BREATHING sustainability report 2021 THE FUTURE







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Last year, with the sustainability report, we told for the first time about our model, our goals, and our way of engaging with the environment and our stakeholders. The 2021, as well as 2020, was a year full of challenges, the second year marked by the Covid-19 pandemic that the SAPIO Group at the forefront helped fight and contain, providing oxygen to hospitals, helping to build intensive care in record time, and continuing to ensure industrial production and essential homecare for our customers and patients. All this while, at the same time, investing significantly to address an additional challenge for our company, but more broadly for the entire planet, which is to contribute to the decarbonization by reducing our carbon footprint and that of our customers, with a continuous alignment with the sustainable development goals of the United Nations 2030 Agenda.

None of this would have been possible if not for the people who are part of the SAPIO Group to whom our recognition goes. We are a large family made up of women and men who have not backed down and with dedication, courage, spirit of sacrifice, professionalism and a great deal of humanity, have continued to guarantee essential services for the entire community and to commit to the common mission of making SAPIO the best company to work for, collaborate with and invest in. Another huge thank you goes to all customers, suppliers, and institutions for believing in us and standing by our side again in 2021.

The world has changed during the pandemic, and the SAPIO Group has adapted to the challenges presented while continuing to be a proactive player in civil society, contributing to the well-being of people, the environment and the economic development of the countries in which it operates. As we prepare for a particularly important year for us as the year of SAPIO's 100th anniversary, we are aware of the great privilege of having been able to grow a company that since 1922 has been creating value and redistributing it to the ecosystem in which it operates.

SAPIO has always believed that innovation is mandatory for any company eager to grow. It enables advancement of the company and the community in which it operates, as well as stimulates employees to think and act in new ways. Innovation is also complemented by digitization, which we have been vigorously pursuing for years, starting with our hydrogen production facilities, all of which are digitally controlled from our plant in Mantua through a digital twin.

This letter is written at a historical moment of great socioeconomic changes where, after more than 70 years, war has returned to Europe, close to our homes. In addition to the many uncertainties arising from the pandemic we are facing a humanitarian and energy crisis unprecedented in the contemporary history of our continent. SAPIO also took immediate action in this context to do its part, also providing support to its employees.

It is with a great sense of gratitude that it can be said that we have achieved extraordinary goals during 2021. We now feel the great responsibility of facing 2022 with courage, as well as enthusiasm and a desire to grow further by contributing to the restart of Italy and Europe. We strongly believe in energy transition, which is indispensable now more than ever, and that our contribution can be invaluable in achieving the much desired goal of energy independence, while ensuring a cleaner world and a better future for our children. We strongly believe in healthcare that puts the patient at the center to improve the guality of life for all. We believe we can be an example and that we can provide growth opportunities for our employees and suppliers. We believe in SAPIO.

Alberto Dossi Maurizio Colombo President Vice President

Andrea Dossi Mice President

Alessandro Dossi Ex President

Mario Paterlini

METHODOLOGICAL NOTE

This document constitutes the Sustainability Report ("Sustainability Report" or "Report") of Sapio Produzione Idrogeno Ossigeno S.r.l. (hereinafter "SAPIO" or "Sapio Produzione" or "Parent Company") and its subsidiaries (hereinafter the "Subsidiaries") fully consolidated (hereinafter the "Group" or the "SAPIO Group") with reference to the 2021 fiscal year, from 1st January to 31st December. This Report is published on a voluntary basis.

In order to communicate the Group's sustainability performance in a transparent and comparable manner, this Report has been prepared in accordance with the GRI Standards: Core option. The GRI Content Index is presented at the end of the document with details of the contents reported in accordance with the GRI. Further detailed information covering the GRI indicators is included in the" Analytical data of the Sustainability Report " section in the appendix to the document. The information reported were selected on the basis of the results of the materiality analysis carried out during 2021, which made it possible to identify the material aspects for the Group and its stakeholders. The Materiality Matrix presented in the "Identifying stakeholders and Materiality Analysis" section of this document is the result of the analysis conducted. It should be noted that during 2021, the Group enhanced the engagement activities performed, including external stakeholders, as reported in the aforementioned paragraph. The reporting scope of the economic and financial data and information corresponds to that of the consolidated financial statements at 31st December 2021¹. The scope of the data and information relating to social and environmental aspects refers to SAPIO and its fully consolidated subsidiaries.



Any change, limitation or exclusion to this scope are appropriately indicated in the GRI Content Index of this document.

Figures relating to the previous years are provided for comparative purposes to enable an assessment of the Group's performance. In relation to the significant changes in the size, organizational structure, ownership structure and supply chain of the Group, it should be noted that in 2021, the subsidiary BioRep S.r.l. ("BioRep") acquired 51% of the share capital of AdvicePharma Group S.r.l. ("Advice Pharma"). Following this development, figures related to Advice Pharma have been included in this document with exclusive reference to financial and human resources data. Furthermore, with respect to 2020, it should be noted that Medica Group Holding S.r.l., Medica Group S.r.l. and Axa Medica S.r.l. exit the Group on June 18th 2021. Sapio Energia S.r.l.

was merged in Sapio Produzione on 30th December 2021, G.M.S. S.r.l. was merged in Utengas Industrie S.r.l. on 30th November 2021 and Argon S.r.l. was merged in Eurotre S.r.l. on 31st December 2021. Further information can be found in the paragraph "Continuous improvement through investments and innovation". The evolution of performance from 2020 to 2021 is therefore to be interpreted in light of the changes of the Group's perimeter. To ensure data reliability, the use of estimates has been limited as far as possible. Whenever present, they are appropriately reported and based on the best available methods. Any restatements of previously published comparative data are clearly identified as such. This document was subjected to examination and approval by the Board of Directors ("Board of Directors" o "BoD") of SAPIO.

This document has been subject to procedures performed in a Limited assurance engagement in accordance with the criteria indicated by International Standard on Assurance Engagement (ISAE) 3000 (Revised) by the auditors Deloitte & Touche S.p.A.. The limited assurance engagement was conducted by performing the procedures indicated in the **Report of the Independent Auditors** presented at the end of this document.

The reporting cycle of the Sustainability Report is annual. For information regarding the SAPIO Group's Sustainability Report, please contact Sapio Sustainability Management at the following address: **sustainability@sapio.it**. This document is also available on the

website of the Group: https://www. grupposapio.it/en/sustainability/.



¹ Economic and financial information of the Group consolidation are drawn up based on the resulting management data from the Group's accounts.



<u>2030 AGENDA</u> <u>AND OUR</u> <u>GOALS</u>

Sustainability is one of our core values, at the basis of every business decision and supporting us in defining the products and services we offer to our customers and patients, in the industrial marketplace, in our energy transition offerings and in health care. The 17 Sustainable Development Goals ("**SDGs**") were developed within the United Nations in 2015 with the ambition to create a global plan of action for a world without inequity, poverty, aiming for environmental sustainability by 2030.

It is the responsibility of every government institution, private entity and member of civil society to contribute to the achievement of these goals. The SAPIO Group embraces and supports the SDG's, adopting strategic and operational principles consistent with the proposed agenda. To this purpose, the Group has created its own "Sustainability Plan" based on 3 key principles: "CARE", "PROTECT" and "DEVELOP".

In 2021, the Group also continued to measure its revenue in terms of alignment with the SDGs. In light of the internal methodology developed, we estimate that in 2021 $65\%^2$ of the activities carried out by the Group were linked to at least one of the SDGs.



of the activities carried out by the Group are in line with the sustainable development goals of the United Nations

² The estimation methodology applied considers related to the identified SDGs all the Group's activities in the healthcare sector and, for the activities in the industrial sector, exclusively those with revenues associated with the specific initiatives related to the SDGs.



SAPIO GROUP SUSTAINABILITY MATERIAL TOPICS³

	3 GOOD HEALTH AND WELL BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	6 CLEANWATER And Samitation	7 AFFORMABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH
	Good health and well-being	Quality education	Gender equality	Clean water and sanitation	Affordable and clean energy	Decent work and economic growth
WORKPLACE HEALTH AND SAFETY	•					•
COMPLIANCE AND SAFETY OF PRODUCTS	•					•
CUSTOMER PRIVACY						
COMMUNITY CARE		•				
ENVIRONMENTAL IMPACT	•			•	•	
SUPPLIERS ASSESSMENT						
SUPPORT TO OUR CUSTOMERS IN THE ENERGY TRANSITION	•			•	•	
ECONOMIC PERFORMANCE AND SUSTAINABLE GROWTH						•
ETHICS AND INTEGRITY		•				•
SKILLS DEVELOPMENT, DIVERSITY AND INCLUSION			•			•
RESEARCH AND INNOVATION	٠					
RESPONSIBLE PROCUREMENT / LOCAL ECONOMIC DEVELOPMENT						

3 For further information please refer to the section "identifying stakeholders and materiality assessment".







SUSTAINABILITY AS AN ENGINE FOR GROWTH

For years, the SAPIO Group has been on a path of sustainability based on the WIN WIN formula.

"We want to be the best company to buy from, to invest in, to work for"



OUR SUSTAINABILITY IN NUMBERS⁴



⁴ The data represented on these pages are as of December 31, 2020 and December 31, 2021, respectively, unless otherwise noted. The calculation methodology for the data on the injury rate and customer satisfaction (NPS score) are explained in the Sustainability Report.

5 STEM is an acronym for "Science, technology, engineering and mathematics" and indicates science-based academic pathways. The figure refers to Group companies in Italy, Spain, Slovenia and Turkey. Further information on the scope of the data can be found in the section "GRI Content Index".



SAPIO'S CONTRIBUTION FOR ENVIRONMENTAL SUSTAINABILITY

SAPIO Group's Carbon Footprint Reduction



6 Value calculated on the basis of Direct Emissions, Indirect Emissions (market-based method) and Emissions relating to Transport as better specified in the section "The redistribution of for SAPIO".

THE CONTRIBUTION TO SUSTAINABILITY OF OUR CUSTOMERS





OUR COMMITMENT TO THE DECARBONIZATION OF TRANSPORT FOR SASA S.P.A. AG - BOLZANO

As part of the industry and energy transition, we offer our customers the opportunity to be more sustainable, efficient and productive, helping to make their environmental impact positive through the use of our gases, CO₂ capture technologies, biomethane and hydrogen as an energy vector.

SAPIO began supplying hydrogen to SASA's next-generation 12-buses fuel cell refueling station at the Bolzano depot in July 2021. SASA is a public company, owned by the Autonomous Province of Bolzano, the Municipality of Bolzano and the Municipality of Merano, which operates bus lines in the cities of Bolzano, Merano and Laives and, from the end of 2021, 30 suburban lines in the Trentino region. SASA shares with SAPIO a particular attention to the issues of environmental sustainability: *in particular, it adopts modern* propulsion technologies to carry out its urban transport service in an environmentally friendly way and has 12 buses in operation with the latest generation of fuel cells. The relationship between SAPIO and SASA was immediately characterized by a close sharing of objectives and collaboration to identify the best supply solution, both in terms of gas quality and logistical aspects. As far as hydrogen characteristics are concerned, SAPIO was judged by SASA as an extremely reliable partner thanks to the "Fuel Cell Grade" certification of the product. As far as logistics are concerned, SAPIO provided SASA with a fleet of tankers very quickly, thus enabling it to provide the local community with a public mobility service with reduced environmental impact.







<u>OUR</u> <u>VALUE</u> <u>CREATION</u> <u>MODEL</u>

OUR MISSION

The mission of the SAPIO Group, especially in the last decade, has been focused on making the company capable of exercising the role of a positive and proactive actor in civil society and with regards to its ecosystem. This means playing also a social role, therefore, at the service of the community.

Even if we can't see or touch them, gases are essential for everyone's life and for a better future. Every day SAPIO is committed with passion, expertise and resources to offering innovative products, technologies and services that improve the quality of life, always with the utmost attention to the safety of its employees.

Therefore, this is not only a Group that provides fundamental products and services for patients and customers, but an organization that does so with a view to contributing to the wellbeing of people, the environment and the economic development of the countries in which it operates. An open mindset capable of accelerating and encouraging allencompassing sustainability projects is therefore the basis of the Group's activities. This philosophy is concisely summarized in the claim "Perform to transform" and made it explicit in NExT, New Extraordinary Transformation, ("**NExT Plan**"). The NExT Plan is a sustainable growth program to transform the way we think, the skills, the way we work and enable SAPIO to become one of Europe's leading independent players. For this reason, the NExT Plan has

deep roots as it started from the transformation beginning in 2010 with a turning point that led to radical choices and the beginning of the growth which has characterized the last decade. A growth marked by change, first in business performance, now with results at the top of the industry, then in strategy and finally in corporate culture.



Growth, expansion and internationalization are the basis of the current objectives of the NExT Plan, and the people who are part of the SAPIO Group are the driving force behind this change, which will make the Group's model a virtuous example on the European industrial scene. NExT is therefore a plan that encompasses several meanings: the main one is "future". To understand who we are, what we do and why we do it.





A VALUE CREATION AND DISTRIBUTION CHAIN SERVING OUR ECOSYSTEM

We strive every day to develop a performing, sustainable and responsible capitalism in which our daily action assumes and contributes to generating value for the Group, for our customers and patients, for the community and for the planet. A capitalism in which "profit" and "meaning" are reconciled. The SAPIO Group has always been committed to implementing a model of sustainable development that contributes to improving the society in which we live.

This is achieved through a business model that allows us to create wealth in a sustainable way, and above all, redistribute it in an equally sustainable way. A virtuous spiral that is based on trust between Stakeholders and well-articulated governance.

For the efficient management of a Group whose ultimate goal is to fairly redistribute the value created, the Company must have an economic solidity that allows the support of the projects in which it believes. The ability to have a fair remuneration system to support employees, to have resources to invest in order to improve services and continue our expansion, is key to the support of the ecosystem that the Group aims to help and in which the Group assumes a leadership role. During 2021, the Group turnover increased to €701 million vs €629 million in 2020. Specifically, turnover in the industrial sector amount to €301 million, while those in the healthcare sector (containing both sales to hospitals and homecare) to €400 million, corresponding to 57% of total Group sales.

The industrial sector accounts for 48% of revenues in Italy. The healthcare sector accounts for 52% of revenues in Italy and 100% of Group revenues abroad. The 2021 performance is symptomatic of the consistent evolution that the Group has demonstrated over the last decade with a compound annual growth rate of 7% between 2015 and 2021.





The growth in sales was followed by a steady increase in profitability with margins before interest, depreciation and amortization ("**EBITDA**") standing at \in 170 million or 24% of sales in 2021 with an increase of \in 8.7 million compared to the previous year.

Economic value generated and distributed is the incremental economic value generated by the SAPIO Group's activities and distributed to a broader category of Stakeholders.

Although related to the enhancement of the Group's economic performance, generated and distributed economic value is a broader measure of the value of the Company in its ecosystem. In fact, distributed economic value also includes the value distributed to employees as wages, to suppliers, the return on debt to financial institutions of Group companies, the return of capital to shareholders, taxes paid to the State or locally, while retained economic value represents the amount of economic value generated but not distributed.

In 2021, the economic value directly generated by SAPIO Group was €722 MLN, an increase of €76 MLN compared to 2020. The economic value distributed was €613.6 MLN, an increase of €78 million compared to 2020.



Economic value distributed and retained by the Group⁷ (MLN €)

SUPPLIERS			
EMPLOYEES			
FINANCIAL INSTITUTIONS AND SHAREHOLDERS			
STATE AND INSTITUTIONS			
DONATIONS AND GRATUITIES			
RETAINED BY THE GROUP			
2020		2020	2021

_
7 The data relating to the economic value distributed and retained by the Group for 2020 have been restated with respect to those included in the 2020 Sustainability Report, published
on the website https://www.grupposapio.it/en/sustainability, including the distribution of dividends carried out within the category "Financial institutions and shareholders", in line
with what has been done for the 2021 data.

SUPPLIERS

EMPLOYEES

FINANCIAL INSTITUTIONS AND SHAREHOLDERS

STATE AND INSTITUTIONS

RETAINED BY THE GROUP

DONATIONS AND GRATUITIES

366.1

115.6

26.6

25.5

1.4

111.2

413.8

131.6

33.0

34.6

0.6

108.6

GOAL

CER MEDICAL AWARDED AT THE FELIX INDUSTRY AWARD

On November 25th 2021, in Rome at the Luiss Guido Carli University, 160 companies based in Italy were awarded for their performance in both management and financial terms, representing an example for the Italian country that is restarting and competing, after the hard lockdown imposed by the pandemic. With great pride, Cer Medical S.r.l. ("**CER Medical**"), a company of the Group, was among them. These companies were chosen from among the strategic sectors, awarded the high honor of the "Premio Industria Felix - Italy that Competes", which is an award assigned on the basis of objective criteria and which takes into account an incontrovertible algorithm of competitiveness, the Cerved Group Score Impact (the financial reliability indicator of one of the most important rating agencies in Europe) and in some cases the Sustainability Report or the Non-Financial Statement for companies that have them.

GOAL

BioRep AND LIFE CURE AMONG THE BEST SMES IN LOMBARDY

During 2021, Lombardy's industrial production returned above pre-health crisis levels with a boost on national GDP. According to the elaborations of Lombardy Unioncamere, production has in fact grown by 9.3% considering the 2019 pre-sanitary crisis average as a reference period. The plant utilization rate confirms the intensity of the productive activity of Lombardy companies, reaching 76.5%, a figure also higher than the 2019 average. In the ranking of the best Lombardy SMEs, BioRep S.r.l. ("**BioRep**") and Life Cure S.r.l. ("**Life Cure**") ranked 17th and 50th respectively, proving to be growth drivers for the entire Group.





CONTINUOUS IMPROVEMENT THROUGH INVESTMENT AND INNOVATION

Group expansion through acquisitions and investments

During 2021, the SAPIO Group continued its inorganic growth activities as defined in the NExT Plan.

In particular, in the month of December, the subsidiary BioRep acquired 51% of the share capital of AdvicePharma which provides innovative services for clinical research, data management and health IT engineering.

Moreover, in May, SAPIO acquired a further 29% of the share capital of the French company Synapse Santé, thus increasing its shareholding to 80%.

During the year 2021, the SAPIO Group invested approximately ${\textcircled{\sc eq}}$ 70.4 million.

