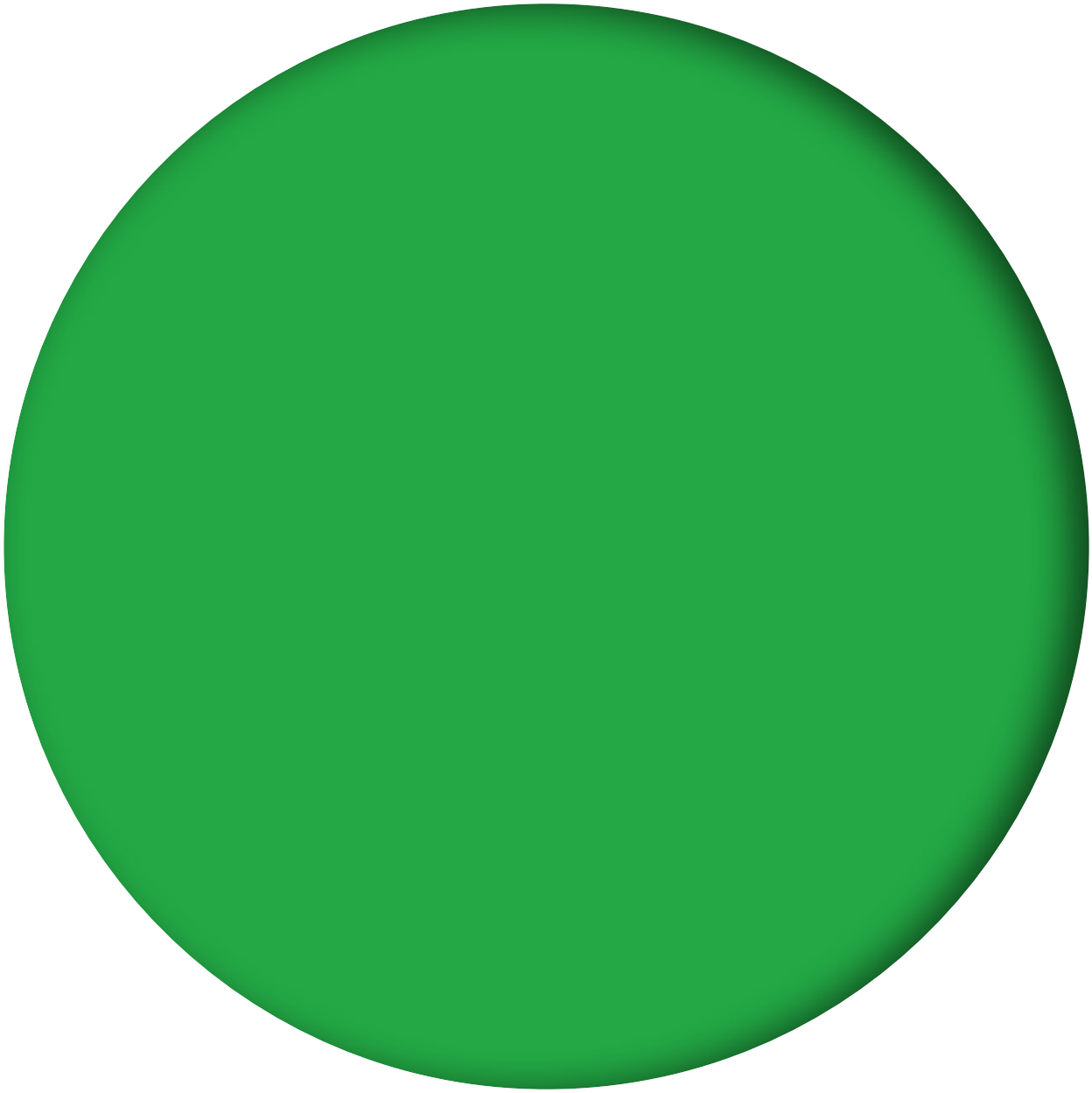


SUSTAINABILITY REPORT 2022

SIAD GROUP ANNUAL OVERVIEW





In this SIAD Group Sustainability Report, **we are continuing a journey** involving all the stakeholders we have the privilege to interact with.

Since SIAD was founded almost a century ago, values such as **Solidity, Innovation, Authenticity** and **Difference** have been the compass for the Group to build on robust, thoughtful foundations, with continued expansion year after year.

In 1995, SIAD joined the **voluntary Responsible Care program**, managed in Italy by FEDERCHIMICA: a major step in terms of how it established a constantly increasing commitment to the health and safety of employees and to protecting the environment. More generally, the Responsible Care indicators show **remarkable performance** in the European and Italian chemical industry in terms of sustainability: for example, the Italian chemical companies belonging to the association have to date already **achieved the emission reduction targets** set for 2030.

Participation in this program has given us the opportunity to measure the progress achieved little by little, making the correspondence between the Group's founding values and the objectives of corporate social responsibility even more explicit.

This match is also very evident when considering **innovation**. Unique projects and non-standardized proposals have been developed constantly, since a monolithic porous mass patented by Quirino and Bernardo Sestini in 1927. The Group's people have always been committed to developing solutions that meet the needs

of customers, as partners in a **shared journey of progressive improvement**. Our innovation is taken forward by the Group's various specializations and expertise, resulting in the constant formation of **synergies, inspirations and technological cross-fertilizations** between the different sectors. Since the '80s and receiving patents for water purification, the Group has demonstrated extensive commitment to developing new ideas that reduce the environmental impact for customers. This journey has led us to the latest technologies, developed for the biogas and CO₂ supply chain, based on **circularity of resources** and part of the Group's engineering excellence.

In an economic and historic context like the one we are now experiencing and its profound uncertainty, **authenticity** – loyalty to the founders' ethos and the strong bond with customers and the areas where we operate – has enabled us to grow and continue to invest in **expertise and reliability**. Especially in the medical field, most of all during the ongoing pandemic, we have contributed – with great commitment on everyone's part – to protecting public health via **healthcare and homecare services**. The link with the local area is further strengthened by the attention paid to **training** and participation in research projects shared with universities, schools and local authorities.

This is also proven by the development of the **new Gases for Life laboratory**, partly funded by the Italian Ministry of Economic Development, which will make it possible to innovate in the medical, food and metrology fields. Multiple stimuli and the high degree of diversification of our projects, activities and interests are the key ingredients that have always characterized the Group over time. This goal can be pursued thanks to the people who contribute their work and commitment to make this difference clearly visible throughout the business. In the coming years, as well as continuing to work to reduce our impact on the environment, we will witness the completion of major projects to **digitalize production and commercial flows**, with the application in all the Group companies dealing with industrial gases of **a single management system**. Various engineering projects have also taken place, focusing on the use of **augmented reality** technology for the remote maintenance of plants. Our values and the work of the Group's people who have contributed to sustainable growth are demonstrated by the figures and projects set out in this Sustainability Report.

ROBERTO SESTINI
CHAIRMAN

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SIAD: SUSTAINABILITY REPORT 2022

With this **Sustainability Report**, we have chosen to share with our **stakeholders** the results achieved in terms of sustainability (economic, social and environmental). It presents the actions taken by the Group to monitor and **reduce environmental, process and product impacts**, and to enhance and support our people and the community in which we operate.

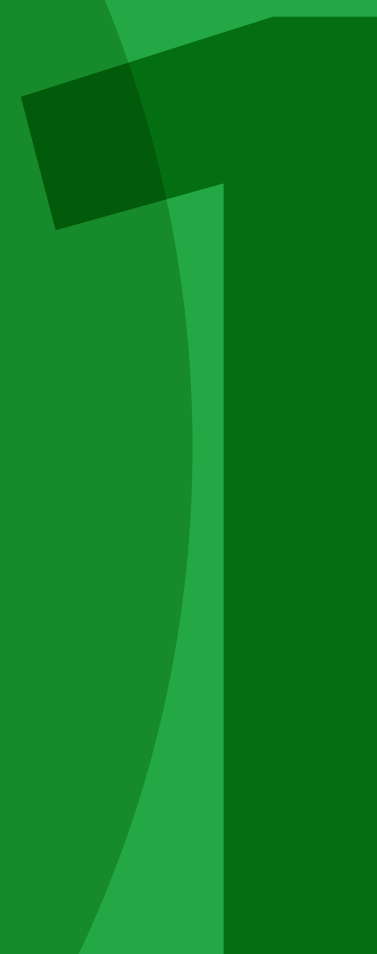
By publishing this Sustainability Report, we want to maintain and pursue our objectives, while ensuring **responsible and sustainable growth**.

By reporting the SIAD Group's data for 2021-2022, and by explaining some of the concrete projects and work completed by all the Group companies with sustainability in mind,

the Report aims to mark a significant step: it formalizes our commitment, not only to work to the best of our ability, but also to contribute to the development of the business and to continue **transparent** communication with all Stakeholders, by clearly and accurately reporting the actions taken in our journey as a responsible and increasingly sustainable company.

We firmly believe in the importance of this Report, fervently desired by the Management, insisting it was the **right time** to highlight the values that guide our work at SIAD and the decisions taken on a daily basis: **sustainability**, pursued with conscientiousness and conviction, **shared and presented to all** our stakeholders in this Report.

ORGANIZATIONAL PROFILE





SIAD GREEN: THE COLOR THAT HAS ALWAYS DRIVEN RESPONSIBLE GROWTH

The SIAD Group is one of the most important international Groups in the chemicals industry, working in four main sectors: industrial gases, engineering, healthcare, LPG and natural gas.

Founded in Bergamo in 1927, SIAD boasts a solid tradition and has gained consolidated experience in the nearly 100 years it has been operating. Over time, it has managed to make its way into new markets and geographical sectors, growing as an organization able to prove its flexibility, dynamism and readiness to take up the challenges of changes, while guaranteeing the highest quality, reliability and professionalism.

If a color can represent this *modus operandi*, and the SIAD Group itself, it must be green. The main color of nature, green

comes to life at SIAD, taking shape in constant attention to the environment.

A link with sustainability that has been in place since the Group took its first steps in the early 20th century, with constant attention to the environmental issues that have finally now taken a major, leading role and have become indispensable to ensure a future for the new generations.

Since 2002, the Group has been represented by a transparent sphere, a symbol of precision, chosen for how it summarizes SIAD's work: from the transparency of gas to the clarity we have shown on issues of social authenticity and respect for the environment. The sphere also represents circularity, the fundamental factor that distinguishes all the Group's work aiming at reduction, recycling and reuse.

SUSTAINABILITY AND VALUE CREATION STRATEGY

On the basis of the company policies aimed at pursuing concrete objectives in terms of governance, environment and society, SIAD places **sustainability at the heart** of its constant expansion process.

By adopting a systemic, inclusive and transparent approach, the SIAD Group works, and always will, to arrive at **innovative solutions** that can respond to the needs of the moment, constantly working closely with all its stakeholders to combine economic growth, environmental protection and respect for society. The goal is to preserve its values and governance model, **circular and sustainable innovation** and the constant integration of sustainability principles in every operational field: all these actions are epitomized in the various projects set out in this Sustainability Report.

The Group has always been committed to finding solutions to innovate in its products and services, grasping new opportunities and attempting to meet the demands of our market to generate value, limit impact, optimize processes and support the community in which it operates. Specifically in terms of innovation, the Group has undertaken several projects:

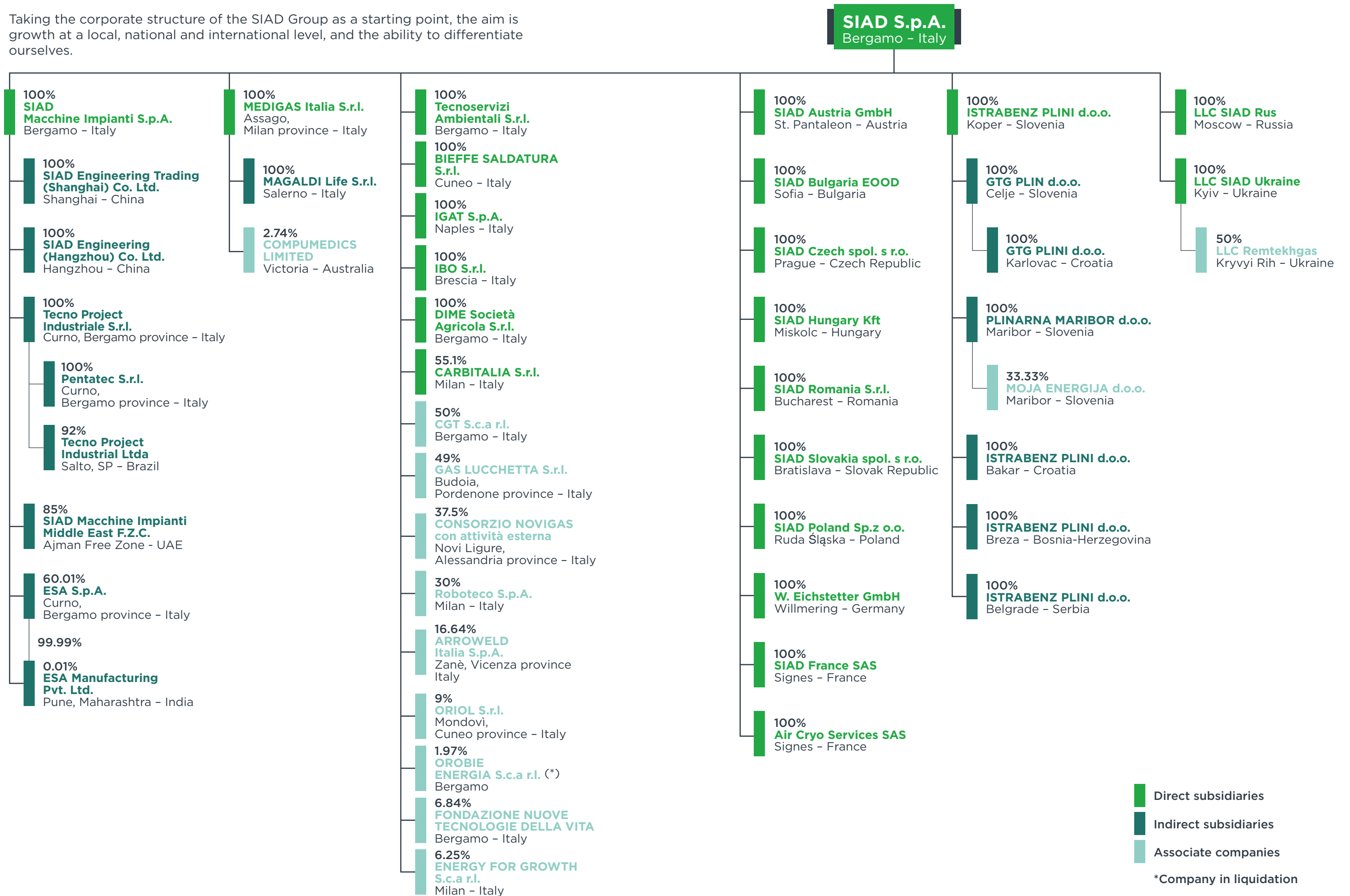
from the **SIADMI4U** remote monitoring and diagnostic system to the new **VITO NEXT** compressor, to the implementation of Advanced Process Control (**APC**) technology for Air Separation Unit (**ASU**) systems.

Even in these years marked by the pandemic, SIAD has demonstrated that it knows how to meet the challenges these times have presented, working with great flexibility and operational readiness to pursue objectives of economic, social and environmental sustainability. Major features of how the company has dealt with this difficult time include the work done by the **Healthcare** division, specifically by **MEDIGAS Italia** and **MAGALDI Life** (MEDIGAS Group), set out in further detail below.

At SIAD, sustainability is a discourse set up with **a view to the future**.

GROUP STRUCTURE

Taking the corporate structure of the SIAD Group as a starting point, the aim is growth at a local, national and international level, and the ability to differentiate ourselves.



ALLIANCES AND PARTNERSHIPS

By instituting sustainable supply chains and developing green economic models, SIAD has strengthened the establishment of strategic partnerships to support cutting-edge projects and business initiatives.

Transfer of knowledge and expertise is fundamental to create tools and initiatives to work together with civic society, the public sector, academia and other businesses. The SIAD Group therefore participates in a wide range of technical research groups and associations, both domestic and international. In the Industrial Gases business, SIAD S.p.A. and its foreign subsidiaries are associated with EIGA.

Several SIAD collaborators participate and bring their contribution and experience to its various working groups, the objective of which is to share best practice in the sector and define operational standards that can be used by the industrial gases industry. In addition, SIAD is also associated with IOMA, the world association of the main operators in the industrial and healthcare sector.

The Group’s Chief Executive Officer occupies major positions within some of the most notable trade associations in Italy, such as:

- Member of the Board of Directors of the European Industrial Gases Association, **EIGA** (of which he was President from 2020 to 2022)
- Member of the Board of Directors of the International Oxygen Manufacturers Association, **IOMA**
- Deputy Chairman of the Italian national federation for the chemicals industry, **FEDERCHIMICA**
- Member of the Board of Directors of the Italian national association of industrial and special gas producers, **ASSOGASTECNICI** (FEDERCHIMICA)
- Deputy Chairman and Board of Directors of the Chemicals Group of the Italian national association of industrialists, **Confindustria Bergamo**



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

- **EFRC** – European Forum for Reciprocating Compressors
- **ICAAMC** – International Compressor Applications And Machinery Committee
- **CECOF** – European Committee of Industrial Furnace, Heating and Metallurgical Equipment Associations.



In Italy, all companies are members of Confindustria; specifically, SIAD S.p.A. and MEDIGAS are members of FEDERCHIMICA and ASSOGASTECNICI, and SIAD Macchine Impianti S.p.A. is associated with ANIMA, the federation of Italian national associations in the mechanical and engineering industries.

Foreign subsidiaries are members of major sector associations, local industrial associations and in the gases field, local branches of Confindustria Italiana.

Italian companies in the Engineering sector are members of the Italian Biogases Consortium (**CIB**), which aims to promote *best practices* in biogas production and the achievement of the 2050 objectives on renewable energy and climate action; in addition, SIAD S.p.A. is a member of NGV Italia (consortium of the Italian industry of Natural Gas, Biogas and Hydrogen for sustainable mobility); SIAD S.p.A. is a member of other divisions of Confindustria, even if collateral to its business, such as Assofrigoristi, Assomineraria, the Union of Italian Manufacturers of Automatic Packaging Machines (UCIMA) and a member of local associations such as the Friuli Economic Development Consortium.

A recent creation is the Italian Hydrogen Association (H₂ IT), which SIAD S.p.A. joined in 2021.

Other major associations

AIDAF (the Italian association of family businesses) brings together Italian family businesses that share the guiding values of business ethics, meritocracy, social responsibility and a healthy model of development for family businesses.

WORLD ENERGY COUNCIL, a forum for thought leadership and tangible involvement, whose mission is “to promote the sustainable supply and use of energy for the greatest benefit of all people”.

**WORLD
ENERGY
COUNCIL**

EUROPEAN MEDICINES AGENCY, the European Union agency for the evaluation of medicinal products, ensures protection and promotion of human and animal health, and supports research and innovation in the pharmaceutical sector.

**EUROPEAN
MEDICINES
AGENCY**

UNI, the Italian National Unification Body, a private non-profit association, represents Italy in standardization activities at world (ISO) and European (CEN) levels, to promote the harmonization of standards.





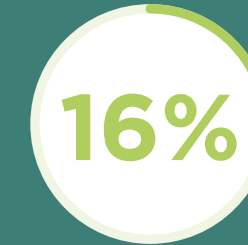
SUSTAINABILITY HIGHLIGHTS 2022

ENVIRONMENTAL

2021



2022



Waste sent for recovery

Non-hazardous waste

CO₂ captured compared to Group emissions

Water returned to the environment under withdrawal conditions*
*identical chemical and microbiological characteristics

SOCIAL

2021



2022



Number of employees

Average hours of HSE training per employee

Average hours of skills development training per employee

Permanent contracts

GOVERNANCE

ECONOMIC VALUE GENERATED

2021 2022
768 €1,048 million

ECONOMIC VALUE DISTRIBUTED TO STAFF

2021 2022
110 €119 million

ECONOMIC VALUE DISTRIBUTED TO SUPPLIERS

2021 2022
527 €718 million

EBITDA

2021 2022
160 €233 million

INVESTMENTS

2021 2022
72 €85 million

NET EQUITY

2021 2022
700 €825 million

SUSTAINABILITY PROJECTS

20

E



MORE EFFICIENT COMPRESSORS: VITO NEXT

New compressor to optimize performance and reduce environmental impact.

