medium- to long-term liabilities	100,552	111,464	140,742
TOTAL LIABILITIES	1,568,830	1,433,002	1,278,776

PROFITABILITY INDICES	2023	2022	2021
ROE	16.17%	15.34%	8.79%
ROI	13.03%	11.09%	6.88%
ROS	20.08%	15.02%	11.44%
Financial debt ratio	-10.72%	-6.57%	8.39%
Fixed capital formation on net revenues	13.37%	7.99%	9.34%

WORKING CAPITAL (thousands of euros)	2023	2022	2021
Trade receivables	318,885	306,827	245,345
Inventories	249,685	200,767	186,299
Payables to suppliers and advances	-350,943	-336,162	-262,923
WORKING CAPITAL	217,627	171,432	168,721

INVESTMENTS (thousands of euros)	2023	2022	2021
Intangible	13,940	6,124	5,384
Tangible	122,273	79,289	64,065
Financial	2,019	27	2,758
TOTAL INVESTMENTS	138,232	85,440	72,207

NET FINANCIAL POSITION (thousands of euros)	2023	2022	2021
Cash and cash equivalents	238,195	221,007	157,189
Short-term payables to banks	-37,221	-58,505	-82,418
Short-term payables to lenders	-784	-1,157	-888
Short-term cash and cash equivalents/ (debt)	200,190	161,345	73,883
Medium to long-term payables to banks	-91,426	-104,102	-128,782
Medium to long-term payables to lenders	-4,631	-3,096	-3,840
Total medium to long-term cash and cash equivalents/(debt)	-96,057	-107,198	-132,622
TOTAL CASH AND CASH EQUIVALENTS/(DEBT)	104,133	54,147	-58,739

TURNOVER (thousands of euros)	2023	2022	2021
 INDUSTRIAL GASES	582,606	598,382	382,926
 ENGINEERING	223,362	250,722	197,043
 LPG & NATURAL GAS	84,586	88,767	78,490
 HEALTHCARE	116,989	110,226	102,042
TOTAL TURNOVER	1,007,543	1,048,097	760,501

TURNOVER BY GEOGRAPHICAL AREA (thousands of euros)	2023	2022	2021
Italy	534,322	589,576	398,161
Other EU countries	353,601	286,586	258,744
Non-EU countries	119,620	171,935	103,596
TOTAL TURNOVER	1,007,543	1,048,097	760,501

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED (GRI 201-1) (thousands of euros)	2023	2022	2021
Turnover	1,007,543	1,048,097	760,501
Other revenues applicable to GRI	19,894	10,098	7,020
Economic value generated	1,027,437	1,058,195	767,521
Operating costs (suppliers)	667,414	718,469	526,901
Employee salaries and benefits	129,164	119,345	110,022
Payments to capital providers (investors and lenders)	15,263	9,377	8,510
Payments to the government	48,975	35,955	23,815
Investments in the community (gratuities)	663	442	722
Economic value distributed	861,479	883,588	669,970
Economic value retained	165,958	174,607	97,551



SUSTAINABLE INVESTMENTS

In recent years, the Group has undertaken several projects and initiatives that fall within the scope of the European sustainability goals. This commitment underlines SIAD's desire to promote investments that contribute to sustainability, moving closer and closer to the requirements established by the European Community.

SIAD enjoys the invaluable support of the **European Bank for Reconstruction and Development (EBRD)**, a fundamental partner that enables SIAD to grasp new international business opportunities and at the same time support the growth of the multiple industrial sectors that are now developing. This financial institution only supports projects if they have good prospects for profitability, are beneficial to the local economy and meet environmental, social and sustainable development standards. Following thorough due diligence on the applicant company, **EBRD funds projects that avoid, reduce and mitigate negative impacts on workers, communities and the environment.**

Thanks to an EBRD loan of **€15 million**, the construction of a large air separation plant in Zagreb (Croatia) by **OXY Technical Gases d.o.o.**, a **production partnership between SIAD S.p.A. and SOL S.p.A.**, two of Italy's leading industrial and medical gas production companies, is almost complete.

OXY is building a modern air separation unit (ASU) with a production capacity of approximately 100,000,000 Nm³ per year for the production of high-purity liquid oxygen, nitrogen and argon at cryogenic temperatures, intended to supply medical gases to hospitals, as well as technical gases and related services to industries, local authorities, universities, laboratories and research centers in southeastern Europe.

The ASU in Croatia, designed and built by SIAD Macchine Impianti and due to be commissioned in 2024, is a large, modern and above all energy-efficient plant with undoubted advantages, also for the relevant end market.

BUSINESS ETHICS

Business Ethics represents the set of principles, rules and ethical norms that guide the everyday actions of the SIAD Group.

CODE OF ETHICS

SIAD's Code of Ethics, which was updated and approved by the Board of Directors on March 12, 2018, sets out the company principles and **values**, along with the **general obligations of diligence, propriety and integrity** that guide the work of its collaborators when working in the name and on behalf of SIAD. Given the nature of our activities and the international context in which we operate, we believe it is essential that our way of operating is based on clarity, transparency, respect for the law, fair competition and **protection of the interests of our stakeholders**.

The Code of Ethics is the document through which the Group regulates the ethical conduct of its people and expresses the related commitments and responsibilities towards other parties, internal and external, in order to support sustainable growth. The principles of the Code apply to all employees of the companies belonging to the Group, as well as to all third parties whose shares are attributable to the Group.

The SIAD Code of Ethics aims to:

- acknowledge the **legal relevance and mandatory nature of the ethical principles and behavioral standards** it lays down, including with a view to the prevention of corporate offenses;
- define and explain the **values** and **principles** that guide the Group's business and relations with employees, collaborators, business partners and institutions;
- indicate the principles of conduct that the recipients of the Code must respect;
- promote the responsibility of those who interact with the Group to ensure that they comply with these principles, providing where possible for a **disciplinary system** to ensure the effectiveness of the Code.

The Code of Ethics is an integral part of the Organizational, Management and Control Model in accordance with Articles 6 and 7 of Legislative Decree No. 231 of 8 June 2001, concerning the Regulations governing the administrative responsibility of legal persons. Violation of the provisions of the Code may constitute the breach of contractual obligations, with all legal consequences, and may therefore lead to termination of the contract or assignment with third parties and to any compensation for damages, or to the application of sanctions and disciplinary measures against employees, in compliance with the law and the provisions of collective bargaining and company regulations, where applicable.

RELATIONS WITH THE PUBLIC ADMINISTRATION AND SUPERVISORY BODIES

In current relations with the Public Administration and Supervisory Bodies, all parties involved are required to act with **maximum transparency, clarity, diligence, professionalism and fairness**, in order to establish an effective collaboration, ensuring **timely implementation of the provisions and any obligations**, and providing all the information requested in a clear, comprehensive and objective manner.

We strongly prohibit any form of corruption, bribery, contributions or political support in order to ensure an ethical, transparent business environment that complies with applicable laws and regulations.

The addressees of the Code are fully prohibited from promising, offering or giving, directly or through intermediaries, money or other advantages to entities falling within the category of Public Administration and Supervisory Bodies in order to influence them in the performance of their duties and/or to draw unfair advantage therefrom. Gifts, acts of courtesy and hospitality towards such entities, or towards consultants/intermediaries appointed to enter into relations with them, are not permitted without explicit authorization from the Directors.

To **monitor and assess the risk of corruption** and the actions taken to combat it, the company has established dedicated **tools, bodies and processes**, which receive periodic updates and conduct specific audits.

WHISTLEBLOWING

For effective implementation of Model 231, and more generally to ensure compliance with the Code of Ethics, the SIAD Group has a whistleblowing channel through which internal and external parties within the organization can report **any illegality or irregularities** and give anonymous notice of the violation of internal rules or procedures, even if only alleged. In this sense, SIAD has implemented a **digital platform** accessible to all Group workers, whether permanent or temporary, through which to report any violations of the principles established by the Code of Ethics and the Organization and Management Models of the Group Companies.

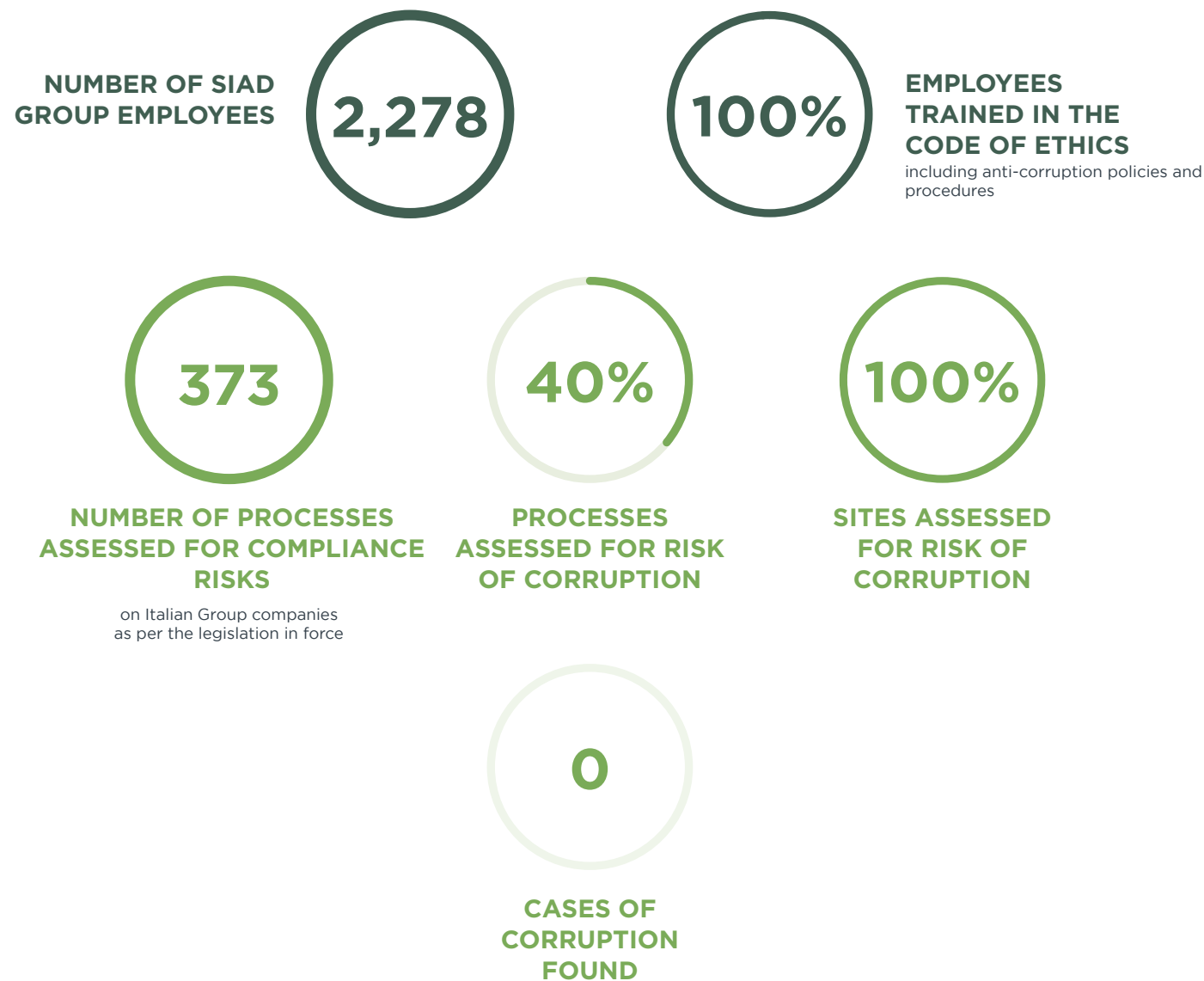
All personal data are processed in compliance with Legislative Decree 24/2023, concerning the "protection of persons who report violations of national regulatory provisions"* and other regulations on the protection of privacy, to ensure the confidentiality of the identity of the data subjects and the security of processing.

No **critical concerns** were found in the period from 2021 to 2023 (GRI 2-16). These include concerns about adverse impacts on stakeholders, identified through grievance procedures and other means, as well as concerns regarding the organization's conduct in its operations and business relationships.

*Transposition of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and laying down provisions on the protection of persons who report breaches of national legal provisions.

PROCESSES ASSESSED FOR COMPLIANCE RISKS

From the data collected as part of Business Ethics, no confirmed critical cases emerged. A total of 373 processes were assessed for compliance risks, 40% of which were examined for corruption risks, in accordance with Legislative Decree 231/01. These data are particularly important, especially considering that **100% of employees**, including management bodies, **have received training on the 231 model**.



As confirmation of the SIAD Group's major commitment to operate in compliance with the rules and laws in force in the various countries where it operates, in 2023 (as in 2022) there were no confirmed incidents of corruption(GRI 205-3) **nor were any legal actions taken for anti-competitive behavior, anti-trust, and monopoly practices** (GRI 206-1).

BUSINESS CONTINUITY

Business continuity is intended primarily as a **prevention strategy, aimed at ensuring** that a company or organization **can conduct its business smoothly**. From an operational point of view, there were no significant service interruptions during the period considered.

At SIAD, operational continuity is guaranteed by a range of prevention systems:

- **24-hour remote monitoring** of the Group's plants and of the main customers, to provide for preventive interventions or rapid reaction times;
- **24/7 technical assistance service**;
- **careful maintenance planning** to minimize downtime and avoid product unavailability.

DATA PROTECTION & INFORMATION SECURITY

CYBERSECURITY

SIAD has organized its IT infrastructure in such a way as to assess all causes that could harm it, and at the same time commits to ensuring operational continuity. Despite the instability of the current geopolitical context in which the company has been operating, that continuity has never been compromised.

In 2023, the Microsoft Defender platform deemed almost 7% of emails received by SIAD to be untrustworthy and suspicious, including:

- 0.1% Malware emails;
- 2.3% Phishing emails;
- 4.6% Spam emails.

Of these, only one threat crossed the security boundaries, but was promptly intercepted and dealt with by the platform without causing any negative consequences.

The data collected in the last three years confirm a **complete neutralization rate (99.99%), with no loss or theft of data**.

As soon as they are hired, all employees are trained with a special course on cybersecurity issues.

In 2023, the **Zero Trust** project, aimed at improving the security of the Group's IT infrastructure, continued to be implemented.

The Zero Trust model is based on the principle of "never trust, always check" and relies on network segmentation and strict access controls. This is the case because there is a need to protect ourselves anytime, anywhere you store and work with applications, data, users and devices.

A Zero Trust network defines granular access perimeters defined through specific policies based on users, devices used and their location, as well as the applications and data accessed.

The project was launched in 2021 and implemented in 2022 and 2023 with the **introduction of new security systems**, including two-factor authentication, and the enhancement of cloud services for both servers and clients. All next-generation systems for protecting against external threats also leverage the power of the cloud for updates and monitoring. The project also envisages the enhancement of users' awareness of cyber threats: in 2024, training in this regard will be provided to all Group employees, in addition to the training usually provided for new hires.

Compliance with the processing of personal data, in accordance with the European Union GDPR regulations in force since 5/25/2018, in accordance with Legislative Decree 196/2003, is ensured by regular disclosure, stating that the data have been collected and processed in full compliance with the provisions of the **Privacy Code**. A commitment in this matter is also included in the Code of Ethics.

The data processed as part of SIAD operations concern three types of stakeholders:

- customer commercial and administrative information;
- supplier commercial and administrative information;
- staff personal and sensitive information.

In line with the provisions of the GDPR, the company **uses procedures for the collection of consent to the processing of data and its proper management**. In addition, SIAD has adapted all internal IT systems to prevent any data leakage. If this occurred, the company could immediately report the event and remedy it promptly. In any case, **no substantiated complaints concerning breaches of customer privacy and losses of customer data have ever been received, either from external or regulatory bodies** (GRI 418-1). Over the years, there have never been any losses of data that could be construed as leaks, thefts or losses of customer data, nor violations classifiable as data breaches in accordance with Art. 33 of the GDPR.

RESPONSIBLE PURCHASING & SUPPLY CHAIN

For the SIAD Group, the supply chain has a very significant value, given the awareness that the choices made have positive and negative consequences in environmental, social and economic terms. For SIAD, supply chain management also plays a fundamental role in the best possible satisfaction of customer requirements, by offering them safe products and services. It is therefore essential for the Group to collaborate closely with the supply chain, in order to build relationships based on loyalty, transparency and mutual collaboration aimed at ensuring maximum performance. **Periodic audits** ensure constant **monitoring** of the entire supply chain and all entities currently collaborating with SIAD as suppliers are also required to comply with the Group's **Code of Ethics** (and Code of Conduct), as specified explicitly in the General Terms and Conditions of Purchase.

SUPPLY CHAIN REPORTING, MANAGEMENT AND LOYALTY

To increase the level of transparency of the supply chain, SIAD has undertaken a collaboration with a platform focusing on the sustainable development of companies known as **“Open-es”**. This digital platform, available free of charge to all suppliers, allows the Group and its suppliers, based on the data entered, to measure the current ESG profile of the companies, to develop a personalized development plan towards sustainability, and to access relevant industry benchmarks.

The platform enables the Group to pay particular attention to the monitoring of:

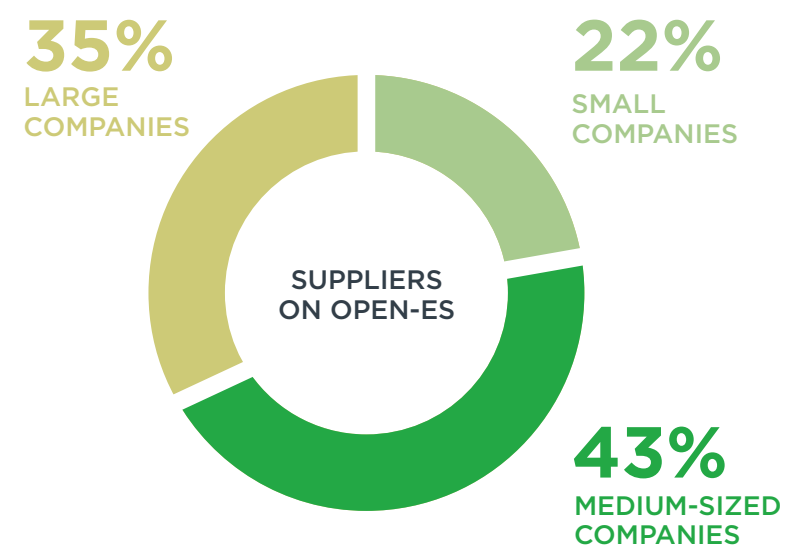
- the **areas of greatest risk and opportunities** on specific exposures within the supply chain;
- approaches, principles and processes that can result in **positive changes in the Group's business**.

The selection of suppliers and contractors for the purchase of goods and services does not take place based on solely ‘economic’ criteria. Indeed, the Group thoroughly evaluates, without discrimination or prejudice and concerning a significant period of time, further specific company features. These include, for example, technical and organizational capacity, suitability to carry out the required activities, respect for the environment and financial soundness.

As part of their relations with suppliers, all SIAD Group companies commit not only to maintaining an optimal balance between quality, cost and delivery times, but also to:

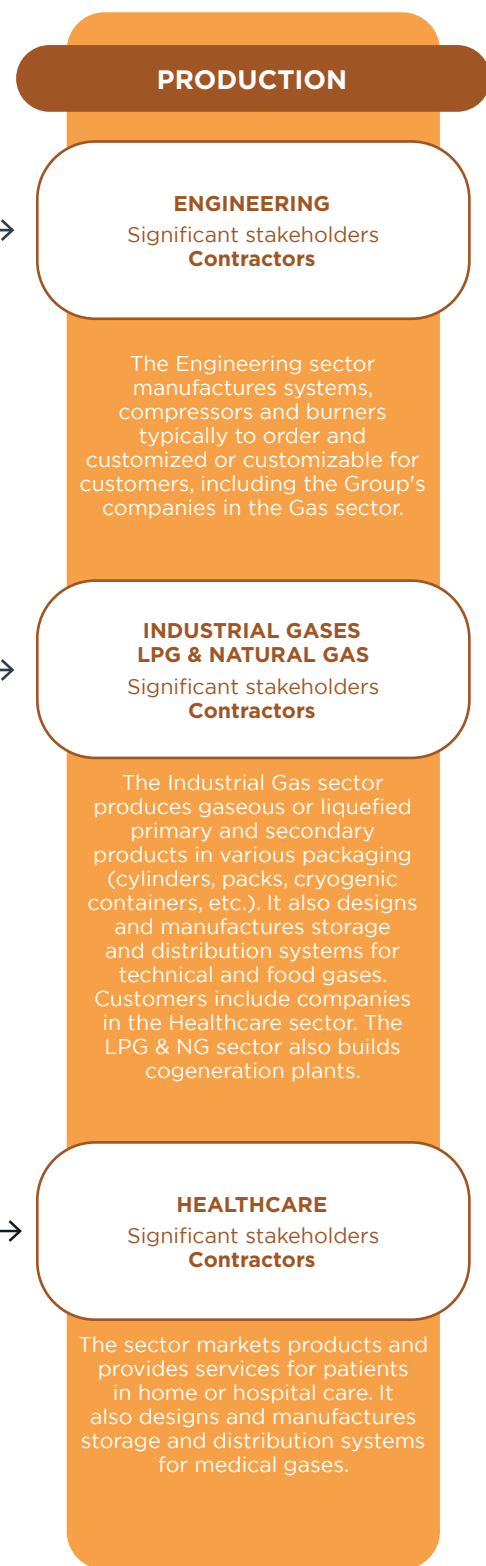
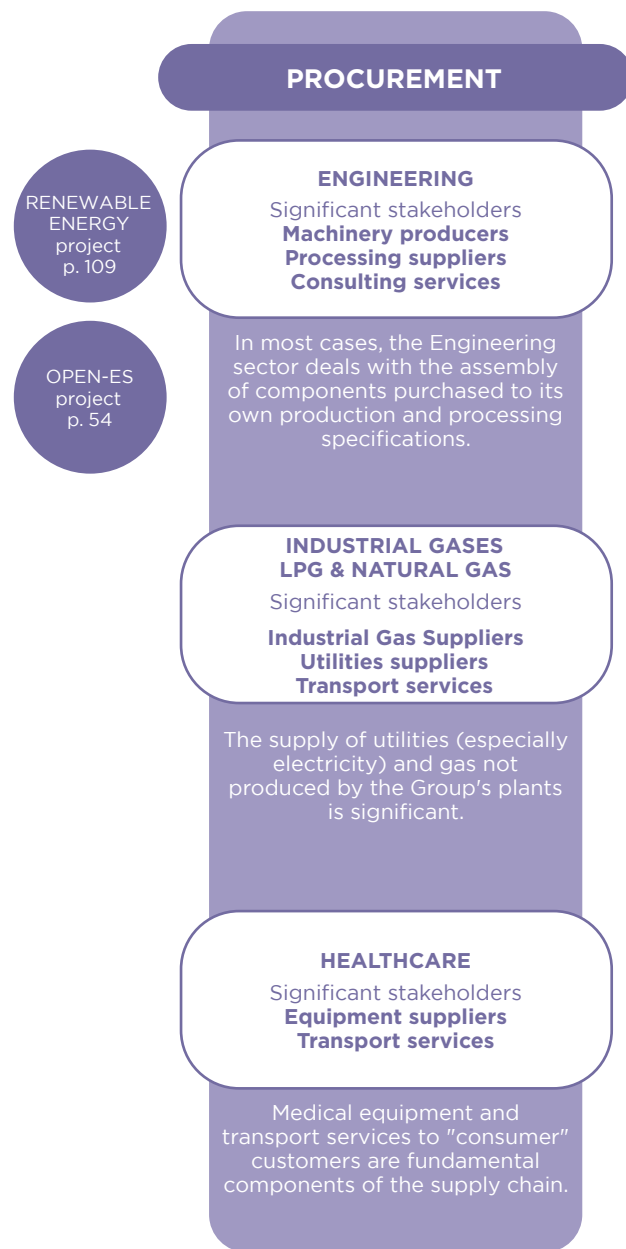
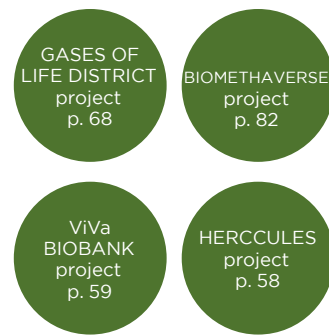


At the end of 2023, around 1,000 suppliers (of SIAD S.p.A. and of the Group managed by the central purchasing function and considered significant in terms of volumes and/or impacts) were invited to register on Open-es and share their ESG performance with SIAD. In December, 37% of the invited suppliers were active on Open-es and, from the point of view of company size, they can be broken down as follows:

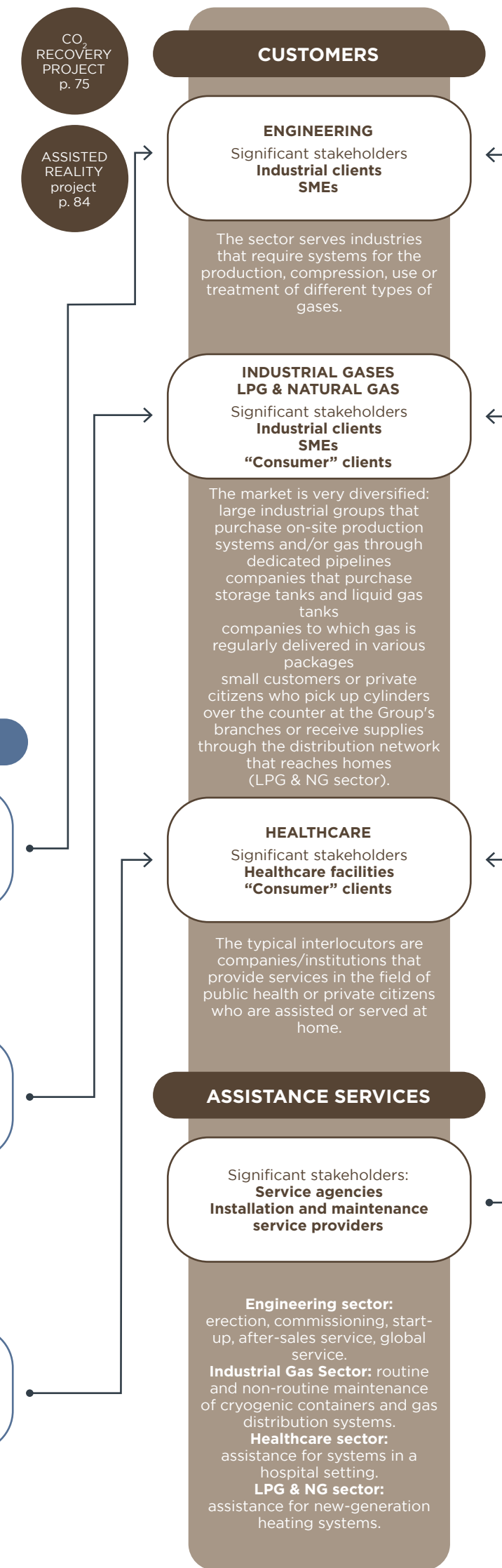
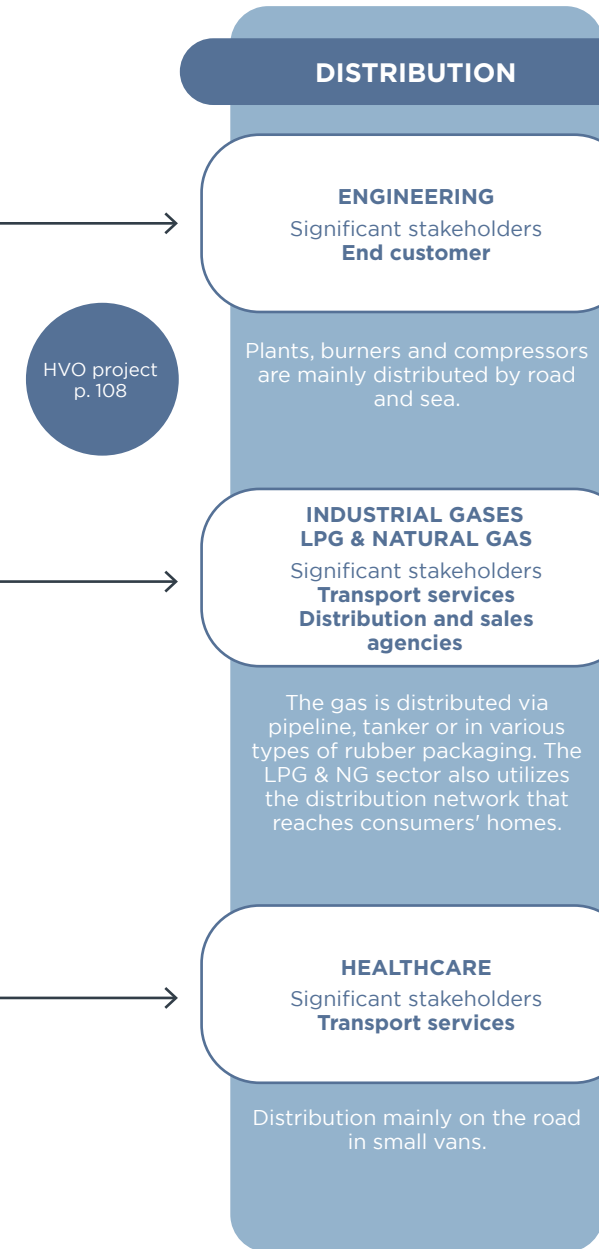


The aim is to raise awareness among suppliers to share data, good practice and needs, to embark on shared paths of growth in terms of sustainability.