In Italy investments referred to the modernization of industrial facilities and safety for a total of \notin 39.9 million. In particular, with reference to production facilities SAPIO has invested in the construction of a new HPN for the production of nitrogen in its Catania plant.

During the year, a photovoltaic production system was also installed on the roof of the CER Medical plant for a total power of 115 kW, 78% of whose energy production is intended for selfconsumption.

The Group also invested \in 28.2 million in the acquisition of equipment to support its healthcare activities.

A further ${\in}2.3$ million supported investments to overhaul the Group's IT infrastructure and increase IT security.

GOAL



CASE

An alliance under the sign of digital health. SAPIO Group, through its subsidiary BioRep, and Advice Pharma Group have signed a partnership agreement aimed at creating an integrated offering in the field of digital therapy development (DTx) and research services. The two companies will share their specific competencies in the field of biological sample management and high-quality genetic testing, in which BioRep is a market leader, and in the field of digital transformation in healthcare. Advice Pharma's core business. This will allow BioRep along with Advice Pharma to aid research in data interpretation and expand services for contract research organizations ("CROs"). Founded in 2012 as a company specialized in the development of

ADVICEPHARMA

software for clinical research within the Bovisa Technological Pole of the Politecnico di Milano (PoliHub), Advice Pharma Group has witnessed an acceleration over the years both in terms of revenues and work group. Today Advice Pharma is itself a CRO and deals, among other things, with decentralized clinical trials, real world evidence and development of software-based medical devices and telemedicine. Advice Pharma works with pharmaceutical, biotechnology and biomedical companies, public and private hospitals, research centers, laboratories and professional practices.

A MOLECULE TRAVELLING FROM CATANIA TO SINGAPORE

The first nitrogen molecule from the new HPN 3 plant in Catania and its purification system, a plant that has an hourly flow rate of 3,250 Nm3 of ultra-pure gaseous nitrogen, has been connected to the STMicroelectronics plant in Catania on Christmas Eve. After 20 months of engineering and construction and a week of alignment with the customer in order to comply with the strict quality protocols provided, the product test was carried out where the nitrogen molecule of the new SAPIO plant was fixed on a silicon plate and sent to complete the necessary quality checks in Singapore. Only after these additional tests the flow of nitrogen to the STM plant will be finally opened. This highlights the procedures and quality required by the microelectronics industry and the quality of service that SAPIO is able to guarantee to its customers. From an environmental point of view, this on-site production allows considerable savings in energy and emissions, as it is an alternative to the supply of liquid nitrogen from another site, which would have entailed further energy consumption both for liquefaction and for the transportation by tanker as well as for the subsequent vaporization at the customer's premises.



Innovation as a push towards the future

SAPIO Group believes that innovation is mandatory for any company that wants to grow. Innovation, such as the development of new ideas and technologies, allows the company to progress itself and at the same time to contribute to the progress of the community by improving the lives of people and the environment in which we live. It also enables employees to be stimulated to think about new ways of working, new products and services to be developed that can facilitate internal activities and provide better services to customers and patients. SAPIO is structured with an innovation team ("Innovation Team") led by a chief innovation officer, who has been with the group since 2017. The Innovation Team coordinates the innovation activities related to the "Industry" and "Healthcare" business units and reports to the innovation board ("**Innovation Board**"), composed of a number of members of the Board of Directors, who are given decision-making powers in order to launch pilot experiments for new business models to be introduced to the market.

SAPIOTHON - THE FLOW CAPACITOR FOR BOTTOM-UP BUSINESS INNOVATION

The SAPIO Group has studied a way to systematically discover its sources of innovation and channel them towards value creation, through a "flow condenser", whose desired output is a development idea with a business model to start from and a strategy to enter the market as quickly as possible.

There are three different approaches, integrated into a coherent main one focused on value creation:



Sapiothon (A)

the search for ideas: a structured internal process for generating and scouting innovation ideas. Four main phases: idea generation, incubation, acceleration and execution;

• project development (B)

a standard stage-gate process is applied to project management. It is mainly used to keep track of the evolution of the idea and be able to easily report to the Innovation Board;

• iterative validation(C)

this is the main underlying process used by the team to validate the idea, always starting with the need. The three phases of iterative validation are: problem fit (problem-market validation), solution fit (problem-solution validation) and market fit (business model validation).

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CASE > SAPIO X

After institutionalizing Sapiothon, it was necessary to make the participation of all employees in the innovation process systematic, so that the impact generated on culture and the company results would be more and more concrete. SAPIO X was created to help all employees to change the way the world is observed and to improve the quality of our ideas and projects.

It is a deliberately simple format, popular and informal, which helps cross-contamination with topics of innovation and technology, as well as with realities, experiences and professionals sometimes even not belonging to the sector in which the companies of the Group operate. Since 2018 there have been multiple episodes of SAPIO X where we have talked about artificial intelligence, blockchain, smart working and time management, X-reality, 3d printing, evolutionary algorithms, drones, game design and virtual spaces.











OUR RESOURCES: THE PILLARS ON WHICH SAPIO IS BUILT

OUR IDENTITY

The values in which the Group believes are reflected in our daily actions, in all our activities and are aimed at pursuing sustainable development objectives through our concrete behaviours Only the responsible and conscious use of available resources allows to build value. The Group's identity is the solid base on which the company's evolution is founded, which is driven by human capital and available assets with a constant *focus* on safety and sustainability.

Our values: looking to the future while being aware of the past

The SAPIO Group is based on a value system shared by the entire company structure that contributes to the solidity of a Group founded 100 years ago.
SAPIO LEADERSHIP

RESPONSIBILITY

ENTREPRENEURSHIP

THE GROWTH OF PEOPLE Together with responsibility this represents the added value on which our Group focuses. Taking responsibility for one's decisions, having the courage to be invested in first person, taking one's own responsibilities, displaying a spirit of initiative and creativity, rising to the challenge of going outside one's comfort zone, and knowing how to delegate

and monitor while focusing on results: these are gualities required of the 4.0 leaders who

Within the SAPIO ecosystem, the value of leadership is increasingly measured in our leaders' ability to guide the Group towards the goals they have set themselves, both "being a leader" in the way they behave, and "acting like a leader" in what they do. The leaders of today and tomorrow are constantly aware of the corporate purpose; they devote attention to civil society and the environment, with the aim of realizing the new

paradigm of society for all the Stakeholders, not just those engaged with the leader's own specific department; they are polite towards colleagues and customers/patients; they are inspired by the values of profound honesty, intellectual and material; and they display great mental agility, combined with the ability to shift from one role to another

This is one of the most important values on which our corporate culture is based. Being responsible means repaying the trust of the shareholders and guaranteeing the Stakeholders our utmost commitment. Being "Solution driven", focusing on the solution

and not on the problem, not procrastinating decisions, avoiding alibis and justifications, being a positive example for others are essential elements in the scale of SAPIO's values. Likewise, transparency, which must always be ensured for managers, employees and the

with pragmatism and speed.

entire SAPIO ecosystem.

characterize SAPIO's present and future.

One of the strengths of the company for almost a hundred years has been its people, and it has shown a great capacity for attracting and retaining reliable and qualified employees. In the current world of uncertainty, this becomes even more important in the strategic development of the Group. Valuing skills above all else, celebrating the successes of staff and in particular being an example of passionate professionalism, working in a team, learning from mistakes and being open to change and diversity are essential qualities for those who work and want to grow at SAPIO.

FAIRNESS

The value of fairness is one of the most complex to define and apply in a corporate community. Nonetheless, we believe that a growing company like ours cannot fail to continually seek to treat its employees and in general its ecosystem fairly. Rewarding merit, showing understanding for people and their problems, facilitating growth and internal mobility, giving and asking for continuous feedback, being consistent, and being committed to loyalty are crucial elements for building and developing a business community based on fairness.



Safety is my name

Ensuring the safety of our employees and making sure they end each day in good health is the true and highest goal of our safety philosophy. The Group's safety program is one of the strategic levers for improved operational efficiency, reducing hidden costs associated with lost work hours due to injury. SAPIO's dedication to safety is also aimed at creating an environment in which every employee, supplier and collaborator can establish a relationship of trust with the Group. Ultimately, this translates into higher quality in the products and services we distribute.

During 2021, the "**Safety is my name**" project was launched. This includes, among other things, an information and awareness campaign involving all the Group's offices in Italy and abroad.



Respirase il futuro



SAFETY S MY F A

The foundations on which we build our identity









The guide to our sustainable development

A company's performance cannot be achieved without ethical behavior and corporate governance aimed at ensuring the integrity of government members and employees. Only an ethical behavior can guarantee the success of the Group. In SAPIO integrity is one of the core values and key to business development. In our daily activities, respect for ethical professionalism and absolute legality are among the values that guide our work.

The Group's governance structure and related control systems are based on the central role of the SAPIO's Board of Directors.

The Board of Directors, as an administrative body, has the primary role of governing the Company's activities and establishing management policies, including strategic management. In addition, SAPIO, directly or indirectly, exercises management and coordination of its subsidiaries.

As of December 31st 2021, SAPIO's Board of Directors consists of 11 members, of which 91% men and 9% women.









Diversity within the governing body and the caliber of its members are a key element in the Group's growth and ensuring compliance with sustainability goals.



Alberto Dossi SAPIO Group President since May 14, 2010

Maurizio Colombo SAPIO Group Vice President since December 14, 1990

Andrea Dossi SAPIO Group Vice President since June 21, 2011

Alessandro Dossi President of Progefin since June 20, 1990

Piero Carlo Cavenaghi President of Sapio Life since January 13, 2011



Mario Paterlini

Paterlini)

SAPIO Group CEO

since July 1, 2010

(P.T. Consulting S.r.l.

in the person of Mario

Seifollah Ghasemi Chairman, President and Chief Executive Officer, Air Products

Melissa Schaeffer Senior Vice President and Chief Financial Officer, Air Products



Ivo Jan Paul Leo Bols President, Europe & Africa, Air Products

Kurt Lefevere Vice President North Continent, Air Products



Joaquin Mustaros Gel Lawyer, Managing Director, Air Products

Our Group, positioned for the future

Sapio Produzione, directly or indirectly, exercises the management and coordination of its subsidiaries. Furthermore, it performs a series of general and administrative services for the Subsidiaries, and shares best practices aimed at improving the quality of their products, services and efficiency. Great attention is paid to sharing the Group's goals and in particular those relating to the health and safety of employees and their growth.

SAPIO directly controls the production companies, the industrial subsidiaries of the Group, the non-Italian companies and Sapio Life S.r.l. ("**Sapio Life Italia**"). Sapio Life Italia controls the companies of the Group dedicated to hospital, home care and biogenetics services, as well as support for pharmaceutical companies and clinical trials in Italy ("**Health subsidiaries**").

The following chart represents the corporate organization chart of the SAPIO Group as of December 31, 2021.





OUR ACTIVITIES AND ASSETS AT THE SERVICE OF THE COMMUNITY

SAPIO Group in the world

ITALY

FRANCE

Aix-en-Provence, Maxeville, Ajaccio, Amiens, Annecy, Avignon, Bastia, Bayonne, Belfort, Bordeaux, Bourges, Brest, Caen, Calais, Clermont-Ferrand, Dijon, Gennevilliers, Grenoble, La Rochelle, Lille, Lyon, Marseille, Metz, Nancy, Nantes, Nice, Orleans, Perpignan, Quimper, Reims, Rennes, Rouen, Saint-Étienne, Strasbourg, Toulon, Toulouse, Tours, Vanves

GERMANY

Homburg, Hattingen, Berlin, Bielefeld Bremen, Cottbus, Dessau, Dresden, Eningen, Erfurt, Freiburg, Hamburg, Idstein, Karlsruhe, Kempten, Köln, Neunkirchen, Nurnberg, Reiskirchen, Romhild, Strausberg, Ulm, Unna

SPAIN

Madrid, Cartagena, Huelva

SLOVENIA

Celje

TURKEY Istanbul, Ankara, Antalya

Our resources: the pillars on which SAPIO is built /

~

SAPIO Group in Italy

HEADQUARTERS

Monza

COMMERCIAL SITES & INDUSTRIAL DEPOTS

Bigarello, Bologna, Brescia, Brogliano, Calderara di Reno, Canda, Caponago, Casteldaccia, Colle Umberto, Ferrara, Fiorenzuola D'Arda, Forlì, Granarolo dell'Emilia, Lissone, Lodi, Marghera, Monfalcone, Monticelli d'Ongina, Mozzate, Orte, Povoletto, Trapani, Treviglio, Umberto, Vergiate, Verona

PRIMARY PRODUCTION ASU/ HPN

Caponago, Brindisi, Ferrara, Orte, Porto Marghera

SECONDARY PRODUCTION

Collegno, Crotone, Fermo, Padova, Pergine Valdarno, Piacenza, Porto Torres, Taranto

HYDROGEN PRODUCTION

Mantova, Castelmassa, Catania, Torviscosa

HEALTHCARE SITES

Agrigento, Aragona, Belluno, Brindisi, Busto Arsizio, Chieti, Ciampino, Collegno, Crotone, Fermo, Fiano Romano, Limatola, Marigliano, Milano, Monza, Padova, Pergine, Valdarno, Piacenza, Porto Torres, Rieti, Roma, Fiano Romano, Taranto, Udine, Vaprio d'Adda, Viterbo

OTHER PRODUCTION AND EQUIPMENT MAINTENANCE SITES Castelnovo di Sotto,

Comun Nuovo, Marrubiu, Pomezia, Vaprio d'Adda







How we contribute to our ecosystem

Our contribution begins with primary production which includes several types of plants and mainly:

- Air separation units ("ASU") for the production of oxygen, nitrogen and argon;
- Hydrogen production plants ("H2Pro").

Once the needs of the customers have been analyzed, the optimal distribution profile for their needs is established: by means of piping connected continuously to the customer's plant, using tanks installed at the customer's premises. or by means of packs or cylinders. For certain customers whose workflows or operating methods are such as to require a dedicated supply, specific production units, planned onsite ("On-Site"), are also provided at the customer's premises. These installations are mainly dedicated to the production of oxygen, hydrogen and nitrogen.

SAPIO's range of products also includes a wide range of gases and mixtures as specified in this document. Secondary production refers to the production of compressed gas to be then distributed in packages or cylinders, directly or indirectly, throughout the national territory and abroad. Sapio Life and the other companies in the SAPIO Group operating in the healthcare market work as partners of their respective national health systems in the provision of home care and hospital services, as well as ancillary and adjacent services.

In addition to the supply of medical gases and activities relating to their use, the SAPIO Group provides hospital and total gas management services to hospitals in Italy. Thanks to the synergy with the companies of the Group, the offer for the hospital sector is completed with cryobiology services, the setting up of biological banks and of hyperbaric chambers and related systems.

The Group supplies services to support pharma companies and CRO activities, on top of supplying genetic testing.





CASE

On-site production at the customer's site reduces carbon dioxide with positives effects on environmental protection

ON-SITE PRODUCTION, AN ADVANTAGE FOR THE CUSTOMER AND FOR THE ENVIRONMENT: THE STMICROELECTRONICS CASE

The use of innovative technologies for the on-site production of the gases required to meet the customer's needs, as in the case of our production for the customer STMicroelectronics, allows to obtain positive effects on environmental protection and safety, including the reduction of the number of vehicles traveling by road, due to the lower impact of logistics on the supply, potentially decreased to zero. This results in a drastic reduction in the amount of carbon dioxide released into the environment due to the emissions released by the vehicles normally used for distribution logistics. Another advantage is the decrease in the content of carbon dioxide emissions thanks to the improvement of the energy efficiency of self-production systems.

The immediate use of the product in gaseous form does not, in fact, require further energy expenditure for the subsequent processes necessary for the transport of the products. Finally, the impact on safety is important, both from the point of view of the product itself, which does not undergo post-production processing, and from the point of view of the work environment, which is less subject to manual operations and therefore intrinsically safe.

The SAPIO Group brings the medical devices, accessories and drugs necessary for carrying out home therapies to the patient's home, allowing continuity of care outside hospital facilities. Furthermore, making use of specialized health personnel, it guarantees care for fragile patients and complex home care services with nursing, medical specialist and rehabilitation services, as well as psychological and educational support and, where necessary, palliative care. To complete its services, the SAPIO Group increasingly focuses on telemedicine and the services it can provide, both in terms of service efficiency and cost savings for healthcare administrations.



	Raw materials	Products
ASU (Air Separation Unit)	air + electricity	oxygen, nitrogen, argon
SMR (Steam Methane Reforming)	methane/biomethane + electricity	hydrogen
Electrolysis	water + electricity	hydrogen
HPN	air + electricity	nitrogen
Wet generator	water + calcium carbide	acetylene
CO ₂ capture technology	fumes	CO ₂
Upgrading plant	biogas	biomethane CO ₂



Why gases are essential to power and decarbonize industrial operations

The SAPIO Group provides the entire Italian industrial sector with a wide range of gases, equipment and services that are today considered of vital, primary importance in variety of industrial applications and processes. SAPIO offers its customers, through the specific use of technical gases, solutions aimed at improving energy and production efficiency and reducing the environmental impact of the companies themselves. SAPIO integrates its product offer with services of design and realization of plants for the production and use of gas in a safe, efficient and effective way.

We take an active part in the various phases of the relationship with the customer, dimensioning and designing in detail gas distribution plants tailored to the specific needs of the customer's processes, as well as the realization of cryogenic air fractionation plants, gas production by selective absorption on molecular sieves and hydrogen production both by steam reforming and electrolysis. In addition, we develop customized and innovative solutions also in verv specific sectors, such as biogas, biomethane and eco-sustainable transport.

Gases supplied in the industrial sector include:

- technical gases such as nitrogen, hydrogen, argon, carbon dioxide, helium, oxygen, acetylene;
- pure gases, special gases, special mixtures even at very high purity;
- GPL, GNL e biomethane;
- refrigerant gases⁸.