Find out more on page 69

-1,200

t CO₂ per year emitted into the atmosphere



ENERGY MANAGEMENT

Energy efficiency of heating systems supplied to customers.

Find out more on page 91

-1,200

t CO₂ per year emitted into the atmosphere



TRANSITION TO HYBRID MOBILITY

Healthcare sector: adoption of a hybrid corporate fleet.

Find out more on page 107

100%

of the company fleet consists of hybrid vehicles



DEMATERIALIZATION OF PAPER DOCUMENTS

Reduction of environmental impact.

Find out more on page 108

-2,000,000

sheets of A4 paper used per year

S



EXAMPLE OF DEVELOPMENT OF LOCAL ECONOMIES: THE NEW PLANT IN SERBIA

Financial partnership with EBRD, the European Bank for Reconstruction and Development, the ethical European bank for reconstruction projects and the development of local economies.

Find out more on page 56

New filling station in Serbia



COVID-19 PANDEMIC MANAGEMENT

Organization and operational readiness at MEDIGAS.

Find out more on page 101

50,000

patients served

1,000

pharmacies served

G



NEW AIR SEPARATION UNIT (ASU) MOTORS: EFFICIENCY AND CONTINUITY

Advanced maintenance, paying attention to energy efficiency and operational continuity at plants.

Find out more on page 57

-720

t CO₂ per year emitted into the atmosphere



ADVANCED PROCESS CONTROL TECHNOLOGY

Implementation of predictive models for maximum operational flexibility at plants.

Find out more on page 71

-400

t CO₂ per year emitted into the atmosphere



DIGITAL INSTRUMENTS: SIADMI4U

Real-time remote monitoring system for control and optimization of plant and compressor operation.

Find out more on page 68

-15,000

km of air travel

OUR SUSTAINABILITY PRINCIPLES



THE FOUR PILLARS OF THE SIAD GROUP

Throughout the report, we decided to be guided by the common thread set out in a simple but effective acronym based on **four pillars**, which represent the Group's **commitment to sustainability**.

SOLIDITY



Economic growth on solid and thoughtful foundations, almost 100 years of history, balance sheets that have always been positive, and a constantly growing turnover: after Germany, France, Serbia and Croatia, we will continue to expand into new markets. For us, the fundamental values of the Group come before growth.

INNOVATION



Unique projects, tailor-made responses, synergies, inspirations and technological cross-fertilizations between the Group's different sectors: we have always been committed to developing solutions that meet the needs of customers, who are privileged partners in a shared journey of progressive improvement. All this forms the basis for our innovation processes, aimed at reducing the environmental impact for our customers and for the SIAD Group.

AUTHENTICITY



We have remained faithful to the ethos of our founders, Quirino and Bernardo Sestini, based on the relationship with the customer and the territory. We invest in skills and reliability, and aim to forge direct relationships with all our stakeholders. Our presence in the local area is demonstrated by the various projects related to training and culture that SIAD and the SIAD Sestini Foundation have always supported.

DIFFERENCE



People make the difference and the wealth of the SIAD Group is represented by the differences between its people and representatives. Tradition, innovative spirit, high-quality research, multiple stimuli and the high level of diversification of our projects, activities and interests play a key role in making SIAD the only Group of its kind on the Italian and world stage.

VALUES AND ETHICAL PRINCIPLES OF THE GROUP

During the drafting of the Report, the four founding pillars were linked to the **main values** that have always guided the Group

- Experience, tradition and solidity
- Geographical and sector diversification
- Reliability, professionalism and expertise
- Research, technology and innovation
- Commitment to quality, safety and the environment
- Attention to Social and Cultural Issues

We direct our **sustainable growth** towards these values to meet the social, environmental and governance requirements of our stakeholders.

As a Group, we also identify with the **ethical principles** we adhere to in order to guide our strategies and decisions.



The drive required by the increasing importance of sustainability issues and the awareness of our impact on the local area have helped to accelerate the transition to an even more sustainable Group, with a view to **constant improvement** in the management of ESG aspects.

Based on these prerequisites and ambition, our annual **Sustainability Report** takes responsibility for our stakeholders' requirements and involves them even more in the commitment made by our Group to **society** and the **local area**, attention to **human resources** and the **environment**.

STAKEHOLDERS

SIAD GROUP SUSTAINABILITY REPORT 2022

Each letter of the name “SIAD” stands for a chapter of the Sustainability Report, which lists the KPIs in terms of the company’s values and major themes, and the projects in which the Group is involved.

S

SOLIDITY






Values

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

SDGs



Major themes

-  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



Major themes

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

A

AUTHENTICITY







Values

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

SDGs



Major themes

-  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
- Flexibility
- Knowledge sharing

SDGs



Major themes

-  Diversity and inclusion
-  Employee satisfaction and well-being

SOLIDITY

4

For us at SIAD, the concept of solidity is embodied in economic growth on solid and thoughtful foundations, almost 100 years of history, balance sheets that have always been positive, and a constantly growing turnover.

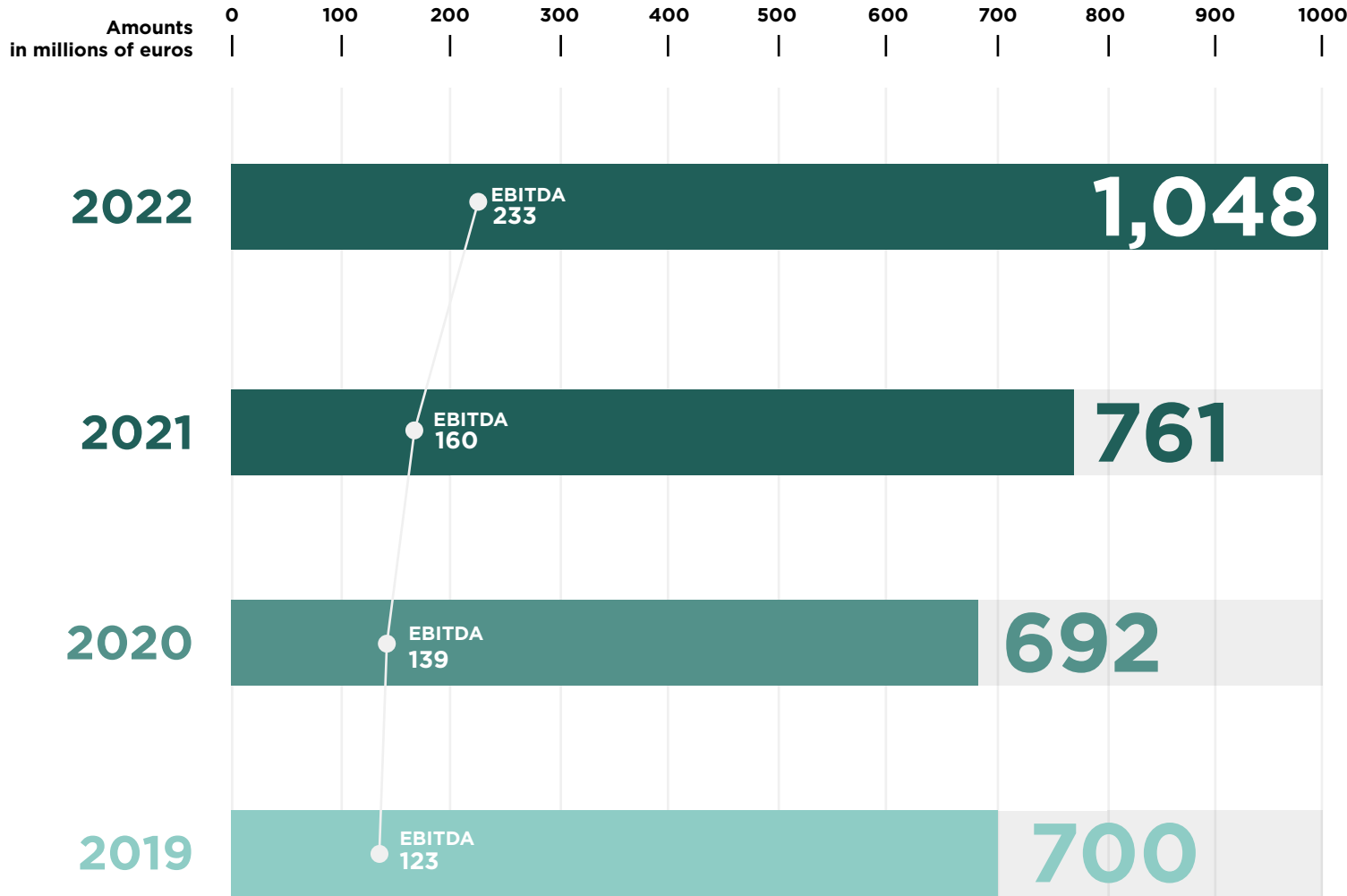
For us, development can under no circumstances overlook the fundamental values of the Group, which relate to:

- Experience, Tradition and Solidity
- Geographical and Sector Diversification
- Reliability, Professionalism and Expertise

These values will be considered in further depth below.

REFERENCE VALUES

EXPERIENCE, TRADITION AND SOLIDITY



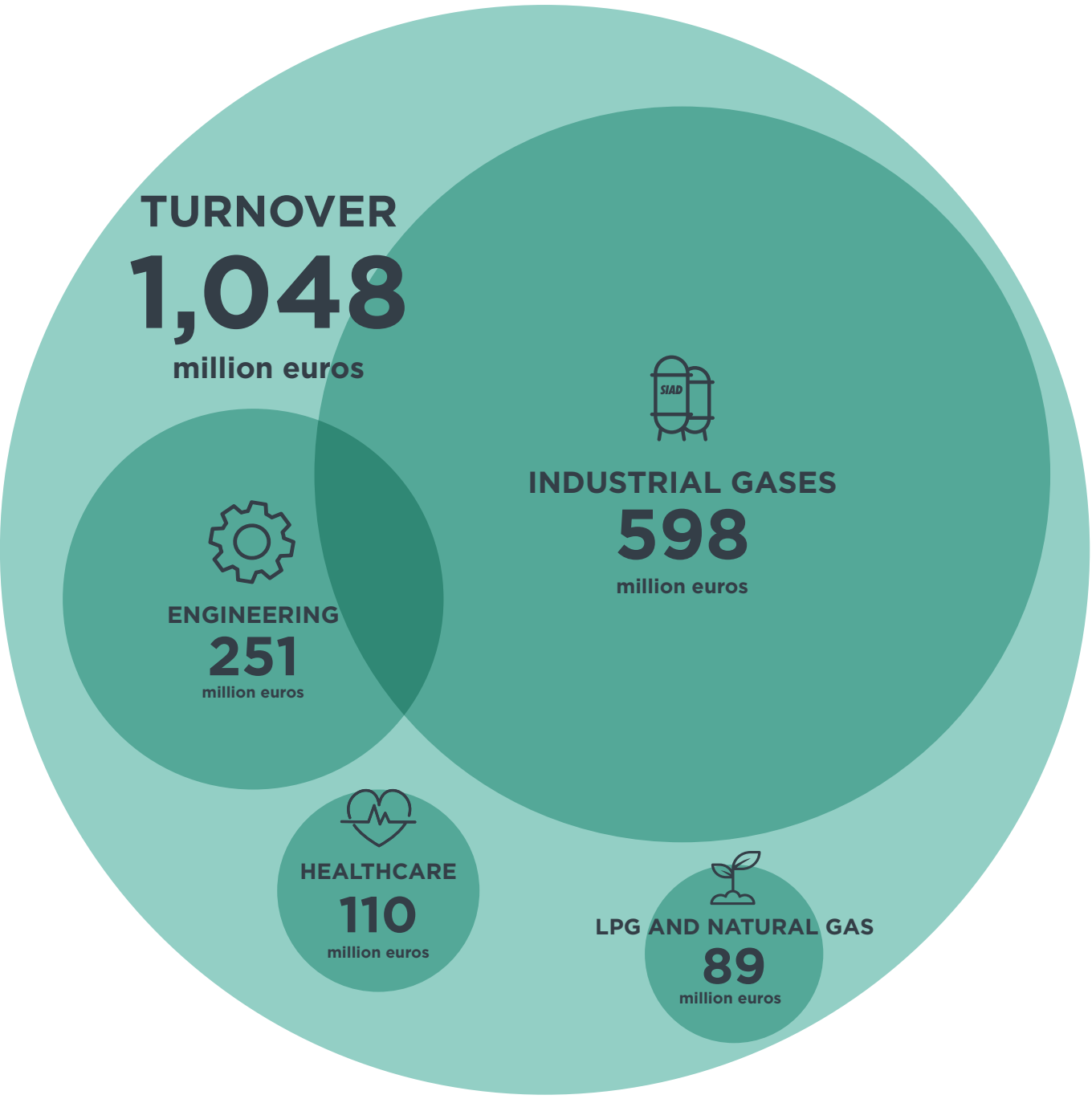
In 2022, the SIAD Group's turnover grew by 38% compared to 2021, due in part to the exponential increase in the costs of energy and raw materials, but above all to the extensive differentiation of the Group's sectors and markets. Indeed, differentiation is one of the Group's strengths and ensures robust growth in the various businesses, by making full use of the ability to innovate products, services and processes.

In 2021, Group turnover increased, as a result of both the full return to business

to follow the effects of the 2020 closures, and of consolidated growth, the outcome of which was a 9% rise on 2019. The increase in the Group's margins is the result of the development strategy that SIAD has long been pursuing. Growth always focused on its core business and on projects that are fully commensurate with the Group's in-house expertise and people.

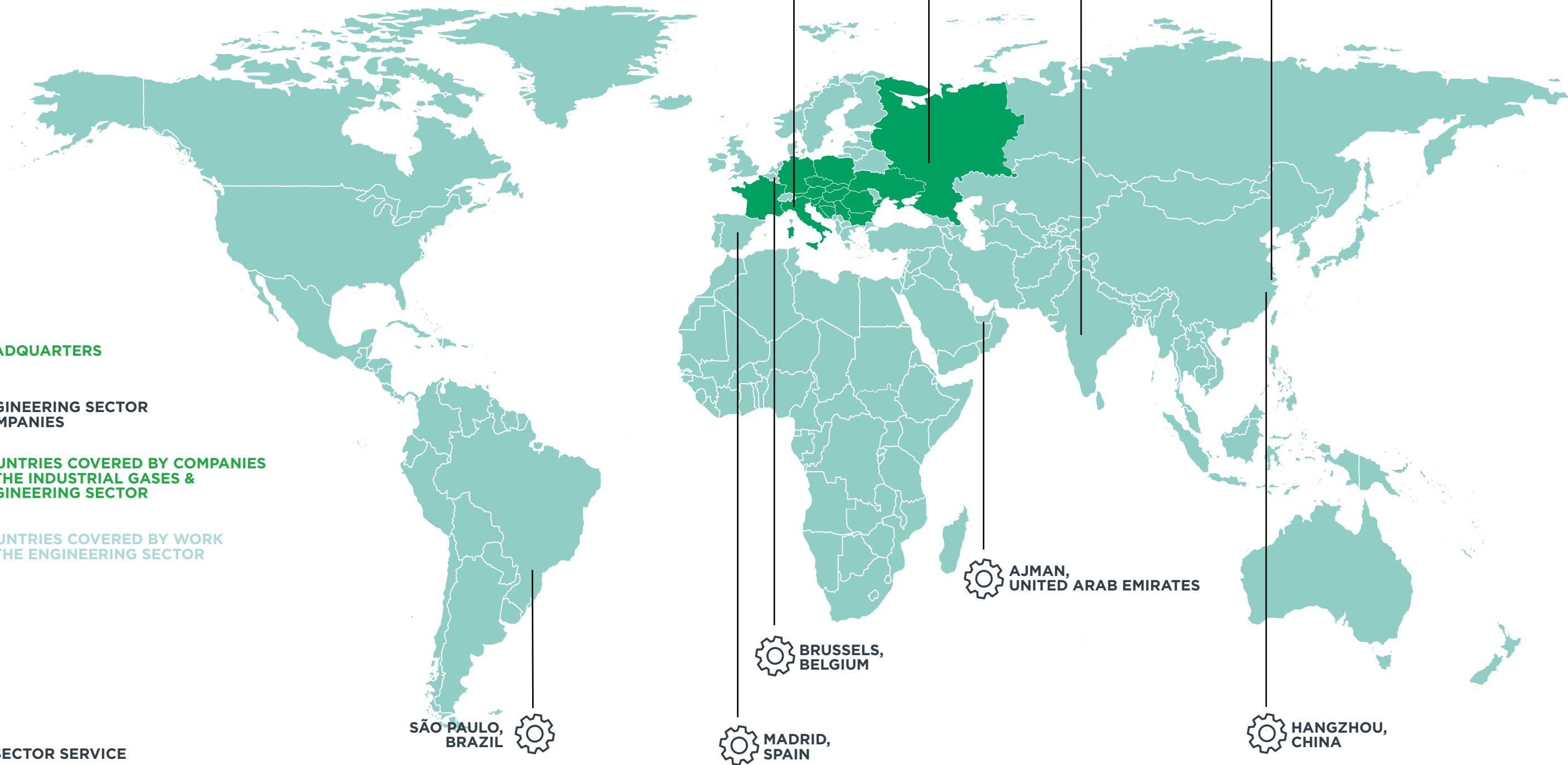
The 2022 results also confirm the full economic and financial sustainability of our business plans.

Revenues from sales and services received by the SIAD Group are broken down as follows:



GEOGRAPHICAL AND SECTOR DIVERSIFICATION

-  HEADQUARTERS
-  ENGINEERING SECTOR COMPANIES
-  COUNTRIES COVERED BY COMPANIES IN THE INDUSTRIAL GASES & ENGINEERING SECTOR
-  COUNTRIES COVERED BY WORK IN THE ENGINEERING SECTOR



ENGINEERING SECTOR SERVICE CENTERS



COUNTRIES WITH COMPANY OFFICES IN THE ENGINEERING SECTOR



COUNTRIES WITH COMPANY OFFICES IN THE INDUSTRIAL GASES SECTOR



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

THE SIAD GROUP OPERATES IN THE FOLLOWING SECTORS



INDUSTRIAL GASES

Production, marketing and distribution of the entire range of industrial, food-grade, specialty, medicinal and refrigerant gases and related services, 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.

A range of **industrial goods for welding and tools**.

Provision of **specialist services in the disposal and recovery of industrial waste, reclamation and environmental management**.

A range of **gas-related products** intended for the mass market.



ENGINEERING

Design and worldwide construction/installation of air separation units (ASU) and air and gas compression plants.

Design and production of systems for **industrial combustion, treatment, production and recovery of CO₂, and biogas purification**.

Design and production of **systems to liquefy methane and biomethane**.

Global and ongoing management of **support services**.



HEALTHCARE

Services for healthcare, with a range of **medical gases, medical devices, components, units and systems for cryobiology and the life sciences**, in both the public and private sectors.

Services for **home care** and a range of **products for hospitals and research facilities**.



LPG AND NATURAL GAS

Marketing and distribution of **liquid petroleum gas and methane**.

Production of heat and electricity, using **cogeneration plants**.

MARKET SEGMENTS



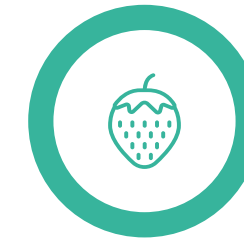
LPG AND
NATURAL GAS



MECHANICAL
INDUSTRY AND
METALWORKING



COMBUSTION AND
METALLURGY



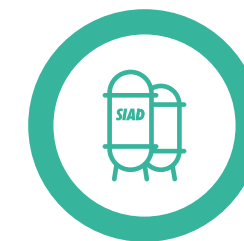
FOOD &
BEVERAGE



CHEMICAL,
PETROCHEMICAL AND
PHARMACEUTICAL



ENVIRONMENT
AND RESEARCH



INDUSTRIAL
GASES



OTHER SECTORS



HEALTHCARE

RELIABILITY, PROFESSIONALISM AND EXPERTISE

The value built up by SIAD over the years is closely linked to its reputation, gained as a result of **work on a daily basis, relationships** and the **ability to meet the expectations of its stakeholders**. The values that have always distinguished this story of entrepreneurship will remain the same in the future, with the focus on sustainable and responsible growth.