The project roadmap also envisages inviting suppliers from all the Group companies in Italy and abroad to the platform in 2024 and 2025, respectively.



The SIAD Group's value chain represents a fundamental pillar of our work, which embraces all the crucial phases of our business. This chain reflects our ongoing commitment to ensuring efficiency, quality and sustainability at all stages of the business process. Each step in the chain contributes to maximizing the value created for our customers and for the entire organization, through the optimization of resources, the implementation of innovative technologies and compliance with the highest standards of safety and sustainability. At the heart of the value chain are the companies of the SIAD Group and their workers, who transform raw materials and knowledge into products and services distributed to end customers. The various stages and significant players in our value chain are set out below.



SIGNIFICANT PROJECTS & EXPERIENCES

HERCCULES

PROJECT SUSTAINABILITY OBJECTIVES



1,000
TONS PER YEAR OF CO₂
CAPTURED BY CEMENT
PLANT



2.500
TONS PER YEAR OF CO₂
CAPTURED BY WASTE
INCINERATION PROCESSES



IMPLEMENTATION OF
DISSEMINATION AND
TRAINING EVENTS ON CCUS
WITH SCHOOLS, LOCAL
COMMUNITIES, STAKEHOLDERS
AND POLICYMAKERS



25
INTERNATIONAL PARTNERS
INVOLVED IN THE PROJECT

Herccules is an international research project launched in 2023 with 25 partners and, in line with the European Green Deal, is aimed at **containing CO₂ emissions in highly industrialized areas**. This project has been funded by the European Commission through **Horizon Europe** and is coordinated by **LEAP** (Piacenza Energy and Environment Laboratory) together with the **Politecnico di Milano**.

The overall objective is to **demonstrate the feasibility of the entire Carbon Capture, Utilization and Storage (CCUS) supply chain**, including in regions of southern Europe with high industrial density, such as the Po Valley and the Greek mainland, according to an innovative, integrated and replicable approach.

Tecno Project Industriale (TPI), a SIAD Group company, is a partner in the initiative that will be responsible for the design and construction of CO₂ capture and purification plants, to be located at different times in two cement plants, one in Italy (Buzzi Unicem) and the other in Greece (Titan), as well as at the waste-to-energy plant managed by A2A. TPI will also supply the analysis systems for the **food-grade certification of the liquid carbon dioxide** produced. Finally, it will support its project partners in the scalability analysis of the technology and retrofitting of existing plants.

Through the trial, taking place over five years, and as a result of the synergistic relationships within the working group, TPI intends to make its contribution to developing an innovative, integrated and scalable supply chain model, demonstrating the possibility of transforming industrial clusters from emitters to carbon dioxide absorbers and achieve negative CO₂ emissions.

Finally, one of the objectives of Herccules will be to contribute to **raising awareness on the issue of CCUS**: communication experts will organize dissemination and training events to provide information on methodologies and technological solutions to schools, stakeholders and policymakers. Local communities will be an integral part of the project and will receive regular updates aimed at accompanying the transition of our industrial fabric towards a sustainable future, not only for the environment, but also for communities and the European economy.

RELEVANT SDGs



ViVa, THE RESEARCH BIOBANK

PROJECT SUSTAINABILITY OBJECTIVES



TO ENABLE THE
PRESERVATION OF SAMPLES
USEFUL FOR LARGE-SCALE
RESEARCH IN THE MEDICAL
AND BIOLOGICAL FIELDS



TO ENSURE ENERGY
EFFICIENCY AND MINIMIZE
ENVIRONMENTAL IMPACT



TO ENSURE THE WELL-
BEING OF RESEARCHERS
BY CREATING SAFE,
COMFORTABLE AND
FUNCTIONAL WORKPLACES



TO ENSURE THE UTMOST
PROTECTION OF DATA FROM
CYBER THREATS



TO ENSURE BUSINESS CONTINUITY, INCLUDING THROUGH
CONSTANT MONITORING OF THE ENVIRONMENTAL
PARAMETERS OF THE PREMISES

On July 6, 2023, the Italian National Institute of Health (ISS) and SIAD signed an agreement for the construction of **ViVa, one of Italy's largest research banks**.

A biobank that will be created within the Italian National Institute of Health with the collaboration of **Medigas**, covering approximately 700 sqm. It will have **capacity for up to 5,000,000 biological samples** of various types: human, animal and environmental according to the highest quality standards. The project will make it possible to conduct interdisciplinary research operations that take into account all the determinants of our health. The fusion of SIAD expertise and Italian National Institute of Health research requirements will give rise within the first half of next year to a state-of-the-art plant in terms of protection of the well-being of operators, the quality and safety of the samples stored and the functionality of the processes in which every environment, every meter of pipe, every station, every container has been designed jointly.

The structure of the biobank is aimed at ensuring:

- **functionality and scalability**, through flexible and modular spaces;
- **innovation**, through state-of-the-art laboratories equipped with advanced technologies and equipment for sample preparation, analysis and storage;
- **safety**, via control and monitoring systems that safeguard the integrity and security of the biological samples at all times;

- **environmental sustainability**, through high energy efficiency systems, renewable energy sources and smart management technologies, to minimize its environmental impact;

- **the well-being of researchers** by creating safe, comfortable and functional workplaces, for example by installing flooring with antipollutant, antiviral and antibacterial materials and lighting that supports people's visual, emotional and biological requirements based on variable adjustment of the color temperature from warm to cold tones.

The biobank will consist of **three different conservation areas**; a particularly major one will be the 'disaster recovery' area, to be used to 'save' samples from other biobanks that should record natural disasters, major failures, the need for maintenance or relocations.

Access to the premises will be managed by a highly secure automated control system with specific authorization levels for each environment, which will also guarantee the utmost protection from cyber threats.

RELEVANT SDGs



INNOVATION





The value of shared innovation is of fundamental importance for our path of growth and success. We have always been committed to the search for solutions, unique projects, non-standardized proposals, synergies, inspirations and technological cross-fertilization between the different sectors of the Group. A strongly desired and cultivated approach that we believe is of angular scope to meet the needs of our customers, privileged partners in a path of shared progressive improvement. All this forms the basis for our innovation processes, implemented with the aim of reducing the environmental impact for our customers and for our Group.

REFERENCE VALUES

RESEARCH, TECHNOLOGY & INNOVATION

During the three-year period from 2021 to 2023, the SIAD Group companies, especially the parent company SIAD S.p.A. and the subsidiaries SIAD Macchine Impianti S.p.A. and ESA S.p.A., developed a consistent number of projects and feasibility studies on technological and organizational solutions. The goal of this commitment is to be found in the desire and need to constantly create **new products and services**, as well as to **improve our competitive position**. All this is made possible by acquiring and combining the best and most recent findings and knowledge in the technological and commercial fields. In the three-year period from 2021 to 2023, the SIAD Group invested a total of €8.5 million in its **“Research and Development” projects**.

*The figure only includes the economic value invested and with deductible costs.

AWARDS & ACKNOWLEDGMENTS

In the wake of innovation, in collaboration with the Interprofessional Organization for the Communication of Knowledge in Oenology (OICCE), SIAD S.p.A. has had the opportunity to establish the **“SIAD International Oenology Award”**. A significant acknowledgment, it is aimed at encouraging **research and innovation** in the use of industrial gases in viticulture and oenology, awarding the **best research projects** for the use of industrial gases from vineyard to cellar, and ultimately to refine the quality of wines and production processes. In 2023, the proposal presented by a team of researchers from the Universities of Salento and Bari and the Crifo Winery in Ruvo di Puglia stood out. The study entitled “Use of gas for the production of rosé wines in the Mediterranean environment”, compares the potential related to the use of CO₂ and N₂ in the process of skin cryomaceration in the press in the rosé vinification of Bombino Nero.

At the presentation of the 29th Responsible Care Annual Report on November 8 in Milan, SIAD received the **Federchimica Responsible Care 2023 Award for the COOL® - FreeToGo project**.

Responsible Care is the voluntary program of the world chemical industry, with which companies, through national chemical federations and associations, undertake to achieve outstanding values and conduct in the areas of safety, health and the environment, in order to contribute to the sustainable development of the planet.



COOL® FREETOGO: INNOVATION FOR SUSTAINABLE DELIVERY

The SIAD Group has developed, patented and approved an innovative refrigeration system for the road transportation of food and pharmaceutical products, for which it is essential to maintain the cold chain. Starting from these assumptions and the analysis of market demand, where delivery services recorded a higher and higher increase, SIAD picked up on the need to develop a technology with a **low environmental impact**.

The system is based on the use of biogenic CO₂, i.e. CO₂ recovered from the fermentation of organic material or biomass.

It is a straightforward, autonomous system: the **streamlining of the installation component and the removal of the compressor** makes the system independent of the vehicle power, and can even be **used when the engine is turned off**. The system is **high-performance and silent**, reduces electricity consumption and is compatible with multiple means of transport.



For further details
on COOL®
technology, scan
the QR code.



CUSTOMER CENTRICITY

The concept of **shared innovation**, involving all stakeholders, is essential to maintain our Group's competitiveness and to strengthen SIAD's position as a leader in the sector. By collaborating with multidisciplinary teams and strategic partners, we can rapidly innovate products, services and processes that improve value for our customers and the entire organization.

To meet market needs as best as possible, this approach contributes decisively to our **sustainable development**, while simultaneously enabling us to create shared value and to establish and **consolidate lasting relationships based on trust and reciprocity**.

Thanks to our diversified know-how, as a Group we are committed to identifying the best technologies and solutions, to **achieve an increasingly significant reduction in the impact of production processes**. An approach that takes the form of an ongoing commitment that enables us to foster synergy between all parties involved, promoting the mutual growth of companies: one example is the use of **SIAD4U** and **SIADMI4U** augmented reality for the maintenance of systems and compressors remotely, in real time.

The goal remains to encourage shared innovation and research, but also to move towards improved productivity, reduction in environmental impacts and containment of business costs, with a view to **sustainable growth and development**.

Customer orientation translates into a **constant dialog** based on all the different channels provided by technology. In addition, to further strengthen relationships and improve collaborations, we are committed to organizing regular meetings, market surveys, research and training courses to increase the professional skills of our clients. One relevant example are the training courses we provide to prepare for welding license exams or for the proper and safe operation and maintenance of the systems installed at customer sites.

We also feature in trade fairs and industry events, in which we play an active role to maintain the openness and clarity of dialog and direct contact with our customers and partners. All these activities are aimed at establishing **solid and lasting relationships**, based on the principles of **loyalty and transparency**, to promote mutual development and success that can produce significant results over time.

In terms of transparency, it is important to remember that some Group companies are already registered on portals where customers can provide feedback on the company's ESG performance. These include Sedex* (SIAD S.p.A. and SIAD Macchine Impianti) and EcoVadis** (in 2023, the SIAD Group received the Bronze Award based on 2022 data).

*Sedex is a non-profit organization committed to the broader dissemination of ethical principles across global supply chains.

**EcoVadis is an assessment aimed at improving companies' environmental and social practices by harnessing the influence of global supply chains.

INNOVATION SDGs

CLEAN WATER AND SANITATION
Ensure availability and sustainable management of water and sanitation for all.



INDUSTRY, INNOVATION AND INFRASTRUCTURE
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

AFFORDABLE AND CLEAN ENERGY
Ensure access to affordable, reliable, sustainable and modern energy for all.

MAJOR THEMES & 2023 RESULTS

THE GASES OF LIFE DISTRICT: A HUB FOR RESEARCH & DEVELOPMENT OF STRATEGIC PARTNERSHIPS



INNOVATION, RESEARCH & DEVELOPMENT

On our journey of growth, at the SIAD Group we deem investments in **innovation, research and development** essential in bolstering **competitiveness** on the market, in opening up **new opportunities, projects, investments** and in consciously building the **future**.

On September 18, 2023, at the Osio Sopra plant, we launched the SIAD Group's **Gases of Life District**. The new **research center** has a fully automated and robotic laboratory covering 2,600 sqm dedicated to the study and development of **innovative gas mixtures** for food-grade, environmental, medical and pharmaceutical use. The €16 million of investment was eligible for facilities provided by the **Sustainable Growth Fund** of €3.5 million, based on the Innovation Agreement between the Italian Ministry of Economic Development, the Lombardy Region and the SIAD Group.

DISTRICT CHARACTERISTICS

INNOVATION STATE-OF-THE-ART LABORATORIES

The facility includes **cutting-edge laboratory spaces** equipped with technologies and equipment for the production and analysis of innovative mixtures.

The facility is equipped with **control, monitoring and traceability systems** that guarantee the integrity and safety of the processes at all times.

SAFETY HIGH SAFETY STANDARDS

INTERCONNECTION OPENING TO THE OUTSIDE WORLD

The facility includes places that encourage **collaboration and meetings with external research bodies** and spaces dedicated to testing innovative products.

The facility integrates **high energy efficiency systems, renewable energy sources** (solar panels) and **smart management technologies**, to minimize environmental impact.

SUSTAINABILITY SUSTAINABLE INFRASTRUCTURE

ENVIRONMENTAL TECHNOLOGIES

Technological innovation is the keyword that guides our decisions and our research and development processes on a daily basis.

In this sense, the **Gases of Life District** has been conceived and designed to be highly technological and cutting-edge.

- Access to the premises will be managed by a **highly secure control system** with specific authorization levels for each environment;
- the **utmost protection from cyber threats** is guaranteed;
- robotic production is fully automated and uses **state-of-the-art systems** that can:
 - ensure the **complete traceability of information** and the interconnection of systems;
 - intervene in emergency sequences with full automation;
 - be managed entirely remotely;
 - be integrated with **artificial intelligence** and machine learning systems.

The District is equipped with several laboratories and the following specialized research areas:

AREAS INTENDED FOR RESEARCH IN THE AGRI-FOOD AND MEDICAL FIELDS

Gases present in the atmosphere have significant effects on the biology of living beings, humans, animals and plants. The aim of research into Gases of Life is **to understand how, in varying concentrations, they interact with plant or animal cells, in order to achieve benefits.**

Innovative gas mixtures could be used to encourage the growth of vegetable crops, improve food preservation, support an increasingly sustainable agri-food industry, as well as to develop new gaseous mixtures in the pharmaceutical and medicinal industries.

To this end, the center works with **institutions and research centers**. In recent years, in conjunction with the **Mario Negri Institute**, a mixture has been developed that has significant protective effects on neurons following ischemic events. Currently, in agreement with major Italian institutions and universities, studies are underway for the improvement of plant crops.

1

LABORATORY FOR PREPARATION AND DEVELOPMENT OF METROLOGICAL MIXTURES

The **Accredited Calibration Laboratory**, LAT Center No. 143, was founded in 2001 on the basis of decades of experience and expertise in the preparation and analysis of benchmark metrological mixtures. The LAT Center is accredited to ISO 17025, for the gravimetric and analytical calibration of gas mixtures and analytical measurement equipment, and to ISO 17034, for the production of certified benchmark materials. In addition to their accredited activities, researchers at the SIAD laboratory can **use 400 different compounds** to prepare gas mixtures with individual components present even at very low concentrations: mixtures have been prepared that contain up to 135 ingredients. These preparations are also used as benchmarks to calibrate analytical instruments, and therefore guarantee reliable measurement. In particular, **gaseous mixtures are produced with compounds at very low concentrations** for environmental analyses, for uses in the automotive industry, for analyses in the petrochemical and energy fields, for the calibration of instruments to detect gaseous pollutants, for analyses in the field of medicines, and in the most innovative sense, in hydrogen analysis in fuel cells. Specifically in the latter sector, these mixtures are becoming increasingly relevant for their future role in the energy transition.

2

ENVIRONMENTAL BIOLOGY & CHEMISTRY LABORATORY

The applied research center in the environmental sector brings together 35 years of experience in wastewater purification and the remediation of contaminated sites. The laboratory has developed several national and international research projects on bioaerosols, greenhouse gases, atmospheric particulates, gas microbiology. The various studies include those on the **use of oxygen and ozone for the removal of micropollutants from wastewater and sludge** and for the development of a technology to increase the production of methane from anaerobic biomass digesters.

3

AUTOMATED PRODUCTION

A significant part of the District is dedicated to **automated production**. The robotic system **manages the process of filling gas mixtures into the cylinders completely autonomously**: the mixtures can be made up of many components and be prepared with the compositions required by the user. The automated process covers all stages of production, from preparing the containers to shipping the finished product.

4

PRODUCT DURABILITY & CIRCULARITY

The research and development of innovative mixtures at the SIAD Group's Gases of Life District contributes to **improving the longevity and circularity of products and processes**. The gases are tested in a variety of industries, from food preservation to the medical sector. In the environmental field, research is focused on the **use of gases to improve water purification processes and the remediation of contaminated soil**.

Our approach towards lifespan and circularity can therefore be traced back to the following aspects:

- **research in the agri-food sector** to extend the useful life of products, identify solutions with low environmental impact to protect crops from pests and promote growth with less use of water and soil;
- experimentation and development of processes to **improve water purification by decreasing the production of polluting aerosols**, improving the filtration effectiveness of sludge and its yield for the production of biogas;
- **developing and disseminating soil remediation processes** that involve the recovery of the land on site, avoiding excavation, removal and disposal processes as waste.

These aspects highlight the SIAD Group's strategic commitment to integrating innovative and sustainable solutions into its processes and products, contributing to a long-term vision and circularity.



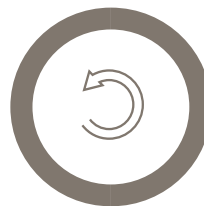
In the context of circularity, it is important to underline that all the products supplied by the Engineering Companies of the SIAD Group, including plants, compressors and combustion appliances, as well as cylinders and tanks supplied by the Gas sector, are made of easily recyclable materials such as steel, cast iron and other metal alloys, thus contributing to the Group's sustainability.

Despite production requiring high intensity of materials due to the high pressures and temperatures, **each component is extremely long-lasting**; more than half of our active systems – compressors, combustion apparatus, cylinders and tanks – have been in service for over 20 years, with an average lifespan of approximately 30 years. To ensure their lifespan, at SIAD we apply our technical know-how – built up over decades of experience – to **develop reliable, robust and durable equipment, maintaining maximum performance throughout its useful life**. In addition, we support the lifespan of products through a full range of assistance, revamping and upgrading services, together with reconditioning programs to avoid wasting the valuable raw materials used.



A long useful life for newly supplied equipment, made possible by a state-of-the-art design, which also ensures easy maintenance.

Extension of the life cycle of equipment already installed, by adapting, overhauling and repairing their components.



The greatest possible use of recycled materials, in accordance with requirements and standards.

Utmost attention to the correct disposal and possible regeneration of used lubricants, with clear indications on how to process them to limit the environmental impact.



INTANGIBLE ASSETS

The SIAD Group holds a number of high-value **intangible assets** that contribute to its competitiveness and leadership position in the market. These intangibles include the **patents developed by the company**, representing technological innovations and unique solutions in the industrial and medical gases sector.

These patents are the result of years of research and development, enabling the Group to offer cutting-edge products and services protected by intellectual property.

As well as patents, another major intangible for the SIAD Group is its **reputation and relationship with customers and stakeholders**. The long history of reliability, expertise and commitment to environmental sustainability contributes to **customer trust** and to **building strong relationships in the long term**. These intangibles are an important asset for the Group, useful for the creation of value and economic sustainability over time.

SIGNIFICANT PROJECTS & EXPERIENCES

THE SUSTAINABLE CO₂ SUPPLY CHAIN

The production of biomethane from biogas generated from biomass and organic waste, including the organic fraction of municipal solid waste (OFMSW), combines reduced environmental impact with the generation of clean, self-produced, renewable energy. Courtesy of the experience and skills acquired over the years, we manage to offer **processes, plants and products** for every aspect of the “waste to biomethane” supply chain. By recovering waste and biomass, the **production of biomethane is more sustainable** and is based on the principles of the circular economy, resulting in a clean biogenic energy source and limiting the use of resources. A service also used in Food & Beverage thanks to its ability to recover high-purity CO₂.

ENVIRONMENTAL TECHNOLOGIES (GRI 302-5)



100% of the CO₂ placed on the market is produced by biogenesis or based on the recovery of industrial fumes.



Three carbon capture systems under ownership and one biogas upgrading system belonging to a partner.

CARBON CAPTURE PLANTS	2023	2022	2021
Tons of CO ₂ captured	26,046*	37,462	42,143
Tons of “circular” CO ₂ **	20,246	21,551	23,297
% “circular” CO ₂	77.7%	60.0%	55.2%
% captured compared to emissions (Group)	11.1%	16.0%	18.0%
% captured compared to emissions (SIAD S.p.A.)	18.1%	26.6%	28.7%

* In 2023, tons of CO₂ captured decreased as the Scarlino plant had been at a standstill since the end of the first quarter, when it was already operating very intermittently due to the availability of row gas. However, the market supply was managed with a greater purchase of biogenic CO₂ from an Italian partner.

** The Rosignano plant returns 100% of the CO₂ it produces to the company from which the emissions were captured, which reintroduces it into the production cycle.

A major hallmark and competitive feature that contributes actively to making our supply chain more sustainable relates to the CO₂ sold: not extracted from wells, it is entirely derived from **carbon capture processes**, mainly **from biogenic sources (78.9%*)**. This percentage is one of the highest in Italy and is important – being derived from biogas upgrading and therefore from a short cycle carbon process – for its indication of most of the **biogenic CO₂** we market to be considered **carbon neutral** (for carbon footprint purposes). A significant advantage, even when a customer intends to conduct a production LCA. Worthy of note is the production process at the Rosignano site, where the **CO₂ generated by carbon capture is returned as a raw material** to the entity that produced the emissions, in a 100% circular process.

* Gaseous CO₂ from Rosignano are not included in the total CO₂ tonnage sold because it has not been marketed. Instead, it was returned to the raw gas supplier.

HIGHLIGHTS

SIAD is the only Group that ensures an entirely biogenic supply chain for the production and distribution of CO₂. For example:



Tecno Project Industriale (TPI) designs and manufactures biogas upgrading plants for the production of biomethane with CO₂ recovery, liquefaction and storage.



SIAD Macchine Impianti and TPI design and construct biomethane liquefaction plants.



Pentatec provides tools and advice for the analysis of CO₂, up to the highest degree of purity.



SIAD S.p.A. and the other industrial gas companies sell and distribute the product to customers, and identify new applications for the use of CO₂.

CO₂ RECOVERY PLANTS EXAMPLE OF SYNERGY WITH A WASTE-TO-ENERGY PLANT IN THE NETHERLANDS

PROJECT SUSTAINABILITY OBJECTIVES



TO CAPTURE CO₂ FROM AN INCINERATOR AND PROVIDE IT AS A PRODUCT



TO USE CARBON-NEUTRAL COGENERATION STEAM

Tecno Project Industriale (TPI), the SIAD Group company specializing in CO₂ capture, liquefaction and production plants, **offers integrated solutions for CO₂ recovery** through two types of plants:

1. capture processes (from flue gases, relatively low in CO₂);
2. CO₂ recovery plants, from streams already rich in CO₂ (>90% v/v).

The technology offered by TPI makes the **production of CO₂ suitable for food and beverages and ISBT uses**, including from flue gases from the most polluting sectors. This is made possible by combining the liquefaction with a liquefied CO₂ stripping operation, obtaining pure CO₂ at the end of the stripper.

The liquefaction of CO₂ is normally obtained by means of an evaporating ammonia refrigeration cycle. TPI also offers solutions that use the same evaporating CO₂ as the refrigerant at a lower pressure than the condensed one.

In 2019 in the Netherlands, we commissioned the plant with the largest capacity in Europe for the capture and recovery of CO₂ with monoethanol amine (MEA), a flue gas from a waste-to-energy plant that burns municipal solid waste of various kinds. In winter, the energy produced by waste-to-energy makes it possible to produce steam that is later used for district heating purposes in the nearby urban center with a population of approximately 30,000. In this season, steam is not therefore provided for the stripping processes at the capture plant, instead being used to meet a primary need. In summer, on the other hand, the steam not used for district heating is used in the CO₂ capture plant to support the energy needs of the stripping phase. The overall cycle is therefore virtuous from two points of view: it **captures CO₂ emissions and, at the same time, makes it possible to exploit for this purpose an energy carrier that would otherwise be lost**.