8 Directly or through joint venture.



CASE

MYAPP

From 2021, the new App "My App SAPIO" is online, integrating the SAPIO community and proposing itself as a simple, practical and free guide that will allow the user to have all SAPIO's offers always at his/her fingertips, including on smartphones and tablets

SAPIO COMMUNITY AND MY APP SAPIO

APIO

Materiali, Processi, Gas

Certificazioni

Cutting

SAPIO Community is the free online portal for customers, partners and potential customers that aims to bring SAPIO even closer and ready to respond to every need of its customers. SAPIO Community allows the user to stay updated on products, services and events, to ask for technical advice on products and technologies, to discover all the services that SAPIO provides for the specific sector and to access in-depth information, also through newsletters and webinars, through which to discover more about the SAPIO offer and solutions. SAPIO's product lines are dedicated to the following industries:





From oxygen, molecule of life, to an integrated service for the hospital system and research

Health systems found themselves continuing to face the pandemic emergency in the year 2021.

The SAPIO Group is a leader in Italy in the supply of medical gases, medical device gases and pure gases to hospitals and healthcare facilities; it also designs and builds centralized gas distribution systems and provides for their ordinary and extraordinary maintenance, according to a total gas management approach that guarantees maximum peace of mind to the customer.

270

hospitals provided with oxygen in 2021 Alongside the historical core of gas-related activities, the Group has acquired solid skills in sectors more closely related to healthcare as it:

- designs and builds high-tech hospital wards;
- designs and builds biobanks through the subsidiary BioRep;
- designs and manufactures, since 1995, multiplace hyperbaric chambers with diameters ranging from 1,300 to 2,300 mm and trolley chambers or chambers in containers, as well as related safety and control systems, through its subsidiary Sistemi Iperbarici S.r.l. ("Sistemi Iperbarici");
- supplies hospital, laboratory and research equipment, as well as supporting the health system with training activities for hospital staff.



CASE

Helium is a key gas for the production of magnets and used in magnetic resonance imaging

BEYOND OXYGEN: HELIUM AT THE SERVICE OF RESEARCH

The SAPIO Group is a strategic partner of the European Center for Magnetic Resonance (CERM), a center of excellence at the University of Florence and the first research institute in the world to receive the most powerful nuclear magnetic resonance (NMR) instrument in existence, a 1.2GHz magnet, which built with highly advanced technology, produces results that can give a boost to research in the fields of structural biology, molecular study in living cells and metabolomics. In these areas, to date, the study of some proteins of SarCov2 is in progress.

The highest magnetic field NMR spectrometer in the world is developed by Bruker BioSpin, a leading multinational company in the field. In the context of this project, helium is a key gas for the production of such magnets, both in research and in diagnostic screening. The contribution of the SAPIO Group is aimed at the recovery of helium at CERM in Sesto Fiorentino, at new installations both in Italy and at the Swiss site for the production of Bruker magnets, and at the supply of all pure, ultra-pure and cryogenic gases for the departments that are within the Sesto Fiorentino campus, where there are for example only for liquid nitrogen more than 10 tanks, specific assistance 24 hours a day and constant presence.

CASE > BIOREP

Cryogenic banks offer a great opportunity for the study and development of diagnostic and therapeutic strategies



THE FIRST BIOBANK DEDICATED TO COVID-19 STUDIES

University of Milan and Asst Fatebenefratelli Sacco of Milan started the project of the first "biological bank" on Covid-19 that was commissioned to BioRep and delivered in September 2021. This bank allows for the collection and preservation of all biological samples, blood and tissue, related to Covid-19 patients and represents a great opportunity for the study and development of diagnostic and therapeutic strategies, including vaccine ones.

The project, carried out by BioRep, provided for the construction of a biobank room, able to accommodate over time up to more than 18 cryogenic containers, as well as the monitoring and control system alarms and software for traceability of biological samples aimed at recording the biological material entering and leaving the biobank and the tracking inside the cryo-containers. For 6 containers, it was also chosen to provide the HEco 1,500 series and the VARIO 1500 series that are exclusive for sales by BioRep in Italy. To complete the project, a 20,000 liter liquid nitrogen tank was installed to serve the biobank.

CASE



A FIRST-LINE SERVICE FROM MILAN TO LAMPEDUSA

Sistemi Iperbarici has moved with great familiarity from one end of the peninsula to the other, even in the middle of the Covid-19 pandemic, giving support and added value to the national health service of our country. Since the beginning of 2021, following the award of the contract for the technical management and maintenance of the hyperbaric center of Niguarda Hospital in Milan, has technologically modernized equipment and control systems of hyperbaric chambers. A great change that ensures better performance and continuity of operations to a hospital center which is already a flagship of Lombardy health care. Sistemi Iperbarici also contributes to the management of hyperbaric emergencies in Lampedusa, with the most southern hyperbaric chamber in Europe. The Hyperbaric Center of Lampedusa Island is in fact a bulwark for safety and health in the middle of the Mediterranean Sea.



Sistemi Iperbarici is at the service of the national health system to provide efficient hyperbaric chambers and manage their maintenance

Home therapies in support of the healthcare system

In 1989, continuing a tradition of presence in healthcare with medical gases and related services, Sapio Life was set up, with the mission of extending the Group's presence in the emerging homecare sector. Sociodemographic (expectations of well-being and aging of the population) and economic factors (high and growing health expenditure) are opening up increasing opportunities for home care. Over time, the Italian offer was joined by that of other European countries. The SAPIO Group healthcare services are also present in France, Germany, Spain, Slovenia and Turkey.



patients served during 2021



Operating both in the hospital and in the homecare sector, the Group is well aware of the most effective solutions to meet one of today's priority needs in healthcare: transferring, whenever possible, care from the hospital to the patient's home, for a greater wellbeing of the person and a more efficient organization of national healthcare. With the services offered by the Group, it is possible to achieve continuity of care between hospitals and local communities with an optimal degree of efficiency, reliability and simplicity, benefitting both healthcare institutions and end users.

HOME THERAPIES

In the countries it serves, the SAPIO Group is a point of reference for the assistance to patients suffering from conditions that require therapy and/or monitoring at home.



- In the respiratory field, homecare activities include home services for oxygen therapy, ventilator therapy, aerosol therapy, monitoring, telemonitoring and sleep medicine. Provision is made for the supply and delivery to the patient's home both of the electromedical devices and of the consumables and gases necessary for the treatment and/or monitoring. For all types of treatment, training activities are provided for users and for more complex therapies assistance by health personnel is provided;
- in relation to **infusion**, **nutrition** and **diabetes therapy**, it also provides related technologies and materials, instructing the patient and family on the management of the practical aspects during the therapy alongside the prescriber to ensure the correct administration of the therapy;
- it also provides **therapeutic aids** for daily assistance to patients and technological aids that help people with severe disabilities to communicate with others and maintain a certain degree of autonomy (Komuniko alternative augmentative communication systems, video magnifiers);
- finally, it provides **assisted home hemodialysis**, an innovative procedure that is becoming increasingly popular, aimed at making it easier to treat people with kidney failure linked to various diseases, providing also physical assistance to the patient's home when necessary.



The Group also provides integrated home services such as medical, nursing and rehabilitation assistance in home care plans, availing itself of healthcare professionals. In Italy this service is provided by Life Cure. Life Cure plans and provides medical, nursing and rehabilitation assistance according to home/ territorial care plans authorized by local health authorities (integrated home care, home hospitalization, care in hospices). It also provides support to patients and their families in the initial phase of more complex home therapies, such as ventilator therapy and artificial nutrition. The professionals who work for Life Cure are medical specialists, nurses, social and health workers, and rehabilitation therapists. Life Cure can provide up to 24 hours of assistance a day, with medical and nursing staff on call 24/7.

TELEMEDICINE AND DIGITAL SERVICES

The SAPIO Group entered the telemedicine sector several years ago through Pazienti.it, founded in 2010, and today a reference point in the digital health panorama with almost 40 million sessions per year. Pazienti.it has over the years followed the dual path of a channel of medical-scientific dissemination, also exploiting the great potential of social networks, and a provider of an innovative service of digital well-being and healthcare, including through the video consultation with a medical specialist.



CASE POZIENTI.it

Telemedicine plays an increasingly central role in the management of people's well-being. Pazienti.it, putting the person at the center, is a pioneer of telemedicine services

TELEMEDICINE AT THE SERVICE OF COLLECTIVE WELL-BEING

The COVID-19 pandemic has caused an exponential increase in anxiety and depression disorders worldwide. It is for this reason that in 2021 SAPIO organized, through its subsidiary Pazienti.it, a free webinar with the participation of psychologists and general practitioners, which helped to understand the mechanisms of anxiety, to assess the impact of these disorders on nutrition and, above all, to learn how to manage anxious states. Pazienti.it has organized many awareness campaigns during 2021, such as campaigns on the prevention of papilloma virus, in collaboration with SIGO and on the identification of the first symptoms of Parkinson's disease together with Parkinson Italia.

Numerous podcasts were also produced on various topics (fibromyalgia, autism, diabetes, Covid-19, vitiligo, etc.), with a total audience of around 12,000. On the occasion of the "World Day against Violence against Women", a free video consultation service with a psychologist was provided, in partnership with ONDA, to all women who requested it. The same was also repeated with the collaboration of the association "DonnexStrada".

MEDICAL AIDS



The SAPIO Group has many years of experience in the management of health aids, offering an integrated service in order to improve the patient's quality of life. In addition, through its subsidiary Dialog S.r.l. ("**Dialog**") produces and distributes alternative augmentative communication systems aimed at supporting the communication of patients without communicative and motor skills, such as the dynamic communicator DPAD, an electro-medical device that integrates the features of the classic voice communicator and tablet and intercepts / satisfies the technical and communicative needs of people with locomotor and/or cognitive system disorders.

CASE

AN INTEGRATED SERVICE TO BENEFIT THE AUTISM PATIENT

Patient's well-being is at the heart of Sapio Life's operations. At the end of 2021, thanks to an analysis conducted in Sicily on patients to whom the DPAD device had been delivered, a need emerged to receive support for behavioral therapy. With the speed of action that distinguishes Sapio Life's services, and with the collaboration of two specialists in the area, a behavioral therapy service was offered to families with the support of an analyst and a behavioral therapist in addition to the delivery of the device itself.





Growing commitment to biotechnology

The SAPIO Group has expanded its boundaries in the field of genetics. These services are offered by the subsidiary BioRep, which in addition to offering the service of cryogenic banking on behalf of third parties, through collection, transportation, processing, cryopreservation and distribution of biological samples, also offers a wide range of genetic tests, such as the Non-invasive Prenatal Test ("NATIVA"), a new generation non-invasive prenatal screening, DNA testing and microbiome testing. BioRep is ISO 9001:2015 certified and works in compliance with GMP standards as per AIFA authorization for MCB/WCB cryopreservation.

These results have been achieved thanks to operating procedures with high standards, highly qualified personnel, a continuous monitoring and control system operating 24 hours a day and backup systems (including remote) for all critical equipment. The company has recently developed a "Genetics Business Unit" equipped with knowledge and equipment for Sanger and Next Generation Sequencing ("**NGS**") techniques. BioRep has been authorized by the Milan ATS as of March 2021 for the storage and subsequent distribution of medicines for human use in its pharmaceutical warehouse in Milan. Therefore, temperature-controlled storage of finished pharmaceutical products, including COVID-19 vaccines, is now possible.

CASE > INNOVATION IN DIGITAL THERAPIES

Digital therapies are health technologies that improve patients' lives, based on randomized controlled trials, just like medical devices. In the United States, digital therapies are covered by the healthcare system in the same way as medicines, so they can be prescribed and, in some cases, are reimbursable (an example is a digital therapy for the treatment of opioid addiction). Germany has led the way in Europe in authorizing the reimbursability of digital therapies with a therapy for the treatment of depression. AdvicePharma, with ISO 13485 certification, is, to date, the first Italian CRO authorized to produce digital therapies as "Software as a Medical Device (SaMD)". The company is able to develop the digital therapy software, validate it clinically and mark it CE as SaMD and, to date, already sponsors three projects for the creation of digital therapies dedicated to the treatment of obesity, in the cardiovascular rehabilitation and in the nephrology field. A therapy aimed at patients treated for prostate cancer is also under study. AdvicePharma's research is mainly developed in collaboration with leading Italian and European pharmaceutical companies.

CASE

THE IMPORTANCE OF THE MICROBIOME

well-being of the body

The intestinal In our gut resides a large part microbiota is a clear of our immune system and, to indicator of the state this day, it is often considered of health and general as a second brain. Our body is populated by trillions of bacteria, viruses and fungi, at the skin, oral and, above all, intestinal levels. Just the intestinal microbiota is considered by scientists as an "organ" and it is estimated that its weight can be about 1 kg and its genetic expression, known as microbiome, has a volume of DNA that far exceeds the human one. The state of eubiosis of one's gut microbiota can be an index of the body's overall state of well-being.

BioRep has organized the "Microbiome for Wellbeing Forum", the first event in Europe dedicated to the well-being of one's intestinal microbiota. The event, in November 2021, allowed a group of experts to explain how diet affects intestinal bacteria, how to optimize the vitamin synthesis of microbes, which supplements can improve the state of the intestinal microbiome and how it affects drugs intake. Atlasbiomed, Lafarmacia. and A.V.D Reform participated as partners.



#miwef2021

MICROBIOME **FOR WELLBEING** FORUM

Focus on maximizing quality

The SAPIO Group has always aimed at maximizing quality in the supply of its products and services. The compliance and safety of our products and services is ensured through the adoption of a quality system that has as its main objectives:

- compliance with applicable laws;
- compliance with the specific technical standards for products and services;
- compliance with what is defined in the Good Manufacturing Practices and Good Distribution Practices applicable to the sector;
- compliance with the requirements set out in the contracts signed with customers.



For the Group, managing the safety of the client's and patient's wellbeing is a rigorous process: the products are managed and made available to the client with particular attention to any possible interference and with precise and detailed instructions on their use. The services offered (especially in the healthcare sector) are designed and delivered in compliance with the main minimum levels of care, tender specifications and specific association guidelines. For the healthcare sector, they are managed consistently with the provisions of the tender contracts, in relation to strict compliance with the prescriptions for drug administration, continuity of therapy and patient safety, but also enriched with all the necessary attention aimed at ensuring that, during therapy, the patient can count on constant support.



The rigorousness of the process, ensured by the periodic management review and the specific product quality review program for medicinal products, is also complemented by an extensive program of internal audits, frequent monitoring of critical suppliers, a pharmacovigilance system for medicinal products and the timely verification of reports from customers and patients, as well as periodic service satisfaction surveys. The documental system supporting the activities described (consisting of procedures, instructions, forms, technical specifications and quality plans) defines in detail the operating procedures for production, product quality control and service delivery.

OUR CERTIFICATIONS

The SAPIO Group has an extensive certification system to ensure the quality and compliance of its products and services, as better explained in the table below.

Certifications obtained, by country of reference (# of legal entities)



Business continuity to ensure vital services

In 2021, the Group has pushed for a necessary evolution of its IT structure, both technological and structural, in order to improve its performance and optimize its services. This is also aimed at guaranteeing business continuity, which is fundamental for the services rendered by the Group, as well as raising the level of protection against the risk of cyber attacks.

The technological innovation recently introduced is aimed at supporting the Group's major growth objectives, ensuring that all systems are operational on a daily basis with the aim of guaranteeing 99.6% continuity of service and an uptime of at least 362 days per year. A new storage infrastructure based on IBM technology was therefore created to optimize and rationalize the pre-existing environment. IBM's storage solutions, based on artificial intelligence technologies and fast *flash* devices, make it possible to meet the needs of mission-critical workloads while boosting data performance and security. Cybersecurity is in the Group the responsibility of the chief information officer and the IT departments of all Group companies. Through communication campaigns, all Group personnel have been made aware of cybersecurity issues and *hacker* attacks.

Questionnaires were also proposed to check the understanding of the contents transmitted, in order to further keep attention high. In fact, cybersecurity starts with people, as human error is at the root of most cyber-attacks. The security of the systems has also been increased with additional forms of control, as well as a system aimed at response policies in the event of a cyber-attack.



is the service continuity target





OUR HUMAN CAPITAL

Our employees: the engine of our future⁹

The Group brings together talents from different nations driven by the common goal of addressing the challenges of our communities in order to improve the service to our customers, the quality of life of our patients and the well-being of our communities. The Group is committed to enhancing the role of SAPIO and its corporate purpose through the values of its employees.

Our employees are at the heart of every business strategy and their well-being is the priority of Group policy. Our new talent attraction initiatives are geared towards helping them understand our corporate goals and values aimed at advancing our ecosystem. Our *focus* is on not only attracting, but also retaining the best talents and our own employees. A special *focus* in the Group's objectives is given to the culture of internationalization in order to enhance synergies between employees from different nations. As of December 31, 2021, the SAPIO Group thus has 2,244 employees, of which 62% are men and 38% are women. 93% are employed under permanent contracts. In addition to the staff, the Group hires 1,503 external collaborators mainly with reference to services for patients (nurses, physiotherapists, etc.).

Employees by geographical area¹⁰ (#)



The geographic breakdown of employees changed during 2021. In 2020, 38% of employees were overseas, while at the end of 2020 this percentage rises to 40%. Percentage composition of employees by age group¹⁰


Composition of employees by professional category and gender as of december 31, 2021 (# and %)

	Men	Women
Executives	55 (79%)	15 (21%)
Managers	149 (62%)	91 (38%)
Employees	631 (59%)	440 (41%)
Sanitary and nursing staff	140 (40%)	214 (60%)
Workers	412 (81%)	97 (19%)

The majority of theGroup's employees falls in the 30-50 age bracket (totaling 60% of the company's population). People under the age of 30 make up 12% of employees as of December 31, 2021.

Employee composition by educational background¹¹ as of december 31, 2021 (%)

Diversity is also evident in the diversification of the educational backgrounds of the Group's employees and, in particular, the focus on hiring staff with STEM (Science, Technology, Engineering and Math) backgrounds.

Degree or higher	25%
Of which STEM	14%
High school diploma or equivalent	58%
Secondary school diploma or equivalent	17%

Further information on the composition of the Group's employees is provided in the "Analytical Data of the Sustainability Report" section, in appendix to this document.

⁹ Following continuous improvement in the data gathering process, the data relating to employees at 31 December 2020 have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability.

¹⁰ Data referring respectively to December 31st 2019, December 31st 2020 and December 31st 2021, unless otherwise specified.

¹¹ The data refers to Group companies in Italy, Spain, Slovenia and Turkey. Further information on the scope of the data

can be found in the section "GRI Content Index".