LEGALITY

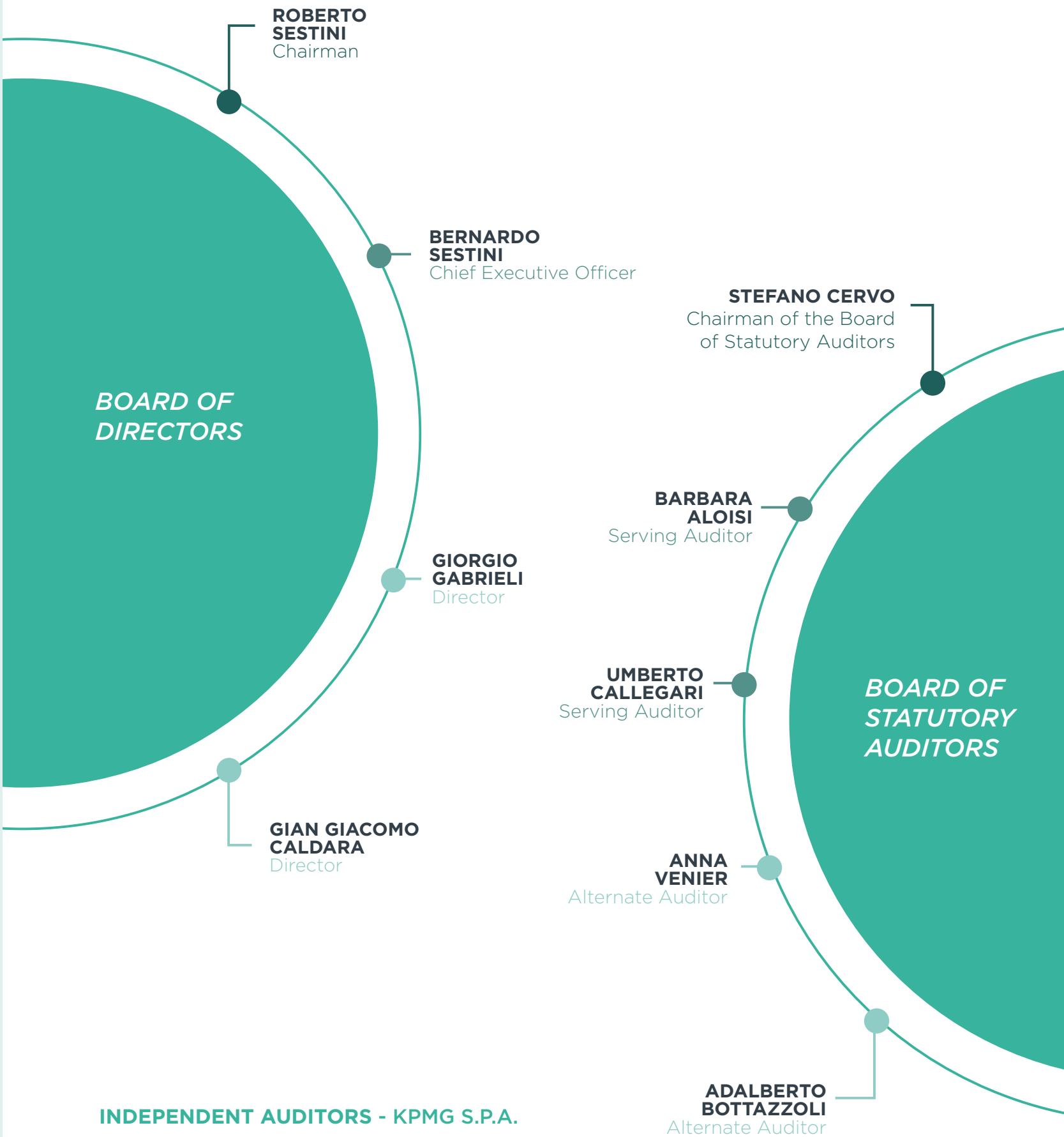
The SIAD Group is committed to conduct in compliance with its **Code of Ethics** and internal corporate regulations, as well as to full respect for the **laws and regulations in force in the countries where it operates**. Under no circumstances may the pursuit of the Group's interest involve the commission of crimes, unlawful acts or other conduct contrary to the principles of the Code of Ethics.

GOVERNANCE

To facilitate the necessary process of change and updating, the Boards of Directors of the Group companies are based on periodically checked and updated schemes, and take all strategic decisions to maintain profitability over time. Corporate Governance is the responsibility of the **Board of Directors**, supported by company management in operational process management. With regard to diversity within the Boards of Directors of the Group companies, 15% of members are aged between 30 and 50, with 85% over 50 years of age. The main **control bodies** are the **Board of Statutory Auditors** and the **Supervisory Body** in accordance with Legislative Decree 231/2001. In its work, the Board of Directors guarantees a **coherent and transparent entrepreneurial system**, 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.

No **conflicts of interest** occurred in the two-year period from 2021 to 2022 (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 may result in a potential or current conflict of interest.

CORPORATE APPOINTMENTS at the parent company SIAD S.p.A. as at 31/12/2022



ORGANIZATIONAL, MANAGEMENT AND CONTROL MODEL

The Group has drafted a proprietary organizational, management and control model, bearing in mind the company's specific business.

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.

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



PRECAUTIONARY PRINCIPLES FOR SUSTAINABILITY

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



Risk assessment makes it possible **to prevent possible situations of risk** and **to take prompt action** as a precautionary measure.

The **risk assessment** takes into account the context in which the company operates and the following aspects:



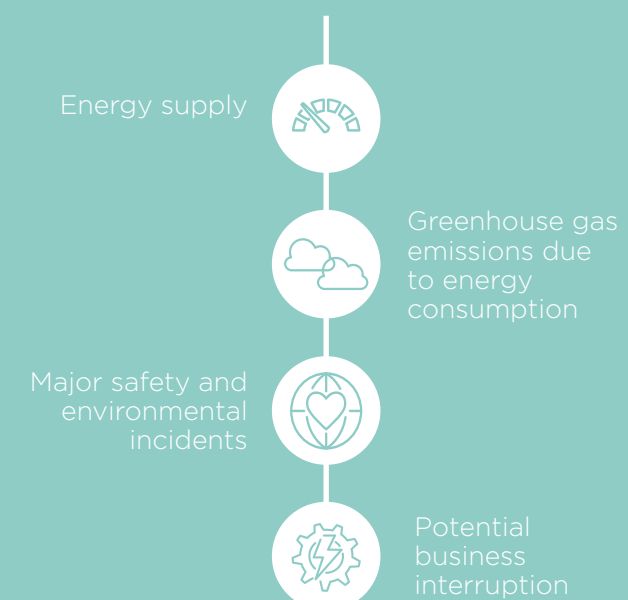
The risk assessment takes into account **the expectations of all stakeholders** and is contextualized for a level of risk to be attributed for every threat considered applicable and to implement any corrective actions and/or improvement plan.

In the area of **business risks**, the main themes identified, monitored and actively managed by the Group relate to:



SIAD pays specific attention to the **precautionary principle, including in relation to ESG risks**, by identifying and monitoring risks relating to all aspects of sustainability.

MAIN ESG RISKS





SOLIDITY SDGs

PEACE, JUSTICE AND STRONG INSTITUTIONS

Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

PARTNERSHIPS FOR THE GOALS

Strengthen the means of implementation and revitalize the global partnership for sustainable development



RESPONSIBLE CONSUMPTION AND PRODUCTION

Ensure sustainable consumption and production patterns

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

DECENT WORK AND ECONOMIC GROWTH

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

MAJOR THEMES AND 2022 RESULTS

ECONOMIC PERFORMANCE AND RESPONSIBLE GROWTH

INCOME STATEMENT (thousands of euros)	2022	%	2021	%	2020	%
Turnover	1,048,097	96.58%	760,501	94.93%	691,549	97.95%
Changes in inventories of in-process, semi-finished and finished products	6,746	0.62%	21,745	2.71%	546	0.08%
Other revenues and income	30,330	2.79%	18,877	2.36%	13,900	1.97%
Value of production	1,085,173	100.00%	801,123	100.00%	705,995	100.00%
Cost and changes in inventories of raw materials	-472,171	-43.51%	-317,316	-39.61%	-264,352	-37.44%
Added value	613,002	56.49%	483,807	60.39%	441,643	62.56%
Cost for staff and services	-357,960	-32.99%	-313,932	-39.19%	-289,220	-40.97%
Operating expenses	-8,084	-0.74%	-8,185	-1.02%	-6,793	-0.96%
Write-downs	-14,214	-1.31%	-1,905	-0.24%	-7,092	-1.00%
EBITDA	232,744	21.45%	159,785	19.95%	138,538	19.62%
Depreciation and amortization	-75,354	-6.94%	-72,812	-9.09%	-59,054	-8.36%
EBIT	157,390	14.50%	86,973	10.86%	79,484	11.26%
Non-operating income and charges	-1,912	-0.18%	-4,307	-0.54%	-361	-0.05%
EBIT	155,478	14.33%	82,666	10.32%	79,123	11.21%
Taxation	-27,568	-2.54%	-20,098	-2.51%	-19,113	-2.71%
Profit attributable to non-controlling interests	-1,399	-0.13%	-1,032	-0.13%	-896	-0.13%
SIAD GROUP PROFIT	126,511	11.66%	61,536	7.68%	59,114	8.37%

ASSETS (thousands of euros)	2022	2021	2020
Tangible and intangible fixed assets	618,921	618,720	554,787
Financial fixed assets	21,863	17,171	18,140
Short-term assets	782,021	642,885	567,693
TOTAL ASSETS	1,422,805	1,278,776	1,140,620

LIABILITIES (thousands of euros)	2022	2021	2020
Net equity of the SIAD Group	824,627	700,447	638,054
Net equity attributable to non-controlling interests	7,369	6,690	6,355
Funds	33,620	28,104	28,385
Short-term liabilities	445,725	402,793	294,556
Medium- to long-term liabilities	111,464	140,742	173,270
TOTAL LIABILITIES	1,422,805	1,278,776	1,140,620





PROFITABILITY INDICES	2022	2021	2020
ROE	15.34%	8.79%	9.26%
ROI	11.17%	6.88%	7.05%
ROS	15.02%	11.44%	11.49%
Financial debt ratio	-6.57%	8.39%	7.64%
Fixed capital formation on net revenues	7.99%	9.34%	9.40%

WORKING CAPITAL (thousands of euros)	2022	2021	2020
Trade receivables	297,751	245,345	218,640
Warehouse	199,646	186,299	146,459
Payables to suppliers and advances	-313,741	-262,923	-208,260
WORKING CAPITAL	183,656	168,721	156,839

INVESTMENTS (thousands of euros)	2022	2021	2020
Intangible	6,124	5,384	5,484
Materials	79,289	64,065	59,658
Financial	27	2,758	581
TOTAL INVESTMENTS	85,440	72,207	65,723

NET FINANCIAL POSITION (thousands of euros)	2022	2021	2020
Cash and cash equivalents	221,007	157,189	167,593
Short-term payables to banks	-58,505	-82,418	-46,984
Short-term payables to lenders	-1,157	-888	-1,234
Short-term cash and cash equivalents/(debt)	161,345	73,883	119,375
Medium- to long-term payables to banks	-104,102	-128,782	-163,758
Medium- to long-term payables to lenders	-3,096	-3,840	-4,283
Total medium- to long-term cash and cash equivalents/(debt)	-107,198	-132,622	-168,041

TOTAL CASH AND CASH EQUIVALENTS/(DEBT)	54,147	-58,739	-48,666
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TURNOVER (thousands of euros)	2022	2021	2020
 INDUSTRIAL GASES	598,382	382,926	316,463
 ENGINEERING	250,722	197,043	206,832
 LPG AND NATURAL GAS	88,767	78,490	62,678
 HEALTHCARE	110,226	102,042	105,576
TOTAL TURNOVER	1,048,097	760,501	691,549

TURNOVER BY GEOGRAPHICAL AREA (thousands of euros)	2022	2021	2020
Italy	589,576	398,161	364,168
Other EU countries	286,586	258,744	205,652
Non-EU countries	171,935	103,596	121,729
TOTAL TURNOVER	1,048,097	760,501	691,549

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED (GRI 201-1) (thousands of euros)	2022	2021	2020
Turnover	1,048,097	760,501	691,549
Other revenues applicable to GRI	10,098	7,020	8,996
Economic value generated	1,058,195	767,521	700,545
Operating costs (suppliers)	718,469	526,901	454,063
Employee salaries and benefits	119,345	110,022	103,900
Payments to capital providers (investors and lenders)	9,377	8,510	3,256
Payments to the government	35,955	23,815	23,432
Investments in the community (gratuities)	442	722	426
Economic value distributed	883,588	669,970	585,077
Economic value retained	174,607	97,551	115,468

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 and Conduct, which was updated and approved by the Board of Directors on 12 March 2018, identifies the **company principles and values**, along with the general **obligations of diligence, propriety and integrity** that its collaborators are required to observe when working in the name and on behalf of SIAD.

In consideration of its structure and of its type of business, as well as the international context in which the Company operates, it is essential that its modus operandi is inspired by **principles of clarity and transparency**, strict **compliance with the law**, **fair competition**, and **respect for the legitimate interests** of customers, suppliers, employees, shareholders, institutions and the community.

Specifically, SIAD intends for the Code of Ethics to:

- acknowledge the **legal relevance and mandatory effectiveness 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 inform **the Group's** business and relations with employees, collaborators, business partners and institutions
- indicate the **principles of conduct** by which the addressees of the Code are bound
- **make** those who, for various reasons, have relations with the Group **accountable** for compliance with these principles, where possible drafting a specific system of sanctions to ensure the effectiveness and efficacy of the said Code.

The Code of Ethics forms 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.

RELATIONS WITH THE PUBLIC ADMINISTRATION AND SUPERVISORY BODIES

In relations with the Public Administration and Supervisory Bodies, the entities involved are required to achieve **maximum transparency, clarity, diligence, professionalism and fairness**, in order to establish a collaborative relationship, by **punctually and promptly implementing the requirements and any obligations**, and providing all the information requested in a clear, comprehensive and objective manner.

The addressees of the Code are prohibited from promising, offering or paying, directly or through intermediaries, sums of money or other benefits to entities falling within the definition of Public Administration and Supervisory Bodies in order to influence them in the performance of their duties and/or to take unfair advantage thereof.

Gifts and acts of courtesy and hospitality are not permitted to be made to entities falling within the definition of Public Administration and Supervisory Bodies, nor to consultants/intermediaries appointed to enter into relations with such entities, without the prior explicit authorization of the Directors.

To monitor and measure the risk of corruption and the initiatives taken to combat it, **the company has adopted dedicated tools and processes**, which receive periodic information flows and conduct specific audits.

WHISTLEBLOWING

"Whistleblowing" refers to the **reporting of illegality and irregularities** in the organization of an entity **by employees**, who can communicate them internally, via specifically dedicated, protected and secure channels.

SIAD has provided a **digital platform** for all employees, whether permanent or temporary. The portal enables the reporting of any irregularities and/or illegal actions or omissions that could constitute an actual or suspected breach of the principles set out in the Code of Ethics and the Organizational and Management Models of the SIAD Group companies.

All personal data are processed **in accordance with Regulation (EU) no. 2016/679** and its amendments and additions, as well with as any other applicable provision on the protection of personal data, in full compliance with fundamental rights and freedoms, with specific regard to the confidentiality of the identity of the entities involved and the security of processing.

No **critical issues** occurred in the two-year period from 2021 to 2022 (GRI 2-16). Critical issues include concerns about actual and potential negative impacts on stakeholders, received via complaints and other procedures. They also include concerns identified through other procedures regarding the organization's conduct in its transactions and business relations.

PROCESSES ASSESSED FOR COMPLIANCE RISKS

In an analysis of the data gathered in the field of Business Ethics, with no critical issues found, **373 processes were assessed for compliance risks**, of which (based on an analysis conducted on the basis of Legislative Decree 231/01) **40% were examined for risk of corruption**. These major data are made even more significant by **training on Model 231, provided to 100% of employees**, including the governance bodies.



As evidence of the Group’s strong sense of legality and commitment to compliance with the rules and laws in force in the countries where it operates, in 2022 (as in 2021) **there were no confirmed incidents of corruption** (GRI 205-3) **nor any legal actions for anti-competitive conduct, anti-trust and monopoly practices** (GRI 206-1).

BUSINESS CONTINUITY

For SIAD, Business Continuity is intended primarily as a **prevention strategy, aimed at ensuring** that a company or organization **can conduct its business smoothly**.

SIAD has therefore organized its IT infrastructure in such a way as to assess all causes that could compromise it, and thus commits to ensuring operational continuity at all times.

The data gathered refer to over 84,000 cyber threats dealt with preventively, with an increase of as many as 75,000 cases in the past three years and an **almost comprehensive neutralization rate (99.99%) with no loss or theft of data**.

CYBER THREATS	2022*	2021	2020	2019**
Cyber threats addressed (threat prevention)	84,215	13,060	19,663	8,754
Cyber threats addressed (threat emulation)	415	662	924	3,653
Total threats addressed	84,630	13,722	20,587	12,147
% neutralized threats	99.99%	99.99%	99.99%	100.00%
% threats affecting data (loss or theft)	0.00%	0.00%	0.00%	0.00%

*Period from January to August 2022 period (from September 2022, a new protection system was implemented. The new indicators that will be active from next year are subject to current analysis).
**Partial data due to firewall replacement and statistics reset.

The significant growth in the value of threat prevention is justified by an increase in threats and the ability of the prevention system to intercept and process them.

In addition, from an operational point of view, there were no significant service interruptions during the period considered.

- Operational continuity is guaranteed by a range of 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.

RESPONSIBLE PURCHASING AND SUPPLY CHAIN

For SIAD, the supply chain is essential to meet customer requirements optimally, by providing safe products and services. SIAD strongly believes in the importance of working closely with the supply chain, establishing **relationships based on loyalty, transparency and mutual collaboration** and jointly defining the **objectives to guarantee the utmost performance at all times**.

Supply Chain reporting, management and loyalty

SIAD shares its growth objectives throughout the supply chain, working together with its suppliers as partners. The two years 2021 and 2022 were characterized by the construction of a **design idea** for the Group's current and future pathway **to increase the level of transparency of its supply chain**.

The choice of suppliers and contractors for the purchase of goods and services is made on the basis of **criteria that are not exclusively qualitative and economic**, but are carefully evaluated, with no discrimination or prejudice and over a significant period of time, and with specific features such as **technical and organizational capacity**, suitability to carry out the work required, **respect for the environment and financial solidity**.

As part of their relations with suppliers, all SIAD Group companies are required not only to constantly ensure the most appropriate ratio between quality, cost and delivery times, but also to:



In general and from the top down, the companies currently working with the SIAD Group as suppliers are required to comply with and be held accountable to the **Code of Ethics** (and Code of Conduct), as specified explicitly in the General Terms and Conditions of Purchase. **Periodic audits** also allow for constant **monitoring** of the entire chain.

SIAD's growth pathway in this direction involves the adoption of an **IT platform designed to involve suppliers and evaluate their performance in terms of sustainability**. An ambitious but necessary program that in the coming years will result in the supply chain becoming even more involved at all levels and in its understanding of the principles of sustainability to which SIAD is fully committed.

The aim is to pay particular attention to the **monitoring** of:

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

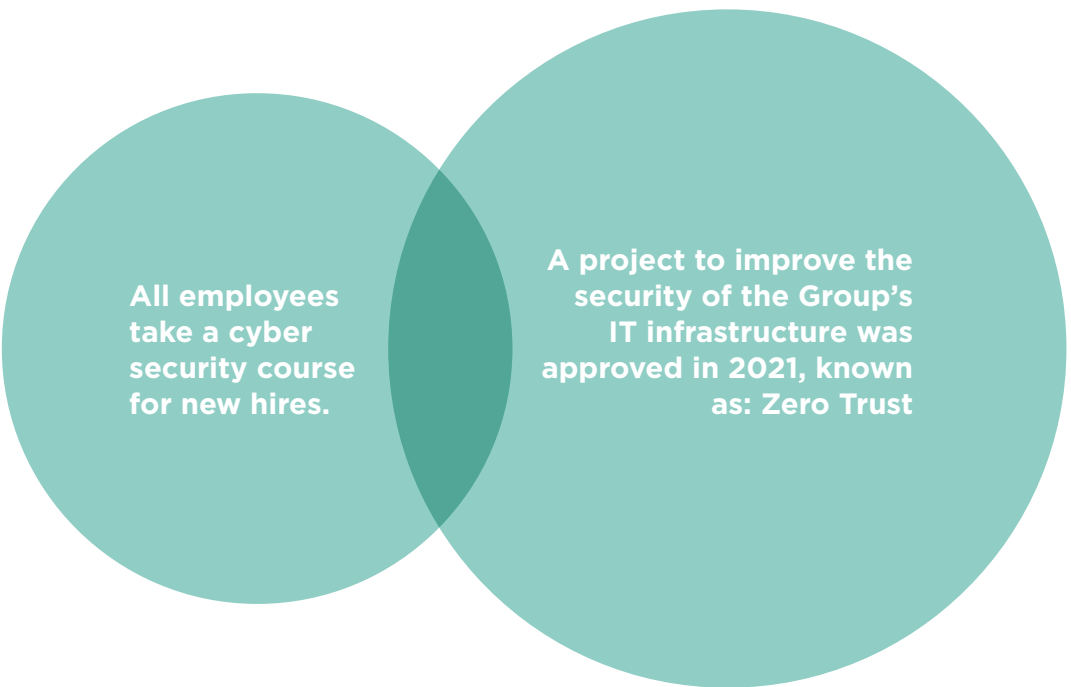
One of the SIAD Group's values is **"responsibility towards the community"** and this is reflected in the supply chain management policies. In fact, as far as possible, **SIAD favors relations with local suppliers**. In addition, we believe that **rapid response times** and **distributed and widespread logistics** are fundamental for the effectiveness of the business; these two conditions, in addition to the desire to weave close relationships of collaboration, direct the choice even more towards local partners.

