Enabling the future together

NIPPON GASES
The Gas Professionals

Sustainability Report 2024
Fiscal Year Ending March 31st 2024

Legal Note

Nippon Gases (hereinafter also referred to as, "Nippon Gases Europe", "NGE") part of Nippon Sanso Holdings Corporation (NSHD) is the brand name under which Nippon Gases Euro-Holding S.L.U. with Spanish tax ID B88128368 (also referred as "NGEH") and its subsidiaries operate in Europe.

Reporting Period
This non-financial report includes information of Nippon Gases for the period April 1st, 2023 to March 31st, 2024. Within the report is also referred to as "FYE2024" (Fiscal Year Ending) and "2024".

Scope of the Report
The Sustainability Report is part of the consolidated Directors Report of Nippon Gases Euro-Holding S.L.U. This report includes information on the sustainability (also referred as non-financial information) activities of NGEH and its subsidiaries.

References and Guidelines
This report has been prepared in accordance with the content required by prevailing Spanish company law and in conformity with the criteria outlined in the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards): in reference to GRI standards as well as other criteria described in chapter 5.8 Table of contents required under Spanish Law 11/2018 regarding non-financial reporting.

Publication
Current issue: Sustainability Report 2024. Fiscal year ending March 31st, 2024.
Previous issue: Sustainability Report 2023. Fiscal year ending March 31st, 2023.

Enquiries
Att: Energy and Sustainability Director
Nippon Gases Euro-Holding S.L.U.
C. Orense 11 – 9th floor
28020 Madrid (Spain)

This report contains not only past and present facts about Nippon Gases, but also forecasts related to social conditions, business plans, policies and estimates of their outcomes. These forecasts and estimates are assumptions or judgments based on the information available at the time of their writing. As such, actual future social conditions and business activity outcomes may differ from the forecasts and estimates presented in this report.

Table of Contents

Chapter 1

Enabling the future together

As the European subsidiary of Nippon Sanso Holdings Corporation (NSHD) — a global company with over 100 years' worth of experience — Nippon Gases is responsible for representing the Group's presence and interests in Europe. Comprised of 5 operational regions across 13 countries, Nippon Gases believes in an innovative, collaborative, and proactive approach to business. Combining not only each region's specialties and leadership, but also each team, and every employees' individual talent and knowledge. We achieve results whilst maintaining the highest standards in safety and sustainability — being recognised by many industrial gases associations. Being able to move forward and improve as a team, implementing our joint approach to business whilst being able to give back to our employees and communities in which we operate, is how we are enabling the future together.

Improving our company is our every day job

It is commonplace to say that "we need to improve our company"...who would dare to argue against? Far more interesting is to ask ourselves, what does "improving our company" mean? We could ask our Nippon Gases employees and we would get a myriad of different answers.

In order to get to our own conclusion, we have to proceed step by step, focusing on those matters that are, without any doubt, essential for any company that is "in search of excellence", like the classic title of the early eighties (1982).[1]

Safety
You can´t be an excellent industrial company, if you are not a very safe company, if your coworkers are injured frequently. The European Industrial Gases Association, EIGA, provides accurate information about the safety performance within our industry and this information allows us to consider that we are performing at highest level within our industry, which, in turn, is performing at highest level among many different industries. Our safety principles and our operational discipline, every employee doing every task, every time, every day in the correct way, have achieved this.

Compliance
Ethical behavior by all employees is a minimum requirement for being an excellent company. It´s hard to find published benchmark information about compliance and ethics in the industry. Here, we have to stick to our compliance principles and our code of conduct and, if everybody does everything in the right way, every day, every time, we will be fine.

Sustainability
Our shareholders and other stakeholders (customers, employees, communities, suppliers and society in general) require that we increasingly become a sustainable company. What we do about it, is the objective of this report.

These Sustainability Reports, that we and many companies publish, offer very good information against which we all have to benchmark ourselves in order to continuously improve and get closer to the desired end result.

Positioning for a carbon neutral future
The world will contain close to 10,000 MM people in the year 2050, of which around 70% will live in cities and will need to frequently/constantly move

[1] Peters, T. J., & Waterman Jr., R. H. (1982). In Search of Excellence: Lessons from America's Best-Run Companies. Harper & Row.