THE PRIVILEGE OF MANAGING TALENT

An organization like ours can only be successful because of the employees who work there on a daily basis and who, through their dedication and talent, enable us to provide an efficient, innovative service for the benefit of our customers. Talent development is the key to SAPIO Group's future growth. Due to the need for expansion and the continuous search for new lifeblood for the Group during 2021, 318 new resources joined the Group, of which 174 in Italy and 211 abroad. Further information on new hires and resignations of the Group are provided in the "Analytical Data of the Sustainability Report" section, in appendix to this document.

Composition of new hires by age and gender during 2021 (# and %)



Our talent management policy is based on a framework founded on the following pillars:

- Ongoing training to ensure the development of a mentality of continuous growth of people;
- **Performance management** for management and middle management to ensure alignment with business results;

- **Production bonuses** for the workforce aligned to business results;
- Annual talent review and succession plans in order to identify talent to invest in and create a plan to fill key business positions;
- Individual career plans and international growth opportunities through a cross-country job posting system.

In addition, in 2021 SAPIO started a specific working table to identify talents within the company and manage them with specific growth and career advancement paths.

TRAINING AS A VEHICLE FOR EMPLOYEE GROWTH

Continuous training is an essential element of the Group. SAPIO offers many opportunities for its employees to develop their skills. A training plan is developed annually with on-site and remote training, both internal and external.

During 2021, more than 21.597 total training hours were conducted, equivalent to approximately 9.6 hours per employee, an increase of 9.4% from the previous year.

Every year SAPIO creates specific training plans to meet the most diverse training needs.

In addition to responding to training needs strictly linked to the job description, cross-functional growth paths are made available to all personnel to implement skills both in terms of soft skills and transversal skills. In Italy, an academic plan is in place that includes courses ranging from the psychological sciences to effective virtual meeting or speaking and writing courses.

Alongside this course, there is a master's degree for young talents with potential to be brought out and cultivated, and an executive master's degree for resources with a role of responsibility and strategic importance within the Group. In addition to the above, there are always language courses and courses aimed at increasing knowledge of information technology and digital tools.



NEW CONTINUING EDUCATION INITIATIVE FOR ALL SAPIO SALESPEOPLE

POWER TO YOUR KNOWLEDGE

#PowerToYourKnowledge is a new training program organized in webinars and tests for all SAPIO salespeople engaged in the industrial market. Once month online courses are organized with a final test to allow the verification of learning. All courses are recognized as certified training and contribute to the acquisition of training credits.

%SAPIO



Average hours of training provided during 2021 (employee category and gender) (#)



Training is distinguished between training related to occupational health and safety and training on other topics, such as technical and managerial training.

Hours of training provided during 2021 (#)

Total training hours	21.597
of which health and safety	4.569
of which other training	17.028

Further information on the training hours is provided in the "Analytical Data of the Sustainability Report" section, in appendix to this document.

EMPLOYEES BENEFITS

In order to fight the pandemic and ensure both the safety of employees and the business efficiency necessary for the continuous provision of services to our customers and patients, since 2020, the SAPIO Group in Italy has promptly decided to adopt a remote working strategy, as the only solution to perform the activities required, consistent with the task performed.

This initial need as the result of the events, soon turned into an almost necessary evolution of the way of conceiving work, with the signing in October 2020 of the new trade union agreement with the most representative trade unions at national level, which placed SAPIO among the first in Italy and in the pharmaceutical and chemical sector to have made this hybrid working mode definitive. In Italy, a new trade union agreement has been signed on the participation bonus that will govern the three-year period 2021-2023. This agreement provides for an increase in the basic bonus in each year of the period, greater conversion flexibility. an increase in the threshold to be dedicated to welfare and the introduction of an additional increase for the most virtuous sites that comply with all the dictates of the "Objective Zero Injuries" program. In addition, the renewal of social responsibility tools such as the scholarship program took place.

From 2021 for the Parent Company's headquarters in Monza a "Commuting Plan" was drawn up as required by Decree no. 179/2021 where the daily travel statistics of employees and measures to reduce commuting, including remote working, were analyzed.



Great Place To Work



SAPIO and a number of other Group¹² companies representing 73% of the Group's turnover were awarded Great Place to Work[®] certification in 2021, which allows them to be recognized as a quality workplace.

The SAPIO Group was also ranked among the best places to work in Italy for its category (companies with more than 500 employees) in 2021.

What employees say about us: best results



12 SAPIO, Sapio Life, Sistemi Iperbarici, BioRep, MySapio S.r.L, Sapio Life SAU and Sapio Santé France and its subsidiaries have been certified for the year 2021.





THE FIRST CERTIFICATION FOR SAPIO LIFE SAU

Sapio Life SAU, the Group's subsidiary in Spain focused on home care, obtained Great Place to Work certification for the first time in 2021. 100% of the company's 43 employees said they feel satisfied with their contribution to the community and the common good. 75% of employees think Sapio Life SAU is an excellent place to work and the 92% think that the management believes they are capable of doing a good job without the need for supervision.

100%

of employees are satisfied with their contribution to the community



Our employees safety¹³

The SAPIO Group has implemented a health and safety management system based on the UNI ISO 45001 standard. In some of the production sites, certification has also been obtained from an external body (Certiquality). Finally, in the sites at risk of major accidents, a safety management system is also implemented for the prevention of risks from major accidents, as required by Legislative Decree 105/2015. The hazards associated with work in the industrial gases sector (process hazards) are those related to the handling of hazardous substances (such as, for example, asphyxiants, oxidizers, flammables) and their physical state (very low temperatures, high pressures). These hazards are kept under control through the adoption of work procedures, specific equipment, continuous education and training, supervision and vigilance on the part of supervisors, and management of reports.

Employee work-related injury (#)

	2020	2021
Total number of recordable work-related injuries	35	40
of which: high-consequence work-related injuries (excluding fatalities)	0	0
of which: fatalities as a result of work-related injuries	0	0
of which: other injuries	35	40
Frequency Index ¹⁴	10.4	11.3

¹³ See the "GRI Table of Contents", at the end of this document, for information regarding perimeter limitations applied to reported data (GRI 403-9).

¹⁴ The frequency index of work-related injuries for employees is calculated as follows: total number of recordable workrelated injuries / number of hours worked * 1,000,000.

Our resources: the pillars on which SAPIO is built /



During 2021, 40 injuries occurred for SAPIO Group employees, compared to 35 in the previous year. Of these, no injuries resulted in serious consequences.

The uptrend recorded in 2021 is also due to the increasing of working hours (+5%). In relation to the type of injuries, most of them for the year 2021 are attributable to contusions and stress injuries.

There are 3 recorded injuries for outside workers in 2021, compared to 7 recorded in 2020. Further information about the injuries indices can be found in the "Analytical data in the Sustainability Report" section at the end of this document.





THE PROCESS FOR MANAGING EMPLOYEES AND CONTRACTORS' HEALTH AND SAFETY

The SAPIO Group adopts an occupational health and safety management system, fully integrated with the company management system. This system is based on the provisions of international standard ISO 45001, integrated with further company practices and procedures, and applies to all company entities regardless of whether or not they possess thirdparty certification.

An essential prerequisite for this management system is compliance with the applicable mandatory legislation, most of which is contained, for companies operating in Italy, in the "Consolidated text for health and safety in the workplace" (Legislative Decree 81/2008), in the legislation applicable to establishments at risk of major accidents (Legislative Decree 105/2015), in the reference standards and laws for all the specific aspects applicable, and in the regulations in force for the foreign companies of the Group. The participation and involvement of workers in matters relating to health and safety at work are strongly encouraged through workers' safety representatives. training and awareness-raising campaigns on specific issues, and systems for collecting suggestions for improving safety in daily activities.

As far as regards SAPIO, the occupational health and safety management system is governed by the SAPIO Safety Committee, bringing together employers, members of the Steering Committee and the Health, Quality and Environment Department ("SQA Management"). It meets at least once a year, has the task of analysing safety performance (occurrence of accidents and injuries, assessing potentially critical events. comparing performance with other companies in the sector) and establishing goals and improvement measures.

The effectiveness of the management system is assessed by a system of inspections and self-inspections conducted by qualified personnel. The results of these activities, supplementing the analysis of accidents, injuries and near accidents, and evaluating the safety reports and suggestions proposed by the workers, contribute to the ongoing improvement of the management system.

Workers can report risky situations through an electronic system of recording not only incidents, but also safety reports and suggestions. Workers who do not have a company account are provided with paper forms to use for such records. These activities are encouraged and supported at every level, and it is ensured that there is no form of retaliation. For every incident, near miss, report or suggestion recorded, a process is set in motion that begins with an investigation and continues with the definition of preventive or corrective actions and verification of their effectiveness.

The staff is involved in the management of health and safety (according to the attributions of each employee). The workers' representative, appointed in all Group companies or at the various sites, takes part in risk assessment activities.

The prevention and mitigation of impacts on health and safety at work within business relationships takes place through risk assessment of activities and processes. This is also done upstream through the acquisition and evaluation of safety data sheets for products purchased and used, and downstream through the issuing and sending to customers of safety data sheets for products supplied.

WORKER TRAINING AND HEALTH PROMOTION

Informing, educating and training employees is a crucial part of the safety management system. In addition to compliance with the laws in force in the various countries, we promote specific training campaigns aimed at developing the culture of safety and ensuring that everyone feels actively involved in the safety of themselves and others at work, but also in their everyday life. In particular, the "Safety is my name" campaign is underway as previously highlighted.

During the year 2021, over 4,569 hours of safety training were provided in the Group, compared to about 8,800 in 2020.

The SAPIO Group's *focus* is to create an environment that stimulates the adoption of behaviors that ensure the safety and well-being of employees.

THERE IS A Buffer for Every risk









THE REDISTRIBUTION OF VALUE FOR SAPIO

Our commitment to a sustainable future cannot be separated from being a positive example for our ecosystem. This translates into the fundamental principles of caring for people, whether they are patients, customers, suppliers or employees, protecting the environment and developing the ecosystem through the distribution of the value generated.

OUR CONTRIBUTION TO CUSTOMERS

Technical gases as a driver for the energy transition

SAPIO Group's mission is to meet the needs and expectations of its customers while respecting and protecting the environment. As part of its long-term strategy, the Group is committed to taking a leadership role along the entire value chain of alternative energy carriers: production, distribution and management of their carbon footprint.

SAPIO is today a key player in the energy transition with a structure dedicated to the development of decarbonization and sustainable mobility through clean and renewable energy sources, with a strong *focus* on renewable gases such as hydrogen and biomethane. Environmental sustainability is a commitment of SAPIO both in terms of internal processes with a series of activities aimed at significantly reducing the carbon footprint of the Group in line with the objectives of the 2030 Agenda, and a commitment to support our customers in their energy transition and process. Our technologies for CO_2 capture, hydrogen for industry and mobility and in general services for the energy transition articulate the main global objectives of reducing environmental impact.





HYDROGEN AND THE FUTURE OF DECARBONIZATION

Hydrogen is the sustainable energy vector of the future destined to decarbonize the hardto-abate sectors that depend mostly on the use of fossil fuels, such as heavy industries, road, rail and naval transport. SAPIO, which has been producing hydrogen for a hundred years and for more than 20 years has been active in projects for the use of hydrogen in stationery and mobility applications, is today the Italian leader in the production of hydrogen not intended for self-consumption. Through its plants, it supplies pure and ultrapure hydrogen via pipeline to its customers on the national territory through 4 plants and almost 15 km of hydrogen pipelines, in addition to a widespread logistics. Smaller decentralized consumptions of this vector are already served through the Group's capillary logistics network of tankers, which annually makes more than 3,000 deliveries for the distribution of this molecule.

Even before the world-wide momentum on hydrogen. SAPIO's innovative spirit in the world of hydrogen is witnessed by a long series of activities promoting new technologies and uses both in the industrial sector and in sustainable mobility. both in the development of vehicles and refueling stations. SAPIO is already able to produce hydrogen with different production methods, from small on-site generators to electrolysers and large-scale production with steam reforming of methane and biomethane. The safe and reliable supply and distribution of hydrogen is a key element of the new hydrogen economy. SAPIO has demonstrated that it can provide the quality, safety and reliability needed for both the mobility market with the supply of fuel cell grade hydrogen and the purity required by some sectors of the industrial market.



H₂ molecule deliveries per year

hydrogen production plants





SAPIO HYDROGEN FOR WORLD'S FIRST TEST OF 30% NATURAL GAS-HYDROGEN MIX IN STEEL PROCESSING

The world's first test using a mix of natural gas and 30 percent hydrogen in steelmaking was conducted in May 2021. The mix, supplied by SAPIO, was used to power the furnaces at the Rho plant of Forging A. Vienna (GIVA Group). This experimentation is a preparatory step to the progressive introduction of forms of decarbonization using hydrogen, first in blending with natural gas and then in pure form, in some production processes and steel forging. The use of the selected mixture of hydrogen and natural gas made it possible to carry out the test without any plant modification and had no impact either on the equipment in use (industrial burners) or on the characteristics of

the final heat-treated product. The potential of the project in terms of environmental sustainability and economic competitiveness is significant. In fact, it is estimated that the permanent use of a 30% mixture of green hydrogen, i.e., obtained from renewable sources, on the total gas consumed by the three forging plants of the GIVA Group would lead to a reduction in CO_2 emissions in the order of 15,000 tons per year, the equivalent of about 7,500 cars.

BIOMETHANE: A SUSTAINABLE MOLECULE FOR MOBILITY AND GREEN HYDROGEN PRODUCTION

The Group is active in the promotion and development of the market for biomethane, an advanced biofuel key to the decarbonization of transport and the progressive replacement of natural gas of fossil origin. SAPIO is present as an investor and producer, dealing vertically with the supply chain, from biogas production to biomethane upgrading and subsequent marketing. The Group is currently involved in the development of six projects for the in-situ production of liquefied biomethane, located throughout Italy. All the projects are built according to a local economy model through the direct involvement of local farms to ensure the closure of the environmental production cycle.

The Group is also analyzing the use of the carrier as a raw material for reforming processes dedicated to the production of hydrogen with a low carbon footprint, replacing traditional natural gas in steam reformers.

CASE HYDROGEN FOR RESEARCH AND INNOVATION: JRC REFUELING STATION

Until 2021, SAPIO has provided a hydrogen refueling station for the experimental activities of the European Commission's Joint Research Center, which is stepping up its role in vehicle emissions monitoring by extending its monitoring activities to include hydrogen-powered fuel cell electric vehicles. Thanks to SAPIO's support, the JRC is also able to conduct tests on fuel cell electric vehicles.



CO,: CAPTURE AND LOOP CLOSURE

At this time in history, we recognize that the transition to a zero-emissions world with a strong presence of renewable energy will not be immediate. Fossil fuels will still be needed to ensure our and other societies' current development and prosperity. This path is not incompatible with a future characterized by ambitious emission targets: our technologies help our customers every day to thrive in their activities by reducing the environmental footprint of their plants and processes. It is in this particular context that the Group's expertise in the management of direct carbon dioxide emissions from the process represents a fundamental pillar of the future evolution of markets related to the energy transition: SAPIO owns the only plant on Italian territory for the production of hydrogen from steam methane reforming where a technology for capturing CO₂ from the production process has been active since 2016. This practice allows to convert for ready use the carbon dioxide released from hydrogen production, without these quantities having to be produced elsewhere by a dedicated process (Carbon Capture and Utilization or "CCU").

OTHER GASES' FUNCTIONS FOR ENVIRONMENTAL PROTECTION

Alongside the energy transition pillar, SAPIO's primary industrial activity is the production of technical gases. Among these, there are numerous solutions made available to industrial and civil consumers to improve the environmental impact of their processes, such as:

Mixtures for packaging in a protected atmosphere and gases for cryogenics

The mixtures for packaging in protected atmosphere and the gases and technologies for food cryogenics allow food to be preserved for longer time by reducing waste, preserving its organoleptic properties and qualities that make it healthy and safe unaltered, and preventing the proliferation of harmful bacteria. SAPIO has been customizing all the solutions to maximize the potential of each production process for over 90 years, making an important contribution to the fight against food waste.

• Oxygen for oxycombustion

The use of oxygen in the oxycombustion process makes it possible to increase the use of alternative fuels in a percentage between 30 and 90%, while maintaining high production quality, increasing productivity (between +5 and + 30%) and reducing the CO_2 emission rate. Through prototyping and simulation activities, the customer has the opportunity to find the best solution in terms of efficiency and carbon footprint.

• Oxy-Fuel Technology

Oxygen technology is used in the processing of cement and metals, to increase productivity and reduce the creation and dispersion of fumes and costs, optimizing the efficiency of the entire process.

• Basic pH neutralization

CO₂ is used in the treatment of waters for the neutralization of the basic pH in place of acids and for the purification of water. Handled automatically, it is easy to handle and safe because it is not corrosive or toxic and presents no risk to water resources. Its use in industrial processes and excavations drastically reduces the environmental impact compared to the use of acid-based solutions.

OxyDep[®] for purification of water and reduction of derived organic compounds

Pure oxygen solutions for water purification systems reduce environmental impact with lower energy consumption and relative reduction of carbon dioxide emissions, as well as improving the purification process with a strong impact on the quality of wastewater.

CASE OXYCOMBUSTION

The company Zetadì in its production cycle deals with the disposal of asbestos and rock wool and it is precisely on this last product thatin the last 3 years has focused its attention. In collaboration with the University of Modena has managed, through a process of heat treatment of rock wool, to recover the glass fibers it contains and to certify the glass obtained as a second material of excellent quality, which has already been approved by the validation controls on the characteristics of the glass obtained. The customer, together with SAPIO, has carried out tests on the heat treatment in question, using a prototype furnace powered by oxygen and methane and has already patented the process. The customer is now reproducing the heat treatment on an industrial scale at its plant in Ferno (VA) for which SAPIO supplies oxygen to optimise the heat treatment of the curly wool.

• Ozone for sludge reduction

The use of ozone makes it possible to reduce the amount of sludge produced by the process and improves its dehydration capacity and sedimentation.

Soilution

Soilution, a SAPIO patent, is dedicated to the treatment of groundwater and soil contaminated by hexavalent chromium: its use allows the transformation of this element into an immobile, chemically stable compound.