To confirm the above, an initial partial analysis was carried out on a significant sample* of SIAD S.p.A. sites, located in different areas of Italy (north-east, north-west, center and islands), which takes into consideration the supplies for which it is possible or significant to make a local choice (excluding, for example, the supply of electricity, telephony and, in general, this type of utilities).

The results show that **more than 70% of supplies are commissioned from suppliers in the same or neighboring regions and almost 80% from suppliers in Italy**.

* The supplier turnover of the sites in question represents more than one-third of SIAD S.p.A. turnover.

DATA PROTECTION
AND INFORMATION SECURITY



PRIVACY COMPLIANCE

Compliance with the processing of personal data, in accordance with the new 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**.

SIAD's **Code of Ethics** states our commitment in this matter. 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 occurs, the company can immediately report the event and remedy it. During the **four-year period from 2019 to 2022, no cases of breaches of customer privacy were recorded** (GRI 418-1).

SIGNIFICANT PROJECTS
AND EXPERIENCES

EXAMPLE OF DEVELOPMENT OF LOCAL ECONOMIES:
THE NEW PLANT IN SERBIA

As part of its process of internationalization, SIAD has decided to build a **new plant in Serbia**. Conducted with the invaluable **support of the European Bank for Reconstruction and Development (EBRD)**, a project aimed at grasping new international business opportunities and at the same time at supporting the growth of the multiple industrial sectors now developing there. This financial institution only supports projects if they have good prospects for profitability, are beneficial to the local economy and meet the environmental standards of the EBRD and of the host country. The EBRD has proved to be an essential partner for SIAD to make progress in its projects in Serbia. The partnership is also doubly important and significant from a sustainability point of view, given that the EBRD does not fund projects that are harmful to the environment or whose impact cannot be mitigated. To fund a project, the EBRD conducts in-depth **due diligence** on the applicant company in terms of fields that may include **integrity, ownership, financial and market situation, management, operations, legal compliance, purchasing and, in particular, the environment and social responsibility**. With regard to the latter two topics, projects funded by the EBRD must be designed and managed in accordance with international good practice for sustainable development. Where possible, projects should avoid negative impact on workers, communities and the environment. If it cannot be avoided, negative impact must be reduced, mitigated or compensated, as appropriate. The EBRD principles stipulate that new facilities to be funded must be designed to meet environmental and social responsibility performance requirements from the outset, or otherwise the client must adopt and implement a satisfactory **environmental and social action plan** that is technically and financially feasible and can be achieved within an acceptable time frame.

PROJECT SUSTAINABILITY
OBJECTIVES



To contribute to the local **development** of European countries with **weak or growing economies**, in accordance with the principles of sustainability.



To build new plants with the financial support of a partner that focuses the feasibility assessment on **ESG issues**.

TARGETS ACHIEVED /
QUANTITATIVE DATA



Construction of a new **filling station in Serbia**



Financing of further **European projects**

RELEVANT SDGs



SCAN THE QR CODE TO
FIND OUT MORE ABOUT THE
PROJECT TO CONSTRUCT A
FILLING STATION IN SERBIA

NEW AIR SEPARATION UNIT (ASU) MOTORS: EFFICIENCY AND CONTINUITY

This project involved the replacement of three such **ASU motors at the Osio Sopra plant - Italy (ASU model T1000)** and one at the **Carlino plant (ASU model AFP 3000)**.

The previous motors were installed in the 1980s; despite excellent workmanship and regular, meticulous maintenance, they started to show signs of declining maintenance and heavy wear and tear. Approximately every three years, a full overhaul was required, involving reductions in plant productivity with potential inefficiencies for customers, in addition to the maintenance costs incurred. The installation of the new motors was scheduled during quieter periods of production; given that three days were required to install each new motor, all measures were taken to minimize impact on customers (the Osio Sopra plant was not shut down, but operated at a reduced rate. As a result of a delivery plan agreed ad hoc, it was possible to ensure business continuity for customers).

PROJECT SUSTAINABILITY OBJECTIVES



To **increase reliability** and therefore **business continuity** while maintaining a high level of plant efficiency.



To **reduce CO₂ emissions** by reducing energy consumption.



To **minimize maintenance costs**.



To **increase the availability of strategic spare parts**: old engines are disassembled into components, which are stored in the warehouse ready to be used for rapid and/or emergency intervention in the event of a breakdown.



To **obtain “white certificates”**, by reporting energy savings to the public company GSE (*Gestore Servizi Energetici*; ‘Energy Services Manager’).

QUANTITATIVE DATA TARGETS ACHIEVED



Consumption reduced by **2,800 MWh per year**



CO₂ emissions reduced by **720 t per year**



Increased productivity and reduced plant costs



Recognition of white certificates

RELEVANT SDGs



ASU model T1000

INNOVATION

5



Unique projects, tailor-made responses, synergies, inspirations and technological cross-fertilizations between the Group's different sectors: we have always been committed to developing solutions that meet the needs of customers, who are

privileged partners in a shared journey of progressive improvement. All this forms the basis for our innovation processes, aimed at reducing the environmental impact for our customers and for the SIAD Group.

REFERENCE VALUES

RESEARCH, TECHNOLOGY AND INNOVATION

During the two-year period from 2021 to 2022, the SIAD Group companies, and especially the parent company SIAD S.p.A. and the subsidiaries SIAD Macchine Impianti S.p.A. and ESA S.p.A., developed various projects and feasibility studies on technological and organizational solutions, to produce **new products and services** and **improve their competitive position**. Throughout the acquisition, existing know-how in the scientific, technological and commercial fields was integrated and used.

In the two-year period from 2021 to 2022, the SIAD Group invested a total of **€4.8 million** in its **“Research and Development” projects**.

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

RESEARCH PROJECT AWARD – SIAD S.P.A.

With the aim of encouraging **research** and **innovation** in the use of industrial gases in viticulture and oenology, in collaboration with OICCE (*Organizzazione interprofessionale per la comunicazione delle conoscenze in enologia*; Interprofessional Organization for the Communication of Knowledge in Oenology), SIAD S.p.A. has established the **“SIAD International Oenology Award”**, to acknowledge 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.

CUSTOMER CENTRICITY

SIAD’s know-how enables active collaboration with its customers to identify the best technology and solutions on the market to **reduce the impact of its production processes**. The Group embarked on this journey from the outset, to enable all parties involved to work in synergy and see their businesses grow, in a climate of mutual support. This is the case in the field of innovation and research, but also in terms of productivity, impact on the environment and business costs, according to an increasingly shared perspective of **growth and sustainable development**.

SIAD’s customer centricity takes the form of **constant dialogue** via various channels, with communications by e-mail, direct telephone calls, social media and conventional mail services. In addition, to strengthen relationships and make collaboration even more fruitful, regular meetings, market surveys, research and training courses are organized, not to mention SIAD’s active participation in industry trade fairs and events, all with a constant view to **loyalty** and **transparency**.

In terms of transparency, it should be noted that some Group companies are already registered on portals where customers can evaluate ESG performance, such as **Sedex*** (SIAD S.p.A. and SIAD Macchine Impianti) and **EcoVadis**** (the SIAD Group won a **Bronze Award** in 2022 and SIAD Macchine Impianti received a **Silver Award** in 2021).

**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 AND 2022 RESULTS

INNOVATION, RESEARCH AND DEVELOPMENT

On its journey of growth, the SIAD Group deems investments in **innovation, research and development** essential in bolstering its competitiveness on the market, in opening up **new opportunities, projects, investments** and in consciously building the future. As a result of research and innovation, the future can be understood and anticipated, by picking up on the signals and providing responses with the **professionalism** of a company that can always look ahead with **awareness** in mind.

ENVIRONMENTAL TECHNOLOGIES

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. **Technological innovation** is the keyword that guides the SIAD Group's decisions and evolutionary processes on a daily basis, in a context that is more current and cutting-edge than ever. Courtesy of the experience built up over the years and the versatility of the skills acquired, the SIAD Group offers **processes, plants and products** for every aspect of the "waste to biomethane" supply chain. The production of biomethane is set up and conducted by means of a **circular** – and therefore sustainable – **flow** of resources. By recovering waste and biomass, this production process results in a biogenic energy source and limits the use of resources. The service is completed by the ability to recover high purity CO₂ for its use in the Food & Beverage supply chain.

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 SYSTEMS	2022	2021	2020	2019
Tons of CO ₂ captured	37,462	42,143	33,085	32,028
Tons of "circular" CO ₂ *	21,551	23,297	17,466	12,950
% "circular" CO ₂	60.0%	55.2%	52.8%	40.4%
% captured compared to emissions (Group)	16.0%	18.0%	nd	nd
% captured compared to emissions (SIAD S.p.A.)	26.6%	28.7%	24.0%	23.1%

* 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

THE BIOMETHANE SUPPLY CHAIN IN ITALY



Strategic, fully renewable and essential to combat climate change, biomethane can be used as a fuel like natural gas, but with a reduced environmental impact. As such, SIAD develops processes, plants and products for each segment of the biomethane supply chain.

Find out more about the project by scanning the QR code.

THE SUSTAINABLE CO₂ SUPPLY CHAIN

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 (78.7%*)**. 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 the **biogenic CO₂** we produce to be considered **carbon neutral** (for carbon footprint purposes). A significant advantage and a major source of added value, even when a customer intends to conduct a production LCA (Life Cycle Assessment). 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.



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.

PRODUCT DURABILITY AND CIRCULARITY

All products (plants, compressors, combustion equipment) supplied by SIAD Group engineering companies, as well as the cylinders and tanks supplied by the gas sector, are mainly made of steel, cast iron and other metal alloys. All these **materials** are easily **recyclable**, increasing the Group's sustainability, having almost always done so.

Production requires high intensity of materials, as a result of the demands for high pressures and/or extreme temperatures. However, all the equipment 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. Some of it was first started or used over 50 years ago.

To extend its lifespan, SIAD uses our technical know-how – built up over decades of experience – to develop **reliable, robust and durable equipment**, guaranteeing **maximum performance** throughout its useful life.

In addition, we support the lifespan of products with a full range of assistance, revamping and upgrading services, as well as reconditioning programs, to avoid wasting the valuable raw materials used.

The SIAD Group's approach towards lifespan and circularity can therefore be traced back to the following aspects:



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.



SIGNIFICANT PROJECTS AND EXPERIENCES

DIGITAL INSTRUMENTS - SIADMI4U

SIADMI4U is a remote **monitoring and diagnostic system**, for **real-time** viewing, analysis and management from a smartphone or PC of all the operating parameters of a compressor or a plant created by SIAD Macchine Impianti. In addition to monitoring parameters in real time, SIADMI4U displays historical data in graphs and tables, to produce personalized regular reports and to report any anomalies or notifications to the user, so prompt action can be taken. This service is included as standard with all VITO Next compressors and can be requested as an upgrade for all compressors and systems previously sold. The different Service Levels are:

SILVER - Remote Data Sharing & Alert Management: immediate detection of the main operating parameters of the equipment, any alerts, and the option for users to manage them remotely.

GOLD - Remote Diagnostics & Fine-Tuning Report: constant acquisition of the various operating parameters, alerts and production of regular reports.

PLATINUM - Total Care: includes all monitoring, inspection and maintenance activities (scheduled or emergency interventions) to ensure optimum equipment reliability and efficiency, at a budget decided on by the customer.

PROJECT SUSTAINABILITY OBJECTIVES



Optimization of maintenance planning and direct connection between the site and the team of specialists at SIAD Macchine Impianti.



Reduced downtime.



Lower plant management and maintenance costs.



Lower mileage traveled, for the benefit of the environment.

SMART AND USER-FRIENDLY

- Custom dashboards
- Push notifications via the app for prompt information on unexpected events
- Data in the cloud, exportable in any format

TARGETS ACHIEVED / QUANTITATIVE DATA



Air travel reduced by **15,000 km per year**



3 t of CO₂ offset per year

RELEVANT SDGs



MORE EFFICIENT COMPRESSORS: VITO NEXT

Established over 10 years ago and launched on the market in 2014, with approximately 250 models sold, the VITO high-pressure oil-free air compressor became VITO NEXT in 2021. This product offers a wide range of benefits, from **lower noise** made possible by the even more powerful soundproofing filter, to **speed adjustment** with considerable energy savings. Designed to **optimize compressor performance** when producing either biodegradable or recycled plastic bottles, the result is a machine with the same performance as the previous range but with electricity consumption 10 to 16% lower depending on the model. Depending on the size of the electric motor, this percentage translates into **savings of between 20 and 60 kW and corresponds to between 5 and 15 kg of CO₂ offset per hour of operations**, with a smaller carbon footprint than competitors. VITO NEXT takes up **20% less space and weighs about 30% less**, for easier and less impactful transportation. The machine was created for the bottle production sector (for detergents, perfumes, etc., as well as food), although other applications have also been identified, including both high- and medium-pressure nitrogen consumption, with minor technical measures to be taken on the equipment. Currently, approximately 80% of these machines are used in the food industry. Designed to be as simple as possible and to be **accessible** from all four sides, VITO NEXT has a clean and functional design, with modularity for upgrades or downgrades to the machine as required. As standard, the VITO NEXT compressor includes the SIADMI4U service, to guarantee preventive maintenance and reduce the time it takes to receive a return on investment to just over one year.

* Oil-free means a compressor in which there is no contact between lubricant and compressed fluid.

PROJECT SUSTAINABILITY OBJECTIVES



All parts that do not heat up are painted with environment-friendly, **solvent-free paints with no heavy metals**.



Lower noise levels, courtesy of a special suction filter, to improve environmental impact in terms of noise pollution.

TARGETS ACHIEVED / QUANTITATIVE DATA



10-16% reduction in energy consumption, depending on model



Estimated offsetting¹ of **1,500 tCO₂** per year compared to previous generation compressors



Less impact on transport: **20%** less space and **30%** less weight

¹ The estimate was made with the following assumptions:

- the average size of the 32 compressors sold is approximately 250 kW as registered and 225 kW of real consumption, for which the consumption of 32 identical compressors with the aforementioned characteristics (corresponding to the Vito NEXT 1520 model) has been simulated;
- a typical customer, who works on 3 shifts continuously, according to internal estimates, uses the compressor for 6000 hours per year on average, so the total annual consumption for 32 compressors is 43,200 MWh per year;
- the corresponding model from the previous generation, on equal terms with the new generation, would have consumed 13.9% more, resulting in savings of 6,000 MWh/year and 1540 tCO₂ per year (carbon intensity of 0.258 kgCO₂/kWh – source: Ispra Report 2021 edition, no. 343/2021; data for “electricity consumption”).

RELEVANT SDGs



Vito Next model 1920

Advanced Process Control (APC) is a **management software solution for air separation units (ASUs)**, based on predictive models that simulate and predict system behavior according to “controlled” and “manipulated” variables. Using the software, the operator defines the production targets, on the basis of which the APC optimizes the controlled variables and predicts the trend of the manipulated variables. As a result, the system behavior is automatically adjusted according to a control strategy and an order of priority that can be configured in a matrix consisting of all the variables.

After building up experience in the development of the APC managing the T1000 system at Osio Sopra, SIAD decided to develop an all-new IT product, to be installed first on the T300 system (also at Osio Sopra) and later on all the Group’s ASUs.

PROJECT SUSTAINABILITY OBJECTIVES

Testing of the T300 began in November 2021, with the aim of achieving the following results in 2022:



Increase in production capacity, as and when required.



Energy savings, resulting in lower CO₂ emissions.



Improved **recovery of argon, oxygen and nitrogen.**



Process stability.

TARGETS ACHIEVED IN 2022 / QUANTITATIVE DATA



3.9% reduction in specific energy consumption of the Main Compressor



1.2% reduction in specific energy consumption in the liquefier



5.8% increase in argon yield



Over **400 t of CO₂ offset per year**

RELEVANT SDGs



Driven partly by exponential demand for medicines during the pandemic, SIAD developed COOOL® FreeToGo, a system for the transportation of food and medicines, from producer to consumer. The aim is to improve the sustainability of a process with high impact on the environment like the cold chain, while remaining high-performance, safe and easy to use.

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



As part of the European Regional Development Fund’s Regional Operational Programme (ROP) and the Lombardy Region’s *Accordi per la ricerca e l’innovazione* (‘Agreements for Research and Innovation’) call for innovation, SIAD actively participated in the PerFORM WATER 2030 project, to create a new water management model aiming at the circular economy, sustainability and recovery of materials and energy.

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



As the world’s third-largest producer of carbon dioxide released into the atmosphere, the industrial sector is now being called upon to take a sustainable stance on this issue. As part of this process, ESA – a SIAD Group company – is committed to developing combustion technologies in line with the European objectives for the energy transition.

Find out how by scanning the QR code.



AUTHENTICITY

We have remained faithful to the ethos of our founders, Quirino and Bernardo Sestini, based on the relationship with the customer and the territory.

We invest in skills and reliability, and aim to forge direct relationships with all our stakeholders.

Our presence in the local area is demonstrated by the various projects related to training and culture that SIAD and the SIAD Fondazione Sestini (Sestini Foundation) have always supported.

REFERENCE VALUES

COMMITMENT TO QUALITY, SAFETY AND THE ENVIRONMENT

Deeming it strategic to do so, the SIAD Group has reiterated its **commitment to quality**, to **protecting the health and safety of its employees** and to the environment, by adopting an integrated system for these three themes. The process to update in-house procedures and regulations on Quality, Health & Safety and Environmental Management is **constant**, to ensure company documentation is always in line with Group requirements and with changes in the regulations in the individual countries where the Group operates.

The SIAD Group is strongly committed to developing **the continuous improvement** of safety, intended as prevention of injuries and major incidents, occupational hygiene and medicine, environmental protection, and the safety of products, systems and processes.

The issue of **food safety** is also central within the Group. Indeed, the parent company SIAD S.p.A. and several foreign subsidiaries have voluntarily implemented food safety management systems.

Attention to these issues is deeply rooted in the SIAD Group, which has been adopting **management systems** since 1994; over the years, the number of certificates it has gained has also been rising gradually.

80%

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

64%

of company sites have a safety management system (ISO 45001); 31% have an environmental management system (ISO 14001)

34%

of company sites have a food safety management system (ISO 22000 and/or FSSC 22000) and 14% have obtained medical device certification (ISO 13485)

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

HONESTY, TRANSPARENCY AND ATTENTION TO SOCIAL AND CULTURAL ISSUES

SIAD's growth and success in the market has always reflected the company's own principles and values: experience, tradition and solidity; reliability, honesty, expertise, research, technology and innovation, not to mention attentiveness to social and cultural issues. These values are inspired by **honesty** and **transparency** and translate into **strict compliance with legislation**, respect for employees, customers, suppliers and shareholders, fair competition, the utmost attention to quality, safety and **environmental protection**, and **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 fundamental factors in its corporate identity. It is therefore actively engaged in the **support and promotion of cultural and social initiatives**, and in 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 where the company operates**.

The various socio-cultural initiatives taken by SIAD bolster work to protect and safeguard cultural heritage in general. However, the goal is also to foster a constant and continuous relationship of dialogue and **collaboration with institutions and communities**, to support them in their journey of growth and economic, social and civil development.





AUTHENTICITY SDGs

LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

GOOD HEALTH AND WELL-BEING

Ensure healthy lives and promote well-being for all at all ages.



SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable.

CLIMATE ACTION

Take urgent action to combat climate change and its impacts.