In addition, studies are currently underway for the construction of a plant with power of more than 40% that will enable the customer to capture all the CO₂ emitted by the site through the three chimneys.

TARGETS ACHIEVED / QUANTITATIVE DATA:



Capture and recovery of **47,040 t CO₂**



Use of **94,100 t** of steam from cogeneration alone

RELEVANT SDGs



The European Green Deal led to the introduction of the **European Taxonomy** with the issuance of **Regulation (EU) 2020/852**.

The Regulation and subsequent delegated acts, known as the “European Taxonomy”, consists of a **European classification system of economic activities that can be considered “sustainable” from an environmental point of view**, aimed at providing investors with an unambiguous reference to guide investment decisions towards environmentally sustainable activities.

The European Taxonomy identifies **six environmental objectives**:

1. climate change mitigation;
2. climate change adaptation;
3. sustainable use and protection of water and marine resources;
4. transition to the circular economy, including with reference to waste reduction and recycling;
5. pollution prevention and control;
6. protection and restoration of biodiversity and ecosystems.

In accordance with the Regulation, an economic activity is eligible for the European Taxonomy if there is a corresponding description in the Delegated Acts, regardless of compliance with the relevant technical screening criteria set out in them. Under the European Taxonomy legislation, an **economic activity is considered aligned if it contributes substantially to one of the six EU environmental objectives, without causing significant harm to the remaining objectives**.

In this sense, the economic activities carried out by SIAD were compared with those defined by the reference technical documentation, considering the ATECO/NACE codes and evaluating each planned activity in practice. In relation to the above and to the fact that this plant could fall under the taxonomy in the category “3.1 Manufacturing of Low Carbon Technology”, the evaluations required by the specific European regulation are set out below. The assessment was based on currently available information, which may be subject to future regulatory changes.

ELIGIBILITY AND ALIGNMENT THRESHOLDS

For the type of system in question, there are no technological alternatives; there is therefore no benchmark with which to compare the performance in terms of environmental footprint.

It is however possible to assess whether the balance between the CO₂ emissions captured from the incinerator’s flue gas and those emitted for the operation of the plant is positive. Considering Scope 1 and Scope 2 emissions, the following can be calculated:

Energy consumption by design



The steam comes from cogeneration and is consequently zero from the point of view of CO₂ emissions



the location-based system is applied considering the Dutch average emission factor, for the year 2023, of: 421 gCO₂eq/kWh (primary source: ENTSO-E - www.entsoe.eu)

Direct emissions

No combustion of methane, diesel, LPG or other fuels

Emission of CO₂ from losses during production: not considered because the CO₂ would be emitted without the plant. In addition, the losses are already negative as they are not accounted for among the recovered items

No F-GAS present in the plant



DO NO SIGNIFICANT HARM RATING

The taxonomy requires an assessment of the plant’s ability to generate negative impacts on the environment and ecosystem. Therefore, the following aspects have been taken into account:

1. **Climate change adaptation:** no assessments are available.
2. **Water:** water consumption is minimized by heat recovery between amino streams to and from the stripper. In any event, the plant is located in an area of the Netherlands classified as under low water stress (source: World Resources Institute).
3. **Circular economy:** on the topic of circular economy, the following parameters are evaluated:
 - **use or reuse of secondary raw materials:** the plant aims to transform a polluting emission into a product;
 - **design for durability, recyclability, easy disassembly:** the plant is modular and is assembled in-house and on site; individual parts can be disassembled, maintained or replaced. Most of the plant is made of steel and will therefore be recyclable upon decommissioning;
 - **waste management:** the plant produces little waste, which is or can all be identified to be managed according to local rules.
4. **Pollution:** amine is the main chemical used in the plant, but in any case, all the chemicals present comply with the REACH directive. In general, among the chemicals used or generated by the plant:
 - a. there are no persistent organic pollutants as per Regulation (EU) 2019/1021;
 - b. mercury is not present, either in the pure form or in compounds
 - c. there are no ozone-depleting substances;
 - d. there are no pure, mixed or article substances listed in Annex II of the RoHS Directive (2011/65/EU);
 - e. there are no pure, mixed or article substances listed in Annex XVII of the REACH Regulation (1907/2006);
 - f. there are no pure substances, in mixtures or in articles classified as SVHC by Art. 57 of the REACH Regulation (1907/2006).
5. **Ecosystem:** SIAD holds no formal environmental impact assessment studies.

It is specified that the objectives are set out in the section dedicated to the Project.

It should be noted that the plant has received funding from the Government of the Netherlands and that, as a result, it has been deemed to comply with that Government’s Environmental Management Act 2004, which, in specific cases, requires an environmental impact assessment before construction begins on significant infrastructure (including chemical plants).

SIAD & ENVIRAL, CAPTURING BIOGENIC CO₂ & REDUCING EMISSIONS

PROJECT SUSTAINABILITY OBJECTIVES



TO INCREASE THE SHARE OF BIOGENIC CO₂ PLACED ON THE MARKET



TO REDUCE EMISSIONS INTO THE ATMOSPHERE

The **SIAD Group**, in collaboration with **Enviral, a member of the Envien Group**, has installed a new plant in Leopoldov (Slovakia) **to capture and liquefy biogenic carbon dioxide**, significantly reducing CO₂ emissions from fossil deposits. The plant was built by the companies SIAD Slovakia and Tecno Project Industriale (TPI) for an investment of approximately €11 million and will generate new direct and indirect jobs. TPI technology **captures the biogenic CO₂** present in the gas generated during the production of ethanol when corn starch is transformed into ethyl alcohol, using a biotechnological process. This gas is transported via a pipeline to the SIAD

plant for final purification and liquefaction, after which the food-grade CO₂ is stored in thermally insulated cryogenic tanks, then shipped to customers. The annual production capacity is **40,000 tons of biogenic food-grade CO₂**, with the option to increase it to 80,000 tons in the second phase of the project. This unique plant would therefore become the largest in Slovakia. **The plant captures up to 30% of the emissions** from the production of bio-ethanol, thus reducing its carbon footprint, and avoids the extraction and emission into the atmosphere of CO₂ already sequestered in fossil deposits.



TARGETS ACHIEVED / QUANTITATIVE DATA:



To capture **30% of emissions** from a bio-ethanol plant in Slovakia



Provision of a **new source of biogenic CO₂** to avoid the extraction of CO₂ from deposits

RELEVANT SDGs



550 BAR HYDROGEN: SIAD'S WORK TOWARDS SUSTAINABLE MOBILITY

PROJECT SUSTAINABILITY OBJECTIVES



TO ENSURE GREATER PERFORMANCE SAFETY BASED ON A LEAK-FREE DESIGN



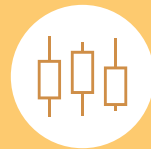
TO INVEST IN A SUPPLY CHAIN THAT AIMS TO TRANSITION TO A MORE SUSTAINABLE MOBILITY



TO PRODUCE AN OIL-FREE PRODUCT



TO REACH 550 BAR OF PRESSURE



TO MAKE MORE EFFICIENT USE OF COMPRESSOR CAPACITY

With the design and consequent installation at the Osio Sopra plant of the **first high-pressure, oil-free compressor**, with a capacity of up to 550 bar, in 2023 we achieved a major milestone in compressor technology.

This is an innovation with significant implications in two key sectors for the Group: **hydrogen transportation and its mobility**.

The compressor is suitable for use with high-pressure cylinders and **tube trailers**, and can therefore store greater quantities of product then use their capacity more efficiently. In addition, with this new compressor, SIAD is strategically entering the market of the systems required for hydrogen refueling stations for heavy-duty vehicles (mainly buses and trucks), which is also characterized by high-pressure specifications.

Oil-free compressors are essential, especially in applications such as mobility, where the high purity of hydrogen is a stringent requirement, as any trace of oil contamination in hydrogen can be harmful, resulting in compromised fuel cell performance and potentially hazardous situations. Therefore, ensuring oil-free compression is not only a technological

advance, but also and above all a critical consideration for safety and performance. The transition to an oil-free technology that operates at up to 550 bar of pressure required a **complete rethink of the construction materials** of the sealing systems and the geometries of the pistons, to adapt them effectively to the highest pressures. For this reason, there has been a shift from PTFE to high-performance alternatives such as PEEK and other polymers. SIAD's hydrogen compressors are designed with a number of robust safety features, including innovative design and high-quality materials. In addition, the company collaborates with the best suppliers of safety tools and devices, ensuring the highest standards of reliability. The compressors are equipped with complete process monitoring systems, which constantly monitor operations to identify and, if necessary, promptly resolve any issues.

But that's not all: to support the transition to cleaner energy, the Group is exploring new hybrid technologies in order to extend its compressors' capacity to approximately 700-800 bar, the pressure range identified as the future benchmark for light vehicle mobility.

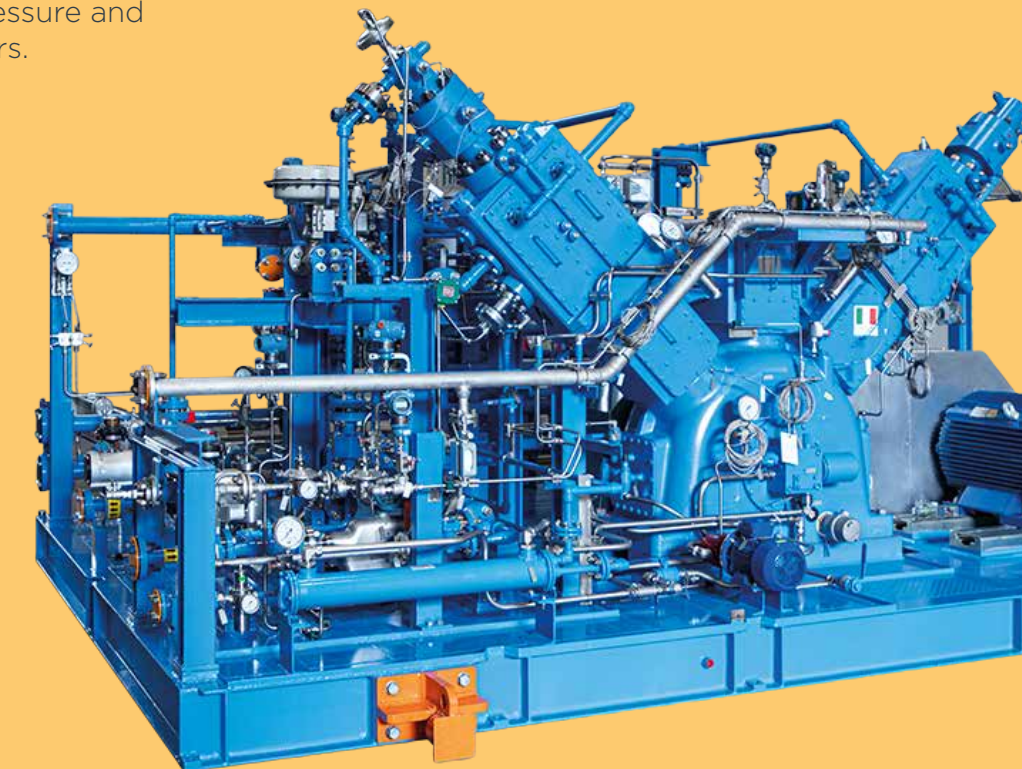
SIAD PLAYS A KEY ROLE IN THE ENERGY TRANSITION IN WESTERN EUROPE

The SIAD Group has been awarded a major order for oil-free compressors for a green hydrogen production plant in France. With an electrolysis capacity of 50 MW, the plant powered by renewable electricity will produce 6,000 tons of hydrogen per year for heavy mobility applications (maritime, road, river and rail), as well as for the industrial and electricity generation sectors. By **avoiding 60,000 tons of carbon dioxide emissions per year**, the project will play a major role in the energy transition in western Europe.

For this project, the SIAD Group has been selected by a major European energy group to supply seven hydrogen compressors. The order includes four medium-pressure and three high-pressure compressors.

INNOVATION IN CONTINUITY WITH THE HYDROGEN RISING STAR AWARD RECEIVED IN DUBAI IN 2022

In May 2022, SIAD was awarded the **"Hydrogen Rising Star Company of the Year"** award. Presented during the Connecting Green Hydrogen MENA conference in Dubai, this prestigious award acknowledges SIAD's expertise in developing **innovative solutions for the compression of green hydrogen**. In this vein, SIAD has completed its research and development activities and installed the new 550 bar compressor.



TARGETS ACHIEVED / QUANTITATIVE DATA:

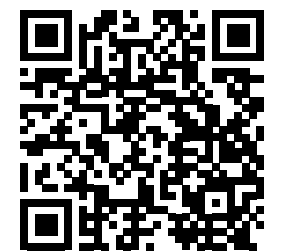


Increase in the maximum operating pressure up to **550 bar**



Creation of an **oil-free** product

To find out more about the project, scan the QR code to watch the video.



RELEVANT SDGs



BIOMETHAVERSE: FIVE EUROPEAN COUNTRIES INVOLVED FOR FIVE INNOVATIVE BIOMETHANE PRODUCTION PATHWAYS

PROJECT SUSTAINABILITY OBJECTIVES

- TO INCREASE BIOMETHANE PRODUCTION POTENTIAL BY 66% BY 2030
- TO CREATE 294,000 JOBS BY 2030
- TO ENABLE A SAVING OF 113 MT OF CO₂eq OF GREENHOUSE GASES BY 2030
- TO REDUCE BIOMETHANE PRODUCTION COSTS FROM 13% TO 44%

SIAD'S CONTRIBUTION TO THE BIOMETHAVERSE OBJECTIVES

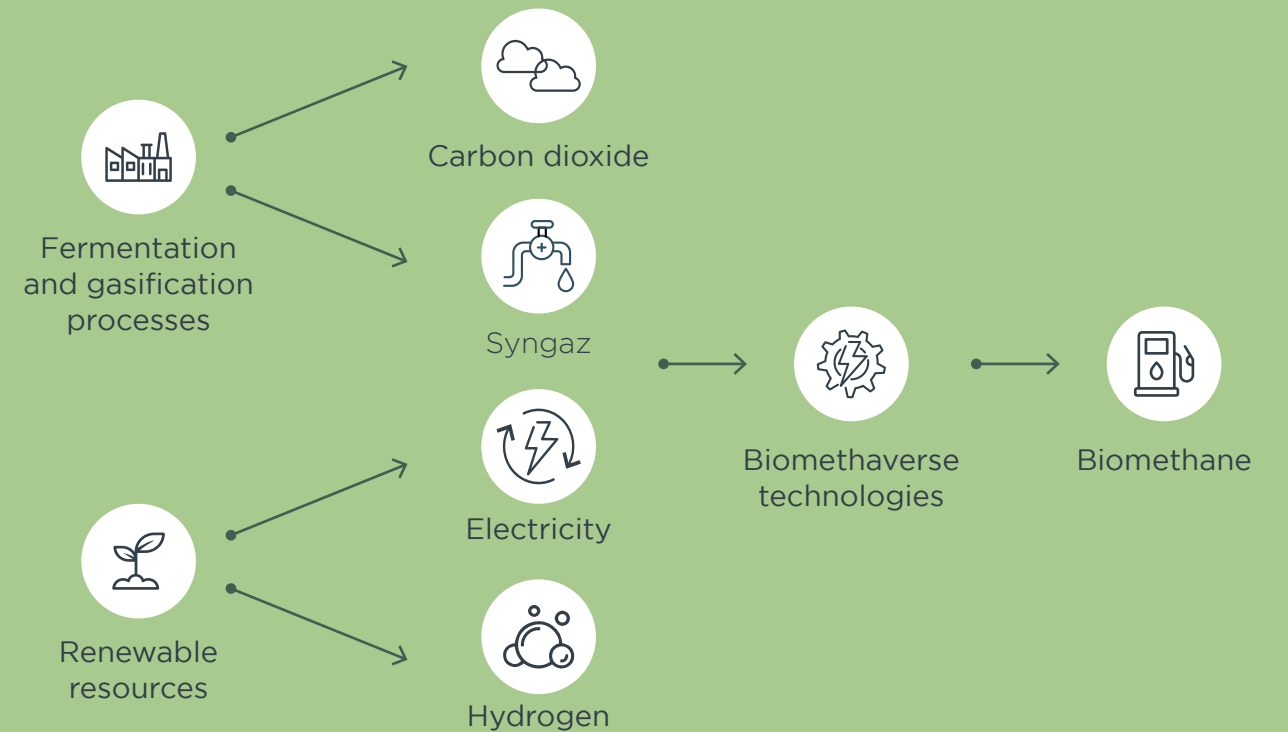
SIAD's pilot project in the field of wastewater treatment plants has the following objectives:

- To increase biogas production from sludge digestion by** **30/50%**
- To improve biogas quality by reducing hydrogen sulfide by** **50/100%**
- To reduce by** **10/20%** **the amount of sewage sludge to be disposed of in landfill**

Through the Biomethaverse project (“Innovations in the biomethane universe”), SIAD aims to increase biomethane production in Europe in an effective and efficient way, by adopting innovative technologies. This initiative aims to contribute to **energy independence** and **competitive sustainable growth**, while generating **‘green’ job opportunities**. The production of biomethane will be pursued through the construction of plants that exploit different processes, including thermochemical, biochemical, electrochemical and biological, implemented and managed at six operational sites, five of which use conventional anaerobic digestion (AD) and one conventional gasification.

To this end, five innovative **‘pilot’ biomethane production pathways** will be presented in five European countries (France, Greece, Italy, Sweden and Ukraine). At these plants, CO₂ from anaerobic digestion or gasification, along with other intermediate products, is combined with hydrogen or electricity from renewable sources to increase the overall biomethane yield. These demonstration production pathways adopt a circular approach for the efficient use of energy and materials, with the aim of reducing biomethane production costs and increasing its production compared to conventional technologies.

INNOVATION



As part of **Biomethaverse**, SIAD proposes the process of ozonolysis combined with the anaerobic digestion of sludge from wastewater treatment plants to promote the increase in biogas production. After the design and construction of the plant, SIAD will install the system at the Italian site and monitor the results on a full scale by managing the process and collecting operational data.

The **objectives** are ambitious: to increase biogas production by 30-50%, to improve its quality by reducing hydrogen sulfide by between 50 and 100%; to reduce the amount of sewage sludge to be disposed of in landfill by 10-20%, thus making the sludge line of a sewage treatment plant more efficient and sustainable. Surplus energy production is expected for self-consumption, allowing for cost savings and reducing the overall environmental impact.

The technology studied and proposed by SIAD moves towards **sustainability** and **circularity**, by increasing the recovery of renewable energy from organic waste, reducing the environmental impact of sludge not intended for disposal and producing a higher quality biogas for transformation into biomethane. Extra attention will be paid to the assessment of the sustainability of biomethane production pathways in terms of economic, social and environmental impact. All partners are committed to ensuring the replicability and upscaling of demonstrated production pathways, in order to maximize the impact of Biomethaverse's innovations while facilitating rapid market access for new technologies.

RELEVANT SDGs

- 7 AFFORDABLE AND CLEAN ENERGY
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 11 SUSTAINABLE CITIES AND COMMUNITIES
- 13 CLIMATE ACTION

ASSISTED REALITY AT THE SIA GROUP: SIAD4U & SIADMI4U

PROJECT SUSTAINABILITY OBJECTIVES



TO SHARE INFORMATION MORE EFFICIENTLY AND EFFECTIVELY



TO REDUCE THE MILEAGE TRAVELED FOR TECHNICAL ASSISTANCE, FOR THE BENEFIT OF THE ENVIRONMENT



TO REDUCE PLANT DOWNTIME



TO IMPROVE THE TRAINING OF SPECIALIST OPERATORS



TO MAKE THE GROUP'S INFORMATION AND KNOW-HOW AVAILABLE TO ALL OPERATORS

The SIAD Group has recently launched **assisted reality** systems that allow **live maintenance interventions** supported by a strengthened synergistic interaction between the operator in the field and remote support. These include **SIAD4U**, a new portal for industrial gases that uses assisted reality (aR) to **communicate and transfer know-how more efficiently**. The SIAD4U software has been installed on a wearable, removable device (smart glasses). When connected to the workers' helmets, they can then **view information and receive voice instructions in real time without distractions and safety risks**. Their IP66 protection, noise cancellation and rugged design make them a perfect tool for industrial conditions. Controlled by voice,

and therefore requiring no additional manual effort, the device enables workers to carry out normal operations without hindrance. This is not a trivial aspect, and is extremely important for specialists working in the field. The smart glasses are also equipped with a camera for the user to show the situation to a remotely connected expert from a direct perspective. A solution that **simplifies remote service operations**, bringing a number of improvements to daily operations. As it is not possible to reach the various production sites quickly and at all times, we have had the opportunity to share know-how faster, to solve problems when necessary, and most of all to take action in advance.

Therefore, this project has been designed and implemented by the Group not so much merely for the purpose of digitalization, but rather to **ensure greater comfort and safety for specialist operators**.

The first tests with this technology were carried out at SIAD Hungary (Gyöngyöshalász) and SIAD Czech Republic (Rajhradice). Once positive results had been obtained, the solution was also implemented at SIAD Romania (Călărași), SIAD (Italy, Porto Torres), IGAT (Italy), Scarlino and Rosignano Solvay (Italy).

The new SIAD4U wearable adds to the services already successfully used for several years by the Group's engineering department: **SIADMI4U, IDEA & TPI4U**.

TARGETS ACHIEVED / QUANTITATIVE DATA:



Option of **100% remote supervision**



High standards of **customer service and flexibility**



RELEVANT SDGs



AUTHENTICITY





We follow in the footsteps of our founders, Quirino and Bernardo Sestini, remaining faithful to their imprint that focuses attention on relations with customers and the local area territory as fundamental aspects.

We will continue to grow the Group and pay attention to the local area as Roberto Sestini did for more than 50 years.

We work by investing in skills and reliability, committing ourselves to maintain open relations and a direct channel with all stakeholders at all times.

Our active presence in the local area is also evidenced by the numerous training and cultural projects that we have always launched and supported through the SIAD Group and SIAD Fondazione Sestini.

REFERENCE VALUES

COMMITMENT TO QUALITY, SAFETY & THE ENVIRONMENT

As one of the assets we deem strategic at the SIAD Group, we have reiterated our **commitment to quality**, to **protecting the health and safety of our employees** and to **the environment**; this approach benefits from and is given a concrete perspective by an integrated system for these three themes. In this sense, the in-house procedures and regulations on **Quality, Health & Safety and Environmental management** are updated **constantly**, to ensure company documentation is always in line with Group requirements and with changes in the regulations in the individual countries where we operate and maintain a presence.

Specifically, we are committed to developing the **continuous improvement of safety**, intended as prevention of injuries and major incidents, occupational hygiene and medicine, but also environmental protection and the safety of products, systems and processes, one of our core targets.

The issue of **food safety** is also confirmed as central within the Group. **Food safety management systems** have been implemented voluntarily both by the Parent Company SIAD S.p.A. and by the various foreign subsidiaries.

For the best possible understanding of how vital these issues are in our company culture, remember that 2024 marks the 30th anniversary of the adoption of dedicated management systems. The first date back to 1994 and, over the years, the number of certificates has gradually increased. A vision that, in 2023, also saw the Group companies ESA and Tecno Project Industriale embark on an **environmental certification process**. The process will be fully integrated in 2024.

For an optimal overview and to understand the importance of these tools for the SIAD Group, which is continuing the process of implementing management systems at companies and plants where they are not yet in place, all we need to do is look at the figures.

80%

of company sites have the options and benefits of a quality management system (ISO 9001)

62%

of company sites have a safety management system (ISO 45001)

30%

of company sites have an environmental management system (ISO 14001)

38%

of company sites have a food safety management system (ISO 22000 and/or FSSC 22000) and 18% have obtained medical device certification (ISO 13485)

Specific certifications and accreditations have also been obtained by some Group companies, such as **ISO 17025 and ISO 17034, PED/TPED, Kosher Parve Passover and Halal.**

HONESTY, TRANSPARENCY & ATTENTION TO SOCIAL & CULTURAL ISSUES

SIAD's growth and success in the market reflect the principles and values that have long formed the basis for our company: experience, tradition and solidity; reliability, honesty, expertise, research, technology and innovation, not to mention attentiveness to social and cultural issues. A conscious approach inspired by **propriety** and **transparency**, attentive to **strict compliance with legislation**, respect for employees, customers, suppliers and shareholders, fair competition, paying the utmost attention to quality, safety and **environmental protection** and driven by a strong sense of **social responsibility** towards the community and institutions.

RESPONSIBILITY TOWARDS THE COMMUNITY

The SIAD Group considers the protection and leveraging of the environmental and cultural heritage of the geographical areas where it operates to be core factors in its corporate identity. We are therefore actively committed to the support and **promotion of cultural and social initiatives, and to training within the community**. With the desire to open up to society and to interact with the outside world, the intent is to **return part of the value and wealth produced to the local area that hosts our activities**.

The various socio-cultural initiatives launched enable us to provide 360° protection and safeguarding of cultural heritage, a goal achieved through the desire to promote a constant and lasting relationship **of dialog and collaboration with institutions and communities**, to support their growth and development in the economic, social and civil spheres.



AUTHENTICITY SDGs



MAJOR THEMES & 2023 RESULTS

OCCUPATIONAL HEALTH & SAFETY

The Group's corporate policy provides for the implementation of operating procedures, information and training of staff to improve safety levels. All employees are covered by an in-house health and safety system. The **Prevention and Protection service** within each Group company ensures that the existing documentation complies with the legislative provisions, in order to carry out the adaptation interventions provided for in the company work program and to implement the **plan to improve the safety management system**. The service works to ensure that the synergies produced generate benefits both in terms of the quality of the work carried out and in terms of economic savings (cost rationalization). Certification audits are required by an external third party, as 62% of company sites have an ISO 45001 management system. The risk assessment for worker health and safety is regularly updated and revised in the event of significant changes in work processes. Through prevention, technological development, training and continuous monitoring, at SIAD we pay meticulous attention to the health and safety of our workers and third parties, setting ourselves the goal of **constantly improving** our performance. The SIAD Group has identified as "hazards that kill" all threats that can lead to serious injuries or can be the cause of fatal events. These hazards are related to factors such as electricity, fire, driving, explosions, falls from height and intoxication/asphyxiation. For this reason, and in particular, with regard to the above-mentioned dangers, SIAD is firmly committed to training and engaging people. This goal has been put into concrete practice in the definition and implementation of systematic prevention measures and in the implementation of processes to learn from the analysis of causes of accidents and near-misses reported, and is developing a culture of continuous improvement. All SIAD sites have adopted a **health and safety data gathering system** to record near misses and accidents, identify the resulting **corrective actions** taken and share them with management for implementation within all the Group's businesses. Data relating to the last two years show two main types of hazards: slips/stumbles/falls and manual handling of loads, and no cases of the above-mentioned "hazards that kill". In 2023, the Group recorded an **accident rate of 3.4 events per million hours worked**, almost unchanged from the 2022 figure (**3.5**). It is also important to note that over the last three years, **there were no serious work-related accidents that resulted in serious or very serious injuries** to Group staff and **no cases of occupational diseases** involving employees or former employees were recorded.