• Mixtures for welding

Welding mixtures are designed to increase welding speed by up to 60% and reduce the amount of gas and energy consumed. Their use also makes it possible to reduce the formation of exhalations and ozone.

• Emissions

Atmospheric emissions of volatile organic compounds are one of the main sources of environmental pollution. The use of technologies exploiting our gases is essential for the neutralization of environmental pollutants: from cryogenic condensation to absorption on activated carbon, and post combustion of the pollutant.

Calibration mixtures

Calibration mixtures are an indispensable component in environmental monitoring processes: *ad hoc* mixtures, designed to respond to the most delicate needs, guarantee compliance with regulations, products that can be used with the latest technological innovations, and constant monitoring of emissions (such as Ecocartest mixtures for the calibration of engine exhaust fume analyzers).

• Blanketing or inertification

Safety in the workplace is an element of fundamental importance on any production site. SAPIO provides solutions for inertification or blanketing. Our plants, products and technologies guarantee the protection of human health and the continuity of processes in all sectors: from the treatment of hazardous waste to the chemical and pharmaceutical industry.

SAPIO's added value is given by its technological support in developing plans to test the effectiveness of the new process by supplying instrumentation and the oxygen needed to feed the combustion process in order to treat the waste and recover the glass part in the logic of using resources in a circular economy context.





SAPIO AND ORTOFRUTTICOLA DEL MUGELLO: OXYGEN TECHNOLOGY FOR PURIFICATION



SAPIO is always careful to meet the needs of its customers, adapting to the sector which they belong to. L'ortofrutticola del Mugello is the largest producer of marrons glacés in the world. Their factory uses a large amount of water, necessary for different phases of the production process, and their wastewater amounts to about 40,000 liters per day. The water used, at the end of the industrial process, is rich in sugars, and it is necessary the use of a purifier, whose operation requires the introduction of oxygen in the water. For this purpose, the company was initially equipped with mechanical machines for the production of oxygen, which were not very efficient both in terms of cost and in terms of volumes of oxygen produced. SAPIO's supply of liquid oxygen to replace the mechanical production has brought several benefits such as the reduction of the company's purification costs, the improvement of the plant's operation and the increase of its flexibility, as well as an environmental benefit since SAPIO's technology makes it possible to obtain 98% purified water that can then be discharged back into the river at the same initial level of purity and without causing any environmental pollution.

CASE

SOILUTION FOR DECONTAMINATION

Cericola s.r.l. Tecnologie per l'Ambiente is a company operating in the field of environmental reclamation. In particular, it found itself carrying out remediation work on a site that housed a former chromium plating plant, now disused, whose soils/groundwater are contaminated by CrVI, an allergenic, toxic and mutagenic, water-soluble and highly mobile substance used, among other applications, in galvanization companies to carry out chromium plating. In the past years, numerous interventions have already been carried out on the site to eliminate the pollution with alternative technologies to SOILUTION, but without effective results, which is why SAPIO's intervention was requested. The SOILUTION technology is proposed for the remediation of soil and groundwater contaminated by CrVI. SOILUTION is an in-situ technology that uses an inert gaseous mixture of hydrogen in a current of N2 to operate a geochemical stabilization of CrVI; the mixture is delivered into groundwater and contaminated soils, even at great depths. SOILUTION is one of the most effective techniques, in terms of operational yield, and

one of the least expensive in economic terms, as well as being one of the most sustainable, since it avoids the transfer of pollutants (as in the case of physical removal of contaminated soil), with a net reduction of related road transport. The peculiarities and advantages of this technology are therefore:

- extreme ease of gas diffusion in both saturated and unsaturated horizons (even through poorly permeable levels);
- minimally invasive in situ technology (does not change the use of the site, which can remain operational even during remediation);
- operates even at great depths;
- no waste production to dispose of;
- simplicity of installation;
- effectiveness on groundwater and soils, regardless of depth and degree of permeability.





NITROGEN FOR INERTING

The company Mecomer S.r.l. is part of the French group Séché Enviroment, a group that has more than 40 waste recovery and treatment plants in France and worldwide. Mecomer has increased its hazardous and flammable waste management certifications, which will lead to an increase in the amount of sewage to be treated, waste that was previously untreated. The site required new procedures to adhere to the new standards and to date, inerting in nitrogen is essential to treat this type of waste. The redevelopment of the site, in the new dedicated area with a new liquid waste storage park (8 existing tanks + 13 under construction and installation) will have to be inerted in nitrogen as prescribed by the fire brigade and the same applies to the new shredder. SAPIO's added value is given by the support and consultancy in the engineering of plants and the definition of effective and efficient systems

for the distribution of nitrogen gas for the safety of hazardous waste storage and processing. The fundamental role of nitrogen is to avoid the formation of explosive atmospheres while maintaining safety for personnel and work environments.

Innovation for industrial customers

Innovation in products and services for SAPIO starts with a fundamental principle: listening to its customers and building a value proposition that fully satisfies their needs. The main innovations in the "Industry" sector can be summarized below:

• CryoPlus

CryoPlus is a valid alternative to cylinders, being an easily installable mobile liquid gas tank, which represents an advantage in terms of reducing costs of transport, space necessary for the storage of gas and safety.

• Integra®

The Integra® cylinder is easier to be used because it is smaller, lighter and more manageable than traditional cylinders. It reduces the risk of the cylinder falling, because it is lower and more stable than traditional ones, as well as the risk of damage to the regulator and to those deriving from gas pressure.

• Sicura®

Sicura[®] is the innovative SAPIO cylinder dedicated to the metal construction sector. For oxygen and acetylene, it is equipped with protection to make the cylinders safer, easier to handle and easier to use thanks to the elimination of high-pressure connections.

• BIP®

The BIP[®] gas line, dedicated to research laboratories, guarantees a minimum level of purity of 6.0. The technology contained in each cylinder specifically filters harmful impurities before the gas is delivered from the cylinder. Thanks to the innovative design, the purifier is protected from damage and atmospheric contamination.

• SmarTank

SmarTank is the ideal service for all liquid gas users. Continuous monitoring and automatic alarm message management make it possible to increase the level of tank safety and reliability, ensuring the continuity of the production process and allowing product deliveries suited to all needs. The system, connected to a solar panel, does not require any electrical connection.

• SmartPack (pilot in start-up phase)

SmartPack is a complete, efficient and safe solution for local and remote control of compressed gas storage systems and provides accurate information in real time on the status of gas levels in pressure vessels.

• SmarTag

Simple, automatic and efficient, SmarTag is a reordering system based on the consumption history and on the serial stock, resulting from the spirit of innovation of a SAPIO team.

Our customers' satisfaction

Customer and patient satisfaction is a priority for the SAPIO Group and is constantly monitored through key performance indicators ("KPIs") in order to guarantee the quality of services.

INDUSTRY NPS

With reference to the industrial market, customer satisfaction has been constantly monitored since 2015 by checking the quality of the service offered and identifying the areas of intervention, with the prospect of continuously improving the customer experience. Monitoring takes place through the Net Promoter System ("**NPS**"), an index for measuring the degree of customer satisfaction.

During 2021, we listened to 4,446 of our customers, the interviews of which resulted in approximately 247 actions to improve our services.

Thanks to the work done we achieved excellent results with the NPS score which at the end of 2021 stood at 90%, with peaks of up to 93% in some geographic areas, with an improvement of 3% on 2020, year in which it stood at 87%.

| NPS |

90%

2021

87%

2020

Region North-West 90% Region North-East 93% Region Center 89% Region Center-South 89% Region Center-South

OUR PATIENTS - THE CENTER OF OUR WORLD

Innovation for our patients

Innovation in products and services for patients is at the core of SAPIO Group's activity in all therapies provided, in telemedicine, in genetics and in all ancillary services.

From home hemodialysis services to Parkinson's care, to tools to improve the patient's quality of life, in every country where it is present SAPIO places applied innovation as a focal point of attention.

CASE

THE OPENING OF NEW BRISA SPACES IN SPAIN

Sapio Life SAU ("Sapio Life España") has opened a new Brisa Space in Cartagena in the Region of Murcia. Brisa Spaces are characterized by:

- the guarantee of quality care, individualized and customized to the needs of each patient, promoting not only physical but also psychosocial well-being;
- the implementation of specific care programs in coordination with the pulmonary services, with the aim of providing the patient with the appropriate tools to be the protagonist of his own care;
- increasing patient and caregiver satisfaction, especially with reference to the family sphere and encouraging autonomy and integration of care in daily life.

In consultations, the patient is followed with reference to the treatment of sleep therapy, ventilotherapy, oxygen therapy with mobile concentrator and aerosol therapy. The patient is also comprehensively monitored with diagnostic tests, treatment setting and monitoring of its evolution, as well as continuing education on equipment management and disease management.



In the field of health, it is our primary objective to push for the development of an accessible healthcare model, close to the patient and aimed at making the healthcare system of the countries we serve increasingly efficient

SAPIO LIFE WILL PROVIDE ASSISTED HOME HEMODIALYSIS SERVICE FOR 4 YEARS

After Lombardy, Veneto and Liguria (three Italian regions) now also the ASL of Teramo has decided to activate home therapy for its dialyzed patients, through a service that provides delivery to the patient's home of all the equipment and materials needed to perform the therapy and with the assistance of a specialized nurse. The presence of a nurse throughout the course of home therapy gives greater security and relieves family members of an enormous burden and responsibility. The benefits of this approach have a positive impact on the quality of life of the patient who sees the service modeled on his work and social needs, freeing him from the constraints of the rigid schedules of the hospital organization and the home-hospital-home route that, in some cases such as the elderly and chronic patients, can be a real ordeal. Assisted home hemodialysis is a project in which we have strongly believed since 2019, and that today is recognized as a true service of value for a healthcare in which the patient is truly at the center of the therapy strategy.



OXYGEN THERAPY IN TURKEY

Liquid oxygen therapy has been used in hospitals in Turkey for many years, but its use has never been considered for home care services. Thanks to Sapio Life Türkiye, patients with severe respiratory diseases can now receive oxygen concentrator treatments at home through our home care services. Liquid oxygen therapy is an innovation in the Turkish market and allows us to provide patients with home treatment with a flow rate of up to 15 liters per minute and an oxygen purity of over 99%. At Sapio Life Türkiye we are working to create clinical evidence and knowledge of the effectiveness of liquid oxygen in respiratory care and have conducted many projects with containers throughout Turkey.

TELEMONITORING FOR COPD

The use of telemedicine and artificial medical intelligence will change the paradigm of tomorrow's medicine. SAPIO Group is aware of this and invests in their development.

Homeperf, the Group's company active in the homecare in France, both in infusion and nutrition and in the respiratory field, is committed to innovation and offers its patients an avant-garde offer, especially with regard to the telemonitoring of patients in order to make them protagonists of their health. In fact, Homeperf has developed, in collaboration with the French Ministry of Health, a telemedicine experiment called ETAPES to ensure a better follow-up of patients on non-invasive ventilation. The objective of this experiment, which lasted 2 years, was to help improve the monitoring of patients with COPD (Chronic Obstructive Pulmonary Disease). A nurse monitored ventilator parameters daily and, based on alarms, called the patient, contacted the physician, or ensured therapeutic

patient education by conducting motivational interviews. This follow-up made it possible to detect, for illustrative purposes, that a patient was worsening before he or she was even experiencing symptoms, avoid hospitalizations, set up therapeutic education and home care (aerosols, antibiotics, etc.), and reduce social security costs. We studied the 12,486 alerts received and this allowed us to publish a study for the International Day of Home Mechanical Ventilation (JIVD ERCA ERS). The conclusion of this study showed that thanks to telemonitoring the patient is better followed, less hospitalized, better accompanied, resulting in reduced costs for society.



Satisfaction of our healthcare customers and patients

With reference to healthcare, the guidelines for the management of the service to clients and patients are defined with the same clients at the stipulation of the contract and at the activation of the individual service and are specific for each client and patient. The service is therefore set and guided by the logic of safety for the patient and continuity and adherence of his therapy to the medical prescription. These requirements are guaranteed by service programming systems based on complex algorithms and are constantly monitored through specially created KPIs, verified and managed in a timely manner at every report of the customer and the patient thanks to the close and cooperative relationship with the interlocutor.



The satisfaction of customers and patients is therefore mainly measured indirectly through compliance with shared requirements, but not only: occasionally customer satisfaction surveys are conducted, both informally and in a more structured way, which also concern more generally the qualitative aspects of the service, important for the creation and maintenance of the relationship of trust with customers and patients.

Protecting patient data

SAPIO Group recognizes that the protection of individuals, especially with regard to its patients and the processing of personal data, is a fundamental right. SAPIO has adopted organizational privacy models ("Privacy Model") in order to comply with the General Data Protection Regulation (EU Regulation 679/2016) ("GDPR"), which takes effect from 25 May 2018 and offers a reference framework in terms of compliance for data protection in Europe, updated and based on the principle of accountability. The Group has always operated with the centrality of personal data protection firmly in mind and, through this document, discloses its approach to the protection of personal data that are processed by Group companies, including its customers.

The data protection officer ("**DPO**") of SAPIO coordinates with the DPOs of the Group companies, collects the necessary information and monitors the activities and initiatives implemented by the Group companies to promote the implementation of the Privacy Model and compliance with the obligations imposed by the legislation on the protection of personal data, to continuously monitor the evolution of the situation of the applicable legislation and to ensure effective communication to all employees, contractors, suppliers, customers and authorities. This is combined with an assessment of the risks associated with the activities carried out by the SAPIO Group and the coordination of training. The document "Policy on the management of data breaches", included in the SAPIO Group's Privacy Model, provides that any breaches of processed

personal data may also be reported by the data subjects themselves and indicates the procedures that the relevant company is required to adopt in the event of reports. During 2021, no reports/complaints were received from customers in this regard¹⁵. The SAPIO Group plans to carry out periodic audits to test the application of the provisions of its Privacy Model. also with a view to updating it, both from a technical and organizational point of view, in compliance with the principles of data protectionby-design, and regularly carries out "stress tests" on the security measures adopted in the various IT processing systems.



15 See the "GRI Table of Contents", at the end of this document, for information regarding perimeter limitations applied to reported data (GRI 418-1).

SAPIO'S RESPONSIBILITY TOWARDS ITS SUPPLIERS

Procurement management is a fundamental issue for the optimization of costs and for the sustainability and efficiency of the service rendered. Building a consolidated relationship is the basis of the SAPIO Group's strategy in managing the relationship with suppliers. The main products and services purchased by the SAPIO Group are energy (understood as electricity and methane), certain resale gases (such as, but not limited to, helium), transportation services, nursing services and products for home care services. This is also joined by acquisitions of assets for investment purposes such as new production facilities, tanks, storage tanks and cylinders.

Local sourcing

Our suppliers are essential to our development. We are constantly looking for a local and sustainable supply chain in order to provide our customers with the best possible service, but always with the attention to support the development of our supply chain. Moreover, all our suppliers are required to follow our Code of Ethics where applicable and in Italy also the Model of Organization, Management and Control.

A total of €437 million was spent in 2021 on the purchase of products and services and the use of third-party assets, up €32 million (+8%) from 2020.

Our regional operations support us in local procurement wherever possible, with the support of a centralized procurement team to support an efficient local supply chain.

Proportion of spending on local suppliers (%)¹⁶



16 See the "GRI Table of Contents", at the end of this document, for information regarding perimeter limitations applied to reported data (GRI 204-1). Following continuous improvement in the data gathering process, the data relating to spending on local suppliers at 31 December 2020 have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability. For the purposes of this report, the partners located in the same country as the legal entity of the Sapio Group that made the purchase are identified as "Local Suppliers".

Boost for supply chain sustainability

From 2020, a sustainability assessment was also tested within the Parent Company's supplier assessment questionnaire in order to devote greater attention to the issue of environmental sustainability. In 2021, the Group selected the supplier for the implementation of a supplier environmental analysis service that will be implemented starting in Italy.

CASE

CONSOLIDATE THE RELATIONSHIP WITH SUPPLIERS: OUR RELATIONSHIP WITH GERMANI TRASPORTI

Germani Trasporti is a leading company in the transport sector on the national territory that has been operating with SAPIO for about ten years in the field of cryogenic liquids in tanks. In 2020 it had a turnover of €77 million and employs more than 300 people in 3 operating sites. The head office is in Brescia and the company is entirely national capital. An excellence in the field of chemical and waste transport, the company puts its men and women at the heart of its development project. Particular attention to the environmental aspect and reduction of CO_2 emissions through the rejuvenation of the vehicle fleet, makes it an ideal partner for SAPIO in the aim of contributing to the improvement of our ecosystem.



SAPIO'S COMMITMENT TO REDUCING ITS ENVIRONMENTAL IMPACT

We have a moral obligation to the entire community with which our services. products and activities come into contact: an obligation to ensure that our economic growth is truly sustainable and compatible with the earth that hosts us. This commitment translates into an effort to conserve the use of natural resources. mitigate our own ecological footprint, implement alternative technological solutions and help our clients and patients to follow the same direction. While SAPIO has always operated what can be defined as "clean chemistry", it has the ambition and goal of gradually achieving full carbon neutrality in all its operations.

The Group's activities are highly energyintensive due to its nature as a producer and distributor of industrial gases: the management, therefore, of a strategic and sensitive resource such as energy and its historical experience in environmentally complex contexts (such as some of Italy's main petrochemical plants) are fertile ground for a culture of conservation and rational use of environmental resources. With this in mind, the Group aims to achieve its objectives and the continuous improvement of its production processes in order to optimize environmental protection through:

- compliance with the laws and regulations in force;
- the continuous innovation of processes and tools used;
- the realization of important investments in technologies.

These are the cornerstones of the environmental policy, integrated within the Management Systems that the Group has developed and implemented over time. SAPIO has also joined the "**Responsible Care**" program, the voluntary program of the chemical industry that in Italy is supported by Federchimica.

PRIMARY ENERGY CONSUMPTION¹⁷

To ensure the provision of its services and products, SAPIO carries out various activities that consume primary energy mainly in the form of electricity (drawn from the grid and self-generated on site), fuels of fossil origin (natural gas, LNG, diesel, gasoline and fuels in general) as well as other forms of energy (including steam).

These consumptions are mainly destined. in order of importance, to manufacturing and logistics activities.