LIFE BELOW WATER

Conserve and sustainably use the oceans, seas and marine resources for sustainable development.

MAJOR THEMES AND 2022 RESULTS

OCCUPATIONAL HEALTH AND SAFETY

The health and safety of workers are fundamental prerequisites, to which particular attention must be paid by means of prevention, technological development, training and constant monitoring.

SIAD operates with an awareness of the **utmost attention** that must be paid to **occupational health and safety** for its staff and third parties, with the aim of **constantly improving** its performance.

The SIAD Group has identified so-called “dangers that kill” as threats that can lead to serious injuries or fatalities. These hazards are related to electricity, fire, driving, explosions, falls from height and intoxication/asphyxiation. SIAD focuses decisively on the **training** and **involvement of people** (especially with regard to the aforementioned dangers), has defined and implements systematic prevention measures and has implemented processes to learn from the analysis of the causes of accidents and reported near-misses, and to foster a culture of continuous improvement.

The 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. The data show that accidents in the last two years have mainly concerned two types of dangers: slips/stumbles/falls and manual handling of loads and, in no cases, the aforementioned “dangers that kill”. With regard to 2022, the Group recorded an accident rate of **3.5 events per million hours worked**, aslight increase compared to 2021 (2.8) but lower than the trend recorded by the chemical sector and by the Italian companies participating in the Responsible Care program. It is important to note that over the two-year period, **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)	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Hours worked	1,718,142	1,723,812	358,060	410,027	581,744	193,591	195,816	194,083	2,853,762	2,521,512
Serious accidents	1	0	0	0	0	0	0	0	1	0
Accidents	9	6	0	1	1	0	0	0	10	7
Fatal incident rate*	0	0	0	0	0	0	0	0	0	0
Serious accident rate*	0.6	0	0	0	0	0	0	0	0.4	0
Accident rate*	5.2	3.5	0	2.4	1.7	0	0	0	3.5	2.8

* ‘Rate’ refers to the number of events per million hours worked

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

QUALITY OF PRODUCTS AND SERVICES PROVIDED TO CUSTOMERS

The satisfaction of customer requests and the establishment of constructive relationships are primary business objectives.

In the field of customer relations, the Group is committed to:



In the two-year period from 2021 to 2022, several **surveys were conducted to measure the trend of customer satisfaction**, a significant performance indicator. The surveys were carried out by each Group Company according to varying methodologies and criteria; the aggregate results showed **average satisfaction of 90%**. This major factor strongly emphasizes the excellence of the products and services provided by the SIAD Group. Data relating to the customer satisfaction surveys conducted in the two-year period at some of the companies are set out below.

CUSTOMER SATISFACTION SURVEYS	SIAD S.p.A.	SIAD MACCHINE IMPIANTI	MEDIGAS
Total responses	2,154	42	9,801
% satisfied customers	> 90%	100%	>94%

CLIMATE ACTION

The climate emergency is affecting everyone, including companies. SIAD has therefore made Goal 13 from the 2030 Agenda one of its priorities; the goal is to **take urgent action** at all levels **to combat climate change**. The Group is committed to taking action aimed at mitigating the effects of climate change, reducing impacts, adapting and offsetting its emissions into the atmosphere. SIAD monitors its CO₂ emissions using specific tools and in accordance with the GHG protocol.

ATMOSPHERIC EMISSIONS (GRI 305-1, 305-2, 305-3)	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Scope 1	6,911	6,162	941	838	844	490	629	506	9,325	7,996
Scope 2	201,514	203,748	231	244	235	302	113	132	202,093	204,425
Scope 3*	19,299	17,889	1,309	931	0	0	1,891	2,563	22,499	21,382

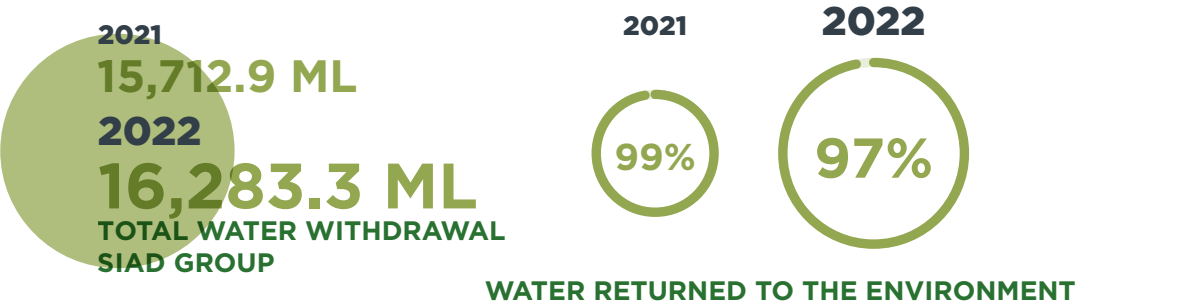
* process of distribution of the product on rubber only.
For emission calculation methods, see the note on methodology on page 131.

RESPONSIBLE NATURAL RESOURCES AND WASTE MANAGEMENT

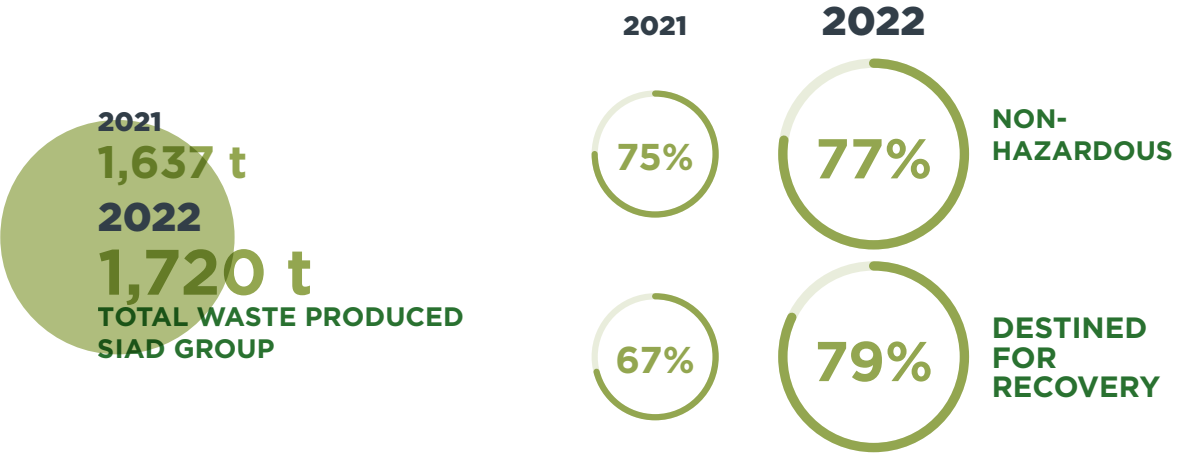
In terms of responsible management of natural resources, one of SIAD's objectives is to use these resources in a cycle of self-sufficiency, according to a **circular principle whereby each resource is returned to the environment** in exactly the same way in which it was taken. At the same time, this guarantees zero cost and zero impact on the environment. The Group's most significant impact is definitely the consumption of electricity; we are therefore working on various solutions to improve **energy efficiency**. A tool known as APC is installed at our primary production plants, to monitor and optimize all the significant systems operating parameters. This has led to a **reduction in consumption** and an increase in measurable and measured efficiency: 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 will also be fitted in the near future at the plants in: Călărași (Romania), Rajhradice (Czech Republic), Gyöngyöshalász (Hungary).



In terms of **water resources**, in 2022 **97% of the water withdrawn by SIAD Group plants was returned to the environment** and in only 0.6% of cases following purification, as almost none of the water undergoes any chemical or microbiological changes. The small increase in water withdrawal compared to 2021 is related to the increase in production volumes.



In terms of waste, the SIAD Group produced a **total of 1,637 tons** in 2021, of which **75% were non-hazardous** and **67% destined for recovery**, with **1,720 tons in total** in 2022, of which **77% were non-hazardous** and **79% destined for recovery**. In 2022, the increase in waste destined for recovery was significant.



The data above does not include 419.8 tons of hazardous waste unrelated to ordinary processes. This waste (excavated earth with previous contamination) was transferred following a safety emergency notified by the Osio plant to Arpa Lombardia on 3/29/22 and completed on 8/30/22 with no need for soil reclamation (as per the Arpa Lombardia technical assessment of 9/21/22).

COMMITMENT TO THE COMMUNITY

SIAD has always considered the community of which it forms part to be a fundamental factor in operating at its best and to be an aspect that must be promoted, by means of **initiatives and activities to support the local area and its assets, both culturally and socially**. Via these initiatives, SIAD embodies its desire to open up to its host communities by interacting with the outside world to return part of the value and wealth produced.



On April 23rd, 2021, the non-profit Tender to Nave Italia Foundation bestowed an award on the SIAD Group and on Dr. Roberto Sestini for the invaluable support they provide the Foundation with on a yearly basis.

SIAD FONDAZIONE SESTINI (‘SIAD SESTINI FOUNDATION’)

Established in 1987, the aim of the Fondazione Sestini is to organize cultural events, **support the medical and scientific world**, publish study and technical/scientific outreach materials, and to offer **scholarships**. The many projects promoted and developed by the Foundation include:

SUPPORT FOR THE MEDICAL AND 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

SUPPORT FOR CULTURAL AND 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.

Fondazione Sestini has also supported Fondazione Bergamo per Bergamo (‘Bergamo for Bergamo Foundation’), promoted by the Rotary Club Bergamo, for the construction of the **“Casa del Bambino”** (‘House of the Child’). The facility accommodates children discharged from the Department of Neonatal Pathology at the Ospedale Papa Giovanni XXIII (Pope John XXIII Hospital), as well as parents whose newborn child has been admitted to the same hospital and are experiencing financially precarious circumstances. As well as the Foundation’s activities, the SIAD Group has since 2007 been a promoting partner of the **non-profit TENDER TO NAVE ITALIA Foundation**. Established by the Italian Navy and the Italian Yacht Club, the Foundation works against any form of prejudice due to disabilities and social hardship, standing alongside people at risk of marginalization because of false preconceptions.



SIAD BOMBOLA D’ORO TROPHY

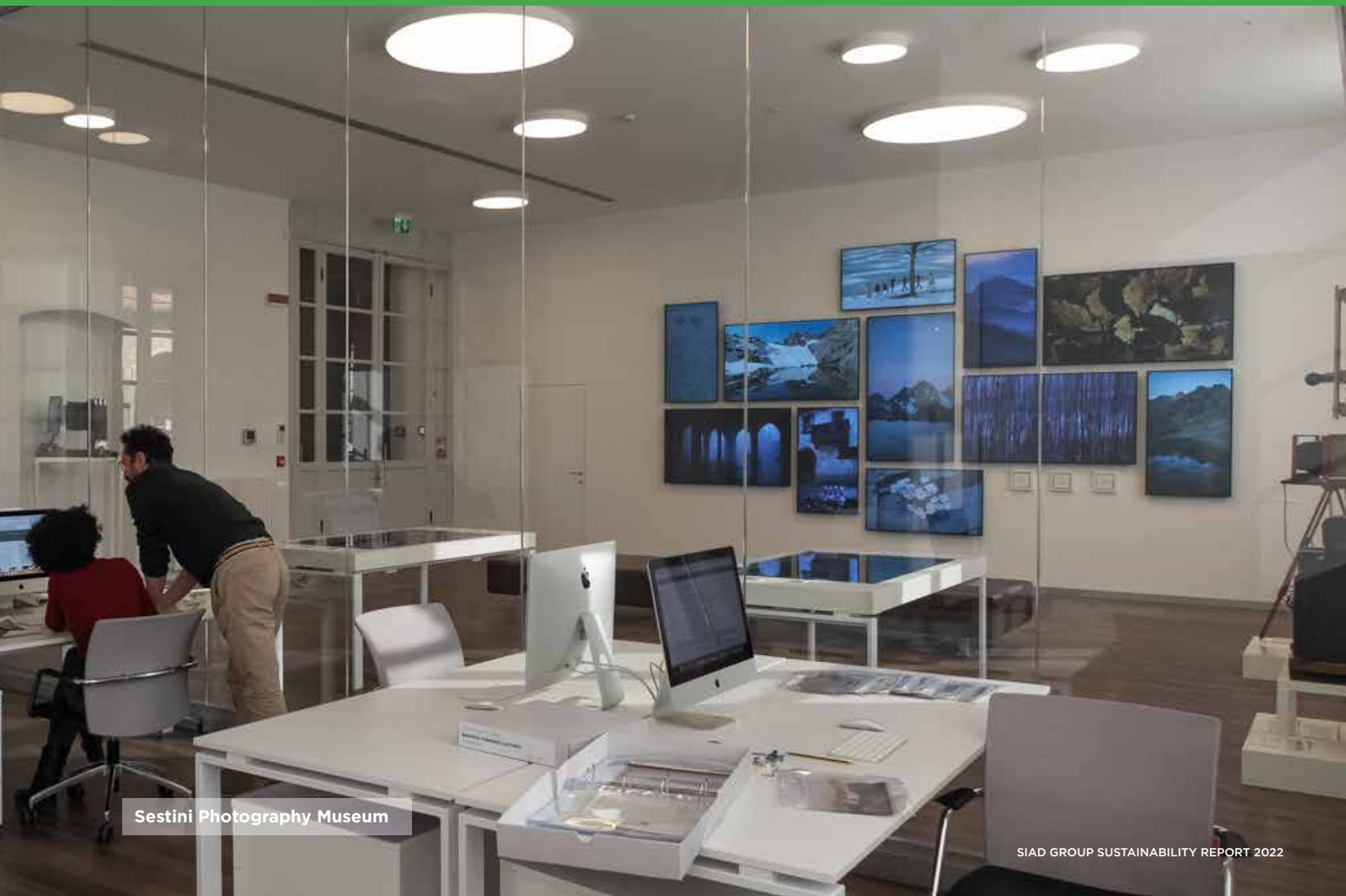
The SIAD Bombola d’Oro Trophy is a regatta for the 12-foot dinghy class, organized by Yacht Club Italiano in partnership with SIAD and held at Portofino in May. The regatta is considered **one of Italy’s most important sailing events in the 12-foot dinghy class**.

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. And BergamoScienza is very much characterized by this attention to dissemination and to making **scientific innovations** accessible to the entire general public. The Festival offers numerous free events with the participation of prominent personalities from the world of research and innovation. By its 20th edition, the Festival has far exceeded **2,680,711 spectators**, alternating **34 Nobel laureates and more than 1,700 researchers on stage**. The SIAD Group and SIAD Fondazione Sestini have been partnering BergamoScienza for many years. As part of the schedule of events, SIAD organizes its own educational workshop, entitled *“A tutto gas! Scopriamo l’Universo dei gas tecnici”* (**‘Full throttle! Let’s explore the world of industrial gases’**), for primary and high school students to learn about gases and their properties through experiments and interactive games. In the past year, more than **1,000 students** have taken part in the workshops.

SESTINI PHOTOGRAPHY MUSEUM

Since 1987, the SIAD Fondazione Sestini has been sponsoring cultural initiatives, including the establishment of a photography museum. Opened in 2018, the Sestini Photography Museum **leverages its photographic heritage**, with an **interdisciplinary exhibition itinerary** focused on the world of historical photography, divided into two sections: one scientific, the other historical. Phenomenal visions – the **scientific section** – consists of three rooms. Each one offers activities to guide visitors in discovering 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. Photography Museum – the **historical section** – 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; they reconstruct the spread of photographic studios in the Bergamo region, and display some of the riches of the Sestini Photographic Archive. The itinerary finishes off with an exhibition of vintage cameras and original tools, in an evocative journey into the world of the “wonderful discovery”.



Sestini Photography Museum

FAI - FONDO PER L'AMBIENTE ITALIANO
('THE NATIONAL TRUST FOR ITALY')

FAI's mission is to promote and protect Italy's culture, natural environment, art, history and traditions. SIAD participates in the FAI support program for the private sector, as a registered Corporate Golden Donor. It was a far-sighted and responsible decision to do so, a tangible gesture to add value to the SIAD 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. In 2021, Palazzo Moroni - a historic building in Upper Bergamo - opened to the public, partly as a result of SIAD's contribution to the restoration works.

INITIATIVES WITH THE
MUNICIPALITY OF
OSIO SOPRA

The municipality of Osio Sopra is the location of SIAD's main production plant since 1960, and its links with the Group run very deep. To strengthen these links, **SIAD has donated to the local population a fully planted and equipped park spanning over 10,000 m².** Recently, SIAD has also financed the redevelopment of the municipal social and sports center.

SCIENCE CENTRE IMMAGINARIO SCIENTIFICO

For the SIAD 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 innovating and doing research. As such, we decided to support the Science Centre Immaginario Scientifico in the promotion and dissemination of scientific culture, something that has always been a hallmark of our businesses. The result was the new spaces of the Science Centre Immaginario Scientifico in Warehouse 26 at the Old Port in Trieste - Italy, an evocative SIAD installation on **the theme of the transformation of water**, looking at its changes in state and its metamorphosis from polluted to clean. An experiential journey featuring lights, sounds and educational messages, to discover the secrets of water purification, made possible by the use of oxygen and ozone. Just like epic heroes O₂ (oxygen) and O₃ (ozone) - two gases on which SIAD bases its innovative technological solutions - are put through all the testing required to restore water to its natural purity. A veritable journey, passing aerosols, invaluable bacterial flora, mud and meandering pipelines, to convey a noble message: **people who take care of water love the Earth, a feeling that's often mutual.**



The Grand Staircase of the Palazzo Moroni and its gardens, Bene FAI in collaboration with Fondazione Museo di Palazzo Moroni

Da Re Photo Studio, 2021 © FAI

PARTNERSHIP

The SIAD Group has always been involved in initiatives in the local area where it operates. Over the years, it has established major links with local charities, and has supported multiple humanitarian projects and solidarity initiatives in various countries, in an attempt to maintain constant commitment to social initiatives.



LOCAL HEALTHCARE
FACILITIES



SCIENTIFIC RESEARCH FOUNDATIONS
AND ASSOCIATIONS



LOCAL WELFARE
ASSOCIATIONS



VOLUNTARY
ASSOCIATIONS



SPORTS
ASSOCIATIONS



EDUCATIONAL
INSTITUTIONS



CULTURAL AND SCIENTIFIC
OUTREACH INSTITUTIONS



ENVIRONMENTAL
PROTECTION BODIES



PHOTOGRAPHY
COMPETITION

"Images of our life", the photo competition open to all SIAD employees and their families, has now reached its tenth edition, themed "Emotive visions". Dr. Vanessa Merelli, an employee of Tecno Project Industriale Bergamo, was the winner of the 2022 photo contest with the image "This can be a green world", inspired by the theme of 'Green Economy'. The first 12 photographs selected have since then been featured in the Group's corporate calendar.

COMMUNICATION

Multi-directionality and transparency guide the Group’s communication and information strategy. Our communication **opens SIAD up to all its stakeholders**, led by the Marketing and Communication office across various channels in addition to the website.

SOCIAL MEDIA

In recent years, a decision has been made to focus decisively on social media, especially LinkedIn. The social media pages of all the Group companies offer content and images relating to our products and services, and events to keep constantly up to date on SIAD’s activities. The guideline for our choices is 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 used is serious yet informal, respectful of and in relation to the business. The aim is to communicate what the SIAD Group is and what it does, to disseminate lesser-known content of interest to a wider audience than B2B alone. In the future, more and more attention will be focused on communicating SIAD’s expertise, values and identity.

thesiadgroup.com | matterofgas.eu



SIAD Group



the SIAD Group



SIAD Group

MATTER OF GAS: THE SIAD PORTAL FOR INNOVATION IN GAS

Our technical and scientific approach is based on a conviction: there can be no progress without the **sharing of knowledge**. This formed the basis for **Matter of Gas**: a blog and editorial project aimed at encouraging the production and sharing of knowledge. A digital space for dialogue, to find out more about 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. A vertical in-depth study focuses on each of these three areas: **Matter of Gas – Wine** looks at wine production and technologies for the winemaking sector, from

vineyard to cellar. **Matter of Gas – Food** focuses on the food industry and the solutions on offer, from food processing to packaging. **Matter of Gas – Beverage** considers the use of gas in the production of liquid food, in the HoReCa sector as well as in home economics. The portal is frequently updated: case studies become a lever to stimulate the development of new responses to specific needs, identified and developed with operators from the industry. Matter of Gas aims to become 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.