WORK-RELATED INJURIES (GRI 403-9)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Hours worked	2021	1,723,812	410,027	193,591	194,083	2,521,512
	2022	1,718,142	358,060	581,744	195,816	2,853,762
	2023	1,941,875	700,590	857,929	333,306	3,833,701
Serious accidents	2021	0	0	0	0	0
	2022	1	0	0	0	1
	2023	0	0	0	0	0
Accidents	2021	6	1	0	0	7
	2022	9	0	1	0	10
	2023	10	2	0	1	13
Fatal incident rate*	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Serious accident rate*	2021	0	0	0	0	0
	2022	0.6	0	0	0	0.4
	2023	0	0	0	0	0
Accident rate* (FREQUENCY INDEX - FI)	2021	3.5	2.4	0	0	2.8
	2022	5.2	0	1.7	0	3.5
	2023	5.1	2.9	0	3	3.4
Severity index - SI*	2021	0.2	0	0	0	-
	2022	0.2	0	0.005	0	-
	2023	0.11	0.06	0	0.01	0.07

* 'Rate' refers to the number of events per million hours worked
 ** In 2021 and 2022, the data refer exclusively to the Group's companies in Italy (INAIL indicators)

HSMS COVERAGE (GRI 403-8)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total workforce	2021	1,123	373	458	188	2,142
	2022	1,139	371	474	193	2,177
	2023	1,171	389	519	199	2,278
Employees covered by certified HSMS	2021	76%	58%	53%	100%	67%
	2022	77%	60%	54%	100%	71%
	2023	78%	61%	54%	100%	72%

QUALITY OF PRODUCTS & SERVICES PROVIDED TO CUSTOMERS

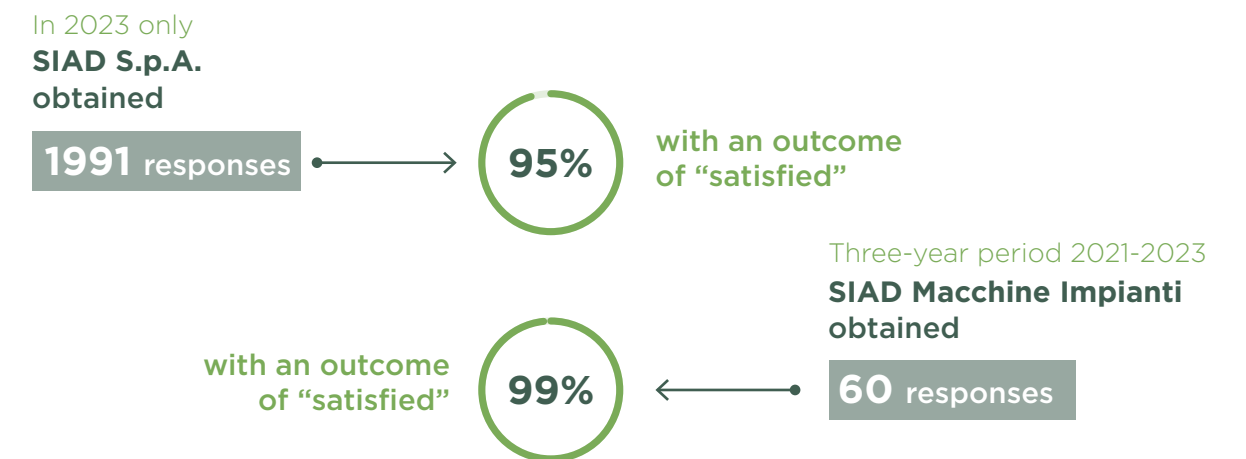
The company's primary objectives include **satisfying customer requests and establishing constructive relationships**.

In terms of customer relations, we are committed to:

- developing and maintaining favorable and long-lasting relationships, based on the utmost professionalism, fairness, efficiency, collaboration and courtesy;
- fulfilling commitments and obligations;
- providing accurate, complete, truthful and prompt information, to enable customers to make an informed decision;
- informing customers of the principles of the Code of Ethics;
- operating within the framework of the legislation in force and request prompt compliance;
- not giving gifts or acts of courtesy and hospitality to customers (nor to potential customers), except to the extent that the modest value of these does not compromise their integrity and independence, and provided that these types of expenses are authorized and documented.

In recent years, we have conducted several **surveys to measure the trend of customer satisfaction**, a significant performance indicator. The Group Companies carried out the surveys according to different methodologies and criteria. The aggregate results obtained showed **average satisfaction of over 95%**. This major factor unequivocally emphasizes the excellence of the products and services provided by SIAD S.p.A. and SIAD Macchine Impianti.

The results of customer satisfaction surveys are provided below.



CUSTOMER HEALTH & SAFETY

The SIAD Group considers customer health and safety a fundamental value that guides all its activities and business decisions. Customer safety is a priority at every stage: from research and development, the construction of systems to production/distribution of industrial and medical gases.

The SIAD Group adopts strict safety standards and operational protocols to ensure that the products supplied are handled safely and in compliance with industry regulations. This commitment also extends to the training and advice provided to customers to increase their professional skills on the proper and safe use of gases.

Active collaboration with customers is a key factor in understanding their specific needs and providing customized solutions that meet the highest health and safety standards. Health and safety aspects are monitored through the analysis of non-conformities and reports from customers. **In 2023**, in line with the previous two years, **there were no cases of non-compliance with regulations and/or self-regulatory codes regarding the health and safety impacts of products and services.**

CLIMATE ACTION

Environmental protection is one of the fundamental objectives pursued by the Group in the short and long term. The commitment to the environment is reflected in how activities are managed: On the one hand, SIAD complies with the national and local regulations in which it operates and, on the other, it makes decisions to optimize the impact on the ecosystem, which also exceed legislative requirements. As evidence of its commitment, **30% of the Group's operating sites are ISO 14001-certified.**

Everyone needs to be concerned by the fight against the climate emergency, and companies are increasingly called upon to play a leading role. Taking this awareness as a starting point, we have made Goal 13 from the 2030 Agenda one of the SIAD Group's priorities; the goal is to **take urgent action** at all levels to mitigate the effects of **climate change, reduce impacts**, and offset our emissions into the atmosphere.

With this in mind, SIAD is committed to combating climate change by measuring, monitoring, and where possible limiting the atmospheric emissions generated by activities, using specific tools and according to the GHG protocol.

ATMOSPHERIC EMISSIONS (GRI 305-1, 305-2, 305-3)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Scope 1	2021	6,162	838	490	506	7,996
	2022	6,911	941	844	629	9,325
	2023	7,882	1,676	965	559	11,082
Scope 2	2021	203,748	244	302	132	204,425
	2022	201,514	231	235	113	202,093
	2023	200,890	334	456	129	201,808
Scope 3*	2021	17,889	931	0	2,563	21,382
	2022	19,299	1,309	0	1,891	22,499
	2023	18,399	1,743	0	1,546	21,688

* process of distribution of the product on rubber only. For emission calculation methods, see the note on methodology on page 131.

From the analysis of the data, it can be stated that:

- more companies have been included in the data collection system, as a result of an increased engagement within the Group. Nevertheless emissions values have remained similar to those of 2022;
- **Scope 1** increased but, to mitigate the effects, work has been done to offset the emissions from the use of methane at the Osio site, amounting to a total of over 10,000 tons of CO₂;
- **Scope 2** decreased due to the purchase of green energy. However, the improvement is limited because some location-based emission coefficients have worsened;
- **Scope 3** decreased as a result of replacing diesel with HVO* (a cleaner alternative fuel) to power means of transport departing from the Osio plant.

* In accordance with Directive (EU) 2018/2001 of 11 December 2018 on the promotion of the use of energy from renewable sources (RED II), direct emissions from HVO-powered vehicles have been deemed to be zero.

In the period from January to December 2023, SIAD S.p.A. **offset 10,353.084 tons of CO₂** generated by the consumption of methane gas supplied by A2A Energia through carbon credits from sustainable agriculture projects in Ukraine (JI), access to drinking water in Rwanda (GS-VER), production and distribution of efficient stoves in Nigeria (GS-VER).



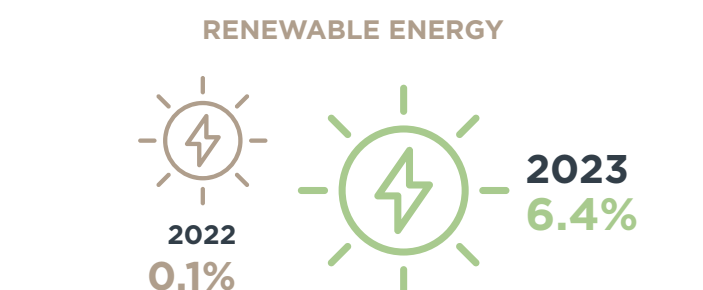
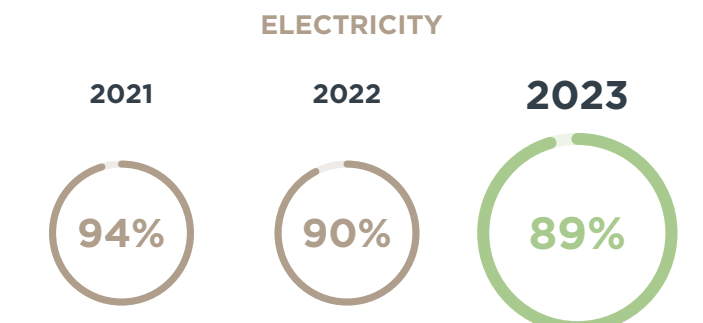
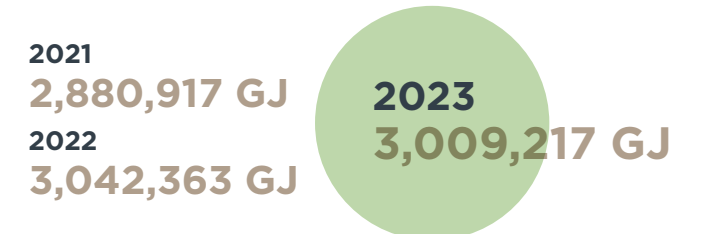
RESPONSIBLE MANAGEMENT OF NATURAL RESOURCES & WASTE

In terms of responsible management of natural resources, one of our objectives at SIAD is to use natural and waste in a cycle of self-sufficiency, according to a **circular economy principle whereby each resource is returned to the environment** in exactly the same way in which it was taken. At the same time, this guarantees zero cost and zero impact on the environment. Analysis of the data shows that electricity consumption is undoubtedly the Group's most significant impact. We are therefore exploring different solutions that will enable us **to contribute further to the energy transition process.**

With this in mind, we made a decision to enter into a strategic agreement with A2A for the purchase of renewable energy, for **100% of the requirements** of the Carlino plant (Udine province) and to request that other suppliers issue Guarantee of Origin certificates. The choice proved to be successful and, compared to previous years, enabled us in 2023 to significantly increase the use of **electricity from certified renewable sources. From 0.1% in 2022, we moved to 6.4% renewable energy in 2023.** As far as **energy efficiency** is concerned, the project to disseminate the APC continues, as a tool installed at primary production plants that allows the monitoring of all significant operating parameters and the optimization of the journey, in order to reduce consumption and increase efficiency. As such, productivity has risen, and specific energy consumption has fallen, resulting in **greater product availability** for the market, and in **lower energy costs and CO₂ emissions.** Initially installed at the Osio

Sopra plant, APC technology was installed in 2023 at Rajhradice (Czech Republic), and in 2024 is planned to be installed at Gyöngyöshalász (Hungary), then at Călărași (Romania) in 2025.

SIAD GROUP ENERGY CONSUMPTION



The installation of **3 photovoltaic systems** on the roofs of SIAD S.p.A. and SIAD MI buildings is planned for 2024, to reduce electricity requirements from external sources. The three plants will produce a total of 380 MWh per year from renewable solar sources.

To benefit from the renewable energy production of the photovoltaic systems installed at the Bergamo site, **6 electric charging stations** for passenger cars have been designed, running at 22 kW each.

The expected result is a reduction in consumption of around **30,000 liters of fossil fuels per year**.

With a view to **reducing electricity consumption**, the Group's companies are also attentive to smaller measures that can help disseminate the culture of environmental sustainability; for example, SIAD Poland has replaced the light sources in communal areas with new **LEDs** and installed sensors to turn the lights on and off automatically.



The Group's use of water mainly relates to cooling processes at the plants. Other processes, including consumption for civic use, contribute minimally to the consumption of this resource.

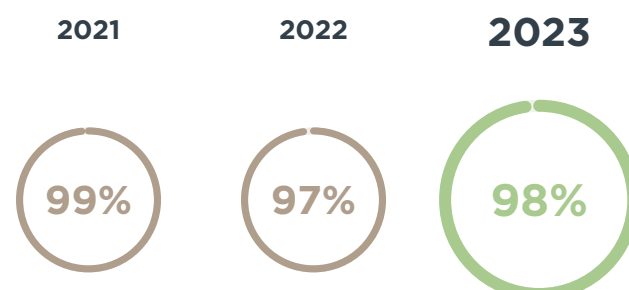
In terms of **water resources**, in 2023 as much as **98% of the water withdrawn by SIAD Group plants was returned to the environment** and in only 0.5% of cases following purification. **As almost none of the water undergoes any chemical or microbiological changes.**

The small increase in water withdrawal compared to 2022 relates to the withdrawal of water from third-party processes, which is however returned to the sources of origin without undergoing chemical or physical modifications.

TOTAL WATER WITHDRAWAL, SIAD GROUP



WATER RETURNED TO THE ENVIRONMENT



The Group is actively committed to the development of sustainable waste management in order to minimize negative impacts on human health and the environment.

SIAD aims to optimize processes through the progressive adoption of more efficient management methods by carefully monitoring all phases, including administrative, production, transport and final waste management.

In 2023, the Group produced a **total of 3,194 tons of waste, 78% of which was non-hazardous**, with **48% destined for recovery**. The increase in total waste and the sharp drop in waste destined for recovery compared to previous years are due to the fact that in 2023 the waste produced by Tecnoservizi Ambientali was also taken into account. This is very special waste not deriving from the production process, but from rainwater run-off from the yards and roofs that cannot be conveyed into the sewers. It is therefore collected in specific tanks and disposed of as non-hazardous waste, but not intended for recovery, even if this water is intended for purification and for the most part will become available again in the water cycle. Excluding this specific case, **66%** of waste was recovered (in line with 2021).

TOTAL WASTE PRODUCED, SIAD GROUP



NON-HAZARDOUS



DESTINED FOR RECOVERY



Notes:
 for SIAD Hungary, the destination of waste is an estimate based on the Group's average value (data not available).
 For IBP Bosnia, the weight of waste is an estimate made with the waste manager, a municipal company that does not calculate the weight of the waste but invoices a flat-rate service.

COMMITMENT TO THE COMMUNITY

We have always been attentive to the protection and leveraging of the environmental and cultural heritage of the local areas where we operate, considering them as fundamental factors in our corporate identity.

We are actively committed to supporting and promoting cultural and social initiatives, whereby we make our desire to open up to the outside world a reality, to give back part of the value and wealth produced to our host community.

The various initiatives taken by SIAD are therefore aimed at **protecting and safeguarding social and cultural heritage**, and to promote constant and collaborative relations with institutions and the community, to support them actively in their journey of growth and economic, social and civil development.



SIAD BOMBOLA D'ORO TROPHY

The **SIAD Bombola d'Oro** ('Golden Cylinder') **Trophy** is the regatta for the 12' Dinghy class held every May in Portofino, organized by Yacht Club Italiano in partnership with SIAD.

The regatta is one of **Italy's most important sailing events** in the 12-foot dinghy class.

BERGAMO-BRESCIA, ITALIAN CAPITAL OF CULTURE 2023

One of the major Group initiatives in the cultural field is definitely the one designed in honor of **"Bergamo-Brescia, Italian Capital of Culture 2023"**, a high-profile post-pandemic project aimed at providing possible responses to the great challenges of our time by exploiting the powerful tool of culture.

Thanks to the collaboration with the Sestini Museum of Photography and the Negri Museum of Photography in Brescia, we have created a **photographic exhibition entitled "Corporate Culture"**. Through photography, the event illustrates the economic development of these very important cities.

Without a shadow of a doubt, Bergamo and Brescia two of the most important engines of development. An objective figure, also given that **Lombardy accounts for 30% of Italy's GDP**,

a significant portion of which **can be attributed to Bergamo and Brescia**, both of which have a deep-rooted, very valid and diversified industrial sector.

In these two major cities in Lombardy, we also supported the **60th International Piano Festival of Brescia and Bergamo**, one of the largest and most popular events in the piano world. Since 1964, Brescia and Bergamo have been playing in unison with the greatest pianists; in particular, the 60th Festival made it possible to rediscover the 20th century through the languages that best embody public sensibilities. The 60th Festival explored the Anti-Avant-Garde, embarking on a quest for a music that can speak a contemporary language and open up to listening without the need for superstructures.

SIAD FONDAZIONE SESTINI ("SIAD SESTINI FOUNDATION")

Established in 1987, SIAD Fondazione Sestini has since then been a major player in organizing cultural events, supporting the medical and scientific world, publishing study and technical/scientific outreach materials, and offering scholarships. A few examples of projects SIAD has promoted and developed over the years through Fondazione Sestini are set out below:

SUPPORT FOR CULTURAL & SOCIAL INITIATIVES



Establishment of the University of Bergamo research scholarship, entitled "The economic history of Bergamo and its local area: research and teaching pathways"



Acquisition of the Asperti (province and city of Bergamo) and Pesenti (origin of aviation in Bergamo and in Italy) photographic archives



Membership of the Fondazione Bergamo nella Storia ('Bergamo in History Foundation')



Acquisition of the Domenico Lucchetti cinema/photographic archive and organization of the "La Città Visibile" exhibition



Establishment of the "Prof. Quirino Sestini e Dott. Bernardo Sestini" scholarships awarded to students from the Giulio Natta Institute in Bergamo.

SUPPORT FOR THE MEDICAL & SCIENTIFIC WORLD



Three-year support (2021-2023) for the International Heart School Bergamo scholarships for young doctors from developing countries for university Master's courses at Papa Giovanni XXIII Hospital Bergamo



Support for the Bergamo International Academy for Advanced Medical Sciences



Organization of the International Study Day on xenon Applications in anesthesia and various other conferences on the same theme

TENDER TO NAVE ITALIA FOUNDATION

Since 2007, we at the SIAD Group have been a promoting partner of the TENDER TO NAVE ITALIA non-profit foundation. Established by the Italian Navy and Yacht Club Italiano, the foundation's work forms a commitment **against any form of prejudice in relation to disabilities and social hardship**. Introduced on an experimental basis on Nave Italia since 2017, the "Nave Italia Method" is designed for people with cognitive disabilities, sensory deficits, genetic diseases, psychological and social distress, in their various manifestations. The ship offers a variety of therapeutic components that allow operators to develop personalized treatment plans, which over time have highlighted how the Nave Italia method returns major results to improve the well-being of beneficiaries, by developing their self-esteem and interpersonal skills.



BERGAMOSCIENZA

BergamoScienza is a festival for the promotion of science, which is designed to bring science into the open and make it accessible to everybody, especially young people and schools.

BergamoScienza is very much characterized by this attention to dissemination and to making **scientific innovations** accessible to the public at which the festival is aimed. The festival offers **numerous free events** involving prominent personalities from the world of research and innovation. At the 21st Festival, the SIAD Group and SIAD Fondazione Sestini continued our support for the project. In particular, SIAD

made it possible to include in the schedule of events its own educational workshop, entitled **“A tutto gas! Scopriamo l’Universo dei gas tecnici”** (‘Full throttle! Let’s explore the world of industrial gases’). A unique opportunity, through experiments and interactive games, to spread knowledge of gases and their properties to an ever-increasing number of primary and secondary school children: around 1,200 people took part in these workshops in 2023. In October 2023, have been placed two events on **ocean biodiversity** and **Oppenheimer’s science**.



SESTINI PHOTOGRAPHY MUSEUM

One of the cultural initiatives sponsored by SIAD Fondazione Sestini is the establishment of the Sestini Photography Museum. Opened in 2018, it leverages its photographic heritage, through an interdisciplinary exhibition itinerary focused on the world of historical photography, divided into two different sections: one scientific, the other historical.

Named “Phenomenal Visions”, the **science section** consists of three rooms, offering activities to introduce visitors to discover the sense of sight, the phenomena that govern how light travels, optical illusions, and similarities between the workings of the human eye and the camera.

The **history section**, simply named “Photography Museum” – takes visitors on a journey of discovery into photographic history, both locally and internationally. Multimedia installations reproduce the techniques of photograph processing from the early 19th to the late 20th centuries; the spread of photographic studios in the Bergamo region is reconstructed, and some of the riches of the Sestini Photographic Archive are displayed. The itinerary is embellished and finished off with an exhibition of vintage cameras and original tools, in an evocative journey into the world of the “wonderful discovery”.

IMMAGINARIO SCIENTIFICO (“SCIENTIFIC IMAGINARIUM”)

For our Group, the drive towards **sustainability** and **innovation** is only natural. Our gases are taken from the air: over the years, we have developed technologies to assist in the purification of water and the recovery or reuse of carbon dioxide. Green DNA that has helped define our way of designing and implementing innovation and research. We therefore decided to support the Immaginario Scientifico in the promotion and dissemination of scientific culture, something that has always been a hallmark of our businesses. As a result, we created the new spaces of the Immaginario Scientifico in Warehouse 26 at the Old Port in Trieste, an evocative installation bearing the name of SIAD on the theme of the **transformation of water**, from polluted to clean. An experiential journey made up of lights, sounds and educational messages, to discover the secrets of water purification, using oxygen

and ozone. Representing them as two epic heroes, the two gases on which SIAD bases innovative technological solutions, O₂ (oxygen) and O₃ (ozone), are put through the tests required to restore water to its natural purity. A veritable journey, passing aerosols, invaluable bacterial flora, mud and meandering pipelines, to convey the message that **people who take care of water love the Earth, a feeling that’s often mutual**.

From October 3 to 7, 2023, the “La sostenibilità va in Buca” (‘Sustainability goes to the green’) project was organized at the Immaginario Scientifico, a game structured like a round of golf with interactive and educational workstations to reflect on sustainability, renewable energy and the Sustainable Development Goals. A total of 330 people took part in the initiative.

FAI – FONDO PER L’AMBIENTE ITALIANO (“THE NATIONAL TRUST FOR ITALY”)

SIAD participates in the FAI support program for the private sector, as a registered Corporate Golden Donor. FAI’s mission is to promote and protect Italy’s culture, natural environment, art, history and traditions; it was a far-sighted and responsible decision to sign up to this project, as a tangible gesture to add value to our Group’s corporate social responsibility. Shared with the FAI and other organizations, the project to **protect and leverage Italian heritage** is not only a decision **focused on social responsibility**, but also an opportunity for training, cultural growth and networking. Art, culture and landscape are important resources and are the ideal environment to share valuable experiences. Partly thanks to our contribution to the restoration works, in 2021 Palazzo Moroni – an extraordinary historic building in Upper Bergamo – was opened to the public.



PARTNERSHIPS

The SIAD Group has always been a major player in initiatives in the local area where it operates. Over the years, we have established major links with local charities, and has supported multiple humanitarian projects and solidarity initiatives in our various host countries, in an attempt to maintain constant commitment to social initiatives. To do so, we collaborate in various capacities with:

			
LOCAL HEALTHCARE FACILITIES	SCIENTIFIC RESEARCH FOUNDATIONS AND ASSOCIATIONS	LOCAL WELFARE ASSOCIATIONS	VOLUNTARY ASSOCIATIONS
			
SPORTS ASSOCIATIONS	CULTURAL AND SCIENTIFIC OUTREACH INSTITUTIONS	EDUCATIONAL INSTITUTIONS	ENVIRONMENTAL PROTECTION BODIES

INITIATIVES DEVELOPED BY SIAD OVER THE YEARS



Donation of planting and setup of a park in **Osio Sopra**, covering an area of over **10,000 sqm**.



The SIAD Group has granted the **Municipality of Muggia** a free loan for use of an area of approximately **27,000 sqm** in the Noghere Lakes area (Trieste province), where numerous species of aquatic birds take refuge and nest, and the site of a wealth of freshwater fish.



SIAD supports **La Bergamo - San Vigilio Memorial Dino Sestini**, a motorcycle rally organized by the Club Orobico Auto d'Epoca for vintage motorcycles, in which bikes produced before the year 2000 can participate. The event's first winner in 1923 was Bernardo "Dino" Sestini, founder of SIAD.



Since 2001, SIAD has been the institutional sponsor of **Yacht Club Italiano** and the **"Beppe Croce" sailing school** for young sailing enthusiasts. SIAD is also the Official Sponsor of **Barcolana**, the biggest international sailing regatta held every year in Trieste, and of **Barcolana Classic**, dedicated to vintage boats.



The **OICCE SIAD International Award for Innovation in Enology** is aimed at recognizing the best research projects that involve the use of **technical gases** from the vineyard to the winery, and that allow an improvement in the quality of wines and production processes



Donation of playground equipment for a park in **St. Pantaleon**, Austria.



Donation of playground equipment for a park in **Rajhradice**, Czech Republic.

PHOTOGRAPHY COMPETITION

Now in its 12th edition, **Images of our Life**, the photo contest open to all employees of the SIAD Group and their families - themed **"On the road"** in 2023 - was won by **"Strade Bianche"**, an image taken by **Francesco Mollace**, an **employee of SIAD Macchine Impianti**, portraying two people intent on walking along a glacier, creating a diagonal cut through space, reminiscent of works by the great painter Lucio Fontana. The first 12 photographs are due to feature in our Group's corporate calendar.



COMMUNICATION

The Group's marketing strategy is based on several pillars; combined in a synergistic manner, they are aimed at boosting SIAD's credibility at a global level. **Multidirectionality and transparency guide our Group's communication and information strategy.** Our communication makes us available to all our stakeholders, led by the Marketing and Communication office across various channels, with the website as a starting point. The issue of sustainability in the Group's communication is addressed in an interdisciplinary manner, by creating content on the various channels used.

SOCIAL MEDIA

In recent years, we have decided to focus decisively on social media, especially LinkedIn.

On the social media pages of all the Group companies, we convey content and images relating to our products and services, but also referring to events and special occasions, for our followers to keep up to date with SIAD's activities.

The basis for our decisions is the **desire to communicate** the work of all the SIAD Group companies **in a straightforward, direct way**, partly by means of insights and articles. Examples include the SIAD blog, **"Matter of Gas"**.