The Group's total energy consumption as of December 31, 2021 stands at 2,191,065 GJ, compared to 2,100,400 GJ in 2020. The Group's main consumption comes from the use of electricity (78% vs 79%) in 2020) and fossil fuels (20% vs 19% in 2020) and finally, from steam (2% for both 2020 and 2021).

The Group's use of primary energy in the form of fossil fuels is for, in order of importance, logistics activities, hydrogen production and other civil and industrial uses. In addition to the fossil fuels used for the above purposes, the additional source of energy used by SAPIO that is not attributable to electricity and fossil fuels is industrial steam used in the distillation of primary gases. Thanks to the energy efficiency activities implemented by the Group, electricity consumption per m³ of gas produced fell by 2.4% compared to the 2019 baseline.

Primary energy consumption¹⁸ ('000 GJ)



1,691 1,651 1,714

Electricity consumption per m³ of gas produced (Base 2019)



¹⁷ See the "GRI Table of Contents" for information regarding boundary limitations applied to reported data (GRI 302-1). Following continuous improvement in the data gathering process, the data relating to energy consumption for 2020 have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability.

¹⁸ Factors provided by the "Department for Environment, Food & Rural Affairs - (DEFRA)" in the 2019, 2020 and 2021 editions, respectively, were used to convert energy carriers to GJ.



CLIMATE-CHANGING GAS EMISSIONS¹⁹⁻²⁰

The Group's emission inventory is constructed, in accordance with the GHG Protocol, using a market-based methodology. The main balance sheet items are:

- direct emissions, "Scope 1" ("Direct Emissions"), from primary production facilities
- indirect emissions linked to the Group's own electricity consumption, or "Scope 2" ("Indirect Emissions");
- other indirect emissions (or "Scope 3") related to the delivery of products to patients and customers ("Transport-related emissions").

Much of the **Direct Emissions** are attributable to:

- carbon dioxide emissions from the process (mainly steam methane reforming);
- hydrofluorocarbon gases for refrigeration uses;
- GHG emissions from production activities;
- emissions deriving from the use of vehicles under the Group's direct control;

The type of production process is such that it does not generate significant quantities of polluting emissions into the atmosphere. However, the emission values are periodically checked and are always lower than the legal limits and the requirements of the Integrated Environmental Authorisations (AIA) or Single Environmental Authorisations (AUA) where applicable. In 2021, Scope 1's direct emissions are 47,334 tons of CO_2 , an increase of 31% compared to the previous year and 82% compared to 2019.

Indirect emissions linked to electricity consumption are almost entirely attributable to the production activities carried out in the main plants and are calculated on the basis of emission factors characteristic of the countries where consumption took place. In contrast, indirect Scope 2 emissions calculated using the Location Based method amounted to 151,664 tons of CO_2 , registering a decrease of 3% compared to 156,061 tons in the previous year. Similarly, Scope 2 emissions calculated using the Market Based method also registered a decrease of 28% compared to 2020 and 30% compared to the year 2019.

¹⁹ See the "GRI Table of Contents" for information regarding boundary limitations applied to reported data (GRI 305-1, 305-2, 305-3). Following continuous improvement in the data gathering process, the data relating Scope 1, Scope 2, Scope 3 emissions during 2020 have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability.

²⁰ For the calculation of the direct emissions of Scope 1, the factors provided by the "Department for Environment Food & Rural Affairs - [DEFRA]" respectively in the editions of 2019, 2020 and 2021 were used. The indirect emissions of Scope 2 are calculated with two methodologies: "Location-based" and "Market-based". The "Location-based" approach involves the use of average emission factors relating to the specific national energy mix for the production of electricity [source of the emission factors for calculating 2020 TERNA 2018 data, for 2021 TERNA 2019, latest version available). The "Market-based" approach, on the other hand, envisages the use of emission factors defined on a contractual basis with the electricity supplier and the emission factors relating to the national "residual mix" have been used (source of the residual mix: AIB European Residual Mixes 2020 and 2021, where possible). The indirect emissions of Scope 2 are expressed in tons of CO₂; however the percentage of methane and nitrous oxide has a negligible effect on the total emissions of greenhouse gases [CO₂equivalent] as can be deduced from the reference technical literature. To calculate the indirect emissions of Scope 3, the factors provided by the Department for Business, Energy & Industrial Strategy (BEIS) in the 2020 edition for 2019 and 2020 and in the 2021 edition for 2021 were used.
Atmospheric emissions (CO, eq)

Transportation related emissions

Direct Emissions

Indirect emissions

Total direct, indirect

best practices.

(market-based method)

(Market-Based Method)

and transport emissions

Transport Related Emissions are



the result of delivering products and services to customers and patients. Their reduction is a corporate focus in order to promote sustainable mobility

The distribution of products takes place mostly by road and mostly through the use of special transport vehicles such as cryogenic tanks that allow the transport of gases in liquid form or cylinders for compressed gases. Information on NOx, SOx and other significant emissions are provided in the "Analytical Data of the Sustainability Report" section, in appendix to this document.





21 Calculation carried out considering Direct Emissions and Indirect Emissions (Market-Based method) and the Emissions relating to Transport.

WASTE MANAGEMENT²²

The production processes carried out in the Group's plants and sites do not directly generate waste, as there are no waste products resulting from the production process that can be classified as waste. Moreover, manufacturing activities do not involve the use of disposable packaging, given the extremely long lifespan of our pressure and cryogenic containers. The activities of sites and factories, however, give rise to various types of waste resulting from the ordinary management of maintenance and administrative activities. In 2021, the main waste category is non-hazardous waste 84%, in line with 2020 values (94%).

The main categories of waste disposed of are non-hazardous waste such as iron and steel, mixed material packaging, discarded equipment, septic tank sludge, and organic waste. Hazardous waste is limited to oil scraps, lead acid batteries, spent activated carbon, oily water, and medical waste.

The above wastes may be generated from on-site activities or from activities dispensed at customer sites such as:

- installation and maintenance activities;
- home care activities.

The quantities of waste generated may vary, even considerably, in relation to the scheduled or extraordinary maintenance work implemented within the sites and plants or, as far as Sapio Life is concerned, in consideration of the number of shipments made and patients managed.

In 2021 in particular, there was an increase of 85% of waste generated compared to 2020.

		2019			2020			2021	
	Hazardous	Non hazardous	Total	Hazardous	Non hazardous	Total	Hazardous	Non hazardous	Total
Totale	87	1,667	1,754	133	1,996	2,099	612	3,311	3,923
Percentuale	5%	95%	100%	6%	94%	100%	16%	84%	100%

SAPIO implements a series of measures aimed at reducing the impact of waste and promoting the circular economy by defining criteria in its procurement policies, that involve reducing the production of waste upstream, or extending the life of products used also through maintenance activities. In addition, product suppliers are also assessed from an environmental point of view that rewards virtuous behaviour, including reverse logistics programs that encourage the reuse of products, even partially, wherever possible. The waste produced is disposed of through the use of third party transporters and transported to destination plants. Authorizations for transport and disposal are verified not only during the qualification phase, but also during self-inspection and internal audits.

22 See the "GRI Table of Contents", at the end of this document, for information regarding perimeter limitations applied to reported data (GRI 306-3).

Waste generated (ton/year)

WATER RESOURCES MANAGEMENT²³

For the SAPIO Group, the use of water resources implies in particular an efficient management of these resources in its primary production plants. In fact, most of the water withdrawn is used in the cooling circuits of the production plant machines.

Drawdown trends are strongly influenced by production trends.

The three main sources of withdrawal recorded in the last three years are: river, well and aqueduct. In some plants there is a circuit for recycling and reusing rainwater. Consumption is constantly monitored, for primary production plants, within the production reports and an overall analysis of water consumption is made when drawing up the context analysis document.

As far as discharges are concerned, the methods and frequencies of verification are defined by current national legislation (Legislative Decree 152/2006 and subsequent amendments and additions) and by regional and municipal regulations. The specific authorisations of the plants may in some cases prescribe dedicated frequencies and methods. In 2021, the Group's water demand was 32,279 megaliters, a decrease of 5% compared to 2020.

The main source of supply is seawater resources, accounting for 53% of total withdrawals in 2021, followed by thirdparty water, accounting for 32% of water consumption. These values are broadly in line with those in 2020, as can be seen in the chart below.

Water withdrawal²⁴ (megaliters/year)

Source of withdrawal	20	019	20	020	2021		
	All areas	Water Stress Areas	All areas	Water Stress Areas	All areas	Water Stress Areas	
Surface waters	611	0	4,199	0	4,047	0	
Groundwater	984	0	1,116	0	582	0	
Seawater	0	17,200	0	17,400	0	17,200	
Third-party water	6,215	3,321	6,291	4,943	6,637	3,814	
Total water withdrawal	7,810	20,521	11,607	22,343	11,266	21,014	

23 See the "GRI Table of Contents", at the end of this document, for information regarding perimeter limitations applied to reported data (GRI 303-3). 24 All withdrawals reported in the table refer to freshwater withdrawals (<1,000mg/l total dissolved solids).

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GOVERNANCE AS A MEANS OF CREATING VALUE FOR OUR STAKEHOLDERS

The internal control system ("**Internal Control System**") is the set of rules, principles and procedures aimed at monitoring the company's operations and preventing situations of violation of the company's ethical principles. This system is guided by a code of ethics ("**Code of Ethics**"), a basic tool for good corporate governance and a prerequisite for an adequate control and risk management system.

Moreover, SAPIO and Sapio Life, as well as other Group companies in Italy, have adopted an organizational model ("**Organizational Model**") as defined by Legislative Decree no. 231/2001 and subsequent amendments. Compliance with the Model is compulsory and any violations of it constitute a breach of the mandate of the members of the administrative and control bodies and, for employees, a violation of the obligations arising from the employment relationship and determine the application of the sanctions provided for in the Disciplinary System. SAPIO's Organisational Model was last updated in April 2021.

The Code of Ethics was initially drafted in 2003 and subsequently amended, with the latest version approved by the Board of Directors in April 2021. The Group's Code of Ethics is adopted by all Group Companies including foreign companies. The SAPIO Group guarantees several communication channels that allow the persons indicated in Article 5, paragraph 1, letters a) and b) of Legislative Decree 231/01, to submit circumstantial reports of unlawful conduct, relevant pursuant to and for the purposes of Law 30/11/2017 no. 179 (so-called Discipline on Whistleblowing).

The Supervisory Body evaluates the reports received and the cases in which it is necessary to take action.

As early as 2008, the Group had an antitrust compliance program, which was revised and implemented in 2016 with particular focus on certain Group companies. This program was then renewed in its contents - which highlight the dedication to the prevention of issues pertaining to this aspect - with the issuance of a manual ("Antitrust Manual"), a vademecum (the "Antitrust Guidelines") and the structuring of a punctual training and refresher course dedicated to people (top management, executives, employees). This program is valid for some Group companies operating in the health sector. The process of adopting an antitrust compliance model in Spain is underway and has provided for the adoption of a code of conduct and vademecum; the continuation of activities with future planning of training sessions is planned. An Antitrust function has been created for the Group and is managed by the Parent Company's Legal Affairs Department in collaboration with risk management and the members of the Supervisory Board. The figure of Antitrust Compliance Managers ("ACM") was therefore established, who are responsible for the objectives described above in continuous collaboration with top management.



As of 2018, coinciding with the entry into force of the GDPR regulations, a DPO was appointed in each individual Group Company, including the foreign Companies.

The Parent Company has set up a risk manager function ("Risk Manager"), which is combined with a risk control and governance model that the Group has adopted in order to:

- manage risks in terms of prevention and mitigation;
- proactively seize opportunity factors;
- spreading, within the company, the "culture" of value at risk;
- linking risks to insurance cover and providing appropriate insurance cover for insurable risks.

The risk assessment approach used by the Group is risk based. In this approach the starting point is the gross inherent risk, which is the risk gross of all the controls and measures put in place to mitigate it, which is assessed on the basis of impact/severity and probability of occurrence. The next stage is the analysis of the internal control system, i.e. all those controls in place to mitigate the risk. Downstream of this activity is the net residual risk, which is also assessed in consideration of the Group's risk tolerance and risk appetite. A fundamental tool for identifying and assessing risks is the risk register where risks are represented by risk scenarios, drivers, control protocols, frequency and impact.

SAPIO has also set up the internal auditor function ("**Internal Auditor**"), which checks the effectiveness and efficiency of the management of the main corporate processes (e.g. purchasing, IT, human resources, risk assessment and management) and verifies compliance with applicable laws, regulations and standards. It operates independently of the business units it is required to monitor and its auditing activity is flanked by consultancy on the resolution of any critical issues and the efficiency of business processes.

The Group Internal Auditor shares an annual *audit*, reporting and risk assessment program aimed at and preparatory to the performance of specific *audits*, maintaining a risk-based approach. The Internal Auditor's vision is to provide greater security to our Stakeholders in order to bring value to the organization by guaranteeing independence and cooperation.



SAPIO'S COMMITMENT TO ITS COMMUNITY

For nearly 100 years, the Group has developed relationships with the communities in which it operates, contributing to their well-being. SAPIO through community support aims to identify and support social issues in order to improve the environment in which the Group operates.

During the year 2021, donations and gifts amounting to €0.6 million were made.

CONTRIBUTION TO THE COVID-19 PANDEMIC

The biennium 2020-2021 was marked by the Covid-19 emergency. Community support was particularly marked with the activity carried out, also during 2021, in combating the spread of the virus and its prevention and information, contributing to the activities at the Milan Fair Hospital to which SAPIO donated €645,000 during 2020.

Given the need for diagnostic swabs nationwide, SAPIO has also initiated a triangulation between Life Cure, BioRep and Pazienti.it in order to allow users to request, through the Pazienti.it portal, a home swab throughout the first half of 2021. In support of patients who have tested positive to the molecular swab, a new service has been created to remotely monitor the health conditions during the period of positivity through the video consultation and through video tutorials to understand and learn how to properly use the saturimeter and discover the best techniques for sanitizing environments and surfaces.

For several years now, the SAPIO Group has been providing scholarships to the children of its employees in Italy, in accordance with the parameters of the reference procedure, for the attainment of high school and university degrees.

In 2021 many local, national and international associations were supported such as, for example, in Italy AISLA, Skychildren, Maria Letizia Verga, LILT, Don Carlo Gnocchi, UILDM, Emergency.







CASE

BREATH WEEK

50 patients with respiratory difficulties on vacation thanks to "Breathing Week" with constant assistance Also in 2021, for the 20th year, the initiative known as "Breath Week" was carried out, a two-week stay in Cesenatico for 50 patients between 60 and 80 years old with respiratory diseases and constantly connected to oxygen cylinders. Thanks also to €10,000 donated by "Cna impresa Sensibile onlus", which rewarded this initiative of social inclusion to avoid the isolation of these patients, Cer Medical offered many entertainment activities such as: hairdressers, magicians and singers. In addition, the guests were taken on a boat trip and were celebrated with fireworks.

The activity is followed 24 hours a day by the employees of Cer Medical, a company of the SAPIO Group, who take turns to stay with the patients to ensure all the technical and nursing assistance. For this activity, the Group receives recognition from pulmonologists, local health authority directors, patients and the employees themselves.



CASE

RENOVATION OF THE HAMARA GHAR SHELTER FOR CHILDREN IN DISTRESS

SAPIO has been supporting Skychildren, a non-profit organization that works to protect Indian children through concrete initiatives and projects that give them hope, for several years. Skychildren has used SAPIO's donation for the internal renovation of the Hamara Ghar shelter for children in emergency situations in the city of Calcutta. Here, children can be welcomed, fed, clothed and provided with the very first medical and hygienic care. They can also undergo physical and emotional recovery with psychological support, education and training in soft skills useful for daily life, recreational and creative activities, as well as support in stress management. In fact, a recent study by India's Ministry of Women and Children's Safety found that 53% of Indian children experience physical and psychological violence on the streets and at work every day.

CASE

LIFE CURE TOGETHER WITH LILT VARESE TO DEVELOP AND PROMOTE CARE AT HOME

We are living in a particularly delicate historical moment that has brought out even more the central role of territorial health and the importance of strengthening the system to provide a more adequate assistance able to bring home to patients the best care. Precisely with this objective, Life Cure has signed a partnership with LILT, Italian League for the Fight against Tumors, Varese section. A collaboration characterized by a series of initiatives related to training, promotion, research and provision of services to develop expertise in the field of palliative care at home. In fact, the training support must not stop at the university, but must be able to continue within companies and associations that are able, not only to invest in a path of specialized training, but above all to take care of those who take care.



OUR CONTRIBUTION TO THE LIFE OF THE ASSOCIATION

The Group works with the trade associations to which it belongs and supports the development of the activities of the entire sector in order to grow the entire ecosystem.

In Italy SAPIO is part of Assolombarda, of which President Alberto Dossi is Deputy Vice President in charge of energy transition.

SAPIO is a member of FEDERCHIMICA and ASSOGASTECNICI in which he is present in several working groups that he often coordinates. It is also part of the Italian Association H2IT -Italian Association for hydrogen and fuel cells - of which the President Alberto Dossi is also President. Finally, it is part of the European Clean Hydrogen Alliance and an active member of some of the roundtables organized by the same.

In France, we are part of the Fédération des PSAD (Prestataires de Santé à Domicile) and of the associations La Vie par un Fil, Association Aide aux Jeunes Diabétiques, Institut Eco Océan, Association Vaincre la Mucroviscidose and Institut Curie.

In Spain, we are part of FENIN (Federación Española de Empresas de Tecnología Sanitaria). In Germany, we are part of Spectaris (www.spectaris.de) and RSR (www.rsr.de).

CASE

INSPIRING THE NEXT GENERATION OF ENTREPRENEURS

SAPIO hosted, in its Caponago plant, a delegation of the Young Entrepreneurs Group of Assolombarda, which gathers entrepreneurs, sons of entrepreneurs and managers of associated companies aged between 18 and 40.

It was an opportunity to present our reality, the main projects that make SAPIO a point of reference in the Italian panorama and the values that distinguish our history, our present and our future.