THE STAGE

The Stage is the Group’s House Organ, written in English and distributed to all 2,177 employees and some stakeholders, via a newsletter or a paper copy, as well as being available to all the Group’s people on SharePoint. The ambitious goal of the project is to **keep all SIAD employees at every site all over the world connected** and to increase their brand awareness, stimulating a **sense of belonging** and sharing **new goals and achievements**. The House Organ is published three times a year, reporting on new projects, insights and activities carried out by colleagues from the various companies of the SIAD Group.



SIGNIFICANT PROJECTS AND EXPERIENCES

ENERGY MANAGEMENT

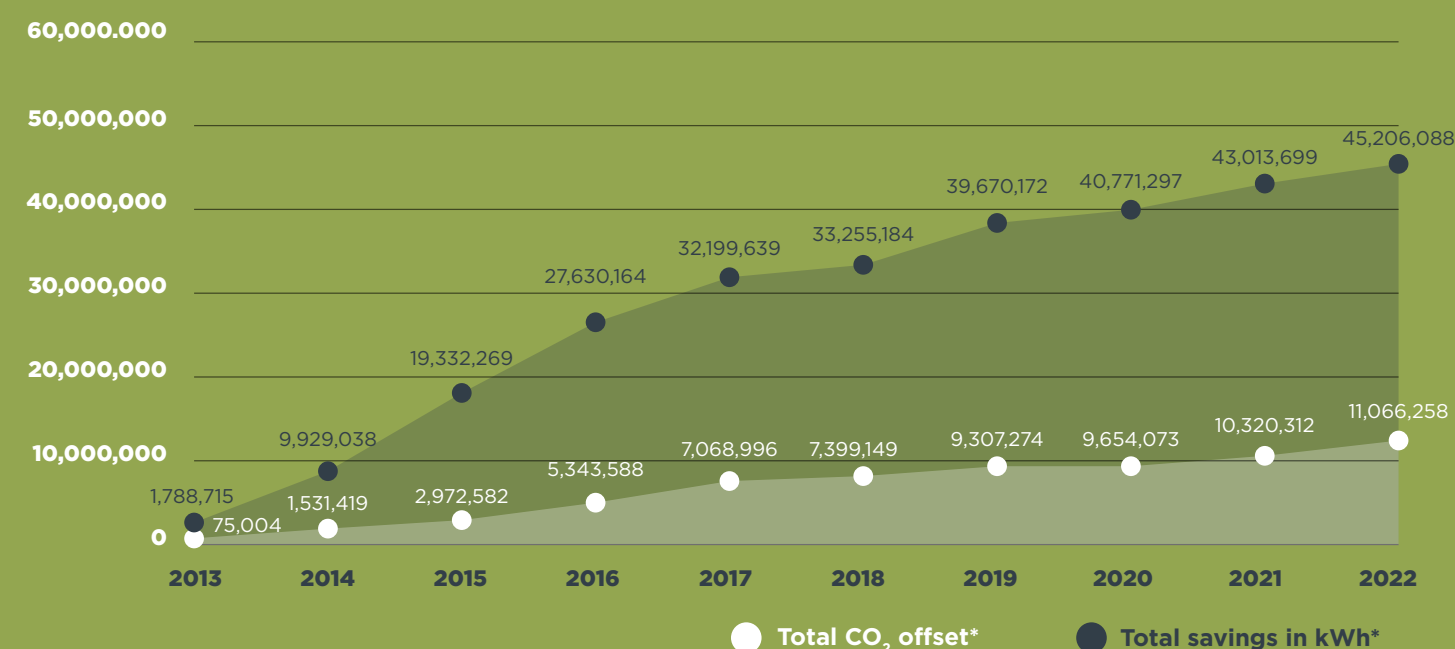
Launched in 2013, the Istrabenz Plini project provides for the supply of an “energy service” in Slovenia, whereby customers will sign a ten-year contract. For a monthly fee, they will be guaranteed not only an electricity supply from the carrier but also the installation of a new, modern and efficient system to generate the energy they need (steam, heat, refrigeration, etc.). A fundamental component of the project is the replacement of old fossil fuel plants with new-generation condensing boilers, heat pumps, cogeneration plants, solar energy systems, etc. As a result, customers will gain experiences significant **savings on energy consumption** and, by means of the consequent **reduction in greenhouse gas emissions**, become a conscious partner in SIAD's sustainability programs.

The solution offered by Istrabenz Plini enables the optimization of energy supply in many different areas, as a result of the option to install the systems in industrial, domestic and/or residential contexts.

For SIAD, authenticity represents loyalty to its founding values, including fairness and transparency towards customers. This project fits in with this feature, given how it enables us to provide solutions that are innovative and beneficial for our customers.



Heat management system at an IBP customer



* the savings are calculated in accordance with the REGULATION on Methods for Determining Energy Savings pursuant to Article 12 of the Energy Efficiency Act (Official Gazette of the Republic of Slovenia No. 158/20)

PROJECT SUSTAINABILITY OBJECTIVES



Reduction in energy consumption



Reduction in greenhouse gases

TARGETS ACHIEVED / QUANTITATIVE DATA



Over **10,000 t of CO₂** offset since project launch

*data taken from the precise measurement of the project from the outset to date, as can be seen in the chart above that reports the annual trend. The calculation system refers to Slovenian legislation, in particular the Law on energy efficiencya_ZURE_158_2020 and the Regulation on methods of determining energy savings_2021-01-1155.

RELEVANT SDGs



GAS PIPELINES

SIAD continues to **extend its gas pipeline network** for the **direct supply of technical gases**. The aim is to **reduce transportation** and guarantee **certainty of uninterrupted supply** in all situations, by continuously improving **safety standards**, which are already high.

Scan the QR code to find out more.

DIFFERENCE



People make the difference and the wealth of the SIAD Group is represented by the differences between its people and representatives.

Tradition, innovative spirit, high-quality research, multiple stimuli and the high level of diversification of our projects, activities and interests play a key role in making SIAD the only Group of its kind on the Italian and world stage.

REFERENCE VALUES

LOYALTY

All of SIAD's in-house and external activities are always guided by the utmost loyalty and integrity in the Group's values. Each Group employee undertakes to work according to **a sense of responsibility**, in good faith and to establish professional and commercial relationships based on fairness, aiming at the leveraging and protection of company assets.

RESPECT FOR PEOPLE

The **key to success is people**, who find at SIAD an environment where they can best express their skills and abilities, and where they are acknowledged and rewarded over the years, with a view to professional growth. In that sense, a highly significant project – started in 2020 and continuing to date – was the major integration of the Group's Human Resources departments, to ensure a **uniform, shared management approach**. A fundamental factor in the success of the project was the implementation of **job rotation experiences**, making it possible 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. One of the main points of the integration has been to share **uniform approaches in selection, integration and training policies**, with special attention paid to **growth in organizational skills**. People are key to the Group's success; **SIAD therefore pays an annual bonus to employees** who have remained with the company for 20 years. This serves as an opportunity for all the Group's companies and as a further consolidation of the corporate values.

SIAD WELCOME

A second highly important project, consolidated and expanded by SIAD over the years, is the **Welcome pathway for new recruits** joining the Group. In 2021, the project faced several challenges; the biggest one was managing to conduct efficient training remotely rather than in person as it had been in previous years. Another was reaching everyone who works in the Group and could not attend the headquarters in Bergamo as a result of the COVID-19 public health emergency. The experience had a positive outcome in terms of both the number of participants reached and the satisfied feedback received, so much so it was repeated identically in 2022. 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 get to know the Group's principles and values.

TRAINING PATHWAYS

Specific technical expertise must be supported by more interdisciplinary competencies: from communication skills and time management to language and computing abilities. This potential is developed within the Group by means of an **internal training pathway**: it begins with SIAD Welcome, a two-day course that puts all newcomers in the classroom, including remotely, to provide an overview of the company's history and all areas of its business, fostering knowledge between the various Group companies. Technical sessions, specific to each line of business, are led by internal managers or certified external professionals. These are accompanied by **on-the-job** training in a dynamic environment that privileges the sharing of know-how, discussion and interaction.

Language courses are also provided on a yearly basis, as part of differentiated pathways with native-speaker teachers.

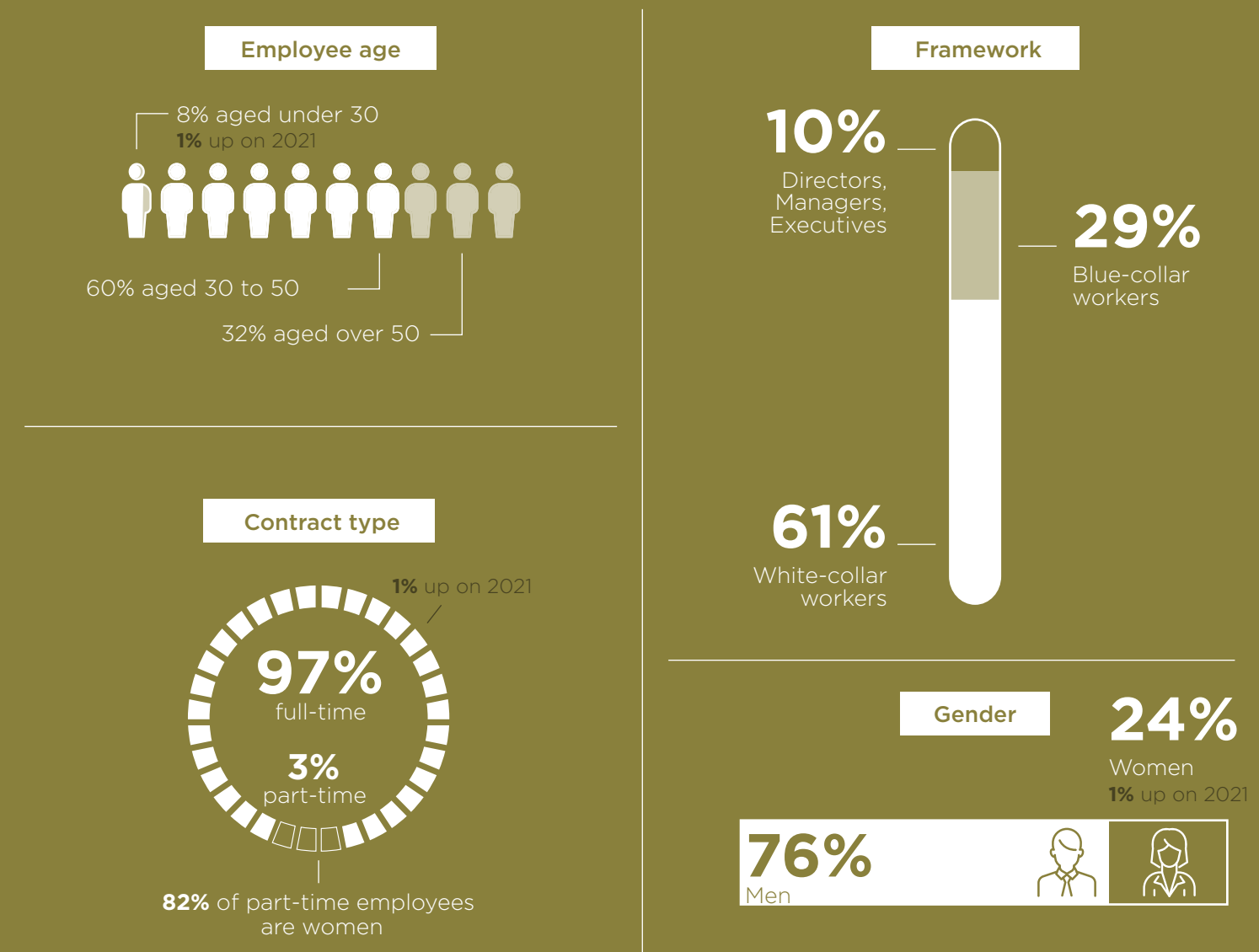
The talent and knowledge of each person, supported by various training courses, are considered assets for all colleagues. New recruits can be either junior – recent graduates, or more senior figures, with experience gained in other contexts. In both cases, academic knowledge and professional expertise are assets that are combined with the long-standing experience of senior profiles in a constant mutual exchange.

Indeed, **the SIAD Group grows on the basis of its staff's growth**.

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

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

The Group considers its human capital fundamental to the pursuit of the corporate objectives and is committed to **avoiding discrimination of any kind**, as well as to **guaranteeing equal opportunities for professional growth and job security**; in 2022, only 2.5% of the Group's 2,177 employees were on fixed-term contracts, 0.5% up year-on-year.



CORPORATE LOYALTY AWARDS CEREMONY

Since 2020, the **ceremony to award corporate loyalty prizes** to Group employees has been held online for two reasons:

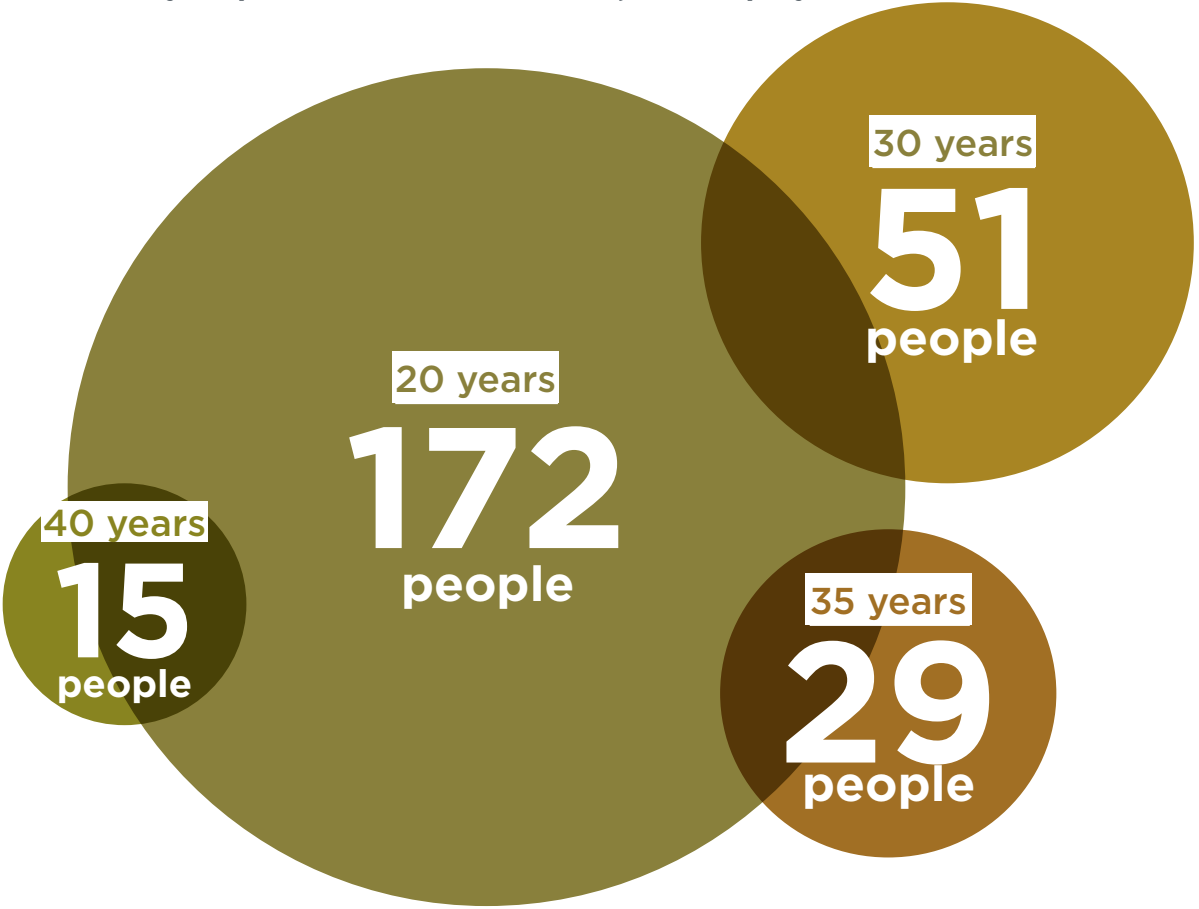
- continuing social distancing, required as a result of the Covid-19 pandemic
- this way, it is possible to reach collaborators who work far away from the Bergamo site, but are nevertheless important members of the SIAD Group.

In real time, the guests listen to **speeches by the Chairman and CEO**, with great engagement.

The speech by the Chairman of the SIAD Group sets out **future results and objectives** in terms of investments and the Group's capacity for growth.

During the event, both the winner of the photography competition and those loyal to the company receive their awards.

In the two-year period from 2021 to 2022, 267 employees received an award



PROTECTION OF HUMAN RIGHTS AND NON-DISCRIMINATION

The Group fosters integration between the various members of the workforce and the professional development of each person. As such, it protects and promotes the dissemination of values such as meritocracy, loyalty, conscientiousness, dedication, and team spirit.

By continuously improving its professionalism and the engagement of staff at all levels, the SIAD Group aims to achieve excellence in its industry.

The people and collaborators involved in the Group's activities are a strategic and valuable resource. Indeed, to foster growth in the professional skills of each employee, and therefore to increase the competitiveness and impact of the Group itself, **respect and protection of the person and their moral, cultural, physical and professional integrity are promoted internally.**

No incidents of discrimination within the organization were reported in the two-year period from 2021 to 2022 (GRI 406-1).

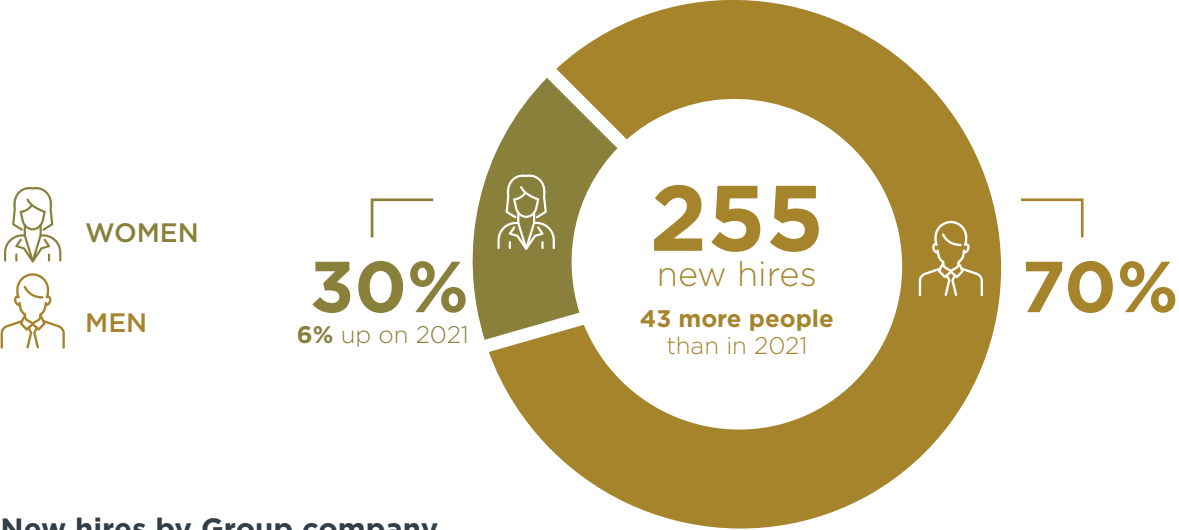
MERIT AND EQUAL OPPORTUNITY

The National Collective Bargaining Agreements applicable in the various countries in question are applied to all Group staff, in relation to the relevant sector of their specific company.