The **tone of voice** we choose is **serious and authoritative yet informal, respectful and strongly anchored in the business.**

The aim is to **communicate who we are and what we do at the SIAD Group**, by disseminating lesser-known content of interest to a wider audience than B2B alone. In the future, we aim to pay more and more attention to communicating our expertise, values and identity.

THE STAGE

The Stage is the Group's House Organ, written in English and distributed to all 2,278 employees and some stakeholders, via a newsletter or a paper copy, as well as being available to all our Group's people on SharePoint. The ambitious project is designed to **keep all SIAD employees at every site all over the world connected**, to increase **brand awareness** by stimulating a sense of belonging and sharing at all levels our new goals and the milestones we have achieved. Published three times a year, **The Stage reports on new projects, insights and activities carried out by colleagues from the various companies of the SIAD Group.**

MATTER OF GAS: THE SIAD PORTAL FOR INNOVATION IN GAS

Our technical and scientific approach is based on one conviction: there is no progress without **sharing know-how**. We therefore created **Matter of Gas**: a blog and editorial project aimed at encouraging the production and sharing of knowledge. It is also a digital space for dialog, putting the properties, potential and technological innovations in gases and the contribution they can make to various sectors, including wine and the food and beverage industry only a few clicks away.

Matter of Gas dedicates a vertical in-depth study to each of these three areas:

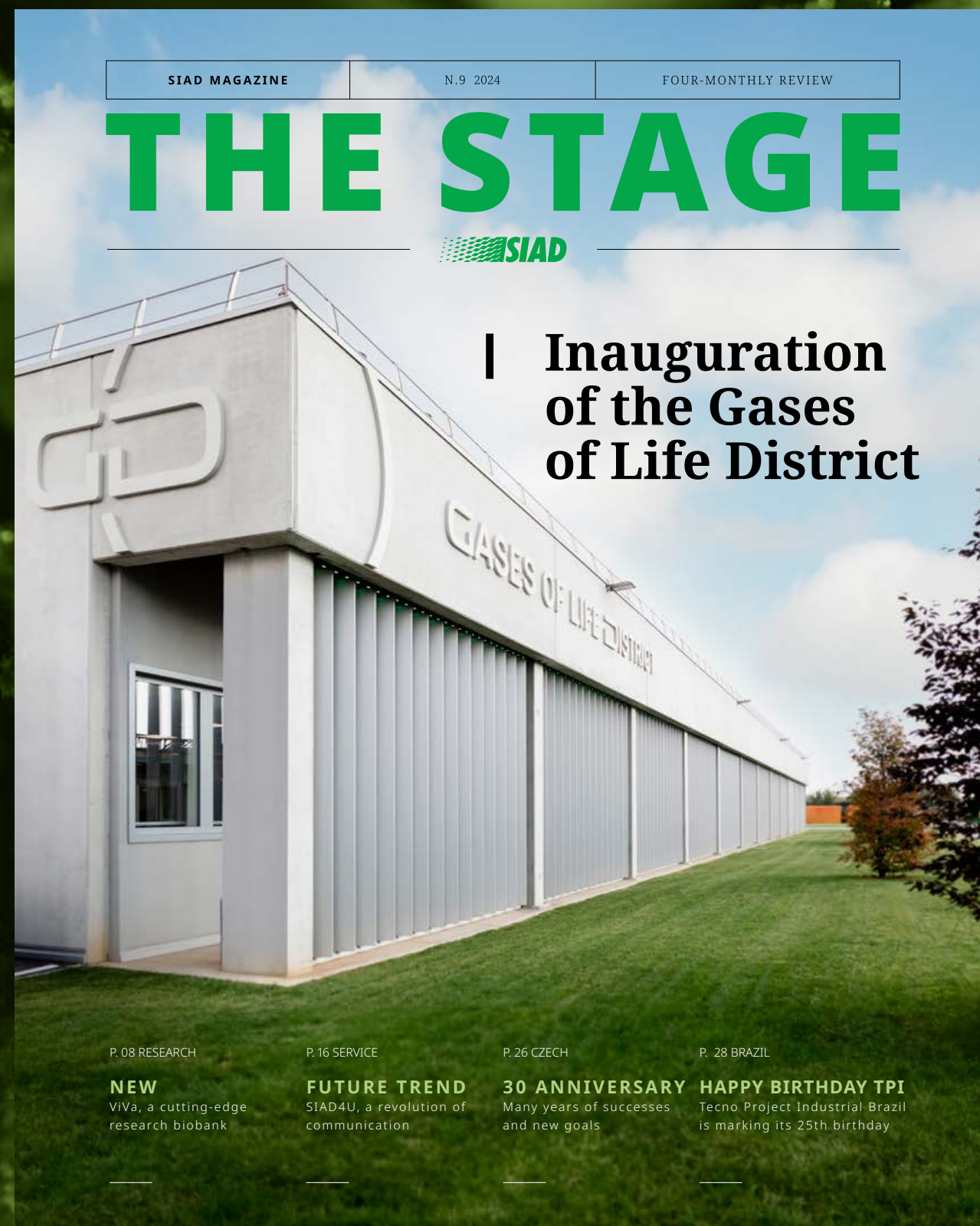
Matter of Gas - Wine concentrates on wine production and technologies for the sector, from vineyard to cellar.

Matter of Gas - Food focuses on the food industry and the solutions on offer, from food processing to packaging.

Finally, **Matter of Gas - Beverage** considers the use of gas in the production of liquid food, in the Ho.Re.Ca. sector as well as in home economics. Matter of Gas is therefore configured as a regularly updated portal, where case studies become a lever to stimulate the development of new responses to specific needs, identified and developed in conjunction with operators from the industry.

The blog is thus intended as an **open workshop** and a location for mutual cross-fertilization.

Progress is a shared challenge, and the enrichment of knowledge is a prerequisite for development.



thesiadgroup.com | matterofgas.eu



GruppoSIAD



The SIAD Group



Gruppo SIAD

SIGNIFICANT PROJECTS & EXPERIENCES

HYDROTREATED VEGETABLE OIL (HVO): TRANSITION TO A MORE SUSTAINABLE MOBILITY

PROJECT SUSTAINABILITY OBJECTIVES



TO REDUCE THE CONSUMPTION OF FOSSIL FUELS IN FAVOR OF A BIOGENIC FUEL



TO CONSIDERABLY REDUCE CO₂ EMISSIONS INTO THE ATMOSPHERE.

In July 2023, SIAD signed an agreement with the supplier Autosped G. S.p.A for the refueling of means of transport departing from the SIAD plant in Osio Sopra with HVO, to replace the commonly used diesel for vehicles. The **hydrotreated vegetable oil (HVO)** used by these vehicles is a fuel made from **vegetable or animal fats that are almost exclusively waste or recycled raw materials.**

Some manufacturers (including ENI) estimate that, considering the entire life cycle, compared to diesel, the **use of HVO reduces emissions by between 75 and 95%.**

These values are substantially confirmed by a study by the European Environment Agency (EEA) which, in the ETC CM Report 2022/02, notes an impact reduction of 76.1% for HVO compared to diesel used for road transport.

For the year 2023, the project mainly concerned transport departing from the Osio Sopra plant (Bergamo province): the objective agreed with the supplier is to extend the use of the new fuel over time for all transports carried out on behalf of SIAD S.p.A.

TARGETS ACHIEVED / QUANTITATIVE DATA:



CO₂eq emissions reduced by **1,231.6 t** per year (in accordance with the EEA)*



Use of HVO for SIAD transport of **49%**



Use of HVO for **70%** of transport leaving Osio Sopra plant



1,600,000 km traveled with vehicles powered solely by HVO

*CO₂ savings (in accordance with EEA document)

- Diesel CO₂eq emissions: 95.1 g CO₂eq/MJ
- HVO CO₂eq emissions 23.5 g CO₂eq/MJ
- HVO MJ consumed = 527,726 * 0.78 * 44 = 18,111,556 (where 0.78 is the density of HVO in kg/L and 44 is the calorific value in MJ/kg - conversion factors derived from Biograce)
- Tons of CO₂eq emitted for HVO consumption = (18,111,556 * 23.5)/100,000 = 425.6
- Tons of CO₂eq potentially emitted for equal Diesel consumption = (18,111,556 * 91.5)/100,000 = 1657.2

RELEVANT SDGs



SIAD & A2A: WORKING TOGETHER TOWARDS THE ENERGY TRANSITION

PROJECT SUSTAINABILITY OBJECTIVES



TO GENERATE 15,000 MWH OF GREEN ENERGY PER YEAR



TO AVOID EMISSIONS OF APPROXIMATELY 7,000 TONS OF CO₂ PER YEAR

On December 6, 2023, in the context of goals to support renewables and play an active role in the reduction of environmental impact, the SIAD Group and A2A, through its subsidiary A2A Energia, signed a **Power Purchase Agreement (PPA)**, which provides for our purchase of renewable energy produced by a photovoltaic plant built by A2A.

The new installation will have a generation capacity of 15,000 MWh of green energy per year, equivalent to the consumption of about 5,500 households, and **will avoid the emissions of approximately 7,000 tons of CO₂eq per year.** As such, our production of industrial gases will become even more respectful and environmentally friendly. The initiative forms part of the international chemical group's overall approach to sustainability, conducted through the constant improvement of its production processes and the growing use of renewable energy sources.

Thanks to our highly diversified technological skills, through technologies for the efficient recovery and reuse of CO₂ and the energy transition with innovations and skills in the hydrogen supply chain, **we support the decarbonization process.** By promoting a sustainable business culture and continuing to develop products and services for our customers that can also improve their environmental performance. As a result of producing renewable energy, the new photovoltaic plant will further contribute to the energy transition, one of the pillars of our business plan as a Group, which aims to promote Italy's sustainable development.

TARGETS ACHIEVED / QUANTITATIVE DATA:



Power Purchase Agreement (PPA) signed with effect from the year 2024

RELEVANT SDGs



RECUPERATIVE BURNER: REKO-SIK-NxT SERIES

PROJECT SUSTAINABILITY OBJECTIVES



TO REDUCE CONSUMPTION AND CO₂ AND NO_x EMISSIONS COMPARED TO TRADITIONAL COLD AIR BURNERS AND THE PREVIOUS SERIES



TO REDUCE TRANSPORT-RELATED EMISSIONS



TO INCREASE OVERALL EFFICIENCY BY ABOUT 2 PERCENTAGE POINTS COMPARED TO THE OLD MODEL OF THE SAME POWER

Since the 1970s, ESA, a SIAD Group company, has been a leading supplier of combustion plants for industrial processes. The business has always been attentive to the needs to save energy and reduce pollutant emissions.

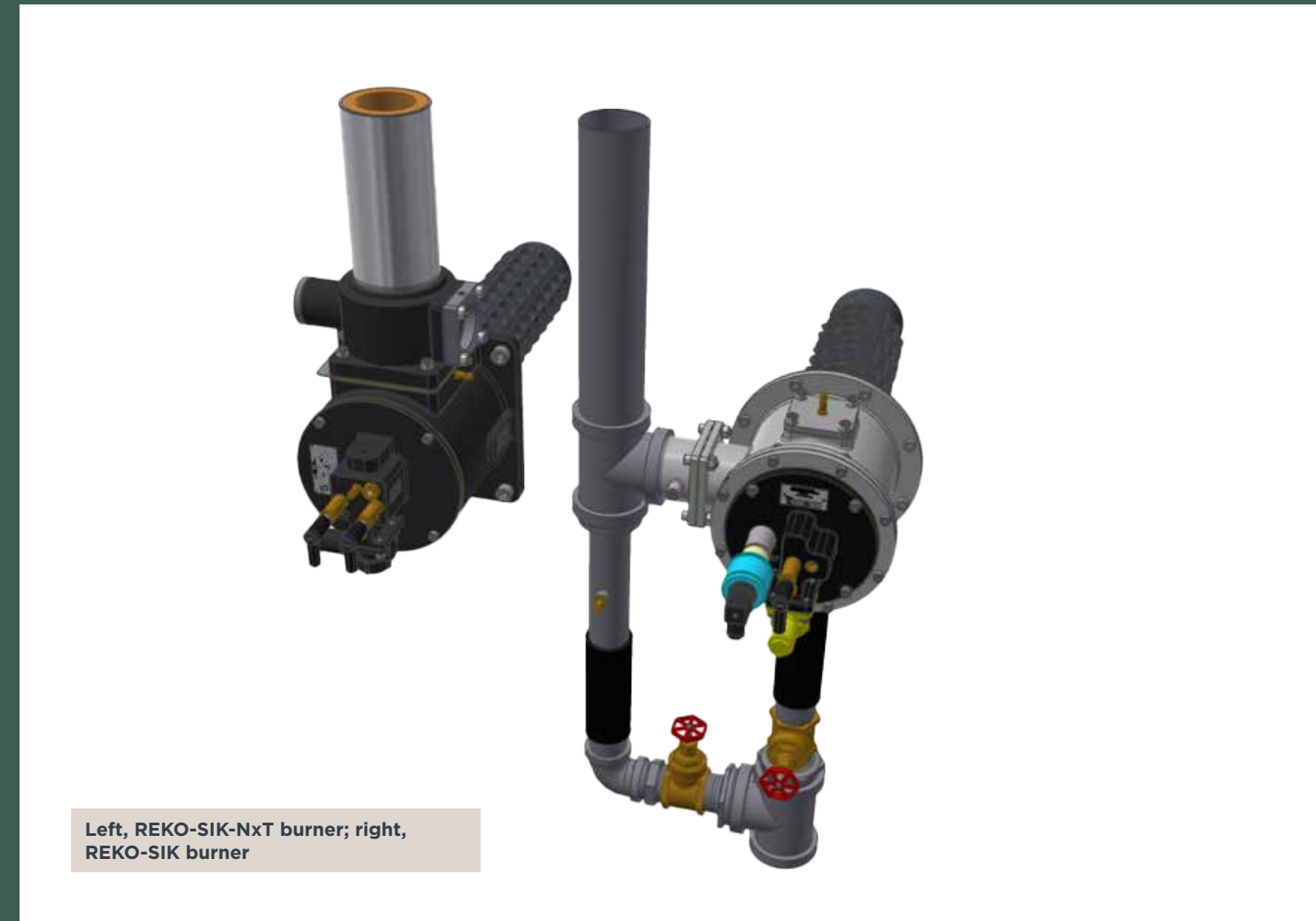
One of the main components of ESA's offer is undoubtedly the self-recuperative burner, the operation of which involves the preheating of combustion air through a counter-current heat exchange with the combustion fumes, reducing consumption and emissions of CO₂ and NO_x through the exploitation of the enthalpy of the air. The REKO-SIK-NxT series offers six burner sizes with outputs ranging from 25 to 400 kW.

The high speed of the combustion products, a feature of this type of burner, guarantees high heat penetration and excellent temperature uniformity in the furnace. The integrated heat exchanger ensures **efficiencies of up to 80% and savings of up to 30%** compared to a traditional burner.

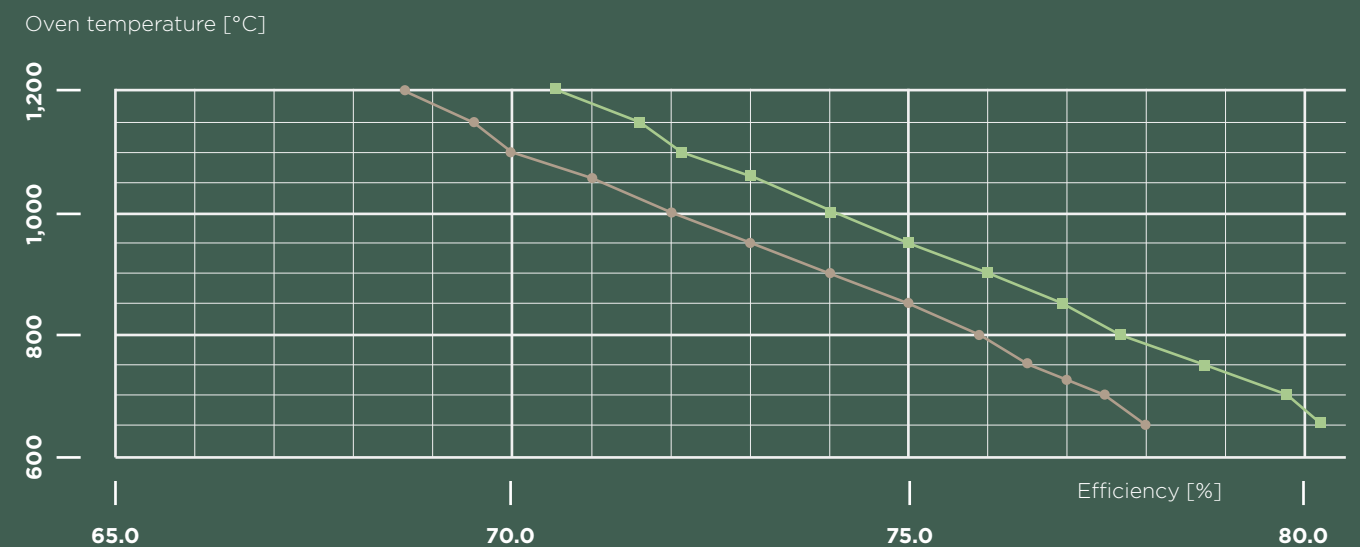
For ESA, the NxT symbol has two strongly related meanings:

- **NEXT GENERATION:** NxT burners represent the natural evolution of ESA standard products, of which they maintain functionality, reliability and performance. The re-engineering is profound, while not changing the basic philosophy of the product.
- **NOx TECHNOLOGY:** NxT burners implement the best technologies for the reduction of the main pollutants (nitrogen oxides NO_x, carbon monoxide CO, CO₂, etc.).

The laboratory tests conducted at our test center, taking the 120-kW median size as a reference, report an increase in general efficiency, over the entire operating range, of about two percentage points compared to the old model of the same power. This increase translates into a corresponding **reduction in fuel used** and, consequently, a reduction in **CO₂ emissions**.



Left, REKO-SIK-NxT burner; right, REKO-SIK burner



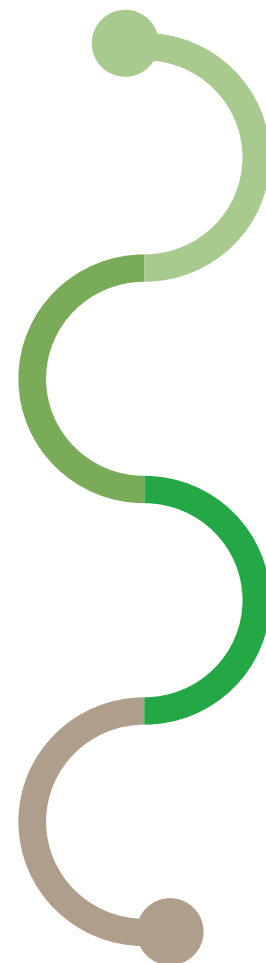
Efficiency characteristic curves, REKO-3-SIK vs. REKO-120-SIK-NxT

- REKO-3-SIK
- REKO-120-SIK-NxT

With the best-selling medium-sized burner (REKO-120-SIK-NxT) as a benchmark, and analyzing the efficiency curve shown in the chart on p. 111, we can say that:

Considering the most widely used fuel for this type of burner, i.e. methane, the CO₂ saving is calculated at approximately 6.4 kg/h** compared to a cold air burner and 0.3 kg/h compared to the old series.

As far as NOx emissions are concerned, the tests show values well below the limit values currently considered in Europe for this type of application (250mg/Nm³).



Referring to a common heat treatment furnace with an average working temperature of 1,000°C, the fuel savings are about 22%* compared to a traditional cold air burner and approximately 2% compared to the old ESA series.

Assuming continuous use of the system (300 days per year), based on two day shifts of 8 hours each, considering a correction factor of 0.5***, we can calculate an annual saving of 15.3 tons of CO₂ per year per burner compared to a cold air burner and 0.7 tons compared to the old series.

In ESA's future plans, in addition to increasingly higher efficiency targets, the **implementation of flameless combustion** is also planned on the burners of the REKO-SIK-NxT series, to comply with the increasingly restrictive regulations in terms of emissions into the environment.

*Considering a flame at approximately 1,900°C, the efficiency of a cold air burner in a furnace at 1,000°C is approximately 52%.

** It is considered that:

- 1.9 kg of CO₂ is saved per Nm³/h of methane not consumed (stoichiometrically, 1 Nm³ of CH₄ combined with O₂ generates 1 Nm³ of CO₂, which has a density of 1.9 kg/Nm³)
- a 120-kW NxT burner would correspond to a standard 154-kW burner (34 kWh of savings, i.e. 22%)
- typical consumption is equal to 0.1 Nm³/h of methane consumed for each kW of burner power.

***The correction factor takes into account the fact that, within a duty cycle, the burner will not always operate at 100% but will modulate the power according to the required loads.

ESA has recently been awarded a contract for a number of REKO-170-SIK-NxT burners for a heat treatment furnace located in a new Swedish factory, the purpose of which will be the **production of tanks for hydrogen storage**. Green burners for green products.

The integration of the ejector into the burner body, as shown in the image on p. 111, has **reduced the weight and size of the product (10-15%)**, also leading to a reduction in transport-related emissions.

Although there are still no systems operating with the following characteristics, REKO-SIK-NxT burners are classified as **"H₂-ready"**. That is, they are already approved to operate with combustible mixtures containing hydrogen. Further tests are being carried out.

TARGETS ACHIEVED / QUANTITATIVE DATA:



Efficiencies of **up to 80%** and savings of **up to 30%** compared to a traditional burner



Total savings of over **15.3 t of CO₂ per burner**



Reduction in product weight **between 10 and 15%**

RELEVANT SDGs



DIFFERENCE





People make the difference and the wealth of the SIAD Group is represented by the differences between its people. The Group, operating in various international contexts, pays particular attention to the value of human capital, considering people as the heart of the company. SIAD is committed to creating and maintaining a healthy, safe, meritocratic, stimulating work environment focused on the development of professional skills. The enhancement of diversity is a priority, and ensures that each individual has the opportunity to fully express their abilities and potential.

“Dearest Chairman,
Dr. Roberto Sestini,
Today, we all want to bid you an affectionate farewell and thank you. It would take a long time to list the many valuable lessons you taught us, so we would like to touch on some of the most important ones. You taught us to work in a way that is respectful of people, their skills and their professionalism. You showed us that it is essential to listen carefully: we will never forget your yellow notepad and how you used to concentrate hard, taking note of the key points made by the person you were speaking with. You inspired us to continuously improve, and we all remember how you used to pay attention to every single aspect, even everyday aspects, of our constantly evolving group: you would always ask “What’s new? Come sit down and tell me all about it, let me buy you a coffee.” You made us feel at ease on every occasion and knew how to simplify even the most complex issues, without making them seem trivial, by boiling them down to the essence. You also gave us a sense of calm, safety and strength. You were not only charismatic and authoritative, but you also saw the irony in any situation and had an infectious smile; you could not hide your emotion and your feelings would shine through whenever you were told about how committed, passionate and dedicated all your employees are to the company. Besides teaching us so much, you also imparted values that we have made our own by following your example and which have instilled in all of us a sense of belonging that is intrinsic to a family as big as ours. It was important to you to value all your employees first and foremost as people: you were always happy to take time out of your busy schedule for young people and those retiring from the company after many years of service. Your strong focus on people and on the company’s values, which you passed on to us, are also ingrained in your son, Dr. Bernardo Sestini, whom we have been working with for several years. It is together with Dr. Bernardo, and thanks to his team-building skills, that we will continue to grow as a group.

Dearest Chairman,
thank you.”

Message on behalf of all those who work for the SIAD Group

REFERENCE VALUES

LOYALTY

All our activities, in-house and external, are always guided by complete loyalty and **integrity of the Group’s values**. Each of our employees undertakes to work according to a **sense of responsibility**, in good faith and basing their work on professional and commercial relations based on **fairness**, aiming at leveraging and protecting company assets.

RESPECT FOR PEOPLE

People are the **key to success**. At SIAD, our collaborators find an environment in which they can fully and best express their skills and abilities, which over the years we are committed to enhancing and rewarding, with a view to constant professional growth.

The HR departments play the fundamental role of managing the Group’s human resources: they mainly carry out the search, selection and onboarding of new talents, as well as the management and development of personnel. In addition to all this, there are the activities of administrative management of labor relations and dialog with trade union representatives. Confirming our commitment to ensuring the full fulfillment of our employees, in 2020 we launched a project that we consider crucial and saw us significantly integrate the Human Resources Functions of the Group Companies to guarantee a common and shared management approach. A fundamental factor in the success of the project was the **job rotation** program, making it possible for us to provide the Group’s companies with each person’s specific skills and shifting them from one sector to another. This has had a major positive impact on overall HR and workplace management.

In terms of integration, one of the crucial points is to share **uniform approaches in selection, integration and training policies**, with special attention paid to **growth in organizational skills**.

As mentioned above, people are key to our success; **this is why yearly we reward long terms employees**. This serves as an opportunity for all the Group’s companies and as a further consolidation of the corporate values.

SIAD WELCOME

Another project we consider very important and which we have consolidated and expanded over time is our **Welcome pathway for new recruits** joining the Group.

In the two-year period from 2021 to 2022, the training project was carried out remotely due to the COVID-19 public health emergency. In 2023, we finally resumed the training in person as usual.

It was a challenging yet exciting course, on which new recruits are given the opportunity to find out more about all the Group’s activities, to share colleagues’ experiences, to **feel part of a big team**, and most of all to explore in depth the principles and values that guide all our activities. Two days in the classroom and in the field during which all newcomers are provided with an overview of the company’s history and all areas of its business, fostering knowledge between the various Group companies. For technical interventions, specific to each business branch, we have chosen to rely on internal managers who, thanks to their operational experience, can best convey the complexity and difference of SIAD.

The participants in SIAD Welcome drew a wide range of benefits from this experience. At the end of the program conducted in 2023, they highlighted the following advantages:

- Getting to know the Group businesses**
 During the event, participants had the opportunity to learn about the various business sectors of the SIAD Group. They were therefore given a broader overview of our activities and opportunities within the company.
- Getting to know newly recruited colleagues and their duties**
 The meeting offered participants the chance to meet their new colleagues and better understand their responsibilities and skills. This has fostered greater collaboration and synergy.
- Understanding and perceiving the SIAD Group's values**
 The stories told by the speakers gave participants the opportunity to appreciate the fundamental values of our Group. This helped to strengthen the company's identity and create a sense of belonging.
- Raising awareness of the Group's global presence**
 During the event, the SIAD Group's global presence was highlighted. This awareness provided participants with a greater understanding of the opportunities for international growth and development.
- Acknowledging the professionalism of senior colleague**
 The meeting offered participants the opportunity to acknowledge and appreciate the professionalism of senior colleagues/speakers. This fostered greater trust and mutual respect.
- Knowing there are points of reference**
 Participants were able to appreciate the importance of being able to turn to someone when they have specific needs.
- Increasing the sense of belonging**
 "I felt welcomed like family": this means there was a welcoming and inclusive environment for all participants.