IDENTIFYING STAKEHOLDERS AND MATERIALITY ASSESSMENT



MAP AND METHODS OF INVOLVEMENT AND DIALOGUE WITH STAKEHOLDER

In line with the GRI Standards and the main frameworks on the subject (e.g. AA1000), Stakeholders are defined as those entities or individuals who may reasonably expected to be significantly influenced by the activities, products and services of the organization, or whose actions may reasonably be expected to affect the organization's ability to successfully implement its strategies and achieve its objectives. As part of the preparatory activities for the definition of the Materiality Matrix, as reported below, the Group identified the following Stakeholders based on an internal analysis of the context and of the reference sector, taking into account the best practices at a national and international level and the main sustainability frameworks.





Stakeholder

Methods of dialogue and engagement

Shareholders	Board of directors
	Internal Communications
	Company meetings
Freelower	Training and information activities
Employees	Sharing of the SAPIO Group Code of Ethics and Organisational Model
	"Workplace" platform
	Trade unions, where present
	Website and publications
	Newsletter
Customore	Sector events
Customers	Direct contacts (e.g. sales structure)
	Customer Relationship Management (CRM)
	Supply chain
	Customer Relationship Management (CRM)
Patients	Supply chain
	Call center
	Direct Contacts
Suppliars and partners	Access to a dedicated web portal
Suppliers and partners	Sharing of the SAPIO Group Code of Ethics and Organizational Model
	Supply chain
	Donations and sponsorships
Community	Support for school training
	Partnerships
Associations	Active participation in the life of the main industry associations
Future Generations	Defining corporate sustainability goals



MATERIALITY ASSESSMENT

In accordance with the requirements of the GRI Standards, the contents of this Report have been defined by means of a materiality analysis, which has made it possible to identify the aspects that reflect the most significant economic, environmental and social impacts for the Group and that could substantially influence the assessments and decisions of its Stakeholders.

The assessment focused first of all on a benchmark of companies operating in the industrial and medical gases sector, which

issue sustainability or nonfinancial reports. This led to the identification of a set of sustainability issues potentially relevant to the Group.

Subsequently, through a questionnaire for the assessment of material issues administered to a broad category of Stakeholders (customers, employees and suppliers) it was possible to identify the issues of greatest relevance to the Group's Stakeholders.

Secondly, a questionnaire was administered to the SAPIO Group's Executive Committee in order to prioritize each issue in view of its present impact and its prospective relevance for both the Group and its Stakeholders. This process led to the definition of 12 material issues, positioned within the Materiality Matrix as shown below:



- 1 community care
- 2 compliance and safety of products
- 3 workplace health and safety
- Customer privacy

PROTECT

- 5 support to our customers in the energy transition
- 🕜 environmental impact
- 🕝 suppliers assessment

DEVELOP

- 8 responsible procurement / local economic development
- 9 skills development, diversity and inclusion
- 10 research and innovation
- 11 economic performance and sustainable growth
- (12) ethics and integrity



area	Material topics	Impact boundary	Type of impact
	Compliance and product safety	SAPIO Group	Generated by the Group
Cara	Workplace health and safety	Employees and external workers of the SAPIO Group	Generated by the Group
Care	Customer privacy	SAPIO Group	Generated by the Group
	Community care	SAPIO Group	Generated by the Group
	Environmental impact	SAPIO Group, energy producers	Generated by the Group and directly connected through a business relationship
Protect	Support to our customers in the energy transition	SAPIO Group	Generated by the Group
	Suppliers assessment	SAPIO Group	Generated by the Group and directly connected through a business relationship
	Ethics and integrity	SAPIO Group	Generated by the Group
	Economic performance and sustainable growth	SAPIO Group	Generated by the Group
Develop	Research and innovation	SAPIO Group	Generated by the Group
	Skills development, diversity and inclusion	SAPIO Group	Generated by the Group
	Responsible procurement / local economic development	SAPIO Group, Suppliers	Generated by the Group and directly connected through a business relationship



HUMAN RESOURCES²⁵

GRI 102 - 8: employee by contract type, gender and geografic area as of 31 December

	Т	OTAL NUMBER C	F EMPLOYE	ES BY CONTRAC	CT T	YPE, BY GENDE	ER AND GEO	GRAPHIC AREA		
		2019				2020			2021	
	Permanent	Termporary	Total	Permanent		Termporary	Total	Permanent	Termporary	Total
Italy										
Men	914	32	946	923		53	976	897	50	947
Women	371	22	393	398		36	434	355	41	396
Total	1,285	54	1,339	1,321		89	1,410	1,252	91	1,343
Abroad										
Men	267	10	277	411		30	441	413	27	440
Women	163	19	182	375		53	428	423	38	461
Total	430	29	459	786		83	869	836	65	901
Group										
Men	1,181	42	1,223	1,334		83	1,417	1,310	77	1,387
Women	534	41	575	773		89	862	778	79	857
Total	1,715	83	1,798	2,107		172	2,279	2,088	156	2,244

GRI 102 - 8: employee by employment type and gender as of 31 December

	тс	OTAL NUMBER OF	EMPLOYEES	BY EMPLOYMEN	NT TYPE (FULL-T	IME AND PAR	T-TIME), BY GENI	DER	
		2019			2020			2021	
	Full-time	Part-time	Total	Full-time	Part-time	Total	Full-time	Part-time	Total
Men	1,195	28	1,223	1,380	37	1,417	1,352	35	1,387
Women	475	100	575	729	133	862	721	136	857
Total	1,670	128	1,798	2,109	170	2,279	2,073	171	2,244

²⁵ Following continuous improvement in the data gathering process, the data relating to employees at 31 December 2020 and training hours data have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability.



GRI 405-1: % employees by employment category and by gender as of 31 December

GRI 405-1: % employees by employment category and by age as of 31 December

		EMPLOYE	ES BY EMPL	.0Y	MENT CATE	EGORY AND B	/ AGE			
		2019				2020			2021	
Percentage of persons	<30 years	30-50 years	>50 years		<30 years	30-50 years	>50 years	:30 years	30-50 years	>50 years
Top management	0%	47%	53%		0%	56%	44%	0%	51%	49%
Middle management	0%	55%	45%		2%	61%	38%	0%	66%	34%
White collar	10%	65%	25%		9%	64%	27%	10%	62%	28%
Health care personnel	16%	62%	23%		28%	58%	14%	22%	62%	17%
Blue collar	8%	61%	31%		14%	61%	25%	15%	56%	29%
Total	9 %	63%	28%		13%	61%	26%	12%	60%	28%

EMPLOYEES BELONG	ING TO VULNERABLE GROUP	S DIVIDED BY EMPLOYEMENT	
Percentage of persons	Total 2019	Total 2020	Total 2021
Top management	0	0	0
Middle management	2	2	3
White collar	37	35	36
Health care personnel	4	4	0
Blue collar	7	13	15
Total	50	55	54

GRI 405-1: employees belonging to vulnerable groups by employment category as of 31 December

GRI 405-1: diversity of governance bodies by gender and age group as of 31 December





					NUI	MBER AND) RATE OF	- NEW HIR	E - ITALY						
			2019					2020					2021		
Number of employees	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	15	45	5	65	7%	29	60	11	100	10%	25	36	7	68	7%
Women	15	55	6	76	19%	11	67	3	81	19%	20	41	15	76	19%
Total	30	100	11	141	11%	40	127	14	181	13%	45	77	22	144	11%
Rate	29%	12%	3%	11%		30%	15%	3%	13%		38%	10%	5%	11%	
					NUN	IBER AND	RATE OF	TURNOVE	R - ITALY						
			2019					2020					2021		
Number of employees	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	4	30	17	51	5%	12	41	20	73	7%	8	23	17	48	5%
Women	2	16	6	24	6%	2	26	9	37	9%	8	24	11	43	11%
Total	6	46	23	75	6%	14	67	29	110	8%	16	47	28	91	7%
Rate	6%	5%	6%	6%		10%	8%	7%	8%		14%	6%	6%	7%	
		-	-		NUM	BER AND I	RATE OF I	NEW HIRE	- ABROA	D					
		-	2019		NUM	BER AND I	RATE OF I	NEW HIRE 2020	- ABROAI	C			2021		
Number of	<30 Vears	30-50 vears	2019 >50 Vears	Total	NUM Rate	BER AND I	RATE OF I	NEW HIRE 2020 >50 Vears	- ABROAI	D Rate		30-50 years	2021	Total	Rate
Number of employees Uomini	<30 years 12	30-50 years 25	2019 >50 years 11	Total 48	NUM Rate 12%	BER AND I	RATE OF I 30-50 years 59	NEW HIRE 2020 >50 years 10	- ABROAI Total 95	Rate	<30 years 16	30-50 years 44	2021 >50 years 9	Total 69	Rate 16%
Number of employees Uomini Women	<30 years 12 19	30-50 years 25 29	2019 >50 years 11 11	Total 48 59	NUM Rate 12% 15%	SER AND I	30-50 years 59 72	NEW HIRE 2020 >50 years 10 6	- ABROAI Total 95 115	Rate 22% 27%	<30 years 16 24	30-50 years 44 70	2021 >50 years 9 11	Total 69 105	Rate 16% 23%
Number of employees Uomini Women Total	<30 years 12 19 31	30-50 years 25 29 54	2019 >50 years 11 11 22	Total 48 59 107	NUM Rate 12% 15%	SER AND 1 <30 years 26 37 63	30-50 years 59 72 131	NEW HIRE 2020 >50 years 10 6 16	- ABROA Total 95 115 210	Rate 22% 27% 24%	<30 years 16 24 40	30-50 years 44 70 114	2021 >50 years 9 11 20	Total 69 105 174	Rate 16% 23% 19%
Number of employees Uomini Women Total Rate	 <30 years 12 19 31 21% 	30-50 years 25 29 54 11%	2019 >50 years 11 11 22 14%	Total 48 59 107 13%	NUM Rate 12% 15% 13%	BER AND 1 <30 years 26 37 63 41%	30-50 years 59 72 131 24%	NEW HIRE 2020 >50 years 10 6 16 9%	- ABROA Total 95 115 210 24%	Rate 22% 27% 24%	 <30 years 16 24 40 27% 	30-50 years 44 70 114 20%	2021 >50 years 9 11 20 11%	Total 69 105 174 19%	Rate 16% 23% 19%
Number of employees Uomini Women Total Rate	<30 years 12 19 31 21%	30-50 years 25 29 54 11%	2019 >50 years 11 11 22 14%	Total 48 59 107 13%	NUM Rate 12% 15% 13%	8 C AND 1 <30 years 26 37 63 41% BER AND F	RATE OF I 30-50 years 59 72 131 24% RATE OF T	NEW HIRE 2020 >50 years 10 6 16 9%	- ABROA Total 95 115 210 24% - ABROA	C Rate 22% 27% 24%	<30 years 16 24 40 27%	30-50 years 44 70 114 20%	2021 >50 years 9 11 20 11%	Total 69 105 174 19%	Rate 16% 23% 19%
Number of employees Uomini Women Total Rate	<30 years 12 19 31 21%	30-50 years 25 29 54 11%	2019 >50 years 11 11 22 14% 2019	Total 48 59 107 13%	NUM Rate 12% 15% 13%	8 AND 1 <30 years 26 37 63 41% 8 BER AND F	RATE OF I 30-50 years 59 72 131 24% RATE OF T	NEW HIRE 2020 >50 years 10 6 16 9% URNOVER 2020	- ABROAI Total 95 115 210 24% - ABROA	Rate 22% 27% 24%	<30 years 16 24 40 27%	30-50 years 44 70 114 20%	2021 >50 years 9 11 20 11% 2021	Total 69 105 174 19%	Rate 16% 23% 19%
Number of employees Uomini Women Total Rate	 <30 years 12 19 31 21% <30 years 	30-50 years 25 29 54 11%	2019 >50 years 11 11 22 14% 2019 >50 years	Total 48 59 107 13%	NUM Rate 12% 15% 13% NUME Rate	BER AND I <30 years 26 37 63 41% BER AND F <30 years	RATE OF I 30-50 years 59 72 131 24% RATE OF T 30-50 years	NEW HIRE 2020 >50 years 10 6 16 9% URNOVER 2020 >50 years	- ABROAI Total 95 115 210 24% - ABROA Total	C Rate 22% 27% 24% D Rate	<30 years 16 24 40 27%	30-50 years 44 70 114 20%	2021 >50 years 9 11 20 11% 2021 >50 years	Total 69 105 174 19%	Rate 16% 23% 19% Rate
Number of employees Uomini Women Total Rate Number of employees Men	 <30 years 12 19 31 21% <30 years <30 years 7 	30-50 years 25 29 54 11% 30-50 years 22	2019 >50 years 11 11 22 14% 2019 >50 years 10	Total 48 59 107 13% Tota 39	NUM Rate 12% 15% 13% NUME Rate 9%	BER AND I <30 years 26 37 63 41% BER AND F <30 years 20	RATE OF I 30-50 years 59 72 131 24% RATE OF T 30-50 years 54	NEW HIRE 2020 >50 years 10 6 16 9% URNOVER 2020 >50 years 16	- ABROA Total 95 115 210 24% - ABROA Total 90	C Rate 22% 27% 24% C Rate 20%	<30 years 16 24 40 27% <30 years 11	30-50 years 44 70 114 20% 30-50 years 43	2021 >50 years 9 11 20 11% 2021 >50 years 19	Total 69 105 174 19% Total 73	Rate 16% 23% 19% Rate 17%
Number of employees Uomini Women Total Rate Number of employees Men Women	 <30 years 12 19 31 21% <30 years <30 years 7 8 	30-50 years 25 29 54 11% 30-50 years 22 20	2019 >50 years 11 11 22 14% 2019 >50 years 10 9	Total 48 59 107 13% Tota 39 37	NUM Rate 12% 15% 13% NUME Rate 9% 10%	BER AND I <30 years 26 37 63 41% BER AND F <30 years 20 26	RATE OF I 30-50 years 59 72 131 24% RATE OF T 30-50 years 54 66	NEW HIRE 2020 >50 years 10 6 16 9% 2020 >50 years 16 12	- ABROA Total 95 115 210 24% - ABROA Total 90 104	C Rate 22% 27% 24% C Rate 20% 24%	<30 years 16 24 40 27% <30 years 11 11	30-50 years 44 70 114 20% 30-50 years 43 50	2021 >50 years 9 11 20 11% 2021 >50 years 19 8	Total 69 105 174 19% Total 73 69	Rate 16% 23% 19% Rate 17% 15%
Number of employees Uomini Women Total Rate Number of employees Men Women Total	 <30 years 12 19 31 21% <30 years (30 years) 7 8 15 	30-50 years 25 29 54 11% 30-50 years 22 20 42	2019 >50 years 11 11 22 14% 2019 >50 years 10 9 19	Total 48 59 107 13% Tota 39 37 76	NUM Rate 12% 15% 13% NUME Rate 9% 10%	BER AND I <30 years 26 37 63 41% BER AND F <30 years 20 26 46	RATE OF I 30-50 years 59 72 131 24% RATE OF T 30-50 years 54 66 120	NEW HIRE 2020 >50 years 10 6 16 9% URNOVER 2020 >50 years 16 12 28	- ABROA Total 95 115 210 24% - ABROA Total 90 104 194	C Rate 22% 27% 24% 24% 24% 24% 24% 22%	 <30 years 16 24 40 27% 30 years 11 11 22 	30-50 years 44 70 114 20% 30-50 years 43 50 93	2021 >50 years 9 11 20 11% 2021 >50 years 19 8 27	Total 69 105 174 19% Total 73 69 142	Rate 16% 23% 19% Rate 17% 15% 16%

GRI 401-1: number and rate of new employee hires and employee turnover by age group, gender and region

					NUMB	ER AND	RATE OF N	NEW HIRE	- GROUP						
			2019					2020					2021		
Number of employees	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate	<30 anni	30-50 years	>50 years	Total	Rate
Men	27	70	16	113	8%	55	119	21	195	14%	41	80	16	137	10%
Women	34	84	17	135	17%	48	139	9	196	23%	44	111	26	181	21%
Total	61	154	33	248	12%	103	258	30	391	17%	85	191	42	318	14%
Rate	24%	11%	6%	12%		36%	18%	5%	17%		32%	14%	7%	14%	
					NUMBI	ER AND I	RATE OF T	URNOVEF	R - GROUF	D					
			2019					2020					2021		
Number of employees	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	11	52	27	90	7%	32	95	36	163	12%	19	66	36	121	9%
Women	10	36	15	61	8%	28	92	21	141	16%	19	74	19	112	13%
Total	21	88	42	151	7%	60	187	57	304	13%	38	140	55	233	10%
Rate	8%	7%	8%	7%		21%	13%	10%	13%		14%	10%	9%	10%	

GRI 404 - 1: average training hours

AVERAGE TRAINING HOURS BY EMPLOYMENT CATEGORY									
Average hours	2019	2020	2021						
Top management	10.3	16.7	10.3						
Middle management	28.5	19.7	12.2						
White collars	21.3	7.9	10.0						
Health care personnel	5.8	9.6	9.9						
Blue collars	13.1	5.0	7.7						
Totale	17.3	8.8	9.6						

	AVERAGE TRAINING HOURS	S BY GENDER	
Average hours	2019	2020	2021
Men	20.3	9.0	10.0
Women	12.2	8.5	9.1
Total	17.3	8.8	9.6

HEALTH AND SAFETY²⁶ GRI 403-9: work-related injuries

	TEMPORAL DATA (EMPL	OYEES)	
	2019	2020	2021
Worked hours	2,945.604	3,353.907	3,529.414
Multiplier for the calculation	1,000.000	1,000.000	1,000.000
RATE OF WORK-RELATED INJURIES (EMPLOYEES)			
Rate	2019	2020	2021
Rate of recordable work-related injuries	5.77	10.44	11.33
Rate of high consequence work-related injuries (excluding fatalities)	0.34	0.00	0.00
Rate of fatalities as a result of work-related injuries	0.00	0.00	0.00

HEALTH AND SAFETY OF EXTERNAL WORKERS		
	2020	2021
Worked hours	80,572	83,375
Multiplier for the calculation	1,000.000	1,000.000
Rate of recordable work-related injuries	86.88	35.98
Rate of high consequence work-related injuries (excluding fatalities)	0.00	0.00
Rate of fatalities as a result of work-related injuries	0.00	0.00

 ²⁶ High-consequence work-related injury: work-related injury that results in a fatality or in an injury from which the worker (employee) cannot, does not, or is not expected to recover fully to pre-injury health status within 6 months (excluding fatalities). Rates calculated using the following formulas:
 Rate of fatalities as a result of work-related injury: Number of fatalities): Number of high-consequence work-related injury of work-related injury. Number of high consequence work-related injuries (excluding fatalities): Number of high consequence work-related injuries (excluding fatalities). Number of high consequence work-related injuries (excluding fatalities).