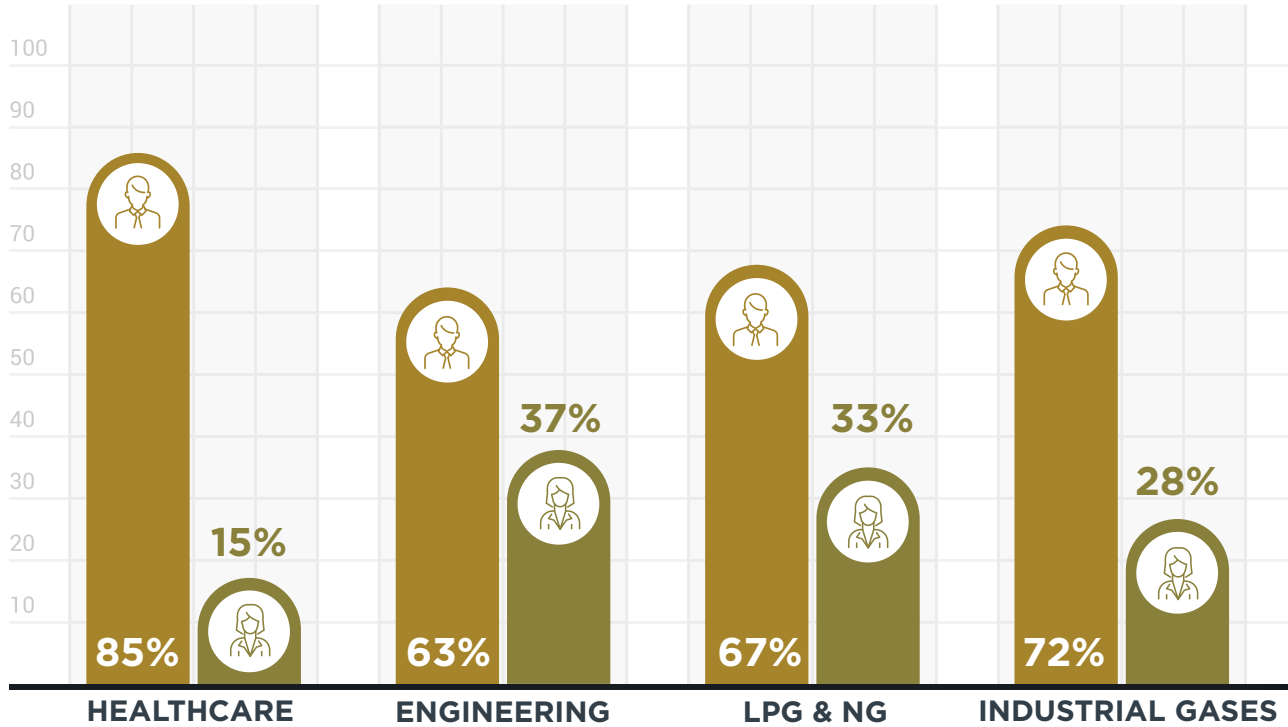
SIAD is committed to promoting the involvement of the local community in which it operates, so much so that 100% of senior management at the various sites are citizens of the countries where they are located.

The Group encourages 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, SIAD hired **255 new people** in 2022, a year-on-year increase of 43. Of the new hires, 30% are women; this is also an increase of 6% on 2021.



New hires by Group company



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

The management of employment relationships recognizes **equal opportunities** for everyone, **in the selection, recruitment and 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

The SIAD Group aspires to **enhance and increase 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.

Employees' training needs are assessed annually by the Human Resources Department, in collaboration with department managers, to **ensure technical, specialist and safety skills for all** company staff.

To ensure the enhancement of the human capital of each employee, the Group has adopted a strategy where **training is constant and specific** for each category of employee, starting with the Welcome project for new hires.

SIAD attaches great importance to safety training: general and specific, first aid, emergency and firefighting, use of defibrillators, basic course for supervisors and correct use of PPE. Staff are informed, trained and their awareness is raised of issues related to both real-world and potential environmental aspects resulting from their work.

To demonstrate the above, in 2022 an average of 8 hours of HSE training were delivered per employee, and an average of 10 hours of 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.

COVID-19 EMERGENCY MANAGEMENT ORGANIZATION AND OPERATIONAL READINESS

The management of the crisis resulting from the COVID-19 pandemic began in March 2020 and demonstrated the noble dimension of the SIAD Group, in particular in the work done by the **Healthcare division**, specifically by MEDIGAS Italia and MAGALDI Life (MEDIGAS Group).

The two companies operate in the home and hospital sectors respectively, throughout Italy; they focus on liquid and gaseous oxygen supply services, medical devices at the patient's home and in hospitals (intensive and sub-intensive care).

The MEDIGAS Group has dealt with four waves of the pandemic:

- **2020:** March-May
October-December
- **2021:** February-April
November-December

In the first wave, it was necessary to cope with the unexpected, including the sudden organization of a **task force that could manage demand from over 1000 patients for liquid oxygen at home**. The area of operations was initially Bergamo and its province, although no contractual obligations were in place between MEDIGAS and the government.

At the same time, the supply chain was required to **manage procurement, care ventilators**, as part of the setup of around 100 intensive care beds. Activities related to the supply of gaseous oxygen in the pharmacy and home channels were more prevalent in central and southern Italy, with **peaks of activity exceeding 30% of ordinary operations**.

The operational and strategic actions taken are set out below:

Purchases

- Robust planning of warehouse stocks (medical devices and accessories), mitigating the risk of supply shortages
- Availability of products for more than six months
- Increased availability of cryogenic and gaseous containers, by purchasing new stock
- Major maintenance work on cryogenic containers, made possible by considerable availability of spare parts and an increase in operational capacity at the maintenance center.

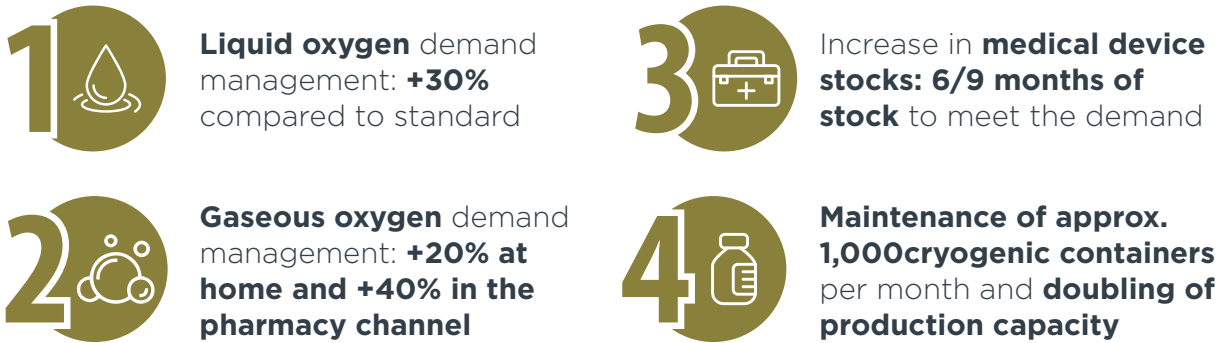
MEDIGAS Customer Service CRM

- Redefinition of roles: creation of Team Leader positions (greater seniority, experience and authority)
- Implementation of smart working, dividing operations into two broad groups of people (working in person and remotely). The goal was to minimize infection between contacts on company premises and to provide the option of replacing the on-site team with those working from home where required.

Logistics

- Reliability of the central warehouse in the reception, picking and distribution of goods, despite the widespread staff unavailability due to quarantine and isolation.
- Liquid and gaseous oxygen distribution fleet (vans), with increased availability of vehicles in the field.

QUANTITATIVE DATA TARGETS ACHIEVED



RELEVANT SDGs



In October 2022, the Municipality of Osio Sopra awarded SIAD S.p.A. the Certificate of Civic Merit for services rendered to the community during the Covid-19 pandemic.

DIFFERENCE SDGs

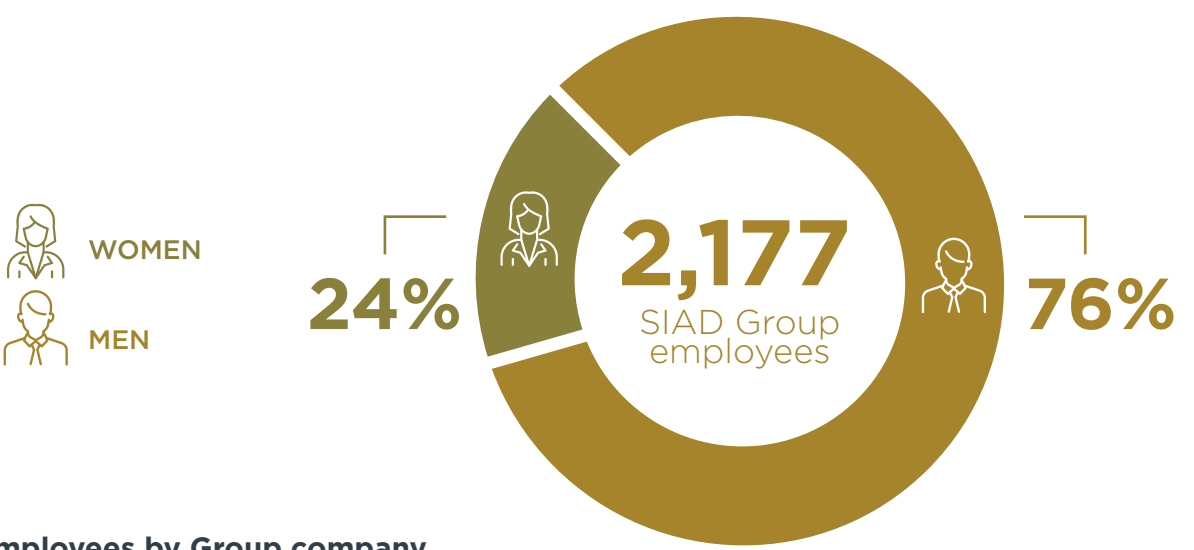


MAJOR THEMES AND 2022 RESULTS

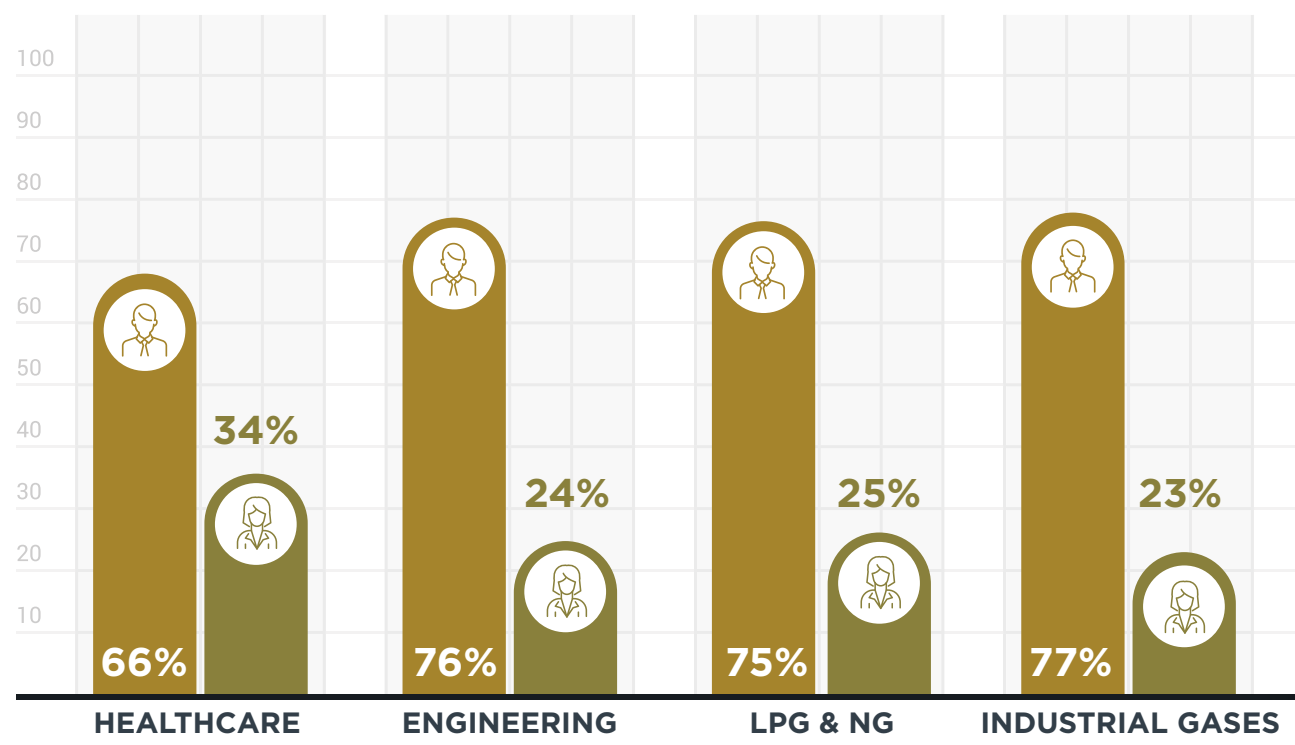
DIVERSITY AND INCLUSION

The Group fosters **integration of diversity among members** of 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 each employee, and therefore to increase the competitiveness and impact of the Group itself, respect and protection of the person and their moral, cultural, physical and professional integrity are promoted internally. This begins with staff selection, aimed at all times of people of any gender, ethnicity, religious and political beliefs and at people 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 the **Code of Ethics**.



Employees by Group company



EMPLOYEE SATISFACTION AND WELL-BEING

The SIAD Group is committed to implementing ethical principles, considering **personnel management** a **strategic prerequisite to achieve the corporate objectives**.

The Group acknowledges the importance of proper and transparent staff selection management, the remuneration system and the professional development policies for its employees.

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

As such, it is not permitted 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.

Technical, professional and human training and **constant updating of employees** are provided for; the SIAD Group encourages the expression of creativity and offers everyone the **same career opportunities** by assigning higher positions and/or profiles on the basis of meritocratic criteria and professional skills acquired.



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

The Group has **a clear commitment and strategy in terms of human rights management policies and rules**. This strategy is also publicly communicated externally to all key stakeholders. Guiding this decision is the awareness within the company that a mechanism to identify and report human rights violations is essential to monitor and possibly prevent the emergence of such issues.



SIGNIFICANT PROJECTS AND EXPERIENCES

TRANSITION TO HYBRID MOBILITY

The idea to renew the MEDIGAS company fleet, supported by a preliminary feasibility analysis, came about in the last quarter of 2017; it consists of the **gradual replacement of vehicles using the standard fuels of diesel and gasoline with others fitted with hybrid petrol and electric propulsion technology.**

The preliminary work began with the identification of two typical users of the corporate fleet, with different features; the aim is to assess and measure the performance of the new technology, from the perspectives of consumption and services, according to two different types of usage:

High mileage users

Low mileage users

These points were then analyzed:

Mileage range
(km traveled with a full tank of fuel)

Incentives for driving
if stuck in a traffic jam,

High impact and image
when participating in public tenders

The positive outcome of the assessment led to the 2018 start of the process to **replace the operational fleet**, which now consists **entirely of hybrid vehicles.**

PROJECT SUSTAINABILITY OBJECTIVES



To facilitate employee mobility and increase safety.



To reduce CO₂ emissions by replacing the operational fleet with **hybrid vehicles.**

TARGETS ACHIEVED / QUANTITATIVE DATA



Fuel consumption reduced by approximately 15% compared to vehicles powered by petrol alone



Increased fleet reliability



Improvements in vehicle safety equipment



40 g/km of CO₂ offset per vehicle

RELEVANT SDGs



DEMATERIALIZATION OF ACCOUNTING DOCUMENTS

Currently, no document generated by MEDIGAS is printed on paper; **everything has been digitized.**

Launched in 2011, the project to dematerialize accounting documents involved the **replacement of paper documents with PDFs** directly generated by tablets, and the **archiving of administrative documents using scanning.** This method ensures a **lower environmental impact, reduced CO₂ emissions and toner, paper and electricity consumption**, not to mention **improved quality of work** from the operators involved, for example by limiting the time it takes to locate documents. In addition, all patient management documents (DDTs) are quickly made available on screen or can be emailed to the person requesting them.

PROJECT SUSTAINABILITY OBJECTIVES



To improve the quality of time taken by operators, by eliminating tasks with low added value.



To increase reliability and business continuity while maintaining a high level of efficiency in reporting to the customer and to government clients.



To reduce CO₂ emissions by reducing the use of printed and archived documents.



To eliminate the costs to dispose of archives at the end of their useful life.

TARGETS ACHIEVED / QUANTITATIVE DATA



-2,000,000 sheets of A4 paper used per year



CO₂ offset: **3.4 g per A4 sheet**, equivalent to approx. **7 tons of CO₂**

Source: "The Charter between Clichés and Reality" - Assocarta.

RELEVANT SDGs



THE LEAN MODEL

SIAD Macchine Impianti – the leader in the production of Compressors and Air Fractionation Plants in strategic sectors such as petrochemicals, chemicals in general, energy, but also food – has embarked on a major pathway of strategic development according to the LEAN model, to improve the sustainability of its products.

Scan the QR code to find out how SIAD Macchine Impianti works

FUTURE PROSPECTS





FUTURE PROSPECTS

SIAD's commitment to sustainability in no way ends 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 first projects scheduled include the formulation of a comprehensive **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**:



ANNEX

ECONOMIC PERFORMANCE

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED (GRI 201-1) (thousands of euros)	2022	2021	2020
Turnover	1,048,097	760,501	691,549
Other revenues applicable to GRI	10,098	7,020	8,996
Economic value generated	1,058,195	767,521	700,545
Operating costs (suppliers)	718,469	526,901	454,063
Employee salaries and benefits	119,345	110,022	103,900
Payments to capital providers (investors and lenders)	9,377	8,510	3,256
Payments to the government	35,955	23,815	23,432
Investments in the community (gratuities)	442	722	426
Economic value distributed	883,588	669,970	585,077
Economic value retained	174,607	97,551	115,468

OCCUPATIONAL HEALTH AND SAFETY

WORK-RELATED INJURIES (GRI 403-9)										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Hours worked	1,718,142	1,723,812	358,060	410,027	581,744	193,591	195,816	194,083	2,853,762	2,521,512
Serious accidents	1	0	0	0	0	0	0	0	1	0
Accidents	9	6	0	1	1	0	0	0	10	7
Fatal incident rate*	0	0	0	0	0	0	0	0	0	0
Serious accident rate*	0.6	0	0	0	0	0	0	0	0.4	0
Accident rate*	5.2	3.5	0	2.4	1.7	0	0	0	3.5	2.8

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

INDICES OF FREQUENCY AND SEVERITY WORK- RELATED INJURIES	INDICATORS	2022	2021	2020	2019
INDUSTRIAL GASES Ita	FI - frequency index*	7.55	3.73	2.77	2.77
	SI - severity index*	0.167	0.159	0.094	0.044
ENGINEERING Ita	FI - frequency index*	1.72	0	4.17	6.02
	SI - severity index*	0.005	0	0.248	0.168
HEALTHCARE (main company)	FI - frequency index*	0	0	0	20.71
	SI - severity index*	0	0	0	0.028
* INAIL indicators					

CLIMATE ACTION

SIAD S.p.A.						
ATMOSPHERIC EMISSIONS (GRI 305-1, 305-2, 305-3) Tons	SCOPE 1	SCOPE 2	SCOPE 3	TOTAL	t PRODUCED	INTENSITY*
2022	3,546	124,076	12,789	140,411	1,033,091	0.136
2021	4,695	129,716	12,616	147,027	927,738	0.158
2020	3,985	122,593	11,397	137,975	826,285	0.167
2019	3,209	123,893	11,692	138,794	848,229	0.164

* Intensity = t CO₂/ t produced

ENERGY CONSUMPTION (GRI 302-1) Gigajoules										
INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP		
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Diesel	19,179	24,564	10,111	12,260	3,493	3,909	3,003	6,678	35,786	47,411
Petrol	5,009	2,191	722	0	456	233	4,792	0	10,979	2,424
LPG	3,050	2,414	3,170	4,422	132	0	0	0	6,352	6,836
Carbon	0	0	0	0	0	0	0	0	0	0
Fuel oil	0	0	71	192	0	0	0	0	70	192
LNG	0	0	0	0	0	0	0	0	0	0
Methane	60,823	71,217	2,490	2,327	10,364	9,202	902	1,073	74,579	83,819
Steam	183,929	0	0	0	0	0	0	0	183,929	0
Electricity	2,770,373	2,702,400	3,856	4,091	3,437	4,276	1,650	1,838	2,779,315	2,712,605
TOTAL	3,042,363	2,802,786	20,419	23,292	17,883	17,620	10,345	9,589	3,091,010	2,853,287

RENEWABLES 2022	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Bioliquids and biofuels	0	0	0	0	0
Biomethane	0	0	0	0	0
Green electricity purchased	0	0	0	0	0
Electricity generated	502	0	1,305	105	1,912
Total renewable energy	502	0	1,305	105	1,912
% renewable energy	0.016%	0%	7%	1%	0.1%

SIAD S.p.A.			
ENERGY INTENSITY (GRI 302-3) Gigajoules	2022	2021	2020
Diesel	10,731	10,520	8,366
Petrol	1,732	959	408
Methane	57,475	60,392	55,932
Electricity	1,815,752	1,809,996	1,640,649
TOTAL	1,885,690	1,881,868	1,705,354
Production volume (tons)	1,033,091	927,738.206	826,284.750
Intensity (GJ per ton)	1.83	2.03	2.06

* represents 77.5% of total consumption

WATER WITHDRAWAL (GRI 303-3) Millions of liters										
INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP		
2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	
Water withdrawal from surface water bodies	0	0	0	0	0	0	0	0	0	0
Water withdrawal from wells	11,530.4	11,201	0	0	0.3	0.6	0	0	11,530.7	11,201.6
Water withdrawal from the sea	0	0	0	0	0	0	0	0	0	0
Water withdrawal from third-party processes	4,477.4	4,361.2	0	0	0	0	0	0	4,477.4	4,361.2
Water withdrawal from aqueducts	241.8	106.6	20.4	24.7	11.6	14.7	1.4	4.1	275.2	150.1
Total	16,249.6	15,668.8	20.4	24.7	11.9	15.3	1.4	4.1	16,283.3	15,712.9

WATER STRESS 2022 WEI+>20*	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Water withdrawal from surface water bodies	0	0	0	0	0
Water withdrawal from wells	269,104	0	0	0	269,104
Water withdrawal from the sea	0	0	0	0	0
Water withdrawal from third-party processes	0	0	0	0	0
Water withdrawal from aqueducts	6,830	4,010	0	1,400	12,240
Total	275,934	4,010	0	1,400	281,344

* 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 2022 WEI+>20*	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
% water withdrawal from surface water bodies	0%	0%	0%	0%	0%
% water withdrawal from wells	2.3%	0%	0%	0%	2.3%
% water withdrawal from the sea	0%	0%	0%	0%	0%
% water withdrawal from third-party processes	0%	0%	0%	0%	0%
% water withdrawal from aqueducts	2.8%	19.6%	0%	99.7%	4.4%
Total	2.01%	19.6%	0%	99.7%	1.7%

* 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.