TRAINING COURSES

In the way we think about work, specific technical expertise must be supported by more interdisciplinary competencies, such as communication skills, time management, and language and computing abilities. A potential that we work together to develop through a specific **internal training course**, which begins with the SIAD Welcome and continues with **on-the-job** training sessions, in a dynamic environment oriented towards the sharing of know-how, discussion and interaction.

We also provide language courses on a yearly basis, as part of differentiated pathways with native-speaker teachers.

In addition to individual coaching courses, since 2022 we have launched **team coaching** activities at the Group, aimed at improving relationships between colleagues, to further shape a work environment where processes are fluid and communication effective.

Supported by the various training courses, we consider everyone's talent and knowledge a precious asset to be shared with all colleagues. New recruits can be either junior - recent graduates, or more senior figures, with experience gained in other contexts. In both cases, academic knowledge and professional expertise are assets that are combined, in continuous mutual exchange, with the long-standing experience of senior profiles.

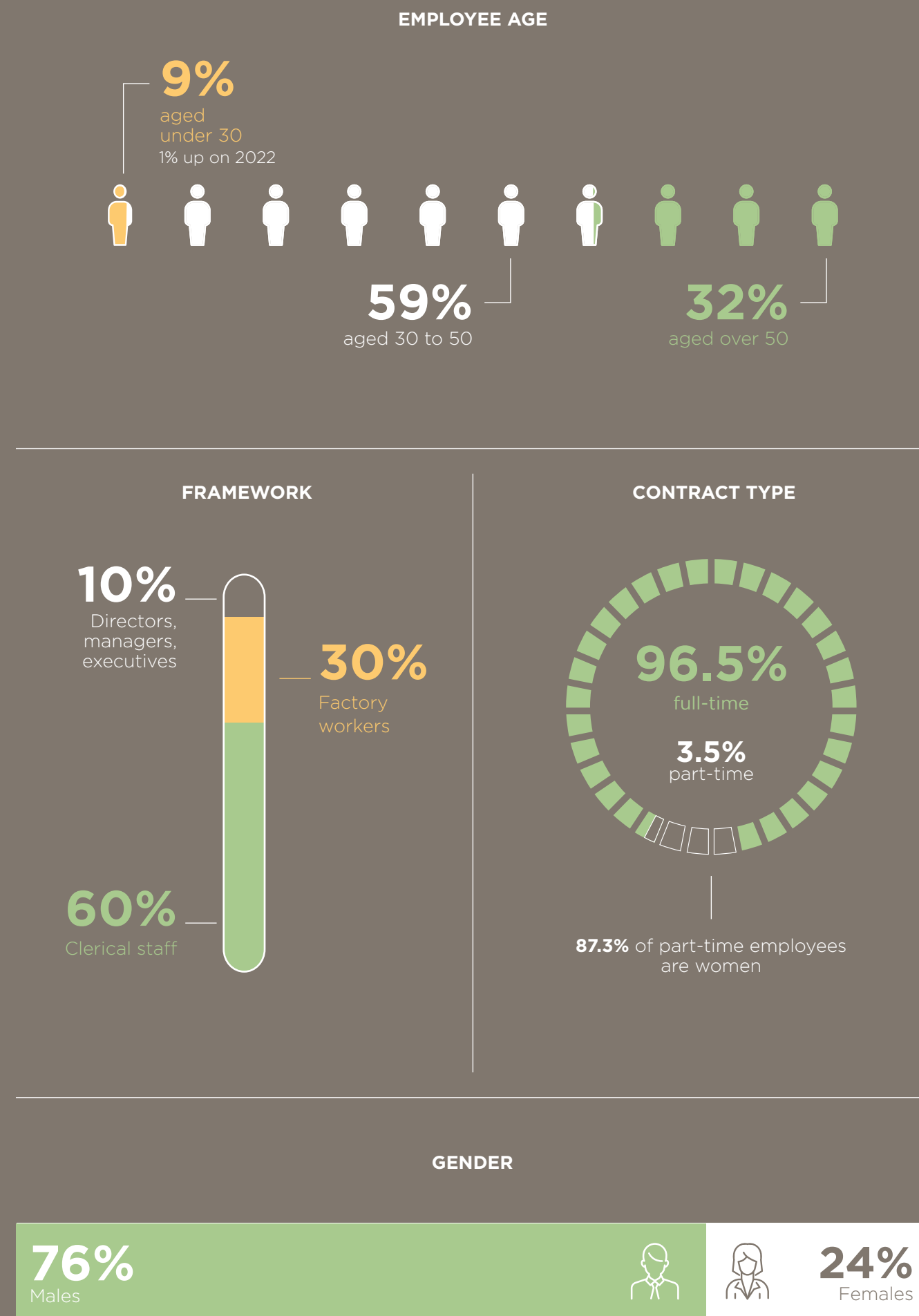
We are convinced that the SIAD Group's prosperity is **based on our staff's growth**.

SIAD has always protected and fostered the value of our people, investing in them with conviction and perseverance, in order to create a **motivated team and a peaceful working climate**.

This continuous investment translates into a periodic commitment to the development of professional skills and, at the same time, **specific attention to everyone's well-being and personal dimension**.

For us, human capital is fundamental to the pursuit of the corporate objectives and we are committed to **avoiding discrimination of any kind**, as well as to **guaranteeing equal opportunities for professional growth and job security**; in 2023, only 2.2% of the Group's 2,278 employees were on fixed-term contracts.

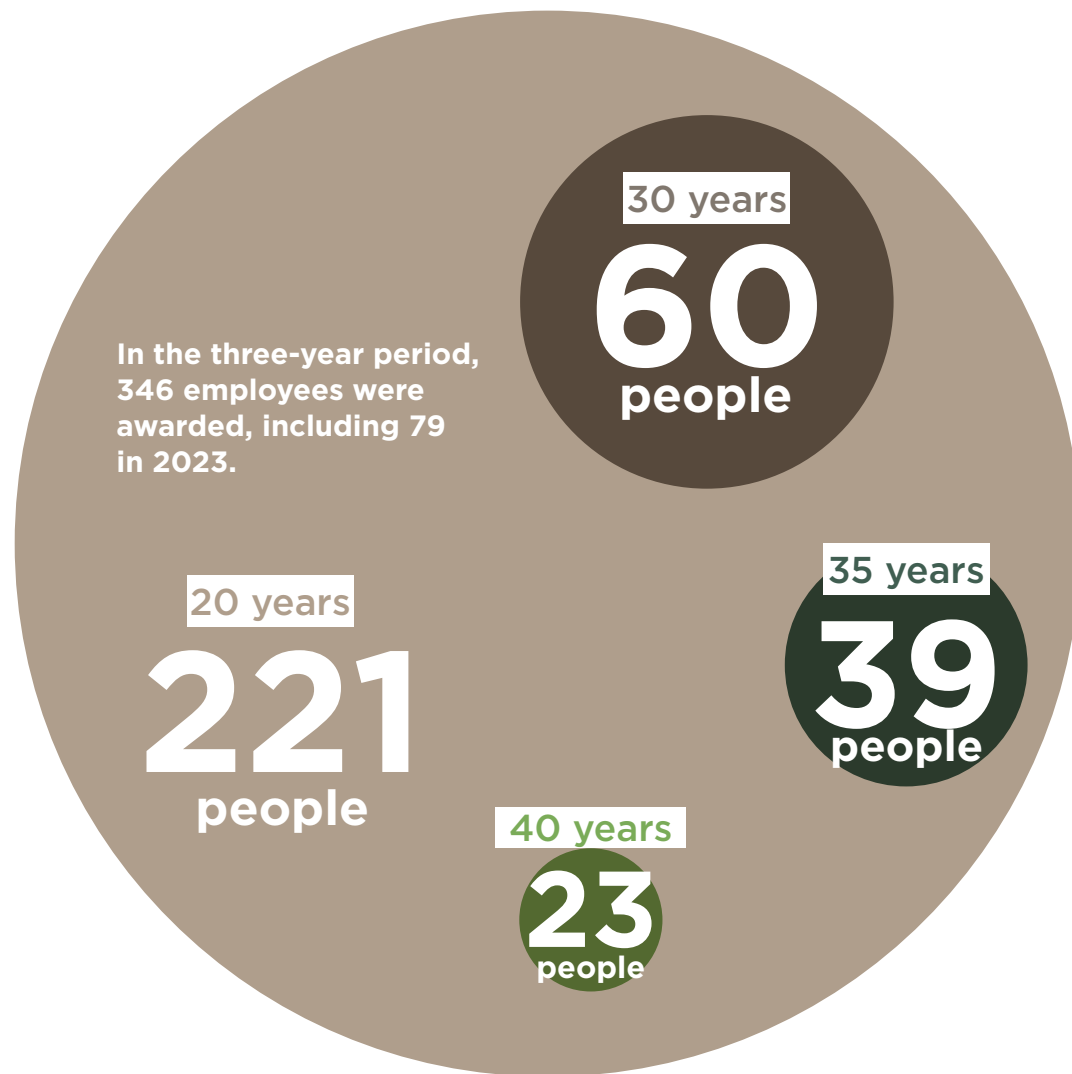
Temporary workers represent only 3.3% of the Group's total workforce.



Since 2020, we have been holding the **ceremony to award corporate loyalty prizes** to employees working remotely. This thoughtful decision enabled us to engage employees who work far away from the Bergamo site, but are nevertheless important members of the SIAD Group.

All employees thus have the opportunity to attend in real time the **Chairman and CEO's** speech on future **results and objectives** in terms of investments and the Group's growth capacity.

In addition to the awards for corporate loyalty, the prize for the winner of our photo contest is also awarded during the event.



PROTECTION OF HUMAN RIGHTS & NON-DISCRIMINATION

As a Group, we foster integration between the various members of the workforce and the **professional development** of each person. As such, we protect and promote the dissemination of values such as **meritocracy, loyalty, conscientiousness, dedication, and team spirit.**

By continuously improving our professionalism and the engagement of staff at all levels, we aim to achieve excellence in our industry.

The people and employees involved in the Group's activities are a fundamental and valuable strategic resource.

To foster the growth of employees' professional skills, and therefore to increase the competitiveness and impact of the Group itself, we promote **respect and protection of the person and their moral, cultural, physical and professional integrity** in-house.

To add further value to our work in that sense, **no incidents of discrimination within the organization were reported in the three-year period from 2021 to 2023** (GRI 406-1).

MERIT & EQUAL OPPORTUNITY

We apply the relevant National Collective Bargaining Agreements in the various countries in question to staff, in relation to the relevant sector of their specific company.

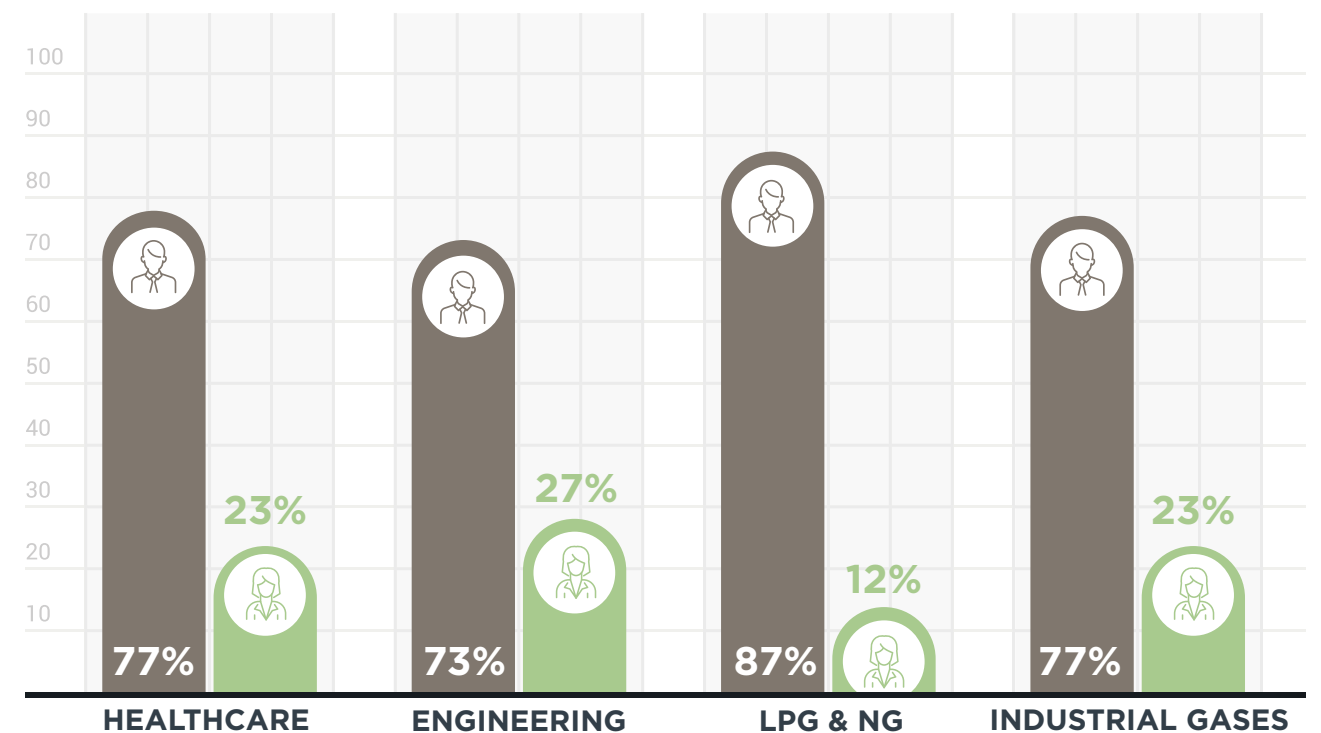
We are also committed to promoting the involvement of the local community in which we operate, so much so that 99% of senior management at the various sites are citizens of the countries where they are located.

In addition, we encourage a **corporate culture of continuous improvement**, passion for work, acknowledgment of everyone's contribution, and the pursuit of excellence.

To pursue the objectives set in the best way possible, in 2023 we hired **330 new people**, a year-on-year increase of 75. Of the new hires, 23% are female staff.



New hires by Group company



We adopt staff management procedures and tools to ensure that everyone is treated with respect and protected from any risk of unlawful treatment, unease or prejudice.

As part of managing employment relationships, we recognize **equal opportunities** for everyone and at all times: both **in selection and recruitment, and in career development phases**, where evaluations are conducted on the basis of defined and transparent protocols, focusing solely on the search for matches between expected and required profiles, based on considerations of merit.

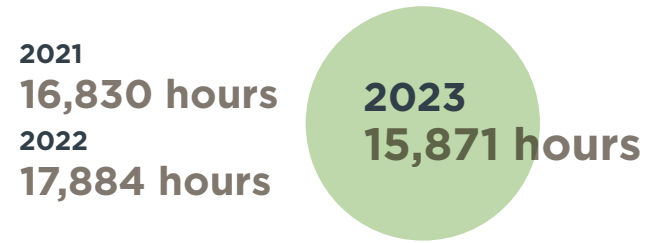
KNOWLEDGE SHARING

We constantly aspire to **enhance and grow the skills, abilities and knowledge** of each employee, to ensure the effective achievement of corporate objectives, including by means of the organization of training and professional updating activities. Our Human Resources Department, in conjunction with function managers, assesses on an annual basis people's training needs, to **ensure technical, specialist and safety skills for all** company staff. To enhance the human capital of each employee, we have adopted a strategy where **training is constant and specific** for each category of employee, starting with the Welcome project for new hires.

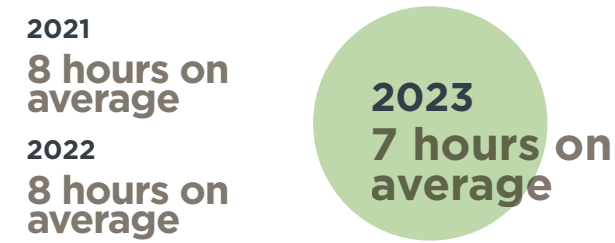
Another hugely important aspect is **safety training at all levels**: general and specific, first aid, emergency and firefighting, use of defibrillators, basic course for supervisors and correct use of PPE. Our staff are also informed, trained and their awareness is raised of issues related to both real-world and potential environmental aspects resulting from their work.

In 2023 an **average of 7 hours of HSE training** were delivered per employee, plus an average of another **15 hours of skills development training**. With regard to the Group's training hours, we recorded an increase in managerial and transversal hours justified, among other activities, by the launch of the project to implement the ERP in use at the Parent Company in some European companies. We have also improved training of new hires: for example, SIAD Welcome has involved more people than in previous years and the program has been extended in terms of duration. From this year, training has also been promoted for certain work teams.

HSE TRAINING



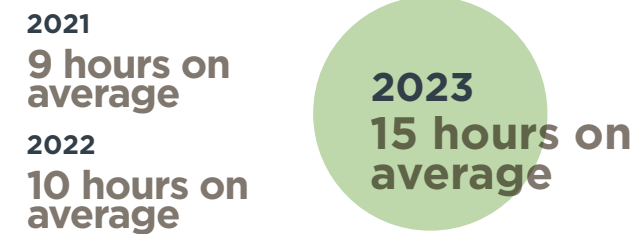
HSE TRAINING PER EMPLOYEE



SKILLS DEVELOPMENT TRAINING



SKILLS DEVELOPMENT TRAINING PER EMPLOYEE



FLEXIBILITY

For the SIAD Group, flexibility is the key factor in describing the ability to react and adapt quickly to market dynamics and to any emergencies or unforeseen circumstances.

In January 2023, SIAD S.p.A. brought into force **an experimental agreement on smart working lasting one year**, which provided for trials of a maximum of one day of smart working per week for compatible tasks. This initiative was launched during the post-COVID-19 pandemic phase, with the aim of assessing its extension in 2024.

The initiative, which started at the Parent Company, was then extended to several other companies in the Group that joined according to the same criteria. In Italy, the companies involved were SIAD S.p.A., SIAD Macchine Impianti, Tecno Project Industriale, Tecnoservizi Ambientali and IGAT, with SIAD Romania, SIAD Czech Republic and SIAD Slovakia taking part abroad.

A significant number of employees signed up for smart working in 2023 at Group level, a sign of clear appreciation. **The foundations have therefore been laid to consolidate this working tool in 2024**, and to extend it further to the entire Group.

A CANTEEN WITH ZERO WASTE

PROJECT SUSTAINABILITY OBJECTIVES



TO SUPPORT LOCAL ORGANIZATIONS THAT DEAL WITH SOCIAL SUPPORT



TO REDUCE EXCESS FOOD WASTE AT THE END OF THE DAY

For a small monthly fee, the **canteen service** is available to all employees, offering a wide selection of seasonal dishes every day. Unconsumed meals from the canteens at the Bergamo headquarters of SIAD S.p.A. and SIAD Macchine Impianti are donated to **a local non-profit organization, Esodo, which distributes them to vulnerable**

people in the areas surrounding the city. To do so, collaboration with the companies that provide a collective catering service is essential and, given the good results obtained, evaluations are underway to **extend the project to other Group canteens.**

TARGETS ACHIEVED / QUANTITATIVE DATA:



10 to 20 free meals provided per day since July 2023

RELEVANT SDGs



REUSABLE WATER BOTTLES FOR A GREENER FUTURE

PROJECT SUSTAINABILITY OBJECTIVES



TO DECREASE THE USE OF PLASTIC BOTTLES BY DISTRIBUTING A WATER BOTTLE TO EACH EMPLOYEE AS A SYMBOL OF SUSTAINABILITY

Dear Employees,
 If a color can represent the SIAD Group and the attention it pays to sustainability, it must be GREEN. As a Group, we have always been attentive to environmental issues and have embarked on a path that places sustainability at the heart of our future. Everyone at the SIAD Group is asked to commit to finding innovative ideas to improve their everyday work and reduce waste. With this green water bottle, in addition to reducing the use of plastics, I would like to encourage everyone to promote projects that improve sustainability and attention to the environment.
 Kind regards,

Bernardo Sestini
 Chairman and Chief Executive Officer

In 2023, we decided to distribute to all Group employees **thermal bottles made of dual-layer stainless steel**, aiming both to reduce the number of single-use plastic bottles we use, to reduce waste and the impact on the environment, and to increase all employees' awareness of sustainability, encouraging them to adopt responsible behavior in their everyday lives. According to a study conducted by an Italian consumers' association (Altroconsumo), if used for an entire year,

the dual-layer stainless steel water bottle is considered **much less polluting and impactful than disposable containers made of other materials**. While approximately 48.75 kg of CO₂ are emitted for a year of using disposable PET bottles (usually containing mineral water), a dual-layer steel bottle reduces that figure to only 2.81 kg. This comparison clarifies how our behavior is almost always worth more than purchasing choices.

TARGETS ACHIEVED / QUANTITATIVE DATA:



To distribute water bottles to **100% of employees**

RELEVANT SDGs



DIFFERENCE SDGs



REDUCED INEQUALITIES
 Reduce inequality within and among countries.

DECENT WORK AND ECONOMIC GROWTH
 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



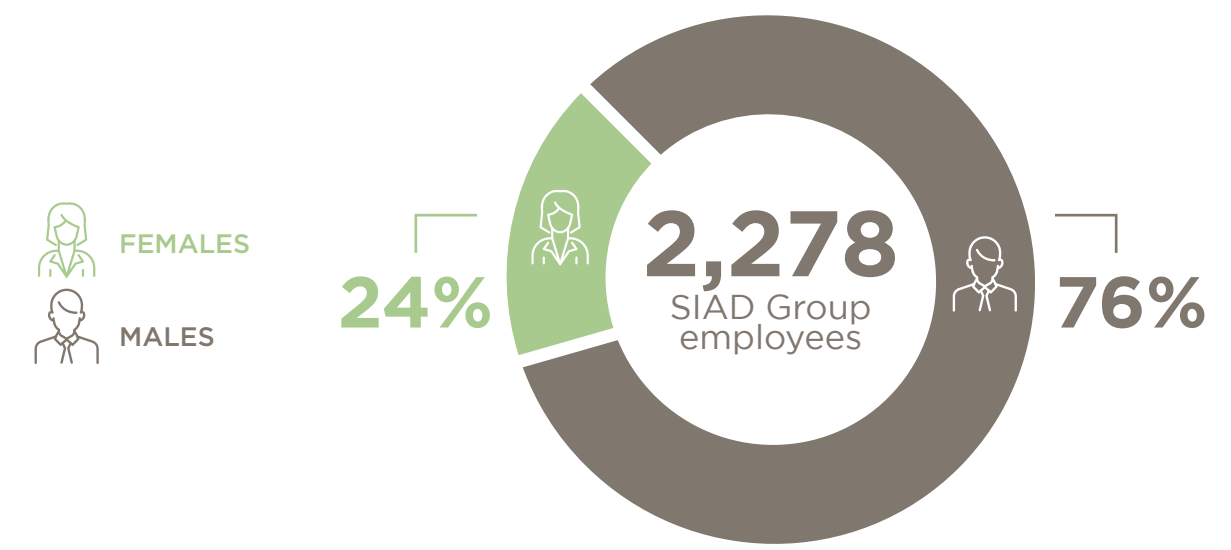
MAJOR THEMES & 2023 RESULTS

DIVERSITY & INCLUSION

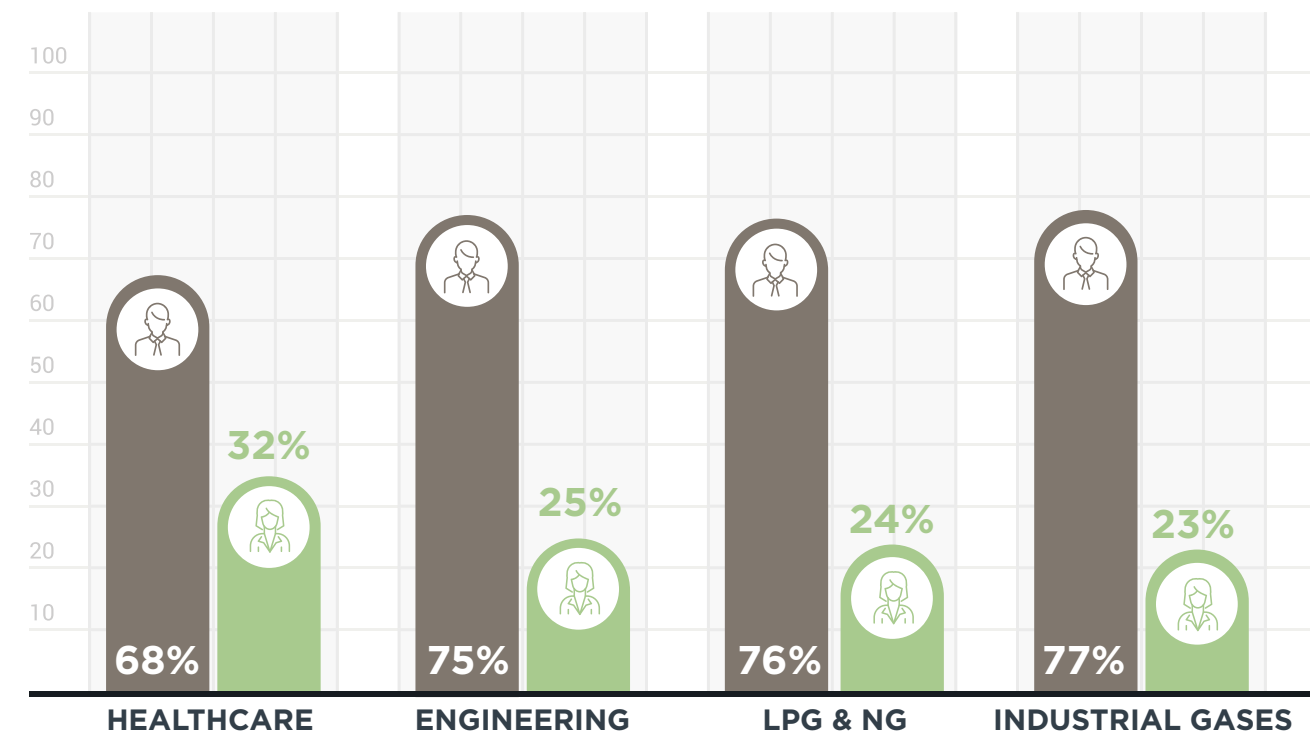
The Group fosters **integration among the staff**. As such, it protects and promotes the dissemination of values such as **meritocracy, loyalty, conscientiousness, dedication, and team spirit**.

To foster growth in the professional skills of all our employees, and therefore to increase the competitiveness and impact of the Group itself, we promote in-house **respect and protection of the person** and their moral, cultural, physical and professional integrity, and integration. An approach that we adopt right from the selection of personnel, always aimed at people of any gender, ethnicity, religious orientation, political orientation, and people living with disabilities.

This strategy on policies and rules for managing **diversity, inclusion and equal opportunities** for the various categories of employees is also publicly communicated externally to all key stakeholders, in our Code of Ethics.