ENVIRONMENT

GRI 302-1: energy consumption within the organization

	ENERGY CONSUMPT	ION WITHIN THE GRO)UP	
Consumption type	Unit of measurement	2019	2020	2021
Natural Gas (Methane)	GJ	319,753	338,078	361,543
Diesel (for heating or productive process)	GJ	937	1,440	1,799
Diesel (for company's owned vehicles or in long-term leasing/rent)	GJ	47,433	67,208	47,468
Gasoline (for heating or productive process)	GJ	16	13	0
Gasoline (for company's owned vehicles or in long-term leasing/rent)	GJ	572	255	25,731
LPG (Liquiefied Petroleum Gas)	GJ	208	139	136
Methane (for company's owned vehicles or in long-term leasing/rent)	GJ	265	0	0
Total energy from non-renewable fossil fuels	GJ	369,185	407,134	436,678
Self-generated and consumed electricity	GJ	401	437	456
of which from renewable sources	GJ	401	437	456
of which from non-renewable sources	GJ	0	0	0
Self-generated and sold electricity	GJ	281	319	343
of which from renewable sources	GJ	281	319	343
of which from non-renewable sources	GJ	0	0	0
Purchased electricity	GJ	1,691.200	1,651.273	1,714.154
of which from renewable sources	GJ	0	7,989	515,711
Total electricity consumed	GJ	1,691.320	1,651.391	1,714.267
Purchased steam	GJ	39,854	41,875	40,120
Total energy consumed	GJ	2,100.360	2,100.400	2,191.065
Total renewable energy	GJ	385	8,107	515,824
% Renewable electricity on the total	%	0.0%	0.5%	30%

ENVIRONMENT

GRI 305-7²⁷: NOx, SOx and other significant air emissions

Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions (ton)	2019	2020	2021
NOx	5.52	6.13	2.62
SOx	0.01	0.02	0.04
Persistent organic pollutants (POP)	0.07	0.00	0.00
Volatile organic compounds (VOC)	2.16	2.59	2.57
Hazardous air pollutants (HAP)	0.00	0.00	0.00
Particulate matter (PM)	0.00	0.04	0.05
Carbon monoxide	0.02	0.05	0.54

27 Following continuous improvement in the data gathering process, the data relating to NOx, SOx and other significant air emissions of 2020 have been restated with respect to those included in the 2020 Sustainability Report, published on the website https://www.grupposapio.it/en/sustainability.



<u>GRI CONTENT</u> INDEX

GRI Standard	N. page /Note	Information
GRI 101: Reporti	ng principles 2016	
GRI 102: Genera	l Disclosures 2016	
ORGANIZATION	PROFILE	
GRI 102-1	8	Name of the organization
GRI 102-2	46-67	Activities, brands, products, and services
GRI 102-3	48	Location of Headquarters
GRI 102-4	46-48	Location of operations
GRI 102-5	44-45	Ownership and legal form
GRI 102-6	46-48	Markets served
GRI 102-7	16-17	Scale of the organization
GRI 102-8	16; 72; 125	Information on employees and other workers
GRI 102-9	104-105	Supply chain
GRI 102-10	9; 105	Significant changes to the organization and its supply chain
GRI 102-11	112-113	Precautionary Principle or approach
GRI 102-12	114-117	External initiatives
GRI 102-13	118	Membership of associations
STRATEGY		
GRI 102-14	7	Statement from senior decision-maker
ETHICS AND INTEGRITY		
GRI 102-16	36-37	Values, principles, standards and norms of behavior
GOVERNANCE		
GRI 102-18	112-113	Governance structure

GRI Standard	N. page /Note	Information
STAKEHOLDER	ENGAGEMENT	
GRI 102-40	121	List of stakeholder groups
GRI 102-41	At 31.12.2021, 84% of the Group's employees were covered by collective bargaining agreements. This percentage at 31.12.2020 was 77%.	Collective bargaining agreements
GRI 102-42	120	Identifying and selecting Stakeholder
GRI 102-43	120-122	Approach to Stakeholder engagement
GRI 102-44	121	Key topics and concerns raised
	ACTICE	
REPORTING PR	Actice	Entition included in the consolidated
GRI 102-45	8-9	financial statement
GRI 102-46	8-9	Defining report content and topic Boundaries
GRI 102-47	122	List of material topics
GRI 102-48	9	Restatements of information
GRI 102-49	9	Changes in reporting
GRI 102-50	8	Reporting period
GRI 102-51	Sustainability Report 2020	Date of most recent report
GRI 102-52	9	Reporting cycle
GRI 102-53	9	Contact point for questions regarding the report
GRI 102-54	8	Claims of reporting in accordance with the GRI Standards
GRI 102-55	132-143	GRI content index
GRI 102-56	145-146	External assurance

GRI Standard	N. page /Note	Omission	Information
Material topic: E	CONOMIC PERFORMANCE	AND SUSTAINABLE GROWTH	
GRI 103: Manage	ment Approach 2016		
GRI 103-1	8-9;122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 25-27		The management approach and its components
GRI 103-3	8-9; 25-27		Evaluation of the management approach
GRI 201: Econom	ic Performance 2016		
GRI 201-1	26-27		Direct economic value generated and distributed
Matarial tanis, P			
		ENT / LOCAL ECONOMIC DEVELOPMENT	
GRI 103: Manage	ement Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 104		The management approach and its components
GRI 103-3	8-9; 104		Evaluation of the management approach
GRI 204: Procure	ement Practices 2016		
GRI 204-1	104	The data shown for 2020 does not include information relating to the following companies: Axa Medica S.r.l., Alloys Italia S.r.l., Medica Group S.r.l., Synapse Santé S.a.s The data shown for 2021 does not include information relating to the following companies: Alloys Italia S.r.l., Domco S.a.s, Gamas S.r.l., Sapio Santé France S.a.S, Synapse Santé S.a.s	Proportion of spending on local suppliers

GRI Standard	N. page /Note	Omission	Information
Material topic: E	THICS AND INTEGRITY		
GRI 103: Manage	ement Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 112-113		The management approach and its components
GRI 103-3	8-9; 112-113		Evaluation of the management approach
GRI 205: ANTI-C	ORRUPTION 2016		
GRI 205-3	During 2020 and 2021, no cases of corruption were confirmed		Percentage of new suppliers that were screened using environmental criteria
GRI 307: ENVIRO	ONMENTAL COMPLIANCE	2016	
GRI 307-1	During 2020 and 2021, no cases of non compliance with environmental laws and regulations were identified		Non-compliance with environmental laws and regulations
Material topic: S	UPPLIERS ASSESSMENT		
GRI 103: Manage	ement Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 105		The management approach and its components
GRI 103-3	8-9; 105		Evaluation of the management approach
GRI 308: Supplie	er Environmental Assessm	ent 2016	
GRI 308-1	105. The percentage of new suppliers screened using environmental criteria is 18% for 2020 and 5% for 2021. These data do not include information relating to the following companies: Domco S.a.s., Gamas S.r.l., Sapio Santé France S.a.S, Synapse Santé S.a.s., Tecnosaldatura S.r.l.		Percentage of new suppliers that were screened using environmental criteria

GRI Standard	N. page /Note	Omission	Information
Material topic: E	ENVIRONMENTAL IMPACT		
GRI 103: Manage	ement Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 18; 22-24; 106-111		The management approach and its components
GRI 103-3	8-9; 18; 106-111		Evaluation of the management approach

GRI 302: Energy 2	2016		
GRI 302-1	107; 131	The data for 2020 shown does not include information relating to the following companies: Axa Medica S.r.l., Medica Group S.r.l The data for 2020 shown does not include information relating to BioRep S.r.l	Energy consumption within the organization

GRI 303: Water a	nd effluents 2018		
GRI 303-1	111		Interactions with water as a shared resource
GRI 303-2	111		Management of water discharge-related impacts
GRI 303-3	111	The data for 2020 shown does not include information relating to the following companies: Alloys Italia S.r.l., Axa Medica S.r.l., Medica Group S.r.l., Sistemi Iperbarici S.r.l., Synapse Santé S.a.s The data for 2020 shown does not include information relating to the following companies: Alloys Italia S.r.l., BioRep S.r.l., Cesaltig S.r.l., GTI Nord-Medicare Gmbh, Sapio Plini d.o.o., Sistemi Iperbarici S.r.l., Synapse Santé S.a.s For third-party water resources in water-stressed areas, there is no subdivision for surface water, groundwater and seawater.	Water withdrawal

GRI Standard	N. page /Note	Omission	Information
GRI 305: Emissio	ons 2016		
GRI 305-1	108-109	Please refer to the note on indicator 302-1	Direct (Scope 1) GHG emissions
GRI 305-2	108-109	Please refer to the note on indicator 302-1	Energy indirect (Scope 2) GHG emissions
GRI 305-3	108-109	Please refer to the note on indicator 302-1	Other indirect (Scope 3) GHG emissions
GRI 305-7	131	The data for 2020 shown does not include information relating to the following companies: Alloys Italia S.r.l., Axa Medica S.r.l., Homeperf S.a.s., Medica Group S.r.l., Sapio Santé France S.a.S, Sistemi Iperbarici S.r.l., Synapse Santé S.a.s The data for 2021 shown does not include information relating to the following companies: Airgas S.r.l., Alloys Italia S.r.l., BioRep S.r.l., Cesaltig S.r.l., GTI Medicare Gmbh, GTI Nord-Medicare Gmbh, Homeperf S.a.s., Life Cure Gmbh, Oxy Live S.r.l., Saldogas S.r.l., Sapio Holding Gmbh, Synapse Santé S.a.s.	Nitrogen oxides (NOx), sulfur oxides (SOx), and other air emissions

GRI Standard	N. page /Note	Omission	Information
GRI 306: Waste 2	2020		
GRI 306-1	110		Waste generation and significant waste-related impacts
GRI 306-2	110		Management of significant waste-related impacts
GRI 306-3	110	The data for 2020 shown does not include information relating to the following companies: Alloys Italia S.r.l., Axa Medica S.r.l., Homeperf S.a.s., Medica Group S.r.l., Sapio Santé France S.a.S, Sistemi Iperbarici S.r.l., Synapse Santé S.a.s The data for 2021 shown does not include information relating to the following companies: Alloys Italia S.r.l., BioRep S.r.l., Homeperf S.a.s., Linea Gas S.r.l., Sapio Plini d.o.o., Sapio Santé France S.a.S, Synapse Santé S.a.s.	Waste generated

Material to	nic. SKILLS DEVELOPMENT	DIVERSITY AND INCLUSION
mater lat to	pic: SKILLS DEVELOF MENT,	, DIVERSITI AND INCLUSION

GRI 103: Mana	igement Approach 2016		
GRI 103-1	8-9; 122-123	Explanation of the material topic and its Boundary	
GRI 103-2	10-13; 22-24; 72-79	The management approach and its components	
GRI 103-3	8-9; 72-79	Evaluation of the management approach	
GRI 401: Empl	oyment 2016		
GRI 401-1	74; 128-129	New employee hires and employee turnover	
GRI 404: Train	GRI 404: Training and education 2016		

GRI 404-1	75-76; 129	Average hours of training per year per employee

GRI 405: Diversity and equal opportunity 2016

GRI 405-1 72-73; 126-127	The data reported for the composition of employees by educational background does not include Domco S.a.s, Eurotre S.r.l., GTI Medicare Gmbh, GTI Nord-Medicare Gmbh, Homeperf S.a.s., Life Cure Gmbh, Sapio Holding Gmbh, Sapio Life Gmbh, Sapio Santé France S.a.S	Diversity of governance bodies and employees
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GRI Standard	N. page /Note	Omission	Information
Material topic: W	ORKPLACE HEALTH AND	SAFETY	
103: Managemer	nt Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 38; 80-82		The management approach and its components
GRI 103-3	8-9; 80-82		Evaluation of the management approach
GRI 403: Occupa	tional health and safety 20	118	
GRI 403-1	69; 80; 82		Occupational health and safety management system
GRI 403-2	82		Hazard identification, risk assessment, and incident investigation
GRI 403-3	82		Occupational health services
GRI 403-4	82		Worker participation, consultation, and communication on occupational health and safety
GRI 403-5	76; 83		Worker training on occupational health and safety
GRI 403-6	38; 82-83		Promotion of worker health
GRI 403-7	82		Prevention and mitigation of occupational health and safety impacts directly linked by business relationships
GRI 403-9	80; 130	The data for 2020 for external employees shown does not include information relating to Synapse Santé S.a.s The data for external employees shown does not include information relating to the following companies: Domco S.a.s, Homeperf S.a.s., Isogas S.r.l., Life Cure S.r.l For Sapio Life S.r.l. and for Sapio Produzione Idrogeno Ossigeno S.r.l., hours worked by external workers are not available	Work-related injuries

GRI Standard	N. page /Note	Omission	Information
Material topic: C	OMPLIANCE AND SAFETY	OF PRODUCTS	
103: Managemer	nt Approach 2016		
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 68-69		The management approach and its components
GRI 103-3	8-9; 68-69		Evaluation of the management approach

GRI 416: Customer health and safety 2016

ng companies: Axa Medica Aedica Group S.r.l., Synapse S.a.s., Tecnosaldatura S.r.l., ta for 2021 shown does not e information relating to the ng companies: Domco S.a.s, s S.r.l., Linea Gas S.r.l., Sapio France S.a.S. Synapse Santé	Assessment of the health and safety impacts of product and service categories
France S.a.S, Synapse Santé Tecnosaldatura S.r.l.	
i	ing companies: Axa Medica Medica Group S.r.l., Synapse S.a.s., Tecnosaldatura S.r.l ata for 2021 shown does not e information relating to the ing companies: Domco S.a.s, s S.r.l., Linea Gas S.r.l., Sapio France S.a.S, Synapse Santé Tecnosaldatura S.r.l.

Material topic: CUSTOMER PRIVACY		
103: Management Approach 2016		
GRI 103-1	8-9; 122-123	Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 103	The management approach and its components
GRI 103-3	8-9; 103	Evaluation of the management approach

GRI 418: Customer privacy 2018			
GRI 418-1 103	The data for 2021 shown does not include information relating to the following companies: Domco S.a.s, Gamas S.r.l., Sapio Santé France S.a.S, Synapse Santé S.a.s., Tecnosaldatura S.r.l.	Substantiated complaints concerning breaches of customer privacy and losses of customer data	

GRI Standard	N. page /Note	Omission	Information	
Material topic: C	Material topic: COMMUNITY CARE			
103: Manageme	103: Management Approach 2016			
GRI 103-1	8-9; 122-123		Explanation of the material topic and its Boundary	
GRI 103-2	10-13; 22-24; 114-117		The management approach and its components	
GRI 103-3	8-9; 114-117		Evaluation of the management approach	

Material topic: SUPPORT TO OUR CUSTOMERS IN THE ENERGY TRANSITION		
103: Management Approach 2016		
GRI 103-1	8-9; 122-123	Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 86-91	The management approach and its components
GRI 103-3	8-9; 86-91	Evaluation of the management approach

Material topic: RESEARCH AND INNOVATION		
103: Management Approach 2016		
GRI 103-1	8-9; 122-123	Explanation of the material topic and its Boundary
GRI 103-2	10-13; 22-24; 32-33; 96; 98-101	The management approach and its components
GRI 103-3	8-9; 32-33; 96; 98-101	Evaluation of the management approach


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INDEPENDENT AUDITOR'S REPORT ON THE SUSTAINABILITY REPORT

To the Board of Directors of Sapio Produzione Idrogeno Ossigeno S.r.I.

We have carried out a limited assurance engagement on the Sustainability Report of the Sapio Group (the "Group") as of December 31, 2021.

Responsibility of the Directors for the Sustainability Report

The Directors of Sapio Produzione Idrogeno Ossigeno S.r.I. (the "Parent Company") are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" established by the GRI – Global Reporting Initiative ("GRI Standards"), as stated in the paragraph "Methodological Note" of the Sustainability Report.

The Directors are also responsible, for such internal control as they determine is necessary to enable the preparation of the Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for the definition of the Group's objectives related to the sustainability performance and for identification of the stakeholders and the significant aspects to report.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our auditing firm applies *International Standard on Quality Control 1 (ISQC Italia 1*) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Ancona Bari Bergamo Bologna Brescia Cagliari Firenze Genova Milano Napoli Padova Parma Roma Torino Treviso Udine Verona Social genele: Via Tertona, 25, 2014/Milliano I Canitala Sociale: Funo 10,228,220,00 i y

Sede Legale: Via Tortona, 25 - 20144 Milano | Capitale Sociale: Euro 10.328.220,00 i.v. Codice Fiscale/Registro delle Imprese di Milano Monza Brianza Lodi n. 03049560166 - R.E.A. n. MI-1720239 | Partita IVA: IT 03049560166

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Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the Sustainability Report with the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) – Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the Sustainability Report is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

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

Specifically we carried out the following procedures:

- Analysis of the process relating to the definition of material aspects disclosed in the Sustainability Report, with reference to the methods used for the identification and prioritization of material aspects for stakeholders and to the internal validation of the process results;
- Understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the Sustainability Report.

In particular, we carried out interviews and discussions with the management of the Parent Company and with the personnel of the subsidiaries Sapio Life S.r.l. and Homeperf S.a.s., and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of data and information to the department responsible for the preparation of the Sustainability Report.

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

- at the Parent Company's and subsidiaries' level:
 - with regards to qualitative information included in the Sustainability Report, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data.
- for the Parent Company and the subsidiaries Sapio Life S.r.l. and Homeperf S.a.s., which we selected based on their activity, their contribution to the performance indicators at the consolidated level and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

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Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Sapio Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with the GRI Standards as stated in the paragraph "Methodological Note" of the Sustainability Report.

Other matters

The data for the year ended December 31, 2019 presented for comparative purposes in the Sustainability Report have not been subject to a limited or to a reasonable assurance engagement.

DELOITTE & TOUCHE S.p.A.

Signed by Lorenzo Rossi Partner

Milan, Italy June 24, 2022

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



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