FRESH WATER 2022	INDUSTRIAL GASES	LPG & NG	ENGINEERING	HEALTHCARE	SIAD GROUP
Total water withdrawal from surface water bodies	0	0	0	0	0
Total water withdrawal from wells	11,530.4	0	0.2	0	11,530.6
Total water withdrawal from the sea	0	0	0	0	0
Total water withdrawal from third-party processes	560	0	0	0	560
Total water withdrawal from aqueducts	241.8	20.4	11.6	1.4	275.2
Total fresh water withdrawal	12,332.2	20.4	11.8	1.4	12,365.8
% fresh water withdrawal	75.9%	100%	100%	100%	75.9%

WATER WITHDRAWAL (GRI 303-4) Millions of liters										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Water discharge to surface water (freshwater)	11,390.6	11,177	0.1	0	0	0	0	0	11,390.7	11,177
Water discharge to water table	3.2	0.3	0	0	0	0	0	0	3.2	0.3
Water discharge into the sea	0	0	0	0	0	0	0	0	0	0
Water discharge into sewers	51.5	53.4	18.9	22	11.6	14.7	1.4	4.1	83.4	94.2
Water discharge to third-party resources	4,390.3	4,271	0	0	0	0	0	0	4,390.3	4,271
Total water discharge treated as waste	0	0	1.4	2.7	0.04	0.05	0	0	1.5	2.8
Total water discharge	15,835.6	15,501.7	20.4	24.7	11.7	14.8	1.4	4.1	15,869.1	15,545.3
Total reusable water discharge	15,835.6	15,501.7	18.9	22	11.6	14.7	1.4	4.1	15,867.5	15,539.8
% water discharge destined for purification	57	56.1	19.1	22	11.6	14.7	1.4	4.1	89.1	96.9
% discharge destined for purification	0.4%	0.4%	93.7%	89.2%	99.7%	99.7%	100%	100%	0.6%	0.6%

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

WASTE (GRI 306-3, 306-4, 306-5) Tons										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total waste produced	1,122	1,064	333	216	203	294	62	94	1,720	1,637
% hazardous	34%	37%	1%	5%	3%	2%	10%	6%	23%	25%
% non-hazardous	66%	63%	99%	95%	97%	98%	90%	94%	77%	75%
% destined for recovery	74%	62%	94%	58%	80%	80%	97%	99%	79%	67%
% destined for disposal	26%	38%	6%	43%	20%	20%	3%	1%	21%	33%

HAZARDOUS WASTE (GRI 306-3, 306-4, 306-5) Tons										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total waste produced	381.3	389.4	3.2	9.8	6.4	5.7	6.2	5.6	397.1	410.5
% destined for recovery	35%	46%	0%	0%	99%	16%	72%	87%	37%	45%
% destined for disposal	65%	54%	100%	100%	1%	85%	28%	14%	63%	55%

NON-HAZARDOUS WASTE (GRI 306-3, 306-4, 306-5) Tons										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total waste produced	740.9	674.4	329.9	206.5	195.3	288.1	56.1	88.4	1,322.2	1,226.6
% destined for recovery	93%	72%	95%	61%	79%	81%	100%	99%	92%	74%
% destined for disposal	7%	28%	5%	39%	21%	19%	0%	1%	8%	26%

DIVERSITY AND INCLUSION

DIVERSITY OF GOVERNANCE BODIES (GRI 405-1)										
	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total members of governance bodies	48	46	10	12	30	26	8	9	96	93
% male	98%	98%	90%	92%	100%	100%	100%	100%	98%	98%
% female	2%	2%	10%	8%	0%	0%	0%	0%	2%	2%
% members aged <30	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
male	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
female	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% members aged 30 to 50	19%	26%	40%	42%	3%	4%	0%	0%	15%	19%
male	100%	100%	100%	100%	100%	100%	0%	0%	100%	100%
female	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
% members aged >50	81%	74%	60%	58%	97%	96%	100%	100%	85%	81%
male	97%	97%	83%	86%	100%	100%	100%	100%	98%	97%
female	3%	3%	17%	14%	0%	0%	0%	0%	2%	3%

PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY (GRI 202-2)

	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Senior management hired from the local community*	95%	95%	100%	100%	94%	94%	100%	100%	96%	96%

* local = from the same country

DIVERSITY OF EMPLOYEES (GRI 405-1)

	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP		% SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
number of senior managers	43	41	9	9	17	17	12	7	76	74	4%	3%
number of managers	55	52	21	19	42	52	7	23	140	146	6%	7%
number of white-collar workers	655	635	186	203	359	339	174	126	1,328	1,303	61%	61%
number of blue-collar workers	386	395	155	142	56	50	0	32	633	619	29%	29%

DIVERSITY OF EMPLOYEES (GRI 405-1)

	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Total employees	1,139	1,123	371	373	474	458	193	188	2,177	2,142
% male	77%	78%	75%	77%	76%	78%	66%	63%	76%	77%
% female	23%	22%	25%	23%	24%	22%	34%	37%	24%	23%
% employees aged <30	9%	9%	6%	5%	5%	6%	10%	8%	8%	7%
male	78%	80%	86%	90%	61%	62%	85%	87%	78%	79%
female	22%	20%	14%	10%	39%	38%	15%	13%	22%	21%
% employees aged 30 to 50	57%	58%	58%	61%	68%	70%	61%	63%	60%	62%
male	75%	76%	79%	80%	75%	78%	59%	55%	74%	75%
female	25%	24%	21%	20%	25%	22%	41%	45%	26%	25%
% employees aged >50	34%	33%	36%	34%	27%	24%	29%	29%	32%	31%
male	81%	82%	67%	70%	82%	82%	73%	75%	78%	79%
female	19%	18%	33%	30%	18%	18%	27%	25%	22%	21%

CONTRACT TYPE (GRI 2-7)

	INDUSTRIAL GASES		LPG & NG		ENGINEERING		HEALTHCARE		SIAD GROUP		% SIAD GROUP	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Number of employees on permanent contracts	1,112	1,106	352	351	474	457	184	176	2,122	2,090	98%	98%
Number of employees on fixed-term contracts	27	17	19	22	0	1	9	12	55	52	2%	2%
Number of full-time employees	1,101	1,085	366	366	452	439	180	177	2,099	2,067	96%	96%
Number of part-time employees	38	38	5	7	22	19	13	11	78	75	4%	4%
women	31	35	4	6	21	18	12	11	68	70	87%	93%
men	7	3	1	1	1	1	1	0	10	5	13%	7%

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

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

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

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

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

NOTE ON METHODOLOGY

10

REPORTING CRITERIA, STANDARDS AND 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 2022 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.

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**.

EMISSIONS CALCULATION METHODOLOGY

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

Scope 1 emissions are calculated as follows:

- Internal combustion from various types of fossil fuels: based on the conversion table proposed by the National Standard Parameters Table, published annually at <https://www.ets.minambiente.it>: Coefficients used for the CO₂ emission inventory in the UNFCCC national inventory (average values of 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 tCO₂eq 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 363/21.
- 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).
- 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).

REPORTING SCOPE AND PERIOD ANALYZED

The data set out in this document refer to the SIAD Group as at 31.12.2022 and report the data for the two-year period from 2021 to 2022, and occasionally to the preceding three- and four-year periods.where available. 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 12.31.2022, compared with 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 S.I.A.D. 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	W. Eichstetter GmbH	Germany
MEDIGAS Italia S.r.l.	Assago, Milan province - Italy	LLC SIAD Ukraine	Ukraine
MAGALDI Life S.r.l.	Salerno - Italy	LLC SIAD Rus	Russia
ESA S.p.A.	Bergamo - Italy	Tecno Project Industriale S.r.l.	Curno, Bergamo province - Italy
ESA Manufacturing Pvt. Ltd.	India	Tecno Project Industrial Ltda	Brazil
Tecnoservizi Ambientali S.r.l.	Bergamo - Italy	SIAD Engineering Trading (Shanghai) Co., Ltd.	China
BIEFFE SALDATURA S.r.l.	Cuneo - Italy	SIAD Engineering (Hangzhou) Co., Ltd.	China
CARBITALIA S.r.l.	Milan - Italy	SIAD Macchine Impianti Middle East F.Z.C.	United Arab Emirates
IBO S.r.l.	Milan - Italy	ISTRABENZ PLINI d.o.o. - Koper	Slovenia
IGAT S.p.A.	Naples - Italy	GTG PLIN d.o.o. - Celje	Slovenia
SIAD Austria GmbH	Austria	DIME Società Agricola S.r.l.	Bergamo - Italy
SIAD Czech spol. s r.o.	Czech Republic	PLINARNA MARIBOR d.o.o. - Maribor	Slovenia
SIAD Hungary Kft	Hungary	GTG PLIN d.o.o. - Karlovac	Croatia
SIAD Bulgaria EOOD	Bulgaria	ISTRABENZ PLINI d.o.o. - Breza	Bosnia-Herzegovina
SIAD Romania S.r.l.	Romania	ISTRABENZ PLINI d.o.o. - Belgrade	Serbia
SIAD Slovakia spol. s r.o.	Slovak Republic		
SIAD Poland sp.z o.o.	Poland		
SIAD France SAS	France		
Air Cryo Services 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

MATERIAL TOPICS	GRI STANDARD	SCOPE
Economic Performance	201	SIAD Group
Market Presence	202	SIAD Group INDUSTRIAL GASES, excluding Russia and Ukraine
Supply chain	204	SIAD Group
Anti-corruption	205	The corruption data refer to the entire SIAD Group. The remaining data only refer to Italian companies.
Energy Intensity	302	INDUSTRIAL GASES, excluding Russia and Ukraine, acquisitions after 31.12.2020 and waste businesses. LPG & NG, excluding acquisitions after 31.12.2020. ENGINEERING, Italian companies only HEALTHCARE, all companies
Water Resources	303	INDUSTRIAL GASES, excluding Russia and Ukraine, acquisitions after 31.12.2020 and waste businesses. LPG & NG, excluding acquisitions after 31.12.2020. ENGINEERING, Italian companies only HEALTHCARE, all companies
Atmospheric emissions	305	INDUSTRIAL GASES, excluding Russia and Ukraine, acquisitions after 31.12.2020 and waste businesses. LPG & NG, excluding acquisitions after 31.12.2020. ENGINEERING, Italian companies only HEALTHCARE, all companies
Waste	306	INDUSTRIAL GASES, excluding secondary production by SIAD S.p.A., Russia and Ukraine, acquisitions after 31.12.2020 and waste businesses. LPG & NG, excluding acquisitions after 31.12.2020. ENGINEERING, Italian companies only. HEALTHCARE, all companies
People	401 405	SIAD Group SIAD Group
Health and Safety	403-8 403-9	403-8 SIAD Group 403-9 Worker fatalities, SIAD Group Injuries: INDUSTRIAL GASES all companies LPG & NG Slovenian.ENGINEERING companies only, Italian companies only. HEALTHCARE, all companies
Training	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 2022 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



TABLE OF CONTENTS



The table of contents 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.

GRI STANDARD CONTENTS

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, 2022 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	9, 10, 35, 36	
	2-2 Entities included in the organization's sustainability reporting	132	
	2-3 Reporting period, frequency and contact point	132	Annual
	2-4 Restatements of information		No revisions were made; this is the first Sustainability Report
	2-5 External assurance	131, 146, 147	
	2-6 Activities, value chain and other business relationships	7, 8, 35-38, 53, 54	
	2-7 Employees	97-105, 123-128	
	2-9 Governance structure and composition	39, 40	Partial
	2-11 Chair of the highest governance body	40	
	2-12 Role of the highest governance body in overseeing the management of impacts	39-41	Partial
	2-13 Delegation of responsibility for managing impacts	39-41	Partial
	2-14 Role of the highest governance body in sustainability reporting	131	
	2-15 Conflicts of interest	39	
	2-16 Communication of critical concerns	51	
	2-22 Statement on sustainable development strategy	Letter from the Chairman	

	2-23 Policy commitments	13	Partial
	2-25 Processes to remediate negative impacts	112	Partial
	2-26 Mechanisms for seeking advice and raising concerns	50	
	2-27 Compliance with laws and regulations	55	
	2-28 Membership associations	11-13	
	2-29 Approach to stakeholder engagement	26	
	2-30 Collective bargaining agreements	100	
GRI 3: Material Topics 2021	3-1 Process to determine material topics	25, 27, 28	Partial
	3-2 List of material topics	27, 28	

GRI 200 – ECONOMIC TOPICS

GRI STANDARD	DISCLOSURE	PAGE NUMBER	NOTES/ OMISSIONS
ECONOMIC PERFORMANCE			
GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	48	
GRI 201 – ECONOMIC PERFORMANCE (2016)			
201-1	Direct economic value generated and distributed	48, 115	Value paid to government not divided by country government not divided by country
MARKET PRESENCE			
GRI 3 – MATERIAL TOPICS 2021			
3-3	Management of material topics	35, 36	
GRI 202 – MARKET PRESENCE (2016)			
202-2	Proportion of senior management hired from the local community	35, 36, 123	

PROCUREMENT PRACTICES

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	53, 54	
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GRI 204 – PROCUREMENT PRACTICES (2016)

204-1	Proportion of spending on local suppliers	54	Partial
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ANTI-CORRUPTION

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	49-51	
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GRI 205 – ANTI-CORRUPTION (2016)

205-3	Confirmed incidents of corruption and actions taken	51	In the two-year period from 2021 to 2022, 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	49-51	
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GRI 206 – ANTI-COMPETITIVE BEHAVIOR (2016)

206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	51	In the two-year period from 2021 to 2022, 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	83	
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GRI 302 – ENERGY (2016)

302-1	Energy consumption within the organization	83	
302-3	Energy intensity	118	

WATER AND EFFLUENTS

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	84	
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GRI 303 – WATER AND EFFLUENTS (2018)

303-3	Water withdrawal	84, 118	
303-4	Water discharge	84, 121	
303-5	Water consumption	119	Partial

EMISSIONS

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	83
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GRI 305 – EMISSIONS (2016)

305-1	Direct (Scope 1) GHG emissions	83, 116
305-2	Energy indirect (Scope 2) GHG emissions	83, 116
305-3	Other indirect (Scope 3) GHG emissions	83, 116

WASTE

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	84
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GRI 306 – WASTE (2020)

306-3	Waste generated	84, 122
306-4	Waste diverted from disposal	84, 122
306-5	Waste directed to disposal	84, 122

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	100
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GRI 401 – EMPLOYMENT (2016)

401-1	New employee hires and employee turnover	100, 125, 126
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OCCUPATIONAL HEALTH AND SAFETY

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	81
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GRI 403 – OCCUPATIONAL HEALTH AND SAFETY (2018)

403-5	Worker training on occupational health and safety	81
403-8	Workers covered by an occupational health and safety management system	81
403-9	Work-related injuries	81, 115

TRAINING AND EDUCATION

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	101
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GRI 404: TRAINING AND EDUCATION (2016)

404-1	Average hours of training per year per employee	101, 127, 128
404-3	Percentage of employees receiving regular performance and career development reviews	122

DIVERSITY AND EQUAL OPPORTUNITY

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	100, 104
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GRI 405 – DIVERSITY AND EQUAL OPPORTUNITY (2016)

405-1	Diversity of governance bodies and employees	123, 124
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NON-DISCRIMINATION

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	99
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GRI 406 – NON-DISCRIMINATION (2016)

406-1	Incidents of discrimination and corrective actions taken\	99	In the two-year period from 2021 to 2022, no incidents of discrimination were recorded
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CUSTOMER PRIVACY

GRI 3 – MATERIAL TOPICS 2021

3-3	Management of material topics	55
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GRI 418 – CUSTOMER PRIVACY (2016)

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	55	In the two-year period from 2021 to 2022, no complaints based on breaches of customer privacy were recorded
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REPORT ON THE 2022 SUSTAINABILITY REPORT

Scope
Certiquality S.r.l. has been engaged by SIAD S.p.A. to perform a limited assurance engagement on the “2022 Sustainability Report - SIAD Group Annual Report” (Italian version), in order to confirm that it complies with the general and specific disclosures provided in the document and referred to in the GRI content index, 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 carried out, 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 covered, in particular:

- 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 partly in person and partly (particularly for foreign companies) remotely, by interviewing the relevant functions by videoconference and by examining the documentation shared on screen.

Methods
The engagement was carried out as follows:

- analysis of the document “2022 Sustainability Report - SIAD Group Annual Report” (Italian version), focusing, in particular, on the principles and content envisaged by the GRI Standards 2021 guidelines;
- interviews with the functions involved, directly or indirectly, in the drafting of the document and in the data and information management process (from collection to subsequent processing);
- examination of documents and records at SIAD S.p.A.'s operating headquarters in Bergamo and at a representative sample of the production sites included in the scope of the Report: SIAD S.p.A. (Osio Sopra), Magaldi Life (Salerno), IGAT S.p.A. (Pignataro Maggiore), SIAD S.p.A. (Cinisello Balsamo), SIAD MI S.p.A. (Bariano), Istrabenz Plini (Slovenia - remotely);
- 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 2022”, which have already been audited (as per KPMG’s report dated 27 April 2023) and, therefore, have not been subject to additional checks.

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 “2022 Sustainability Report - SIAD Group Annual Report”, is the first edition for the SIAD Group. Most information covers only two years (2021 and 2022; only some information covers a longer period, up to three or four years). As of the next edition, the intention is to cover a full three-year period. The document has been duly prepared, is clear, easy to read and generally in line with the requirements of the GRI guidelines applicable to the reported disclosures. However, some disclosures are not entirely exhaustive with respect to the standards (these disclosures 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 information reported, 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 topics. Furthermore, to date, the identification of the relevant topics to be dealt with in the document has not required the active involvement of stakeholders, despite the fact that the Group has activated numerous channels of communication with them, as schematically explained in the document. This is an opportunity for improvement should the Group decide to move to reporting “in accordance” with the GRI standards. In any case, a greater involvement of at least the main stakeholders (e.g., employees, customers, suppliers) is expected.

The checks conducted on the numerical data revealed some inaccuracies that were corrected in the final revision of the Report. Furthermore, some differences were identified in the operating methods used for data collection and processing among the various group companies. These differences are not deemed significant and are fully compatible with the complexity and size of the organisation and the fact that this is the first edition of the Report. The above-mentioned different methods do not seem to be due to structural weaknesses in data management, rather to the need to fine-tune the system. The data collection and processing system is already sufficiently structured; however, there is some room for improvement, e.g., in terms of homogeneity of the collection of certain data.

Conclusions

The engagement carried out on the disclosures included in the “2022 Sustainability Report - SIAD Group Annual Report” (Italian version) 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 “2022 Sustainability Report - SIAD Group Annual Report” and covered by the relevant GRI Index refer to the GRI Standards.

24 May 2023

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.
SGQ n. 008A - SGA n. 0010 - SCR n. 002F - FSM n. 006I
PRD n. 008B - DAP n. 003H
SGI n. 007C - SOE n. 001M - ISF n. 006E - QHG n. 001O
EMAS n. 008P - ITX n. 004L - PRS n. 100C

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