Employees by Group company



FEEDBACK CULTURE

We are committed to implementing ethical principles, considering **personnel management a strategic prerequisite to achieve the corporate objectives.**

In this sense, we place **great value on feedback** and devote significant efforts to promoting this culture in all our companies. We will continue to pursue this direction in the future, further consolidating the importance of feedback as a fundamental tool for improvement and growth.

At the same time, we acknowledge the **importance of proper and transparent staff selection management, the remuneration system and the professional development policies for our employees.**

We focus the evaluation of candidates on verifying the satisfaction of the professional, behavioral and aptitude requirements of the profile needed, always **with respect for the dignity, personality, privacy and opinions of the candidate.**

As such, it is strictly prohibited to accept or solicit payments in cash, goods or benefits, pressure or services of any kind that could be aimed at encouraging the recruitment of a candidate or the transfer or promotion of an employee.

We provide technical, professional and people development training and **constant updating of our employees;** as a Group, we also encourage the expression of creativity and offer everyone the **same career opportunities** by assigning higher positions and/or profiles on the basis of meritocratic criteria and professional skills acquired.

Each manager must periodically make time for an open, two-way discussion with their collaborators, to assess jointly the positive aspects and those that can be improved of the work experience, the needs and requirements, the effectiveness of the training pathway followed, and the level of achievement of the assigned objectives. The meeting is also an opportunity to define further training needs, evaluate growth, and assign new objectives. These meetings must take place at the end of any probationary period and at least once a year.

In 2023, 1,770 SIAD Group employees out of 2,200 involved* were subject to **periodic performance evaluations**, 18% more than the previous year.

*Senior Managers (78 people) are excluded from the calculation, having been invited to watch training videos on the annual interview.

REGULAR PERFORMANCE APPRAISAL

YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
2022	92%	19%	15%	75%	62%
2023	88%	95%	59%	61%	80%



The remuneration system of all SIAD Group companies, at any level, in terms of both money and benefits, is inspired by the single principle of assessments relating to specific professionalism, experience acquired, merit demonstrated, pursuit of the objectives assigned, and the level of training achieved.







In terms of human rights management policies and rules, we have **a clear commitment and strategy**, which is also communicated externally to all key stakeholders. Guiding us in this decision is the awareness that a mechanism to identify and report human rights violations is essential to monitor and possibly prevent the emergence of such issues.



SIGNIFICANT PROJECTS & EXPERIENCES

TEAM COACHING

PROJECT SUSTAINABILITY OBJECTIVES

-  TO FORM WORKING GROUPS THAT COLLABORATE, INTERACT AND SHARE THEIR SKILLS
-  TO BRING CONCRETE IMPROVEMENT PROPOSALS TO THE COMPANY THAT CAN BE IMPLEMENTED BY THE TEAM ITSELF
-  TO CREATE A WORK ENVIRONMENT WHERE PROCESSES ARE FLUID AND COMMUNICATION IS EFFECTIVE
-  TO MAKE TIME FOR CONSTRUCTIVE DISCUSSIONS
-  TO GUARANTEE FREEDOM OF THOUGHT
-  TO IMPROVE THE AWARENESS OF ROLES WITHIN THE WORKING GROUP AND KNOWLEDGE OF THE COMPANY ORGANIZATION

Starting from 2022 and in addition to the individual coaching courses, we have launched **team coaching** courses at Group level, aimed at groups of around 6 to 18 people, who meet and share their skills, information and personal qualities, to achieve a common goal by working both independently and together. Team coaching can be used in various aspects of corporate life, with the **aim of improving interfunctional relationships or within an existing working group to make it a team, by acting on internal dynamics and team psychology to create a work environment where processes are fluid and communication is effective.** We define the objective of each team coaching course in collaboration with a professional coach (Team Coach) and a trainer, to make it as specific as possible for each working group to which it relates.

Leaders will implement the following strategies:

-  Involvement of all group members to generate a sense of belonging that encourages them to do their best and work well together.
-  Making time for constructive discussion with full respect of the ideas of others and with the freedom for everyone to express their own thoughts.
-  Improvement of awareness of roles within the working group and knowledge of the company organization.

The trainer and **Team Coach** organize a series of periodic meetings, during normal working hours, over a period of time ranging from 4 to 6 months, in order to:

- **support the team** in the analysis of work processes, and methods of communication and sharing;
- **supervise and observe the Group's dynamics** and, on that basis, guide it towards achieving the predefined objective;
- **propose experiences** that aim to create and improve members' participation.

The final expectation of each Team Coaching course is to form a group of people who can collaborate, interact and share their skills, bringing concrete improvement proposals to the company that can be implemented by the team itself.

TARGETS ACHIEVED / QUANTITATIVE DATA:

-  **2 team coaching courses** launched in 2023
-  **30 team coaching attendees** in 2023

RELEVANT SDGs



TEAM BUILDING AT SIAD ROMANIA & SIAD BULGARIA

At SIAD, we attach great importance to the ability to collaborate as a group, to work in a team and to communicate effectively. We value the qualities of each team member, even when it comes to more playful activities. For example, in 2023 SIAD Romania and SIAD Bulgaria carried out initiatives to promote the sense of being part of a Group and teamwork.



FUTURE PROSPECTS





Our commitment to sustainability does not end with the content of this Sustainability Report. Indeed, the Group is already working to look ahead to an even greener and more sustainable future, to be developed, implemented and supported by the launch of major projects aimed at further **reducing** the environmental footprint and at **increasing safety within society**.

The Group is currently working on the stakeholder engagement project to identify material topics and formulate a **double materiality matrix** to trace with even greater concreteness and precision the pathway towards the shared achievement of sustainability objectives. In addition, the SIAD Group aims to **optimize** every aspect of the **supply chain** and to strengthen its **cyber security system**, not to mention the increasingly fervent desire to **communicate and improve the Group's sustainability performance**, using specialist portals (including EcoVadis). The Group also intends to **certify** and **leverage the biogenesis of CO₂**.

In its vision towards an even greener future, the Group has decided to face further major challenges and complete them to move forward on its journey of **development and responsible growth**:

ENVIRONMENTAL

- In the medium term, to continue the policy of defining new Power Purchase Agreements (PPAs) for the purchase of renewable energy and consequent reduction of Scope 2 emissions.
- Within 3 years, to reach **40% of electricity consumption from renewable sources** or covered by guarantees of origin.
- Within 3 years, to **reduce Scope 2 emissions by 25%**.
- **Commitment to the Group's synergistic and unique hydrogen supply chain**, extending from compressors to distribution, with the aim of becoming central to the energy transition.

SOCIAL

- In the short term, to launch a **project to raise awareness, train and engage all Group workers** on ESG issues.
- **Enhancement of the work-life balance** in the short term through the improvement and dissemination of smart working agreements within the Group.
- In the short term, it is expected that **a Group policy on the management of human rights will be formalized**, policies will be disseminated within the Group and, in the medium term, an internal auditing system will be launched on this issue.
- In the short term, to **start the gender equality certification process** for one or more Group companies.

GOVERNANCE

- Involvement of the supply chain and specifically, within 2 years:
 - **50%** of the Parent Company's critical suppliers to share sustainability performance;
 - **25%** of these suppliers from the Group's Italian companies to share sustainability performance;
 - start onboarding on the ESG rating platform all the Group's critical suppliers.
- Transition to reporting according to the new European Sustainability Reporting Standards (**ESRS**) adopted by the European Commission with the Corporate Sustainability Reporting Directive (**CSRD**).
- For the coming years of reporting, the Group is committed to expanding its analyses of its activities, further **defining medium- and long-term objectives consistent with the sustainability strategy**. The double materiality analysis will be assessed in detail, in terms of which activities will need to be taken into account to mitigate negative impacts and prevent financial risks, with the aim of contributing to the responsible growth of the Group and making a contribution to sustainable development.

ANNEX

ATMOSPHERIC EMISSIONS (GRI 305-1, 305-2, 305-3) Tons of CO ₂	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Scope 1	2021	6,162	838	490	506	7,996
	2022	6,911	941	844	629	9,325
	2023	7,882	1,676	965	559	11,082
Scope 2	2021	203,748	244	302	132	204,425
	2022	201,514	231	235	113	202,093
	2023	200,890	334	456	129	201,808
Scope 3	2021	17,889	931	0	2,563	21,382
	2022	19,299	1,309	0	1,891	22,499
	2023	18,399	1,743	0	1,546	21,688

* process of distribution of the product on rubber only.
For emission calculation methods, see the note on methodology on page 159.

SIAD S.p.A.				
GHG EMISSIONS (GRI 305-1, 305-2, 305-3) Tons of CO ₂	SCOPE 1	SCOPE 2	SCOPE 3	GRAND TOTAL
2021	4,694.9	129,716.4	12,615.7	147,027
2022	3,509.3	124,076.4	12,788.8	140,374.5
2023	5,109.4	127,842.6	11,108.4	144,060.4

CARBON CAPTURE PLANTS	2023	2022	2021
Tons of CO ₂ captured	26046**	37,462	42,143
Tons of "circular" CO ₂ *	20,246	21,551	23,297
% "circular" CO ₂	77.7%	60.0%	55.2%
% captured compared to emissions (Group)	11.1%	16.0%	18.0%
% captured compared to emissions (SIAD S.p.A.)	18.1%	26.6%	28.7%

* The Rosignano plant returns 100% of the CO₂ it produces to the company from which the emissions were captured, which reintroduces it into the production cycle.

*In 2023, tons of CO₂ captured decreased as the Scarlino plant had been at a standstill since early 2023 when it was already operating very intermittently. However, the supply was managed with a greater purchase of biogenic CO₂ from an Italian partner.

ENERGY CONSUMPTION (GRI 302-1) Gigajoules	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Diesel	2021	24,564	12,260	3,909	6,678	47,411
	2022	19,179	10,111	3,493	3,003	35,786
	2023	22,273	15,642	3,377	2,692	43,984
Petrol	2021	2,191	0	233	0	2,424
	2022	5,009	722	456	4,792	10,979
	2023	6,995	1,385	863	4,115	13,358
LPG	2021	2,414	4,422	0	0	6,836
	2022	3,050	3,170	132	0	6,352
	2023	3,281	2,945	461	0	6,688
Carbon	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Fuel oil	2021	0	192	0	0	192
	2022	0	71	0	0	71
	2023	0	14,372	0	0	14,372
LNG	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Methane	2021	71,217	2,327	9,202	1,073	83,819
	2022	60,823	2,490	10,364	902	74,579
	2023	66,870	1,184	11,667	939	80,661
Steam	2021	0	0	0	0	0
	2022	183,929	0	0	0	183,929
	2023	174,999	0	0	0	174,999
Electricity	2021	2,702,400	4,091	4,276	1,838	2,712,605
	2022	2,770,373	3,856	3,437	1,650	2,779,315
	2023	2,662,081	5,889	5,601	1,585	2,675,176
Total	2021	2,802,786	23,292	17,620	9,589	2,853,287
	2022	3,042,363	20,419	17,883	10,345	3,091,010
	2023	2,936,498	41,418	21,969	9,331	3,009,217

* 'Rate' refers to the number of events per million hours worked.

ENERGY INTENSITY	2023	2022	2021
Total GJ consumed*	2,409,100	2,493,581	2,500,442
Total SIAD GAS primary production**	1,081,294.5	1,151,833.7	1,156,696.6
Energy intensity	2.23	2.16	2.16

* Consumption of: Fuel oil, gasoline, methane, electricity.

**Primary production plants (air gas, hydrogen, CO₂), SIAD S.p.A., SIAD RO, SIAD CZ, SIAD HU.

RENEWABLE ENERGY Gigajoules	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Bioliquids and biofuels	2022	0	0	0	0	0
	2023	0	0	0	0	0
Biomethane	2022	0	0	0	0	0
	2023	0	0	0	0	0
Green electricity purchased	2022	0	0	0	0	0
	2023	187,352	0	485	1,585	189,422
Electricity generated	2022	502	0	1,305	105	1,912
	2023	641	0	1,321	554	2,516
Total renewable energy	2022	502	0	1,305	105	1,912
	2023	187,994	0	1,805	2,139	191,938
% renewable energy	2022	0.016%	0%	7%	1%	0.1%
	2023	6.4%	0%	8%	22%	6.4%

WATER WITHDRAWAL (GRI 303-3) Millions of liters	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Water withdrawal from surface water bodies	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water withdrawal from wells	2021	11,201	0	0.6	0	11,201.6
	2022	11,530.4	0	0.3	0	11,530.7
	2023	11,503.6	0	0.3	0	11,503.9
Water withdrawal from the sea	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water withdrawal by third-party processes	2021	4,361.2	0	0	0	4,361.2
	2022	4,477.4	0	0	0	4,477.4
	2023	4,720.3	0	0	0	4,720.3
Water withdrawal from public water mains	2021	106.6	24.7	14.7	4.1	150.1
	2022	241.8	20.4	11.6	1.4	275.2
	2023	240.1	21.4	12.9	5.7	280.1
Total	2021	15,668.8	24.7	15.3	4.1	15,712.9
	2022	16,249.6	20.4	11.9	1.4	16,283.3
	2023	16,464	21.4	13.2	5.7	16,504.3

WATER DISCHARGE (GRI 303-4) Millions of liters	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Water discharge to surface water (freshwater)	2021	11,177	0	0	0	11,177
	2022	11,390.6	0.1	0	0	11,390.7
	2023	11,395.2	0	0	0	11,395.2
Water discharge to water table	2021	0.3	0	0	0	0.3
	2022	3.2	0	0	0	3.2
	2023	7.2	2.2	0	0	9.3
Water discharge into the sea	2021	0	0	0	0	0
	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water discharge into sewers	2021	53.4	22	14.7	4.1	94.2
	2022	51.5	18.9	11.6	1.4	83.4
	2023	32.1	19.2	12.8	5.7	69.8
Water discharge to third-party resources	2021	4,271	0	0	0	4,271
	2022	4,390.3	0	0	0	4,390.3
	2023	4,703.5	0	0	0	4,703.5
Water discharge treated as waste	2021	0	2.7	0.05	0	2.8
	2022	0	1.4	0.04	0	1.5
	2023	0	0.02	0.05	0	0.07
Total water discharge	2021	15,501.7	24.7	14.8	4.1	15,545.3
	2022	15,835.6	20.4	11.7	1.4	15,869.1
	2023	16,138	21.4	12.8	5.7	16,177.9
Total reusable water discharge	2021	15,501.7	22	14.7	4.1	15,539.8
	2022	15,835.6	18.9	11.6	1.4	15,867.5
	2023	16,138	21.4	12.8	5.7	16,177.9
% water discharge destined for purification	2021	56.1	22	14.7	4.1	96.9
	2022	57	19.1	11.6	1.4	89.1
	2023	45.8	18.8	12.8	5.7	61
% discharge destined for purification	2021	0.4%	89.2%	99.7%	100%	0.6%
	2022	0.4%	93.7%	99.7%	100%	0.6%
	2023	0.3%	87.9%	99.6%	100%	0.5%

RECOVERED WATER (GRI 303)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
% water returned to the environment	2021	99%	89%	96%	100%	99%
	2022	97%	93%	98%	100%	97%
	2023	98%	100%	97%	100%	98%

WATER STRESS WEI+>20 Millions of liters	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Water withdrawal from surface water bodies	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water withdrawal from wells	2022	269,104	0	0	0	296,104
	2023	276	0	0	0	276
Water withdrawal from the sea	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water withdrawal by third-party processes	2022	0	0	0	0	0
	2023	0	0	0	0	0
Water withdrawal from public water mains	2022	6,830	4,010	0	1,400	12,240
	2023	8	4	0	2	14
Total	2022	275,934	4,010	0	1,400	281,344
	2023	284	4	0	2	290

* Source: Water resources across Europe - confronting water stress: an updated assessment (EEA Report 12/2021), which presents maps of water stress in Europe and states that water stress occurs where the WEI+ index exceeds 20.

WATER STRESS WEI+>20	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
% water withdrawal from surface water bodies	2022	0%	0%	0%	0%	0%
	2023	0%	0%	0%	0%	0%
% water withdrawal from wells	2022	2.3%	0%	0%	0%	2.3%
	2023	2.4%	0%	0%	0%	2.4%
% water withdrawal from the sea	2022	0%	0%	0%	0%	0%
	2023	0%	0%	0%	0%	0%
% water withdrawal from third-party processes	2022	0%	0%	0%	0%	0%
	2023	0%	0%	0%	0%	0%
% water withdrawal from aqueducts	2022	2.8%	19.6%	0%	99.7%	4.4%
	2023	3.1%	19.3%	0%	37.7%	5%
Total	2022	2%	19.6%	0%	99.7%	1.7%
	2023	1.7%	19.3%	0%	37.7%	1.8%

* Source: Water resources across Europe - confronting water stress: an updated assessment (EEA Report 12/2021), which presents maps of water stress in Europe and states that water stress occurs where the WEI+ index exceeds 20.

FRESHWATER Millions of liters	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total water withdrawal from surface water bodies	2022	0	0	0	0	0
	2023	0	0	0	0	0
Total water withdrawal from wells	2022	11,530.4	0	0.2	0	11,530.6
	2023	11,503.6	0	0.3	0	11,503.9
Total water withdrawal from the sea	2022	0	0	0	0	0
	2023	0	0	0	0	0
Total water withdrawal from third-party processes	2022	560	0	0	0	560
	2023	593	0	0	0	593
Total water withdrawal from aqueducts	2022	241.8	20.4	11.6	1.4	275.2
	2023	240.1	21.4	12.9	5.7	280.1
Total fresh water withdrawal	2022	12,332.2	20.4	11.8	1.4	12,365.8
	2023	12,336.6	21.4	13.2	5.7	12,376.9
% fresh water withdrawal	2022	75.9%	100%	100%	100%	75.9%
	2023	75%	100%	100%	100%	75%

WASTE (GRI 306-3, 306-4, 306-5) Tons	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total waste produced	2021	1,064	216	294	94	1,637
	2022	1,122	333	203	62	1,720
	2023	2,199	579	348	68	3,194
% hazardous	2021	37%	5%	2%	6%	25%
	2022	34%	1%	3%	10%	23%
	2023	30%	2%	2%	28%	22%
% non-hazardous	2021	63%	95%	98%	94%	75%
	2022	66%	99%	97%	90%	77%
	2023	70%	98%	98%	72%	78%
% destined for recovery	2021	62%	58%	80%	99%	67%
	2022	74%	94%	80%	97%	79%
	2023	36%	64%	86%	100%	48%
% destined for disposal	2021	38%	43%	20%	1%	33%
	2022	26%	6%	20%	3%	21%
	2023	64%	36%	14%	0%	52%

HAZARDOUS WASTE (GRI 306-3, 306-4, 306-5) Tons	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total waste produced	2021	389.4	9.8	5.7	5.6	410.5
	2022	381.3	3.2	6.4	6.2	397.1
	2023	667.4	12.1	6.2	19.3	705
% destined for recovery	2021	46%	0%	16%	87%	45%
	2022	35%	0%	99%	72%	37%
	2023	28%	80%	46%	99%	31%
% destined for disposal	2021	54%	100%	85%	13%	55%
	2022	65%	100%	1%	28%	63%
	2023	72%	20%	54%	1%	69%

NON-HAZARDOUS WASTE (GRI 306-3, 306-4, 306-5) Tons	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total waste produced	2021	674.4	206.5	288.1	88.4	1,226.6
	2022	740.9	329.9	195.3	56.1	1,322.2
	2023	1,531.6	566.7	341.9	48.5	2,488.7
% destined for recovery	2021	72%	61%	81%	99%	74%
	2022	93%	95%	79%	100%	92%
	2023	40%	64%	86%	100%	53%
% destined for disposal	2021	28%	39%	19%	1%	26%
	2022	7%	5%	21%	0%	8%
	2023	60%	36%	14%	0%	47%

SOCIAL

BREAKDOWN OF WORKERS BY ROLE (GRI 405-1)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP	% SIAD GROUP
number of senior managers	2021	41	9	17	7	74	3%
	2022	43	9	17	12	76	4%
	2023	39	7	25	7	78	3%
number of managers	2021	52	19	52	23	146	7%
	2022	55	21	42	7	140	6%
	2023	57	22	47	27	153	7%
number of white-collar workers	2021	635	203	339	126	1,303	61%
	2022	655	186	359	174	1,328	61%
	2023	665	187	388	129	1,369	60%
number of blue-collar workers	2021	395	142	50	32	619	29%
	2022	386	155	56	0	633	29%
	2023	410	173	59	36	678	30%

CONTRACT TYPE (GRI 2-7)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP	% SIAD GROUP
Number of employees on permanent contracts	2021	1,106	351	457	176	2,090	98%
	2022	1,112	352	474	184	2,122	98%
	2023	1,150	373	517	187	2,227	98%
Number of employees on fixed-term contracts	2021	17	22	1	12	52	2%
	2022	27	19	0	9	55	2%
	2023	21	16	2	12	51	2%
Number of temporary workers	2021	-	-	-	-	-	-
	2022	-	-	-	-	-	-
	2023	41	13	23	0	77	3%
Number of full-time employees	2021	1,085	366	439	177	2,067	96%
	2022	1,101	366	452	180	2,099	96%
	2023	1,134	381	496	188	2,199	97%
Number of part-time employees	2021	38	7	19	11	75	4%
	2022	38	5	22	13	78	4%
	2023	37	8	23	11	79	3%
female	2021	35	6	18	11	70	93%
	2022	31	4	21	12	68	87%
	2023	31	4	23	11	69	87%
male	2021	3	1	1	0	5	7%
	2022	7	1	1	1	10	13%
	2023	6	4	0	0	10	13%

DIVERSITY OF EMPLOYEES (GRI 405-1)		INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total employees	2021	1,123	373	458	188	2,142
	2022	1,139	371	474	193	2,177
	2023	1,171	389	519	199	2,278
% male	2021	78%	77%	78%	63%	77%
	2022	77%	75%	76%	66%	76%
	2023	77%	76%	75%	68%	76%
% female	2021	22%	23%	22%	37%	23%
	2022	23%	25%	24%	34%	24%
	2023	23%	24%	25%	32%	24%
% employees aged <30	2021	9%	5%	6%	8%	7%
	2022	9%	6%	5%	10%	8%
	2023	10%	6%	7%	13%	9%
male	2021	80%	90%	62%	87%	79%
	2022	78%	86%	61%	85%	78%
	2023	77%	83%	76%	88%	79%
female	2021	20%	10%	38%	13%	21%
	2022	22%	14%	39%	15%	22%
	2023	23%	17%	24%	12%	21%
% members aged 30 to 50	2021	58%	61%	70%	63%	62%
	2022	57%	58%	68%	61%	60%
	2023	57%	58%	66%	56%	59%
male	2021	76%	80%	78%	55%	75%
	2022	75%	79%	75%	59%	74%
	2023	76%	81%	71%	62%	74%
female	2021	24%	20%	22%	45%	25%
	2022	25%	21%	25%	41%	26%
	2023	24%	19%	29%	38%	26%
% members aged >50	2021	33%	34%	24%	29%	31%
	2022	34%	36%	27%	29%	32%
	2023	33%	36%	27%	31%	32%
male	2021	82%	70%	82%	75%	79%
	2022	81%	67%	82%	73%	78%
	2023	80%	69%	84%	70%	78%
female	2021	18%	30%	18%	25%	21%
	2022	19%	33%	18%	27%	22%
	2023	20%	31%	16%	30%	22%

NEW EMPLOYEE HIRES (GRI 401-1)		INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total new hires	2021	117	30	37	28	212
	2022	124	46	65	20	255
	2023	158	55	91	26	330
% male	2021	77%	80%	81%	61%	76%
	2022	72%	67%	63%	85%	70%
	2023	77%	87%	73%	77%	77%
% female	2021	23%	20%	19%	39%	24%
	2022	28%	33%	37%	15%	30%
	2023	23%	13%	27%	23%	23%
% new hires aged <30	2021	26%	17%	24%	18%	24%
	2022	37%	28%	22%	50%	33%
	2023	30%	24%	23%	42%	28%
male	2021	65%	80%	67%	60%	66%
	2022	76%	77%	64%	80%	75%
	2023	87%	92%	81%	91%	87%
female	2021	35%	20%	33%	40%	34%
	2022	24%	23%	36%	20%	25%
	2023	13%	8%	19%	9%	13%
% new hires aged 30 to 50	2021	62%	73%	73%	75%	67%
	2022	53%	61%	66%	35%	56%
	2023	58%	73%	67%	54%	62%
male	2021	84%	82%	85%	62%	80%
	2022	68%	61%	58%	86%	65%
	2023	70%	85%	70%	64%	73%
female	2021	16%	18%	15%	38%	20%
	2022	32%	39%	42%	14%	35%
	2023	30%	15%	30%	36%	27%
% new hires aged >50	2021	11%	10%	3%	7%	9%
	2022	10%	11%	12%	15%	11%
	2023	13%	4%	10%	4%	10%
male	2021	69%	67%	100%	50%	68%
	2022	75%	80%	87%	100%	82%
	2023	80%	100%	67%	100%	78%
female	2021	31%	33%	0%	50%	32%
	2022	25%	20%	13%	0%	18%
	2023	20%	0%	33%	0%	22%

EMPLOYEE TURNOVER (GRI 401-1)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total turnover	2021	101	33	25	16	175
	2022	105	52	48	15	220
	2023	104	33	43	21	201
% male	2021	85%	85%	72%	69%	82%
	2022	77%	83%	81%	53%	78%
	2023	76%	82%	79%	57%	76%
% female	2021	15%	15%	28%	31%	18%
	2022	23%	17%	19%	47%	22%
	2023	24%	18%	21%	43%	24%
% turnover aged <30	2021	10%	0%	0%	6%	6%
	2022	22%	15%	19%	7%	19%
	2023	13%	15%	12%	52%	17%
male	2021	100%	0%	0%	0%	91%
	2022	78%	75%	67%	100%	76%
	2023	93%	100%	60%	36%	71%
female	2021	0%	0%	0%	100%	9%
	2022	22%	25%	33%	0%	24%
	2023	7%	0%	40%	64%	29%
% turnover aged 30 to 50	2021	59%	67%	76%	56%	63%
	2022	49%	58%	63%	60%	55%
	2023	47%	48%	58%	33%	48%
male	2021	83%	95%	74%	56%	82%
	2022	76%	83%	87%	33%	78%
	2023	67%	94%	84%	71%	76%
female	2021	17%	5%	26%	44%	18%
	2022	24%	17%	13%	67%	23%
	2023	33%	6%	16%	29%	24%
% turnover aged >50	2021	31%	33%	24%	38%	31%
	2022	30%	27%	19%	33%	27%
	2023	39%	36%	30%	14%	34%
male	2021	84%	64%	67%	100%	80%
	2022	77%	86%	78%	80%	80%
	2023	80%	58%	77%	100%	77%
female	2021	16%	36%	33%	0%	20%
	2022	23%	14%	22%	20%	20%
	2023	20%	42%	23%	0%	23%

REGULAR PERFORMANCE REVIEWS (GRI 404-3)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
% executives who receive a regular performance review	2021	98%	68%	21%	61%	61%
	2022	98%	62%	0%	91%	62%
	2023	86%	77%	36%	41%	61%
% white-collar workers who receive a regular performance review	2021	92%	27%	13%	79%	60%
	2022	93%	27%	16%	90%	62%
	2023	90%	97%	64%	80%	82%
% blue-collar workers who receive a regular performance review	2021	89%	3%	22%	13%	60%
	2022	88%	3%	21%	11%	57%
	2023	86%	94%	44%	11%	81%

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (GRI 404-1, 403-5)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Hours of HSE training	2021	12,322	2,129	1,866	513	16,830
	2022	11,326	2,504	3,425	629	17,884
	2023	9,485	3,324	2,291	771	15,871
Average hours of HSE training per employee	2021	11	6	4	3	8
	2022	10	7	7	3	8
	2023	8	9	4	4	7
Hours of skills development training	2021	12,733	2,730	2,985	1,620	20,068
	2022	14,663	3,030	2,662	1,856	22,211
	2023	23,630	1,997	5,788	3,216	34,631
Average hours of skills development training per employee	2021	11	7	7	9	9
	2022	13	8	6	10	10
	2023	20	5	11	16	15

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE (GRI 404-1, 403-5)	YEAR	SIAD S.P.A. & MEDIGAS ITALIA
Total hours of training	2022	10,208
	2023	13,086
Average hours of training	2022	13
	2023	17
Average per male employee	2022	14
	2023	15
Average per female employee	2022	11
	2023	16
Average per senior manager	2022	25
	2023	14
Average per manager	2022	12
	2023	8
Average per white-collar worker	2022	13
	2023	16
Average per blue-collar worker	2022	12
	2023	12
Total hours of HSE training	2022	3,265
	2023	4,253
Total average hours of HSE training	2022	4
	2023	6
Average per male employee	2022	5
	2023	5
Average per female employee	2022	2
	2023	3
Average per senior manager	2022	2
	2023	1
Average per manager	2022	3
	2023	2
Average per white-collar worker	2022	3
	2023	4
Average per blue-collar worker	2022	7
	2023	6
Total hours of skills development training	2022	6,943
	2023	8,833
Average total hours of skills development training	2022	9
	2023	12
Average per male employee	2022	9
	2023	10
Average per female employee	2022	9
	2023	12
Average per senior manager	2022	23
	2023	13
Average per manager	2022	9
	2023	5
Average per white-collar worker	2022	10
	2023	12
Average per blue-collar worker	2022	5
	2023	6



DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (GRI 201-1) (thousands of euros)	2023	2022	2021
Turnover	1,007,543	1,048,097	760,501
Other revenues applicable to GRI	19,894	10,098	7,020
Economic value generated	1,027,437	1,058,195	767,521
Operating costs (suppliers)	667,414	718,469	526,901
Employee salaries and benefits	129,164	119,345	110,022
Payments to capital providers (investors and lenders)	15,263	9,377	8,510
Payments to the government	48,975	35,955	23,815
Investments in the community (gratuities)	663	442	722
Economic value distributed	861,479	883,588	669,970
Economic value retained	165,958	174,607	97,551

% LOCAL SENIOR MANAGERS (GRI 202-2)	YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Senior management hired from the local community*	2021	95%	100%	94%	100%	96%
	2022	95%	100%	94%	100%	96%
	2023	97%	100%	100%	100%	99%

*Local = from the same country.