"By focusing on the matters that are undeniably essential for any company, we build a culture of shared success in our pursuit of excellence."

"Central to our strategy is a commitment to innovation and people excellence whereby we attract and retain top-tier assets and customers, ensuring a solid foundation for future sustainable growth."

around. Mobility is responsible for 26% of all the energy consumed and buildings are responsible for 30%. Consequently, the energy consumption in the world will continue to increase. In order to have an opportunity to reach carbon neutrality by the year 2050, many things need to happen:

- the world is mobilizing to increasingly use electrical energy and increasingly use renewable electrical energy. Renewable electrical energy production needs a combination of some of four elements, water, wind, sun and space.
- the world is increasingly using biofuels, which are carbon neutral when they are subject to combustion.
- the world is getting ready for hydrogen to become a significant part of the energy system, in which, today, it does not play any role.
- the world is perfecting carbon capture, transport and storage for those processes that cannot be or are not yet part of the three processes above.
- the industries are increasingly optimising their internal processes for the minimisation of energy usage and of any sort of waste in order to reduce their carbon footprint.
- The general trend is moving from a linear to a circular economy that minimises the need to produce new materials by maximising the reuse of resources, thereby removing the carbon footprint from their production.

Last year, Nippon Gases' products, services and technologies helped customers avoid emitting more than 1 million tonnes of CO_2, surpassing our own emissions of 0.9 million tonnes of CO_2.

Innovation
We believe, most of our customers expect from Nippon Gases "uninterrupted supply of quality products, no matter what", which is Nippon Gases´ "leitmotiv". However, most of our customers and the industry in general, also require that we bring innovations to them. Lack of innovation leads to decay. Welch, J. (2011) "Innovation is not a big breakthrough invention every time. Innovation is a constant thing. If you don´t have an innovative company, coming to work every day to find a better way, you don´t have a company". Interview on "Piers Morgan Tonight." The whole world is "innovating" at an increasing speed. The new challenges are bringing opportunities and threats. The innovators will have a better chance at seizing the opportunities and flourish with them.

People Excellence
The foundation of everything we have been talking about. Excellent people will take care of it all: safety, compliance, sustainability, carbon neutrality, innovation... this is obvious, everybody knows that talented people are in short supply and badly wanted by companies worldwide. That´s why there are extensive talent development Programmes in our company, because we apply our well known adagio: "efforts in people excellence will yield results".

Eduardo Gil Elejoste
Current Director NSHD, Chairman and President Nippon Gases Euro-Holding S.L.U.

Raoul Giudici
Executive Vice President, Nippon Gases Euro-Holding S.L.U.

1.2 Nippon Gases Group

Nippon Gases is the European subsidiary of Nippon Sanso Holdings Corporation (NSHD), a global company with over 100 years of experience and a major presence in Japan, Asia, Australia, the US and Canada. We are the fourth largest industrial gas company in Europe with over 3,200 employees -of which 28.5% are women. Nippon Gases highly experienced team of motivated and engaged employees contribute to the sustainable growth of our customers, suppliers and partners.

Our presence in Europe positions us as a leading company-operating today in 13 European countries (Belgium, Denmark, France, Germany, Ireland, Italy, Netherlands, Norway, Poland, Portugal, Spain, Sweden and UK), serving more than 150,000 customers (add patients) through a combination of onsite/piping, merchant and packaging lines of business across key industrial zones and having achieved revenues of €1.9 billion during FYE2024.

The main products supplied by Nippon Gases are oxygen, nitrogen, argon, carbon dioxide, hydrogen, helium, carbon monoxide, gas mixtures, electronic gases, specialty gases and the services and technologies associated with the use of these gases and mixtures. As the strategic partner for industrial and medical gases for our customers, we offer our own technological solutions to a wide range of markets such as aerospace, chemicals, electronics, energy, environment, food and beverages, health and homecare, manufacturing, metal production and petrochemicals. The high quality of our products, services and application technologies forms the foundation of our success in the industries wherein we operate. We emphasise close cooperation with our customers as the key to offering them the products, services and technologies that will help them in being a more sustainable business -all by increasing their productivity and reducing their energy consumption.