DIVERSITY OF GOVERNANCE BODIES (GRI 405-1)		YEAR	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total members of governance bodies	2021	46	12	26	9	93	
	2022	48	10	30	8	96	
	2023	46	13	32	8	99	
% male	2021	98%	92%	100%	100%	98%	
	2022	98%	90%	100%	100%	98%	
	2023	100%	85%	100%	100%	98%	
% female	2021	2%	8%	0%	0%	2%	
	2022	2%	10%	0%	0%	2%	
	2023	0%	15%	0%	0%	2%	
% members aged <30	2021	0%	0%	0%	0%	0%	
	2022	0%	0%	0%	0%	0%	
	2023	2%	0%	0%	0%	1%	
male	2021	0%	0%	0%	0%	0%	
	2022	0%	0%	0%	0%	0%	
	2023	100%	0%	0%	0%	100%	
female	2021	0%	0%	0%	0%	0%	
	2022	0%	0%	0%	0%	0%	
	2023	0%	0%	0%	0%	0%	
% members aged 30 to 50	2021	26%	42%	4%	0%	19%	
	2022	19%	40%	3%	0%	15%	
	2023	22%	31%	9%	0%	17%	
male	2021	100%	100%	100%	0%	100%	
	2022	100%	100%	100%	0%	100%	
	2023	100%	75%	100%	0%	94%	
female	2021	0%	0%	0%	0%	0%	
	2022	0%	0%	0%	0%	0%	
	2023	0%	25%	0%	0%	6%	
% members aged >50	2021	74%	58%	96%	100%	81%	
	2022	81%	60%	97%	100%	85%	
	2023	76%	69%	91%	100%	82%	
male	2021	97%	86%	100%	100%	97%	
	2022	97%	83%	100%	100%	98%	
	2023	100%	89%	100%	100%	99%	
female	2021	3%	14%	0%	0%	3%	
	2022	3%	17%	0%	0%	2%	
	2023	0%	11%	0%	0%	1%	



NOTE ON METHODOLOGY

REPORTING CRITERIA, STANDARDS & OBJECTIVES

The Sustainability Report is the tool we use to communicate the results of our journey of sustainability to our stakeholders.

Details relating to the internal content within the scope of the 2023 Sustainability Report are provided in the Reporting scope and period analyzed section.

The SIAD Corporate Social Responsibility Group coordinated the preparation of the Sustainability Report, using a team of external consultants, with interdisciplinary involvement of various specialists in the field to gather the quantitative and qualitative data.

THE DATA COLLECTION SYSTEM IS STRUCTURED ACCORDING TO THE FOLLOWING CRITERIA:

DATA TYPE	SCOPE	TOOL	FUNCTION INVOLVED
All HR data	Entire SIAD Group	Shared HR management system where available or individual communications from company representatives	Group HR
All health and safety data	Entire SIAD Group	Safety event logging platform	Group QHSE
All financial data	Entire SIAD Group	Management system to draw up the consolidated financial statements (including individual communications from the administrative representatives of the subsidiaries)	SIAD S.p.A. administration and finance
Environmental data	Subsidiaries	Open-es platform	Company sustainability representatives
Environmental data	SIAD S.p.A.	Enterprise ERP & Business Intelligence Platform Specific questionnaires for primary production plants	SIAD S.p.A. management control QHSE functions at primary plants

This report is drafted in accordance with the Sustainability Reporting Standards published in 2021 by the Global Reporting Initiative (GRI) (with the “with reference to” application layer).

It should be noted that all the GRI indicators reported refer to the version published in 2016, except for indicators 1-2-3 adopted since 1/1/2013, GRI 303 and 403, which refer to the 2018 version, and GRI 306, referring to the 2020 document.

This Report has been approved by the Board of Directors and has been certified by a third-party body (Certiquality).

References to GRI Standards can be found in the table of indicators at the end of this document. Finally, this Report documents the company’s commitment to the ESG criteria.

RESTATEMENTS OF INFORMATION (GRI 2-4)

For a reliable comparison of information, it should be noted that in 2023 some information reported in the previous sustainability report was revised.

- Some of the economic data in the tables on p. 153 have been revised following the auditors’ request to reclassify certain items in the financial statements. Therefore, the data for 2023 were collected in this way, and the data for 2022 were also reclassified likewise.
- The data for 2022 relating to energy intensity were recalculated bearing in mind the energy consumption and production volumes not only of the SIAD S.p.A. primary production plants but also of all the European companies in the “Industrial Gases” sector.

EMISSIONS CALCULATION METHODOLOGY

The reference document is the “GHG Protocol”, using the definitions of Scopes 1, 2 and 3 as proposed in that document.

Scope 1 emissions are calculated as follows:

- In-house combustion from various types of fossil fuels: based on the conversion table proposed by the Table of National Standard Parameters, published annually on the website <https://www.ets.minambiente.it/> Coefficients used for the inventory of CO₂ emissions in the UNFCCC national inventory (average of the values for the years 20xx-20xx). These data can be used for the calculation of emissions from January 1, 20xx to December 31, 20xx.
- Methane combustion: based on information published at <https://ghgprotocol.org/calculation-tools> – considering the conversion factor used in the tool: cross-sector tool approved under the GHG Protocol.
- The steam used comes from CHP plants (cogeneration) and, according to Biograce 4d, is considered zero emissions.
- GHG leakage emissions are converted into tons of CO₂eq via sources from the literature (Fgas technical and/or safety data sheets, Biograce 4d Database where applicable, other official sources).

Scope 1 emissions also include those of company cars, even if leased or subject to a long-term rental scheme. For this type of emissions, the reference is <https://fetransp.isprambiente.it/#/>, which provides the average emissions per km or per TJ of the fleet on the road in Italy (method applied to all Group data).

Scope 2 emissions are calculated according to the location-based method, using data from the national energy mix proposed by:

- Italy: “Indicators of efficiency and decarbonization of the national energy system and the electricity sector” – ISPRA Report 386/23.
- EU: data on the EEA website – <https://www.eea.europa.eu/ims/greenhouse-gas-emission-intensity-of-1>.
- Non-EU countries: Italian data.

Scope 3 emissions include:

- Those related to the transportation of gas as a finished product (in tanks or cylinders) to customers; the source for the calculation of CO₂ is <https://fetransp.isprambiente.it/#/>, using the categories “Heavy truck” (> 3.5 tons) or “Light commercial vehicle” (<3.5 tons). For the Healthcare sector, the mileage traveled is estimated based on the average distance of the customers assigned to the individual delivery vehicle
- Those related to the supply of methane for the production of hydrogen with the following source:https://energy.ec.europa.eu/study-actual-ghg-data-diesel-petrol-kerosene-and-natural-gas-1_it (document: STUDY ON ACTUAL GHG DATA FOR DIESEL, PETROL, KEROSENE AND NATURAL GAS - FINAL REPORT - JULY 2015. This document provides average emissions in Europe for the process of extraction and distribution of methane to the point of withdrawal).

METHODOLOGY TO CALCULATE HEADCOUNT

The business intelligence system set up to calculate the number of existing employees meets different criteria than the arrangements for counting outgoing employees and new hires. Specifically, employees of newly acquired companies, of merged Group companies, or of company closures are counted in different ways. Headcount data are reliable but not comparable, in terms of numerical balance, with those of turnover and new hires which, however, remain valid and representative, including in terms of gender and age distribution. Headcount data, new hires and turnover do not consider temporary workers, who are instead included in total workers at the SIAD Group.

REPORTING SCOPE & PERIOD ANALYZED

The data set out in this document refer to the SIAD Group as at 12.31.2023 and report the data for the three-year period from 2021 to 2023.

The economic data presented in this document refer to the Group Companies that fully account for the consolidated financial statements of the SIAD Group as at 12.31.2023, compared with 2022 and 2021.

COMPOSITION OF THE SIAD GROUP AND SCOPE OF CONSOLIDATION

The consolidated financial statements include the financial statements of the parent company Società Italiana Acetilene e Derivati - SIAD S.p.A., with its registered office in Bergamo (Italy) and of the following subsidiaries, control of which is held by the parent company in accordance with Art. 26 of Legislative Decree 127/91, consolidated using the full consolidation method.

COMPANY NAME	HEAD-QUARTERS	COMPANY NAME	HEAD-QUARTERS
SIAD Macchine Impianti S.p.A.	Bergamo - Italy	Air Cryo Services SAS	France
MEDIGAS Italia S.r.l.	Assago, Milan province - Italy	SIAD Germany GmbH	Germany
MAGALDI Life S.r.l.	Salerno - Italy	LLC SIAD Ukraine	Ukraine
ESA S.p.A.	Bergamo - Italy	LLC SIAD Rus	Russia
ESA Manufacturing Pvt. Ltd.	India	Tecno Project Industriale S.r.l.	Curno, Bergamo province - Italy
Tecnoservizi Ambientali S.r.l.	Bergamo - Italy	Tecno Project Industrial Ltda	Brazil
BIEFFE SALDATURA S.r.l.	Cuneo - Italy	SIAD Engineering Trading (Shanghai) Co. Ltd.	China
CARBITALIA S.r.l.	Milan - Italy	SIAD Engineering (Hangzhou) Co. Ltd.	China
IGAT S.p.A.	Naples - Italy	SIAD Macchine Impianti Middle East F.Z.C.	United Arab Emirates
SIAD Austria GmbH	Austria	ISTRABENZ PLINI d.o.o. - Koper	Slovenia
SIAD Czech spol. s r.o.	Czech Republic	GTG PLIN d.o.o. - Celje	Slovenia
SIAD Hungary Kft	Hungary	DIME Società Agricola S.r.l.	Bergamo - Italy
SIAD Bulgaria EOOD	Bulgaria	PLINARNA MARIBOR d.o.o. - Maribor	Slovenia
SIAD Romania S.r.l.	Romania	ISTRABENZ PLINI d.o.o. - Breza	Bosnia-Herzegovina
SIAD Slovakia spol. s r.o.	Republic of Slovakia	ISTRABENZ PLINI d.o.o. - Belgrade	Serbia
SIAD Poland sp.z o.o.	Poland	ISTRABENZ PLINI d.o.o. - Bakar	Croatia
SIAD France SAS	France		

With reference to economic, social and environmental data and information, the reporting scope is specified below for each GRI indicator, noting the relevant sector.

INDICATOR SCOPE

It should be noted that in 2023 the scope of some indicators was expanded, including in the aggregate calculation some Group companies that were previously excluded. As a result, please note that the indicators GRI 302, 303, 305, 306, 403-8 and 403-9 have undergone a quantitative change compared to the previous document.

MATERIAL TOPICS	GRI STANDARD	SCOPE
Economic Performance	201	SIAD Group.
Market Presence	202	SIAD Group INDUSTRIAL GASES, excluding Russia and Ukraine.
Procurement Practices	204	SIAD Group.
Anti-corruption	205	The corruption data refer to the entire SIAD Group. The remaining data only refer to Italian companies.
Energy	302	GAS, excluding Russia and Ukraine, and acquisitions after 01.01.2021. LPG & NG all companies. ENGINEERING excluding India and Brazil. HEALTHCARE all companies.
Water and Effluents	303	GAS, excluding Russia and Ukraine, and acquisitions after 01.01.2021 LPG & NG all companies. ENGINEERING excluding India and Brazil. HEALTHCARE all companies.
Emissions	305	GAS, excluding Russia and Ukraine, and acquisitions after 01.01.2021. LPG & NG all companies. ENGINEERING excluding India and Brazil. HEALTHCARE all companies.
Waste	306	GAS, excluding secondary production by SIAD S.p.A., Russia and Ukraine, and acquisitions after 01.01.2021. LPG & NG all companies. ENGINEERING excluding India and Brazil. HEALTHCARE all companies.
People	401 405	SIAD Group. SIAD Group.
Health and Safety	403-8 403-9	GAS, excluding Russia and Ukraine, and acquisitions after 01.01.2021. LPG & NG all companies. ENGINEERING excluding India and Brazil. HEALTHCARE all companies .
Training and Education	404	SIAD Group.

To ensure the reliability of the data, the use of estimates has been limited as much as possible; any such estimates are appropriately reported and based on the best methodologies available.

It should be noted that there were no significant changes in 2023 in the size, ownership structure and supply chain of the Group, which is represented as a whole.

For further information and suggestions regarding the SIAD Group's Sustainability Report, feel free to write an email to sustainability@siad.eu

This document is also available at www.thesiadgroup.com

CONTENT INDEX

GRI STANDARD CONTENT INDEX

The content index lists the indicators referred to in this Sustainability Report. A reference to the chapter or section is provided for each GRI indicator, or where the data or information is not included in the text, a description of the indicator is given.

ORGANIZATIONAL PROFILE

Statement of use The SIAD Group reported the information cited in this Content Index for the period from January 1 to December 31, 2023 with reference to the GRI Standards.

GRI 1 used GRI 1 – Foundation 2021

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTES/ OMISSIONS*
GRI 2: General Disclosures 2021	2-1 Organizational details	8, 9, 34, 35	
	2-2 Entities included in the organization's sustainability reporting	160	
	2-3 Reporting period, frequency and contact point	160	Calendar year
	2-4 Restatements of information	158	
	2-5 External assurance	158, 171, 172	
	2-6 Activities, value chain and other business relationships	7-9, 32-37, 56, 57	
	2-7 Employees	121-123, 129, 147-150	
	2-9 Governance structure and composition	8, 9, 38, 39, 153, 154	Partial
	2-11 Chair of the highest governance body	39	
	2-12 Role of the highest governance body in overseeing the management of impacts	38, 39	Partial
	2-13 Delegation of responsibility for managing impacts	38, 39, 158	Partial
	2-14 Role of the highest governance body in sustainability reporting	158	
	2-15 Conflicts of interest	39	
	2-16 Communication of critical concerns	51	
	2-22 Statement on sustainable development strategy	Letter to Stakeholders, 7, 18, 19,	

2-23 Policy commitments	1-3, 18-23, 26, 38, 39, 50, 90, 91, 93, 100-105, 122, 124, 137	Partial	
2-25 Processes to remediate negative impacts	40, 41, 52, 54, 137	Partial	
2-26 Mechanisms for seeking advice and raising concerns	51		
2-27 Compliance with laws and regulations	38, 40, 50-52, 54, 93, 95, 122, 123		
2-28 Membership associations	38		
2-29 Approach to stakeholder engagement	24-26		
2-30 Collective bargaining agreements	123		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	21-25	Partial
	3-2 List of material topics	22, 23	

GRI 200 – ECONOMIC TOPICS

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTES/ OMISSIONS*
ECONOMIC PERFORMANCE			
GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	44-48	
GRI 201 – ECONOMIC PERFORMANCE (2016)			
201-1	Direct economic value generated and distributed	32, 153	Value paid to government not broken down by country
MARKET PRESENCE			
GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	34, 35, 153	
GRI 202 – MARKET PRESENCE (2016)			
202-2	Proportion of senior management hired from the local community	123, 153	

ANTI-CORRUPTION

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	50-52
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GRI 205 - ANTI-CORRUPTION (2016)

205-3	Confirmed incidents of corruption and actions taken	52	In the three-year period from 2021 to 2023, no confirmed incidents of corruption were recorded
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ANTI-COMPETITIVE BEHAVIOR

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	38, 50-52
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GRI 206 - ANTI-COMPETITIVE BEHAVIOR (2016)

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	38, 52	In the three-year period from 2021 to 2023, no legal actions for anti-competitive behavior, anti-trust, and monopoly practices were recorded
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GRI 300 - ENVIRONMENTAL TOPICS

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTES/ OMISSIONS*
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ENERGY

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	97, 98
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GRI 302 - ENERGY (2016)

302-1	Energy consumption within the organization	97, 141, 142
302-3	Energy intensity	141

WATER AND EFFLUENTS

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	98
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GRI 303 - WATER AND EFFLUENTS (2018)

303-3	Water withdrawal	98, 142	
303-4	Water discharge	98, 143	
303-5	Water consumption	144, 145	Partial

EMISSIONS

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	96
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GRI 305 - EMISSIONS (2016)

305-1	Direct (Scope 1) GHG emissions	96, 140
305-2	Energy indirect (Scope 2) GHG emissions	96, 140
305-3	Other indirect (Scope 3) GHG emissions	96, 140

WASTE

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	99
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GRI 306 - WASTE (2020)

306-3	Waste generated	99, 145, 146
306-4	Waste diverted from disposal	99, 145, 146
306-5	Waste directed to disposal	99, 145, 146

GRI 400 - SOCIAL TOPICS

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTES/ OMISSIONS
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EMPLOYMENT

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	123
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GRI 401 - EMPLOYMENT (2016)

401-1	New employee hires and employee turnover	123, 149, 150
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OCCUPATIONAL HEALTH AND SAFETY

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	90, 93-95
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GRI 403 - OCCUPATIONAL HEALTH AND SAFETY (2018)

403-5	Worker training on occupational health and safety	93, 94, 151
403-8	Workers covered by an occupational health and safety management system	93, 94
403-9	Work-related injuries	93, 94

TRAINING AND EDUCATION

GRI 3 - MATERIAL TOPICS 2021

3-3	Management of material topics	119, 120, 124
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GRI 404: TRAINING AND EDUCATION (2016)

404-1	Average hours of training per year per employee	124, 151, 152
404-3	Percentage of employees receiving regular performance and career development reviews	130, 151

DIVERSITY AND EQUAL OPPORTUNITY

GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	50, 119, 123, 129	
GRI 405 – DIVERSITY AND EQUAL OPPORTUNITY (2016)			
405-1	Diversity of governance bodies and employees	123, 129, 148, 154	

NON-DISCRIMINATION

GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	50, 51, 119, 123	
GRI 406 – NON-DISCRIMINATION (2016)			
406-1	Incidents of discrimination and corrective actions taken\	123	In the three-year period from 2021 to 2023, no incidents of discrimination were recorded

CUSTOMER PRIVACY

GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	50, 53, 54	
GRI 418 – CUSTOMER PRIVACY (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	53, 54	In the three-year period from 2021 to 2023, no complaints based on breaches of customer privacy were recorded

*Omissions refer solely to any disclosures required by the GRI and not reported. However, the scope of data reporting is provided on p. 161



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REPORT ON THE 2023 SUSTAINABILITY REPORT

Scope

Certiquality S.r.l. has been engaged by SIAD S.p.A. to perform a limited assurance engagement on the Italian version of the “2023 Sustainability Report - SIAD Group Annual Report”, in order to confirm the compliance with the general and specific disclosures provided in the document and referenced in the GRI content index with the corresponding GRI (Global Reporting Initiative) Standards 2021, consistently with the statement of use “with reference to the GRI Standards”. This letter describes the activities performed, reports the findings of the limited assurance engagement and makes recommendations for improvement.

The engagement was carried out with reference to the applicable “GRI Standards” published in 2021 by the Global Reporting Initiative, and specifically covered:

- the analysis of the reporting principles (accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, verifiability);
- the compliance of the general disclosures listed in the GRI Index with GRI 2;
- the compliance of the specific disclosures listed in the GRI Index with the corresponding GRI Standards.

We conducted our engagement in compliance with the procedures adopted by Certiquality for audits in accordance with the UNI EN ISO 19011:2018 standard. The engagement was carried out partially in person and partially (particularly for foreign companies) remotely, by interviewing the relevant functions by videoconference and by examining the documentation shared on screen.

Methods

The activity was based on a systematic sampling process and objective evidence, was carried out according to the following procedure, and included:

- analysis of the ‘2023 Sustainability Report - SIAD Group Annual Report’ document (Italian version), with particular reference to the principles and contents outlined in the GRI Standards 2021 guidelines.
- Interviews with functions, directly or indirectly, involved in the drafting of the document and in the process of collecting, recording, and managing data and information (i.e., from collection to subsequent processing)
- Assessment of the accurate data collection through comparison with documents and evidence, and evaluation of communication within the scope of sustainability reporting.
- Examination of documents and records at SIAD S.p.A., operational headquarters in Bergamo, as well as at a representative sample of production sites and business units (BU) included in the scope of the report: SIAD S.p.A. (Brescia) (BU: Industrial gas), Bieffe Saldatura Srl, Austria GMBH (BU: Industrial gas) Medigas Italia Srl (BU: Healthcare), Tecno Project Industriale Srl (Curno and Verdello sites) (BU: Engineering) Istrabenz Plini d.o.o. (Croatia – Bosnia Herzegovina) (BU: LPG NG);

The analysis covered both the procedures used for data collection, storage and processing, and the technical and regulatory aspects of the activities performed.

The financial figures were drawn from SIAD Group's “Consolidated financial statements at 31 December 2023”, which have already been audited (as per KPMG’s report dated 26/04/2024) and, therefore, have not been subject to additional checks.



Membro degli Accordi di Mutuo Riconoscimento EA, IAF e ILAC, Signatory of EA, IAF and ILAC Mutual Recognition Agreements.
SGQ n. 008A - SGA n. 0010 - SCR n. 002F - FSM n. 005I
PRD n. 008B - DAP n. 003H
SSI n. 007G - SGE n. 001M - ISP n. 066E - GHG n. 0010
EMAS n. 008P - ITX n. 004L - PRS n. 100C



Management of the data and information included in the Report was checked on a sample basis, ensuring adequate coverage of all topics covered by the document.

Results and recommendations

The "2023 Sustainability Report - SIAD Group Annual Report", is the second edition for the SIAD Group; data and information are reported for a three-year period (years 2021-2023), with some information covering a broader period of up to four years.

The document is well structured, clear, easy to read and generally in line with the requirements of the GRI guidelines applicable to the reported disclosures. Regarding some disclosures that are not entirely complete, these are clearly identified within the GRI index at the end of the document; The scope of the report and of the individual indicators (in some cases limited to certain companies or business sectors only) is clearly stated in the document.

The reported information, subject to the restrictions to the scope, achieves a satisfactory degree of completeness in relation to the activities carried out, both in terms of environmental, social and economic aspects. The methodological notes allow the understanding of the data collection process and the calculation methods. Stakeholder engagement will need to be further developed to improve the identification of the relevance of the aspect, especially considering the development of the next Sustainability Report.

However, it has been observed that the organization has established numerous communication channels with stakeholders, as outlined schematically in the document.

Some minor inaccuracies have emerged from the data verification, which are entirely compatible with the complexity and size of the organization. Additionally, the organization promptly verified and corrected these small differences. These differences do not seem to be due to structural weaknesses in the data collection process but rather to the need to clarify with the involved parties the data entry methods.

Conclusions

The engagement carried out on the disclosures included in the Italian version of the "2023 Sustainability Report - SIAD Group Annual Report" did not identify any significant weaknesses with respect to compliance with the principles of the GRI Standards guidelines and the relevant content in terms of information and performance indicators, even though there is some room for improvement. Based on the above, it is hereby confirmed that the disclosures included in the "2023 Sustainability Report - SIAD Group Annual Report" and covered by the relevant GRI Index refer to the GRI Standards.

22 maggio 2024

Certiquality S.r.l.
The President
Cesare Puccioni



ORGANISMO NOTIFICATO 0546



Membro degli Accordi di Mutuo Riconoscimento EA, IAF e ILAC, Signatory of EA, IAF and ILAC Mutual Recognition Agreements. SQI n. 008A - SGA n. 0010 - SCR n. 002F - FSM n. 005I PRD n. 008B - DAP n. 003H SSI n. 007G - SGE n. 001M - ISP n. 066E - GHG n. 0010 EMAS n. 008P - ITX n. 004L - PPS n. 100C

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Technical methodological support, drafting of text, graphic design and layout
NHABI s.r.l. Società Benefit

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