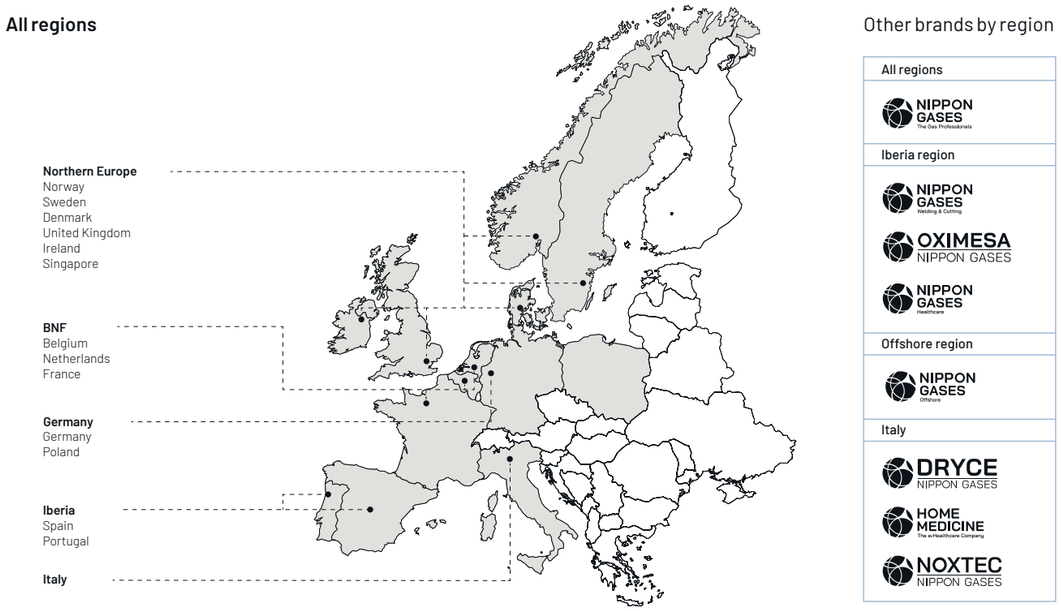
Nippon Gases' commitment to our customers, employees and partners -and to the communities in which we operate- reflects our dedication to sustainable development. As part of this effort, our procurement and supply chain also adheres to Nippon Gases' Code of Conduct Principles.

Main services

14 Pipelines	13 CO_2 plants
5 Specialty gases laboratories	1K Trucks
30 Air Separation Units (ASUs)	2.9M Cylinders
6 Hydrogen plants	40 PAG Plants
44 Onsite	7 Operative Liquid CO_2 terminals

1.2.1 Group structure

The European group is managed throughout 5 business regions. The group structure of Nippon Gases is clearly outlined below.



1.2.2 Management team

The Nippon Gases Management Team consists of Euro-Holding's functional Directors and regional Managing Directors (MDs).

1.2.3 Market position

Nippon Gases is the fourth largest industrial gases company in Europe, with an overall market share close to 9%. **Considering only our current operational European countries, our market share is around 12%.**

We are recognised as leaders in:
- Safety
- Uninterrupted supply
- Expertise in the industries we serve
- Responsiveness to customer requirements

Nippon Gases has a very balanced situation with regards to its modes of supply:

Pipeline & Onsite	19%
Bulk Liquid	42%
Packaged	30%
Other	9%

The company also enjoys a wide portfolio in terms of markets served, with more than 34% of its sales in resilient, non-cyclical markets such as food and beverages, health and homecare, electronics or environment:

Food & Beverages	19%
Metal Production	19%
Manufacturing	18%
Electronics	12%
Chemicals & Petrochemicals	10%
Healthcare	10%
Other	6%
Energy	3%
Environmental Remediation	2%

We aim to create social value through innovative gas solutions that increase industrial productivity, enhance human well-being and contribute to a more sustainable future.

Since 1910, Nippon Sanso Holdings Corporation, to which Nippon Gases belongs, has been adapting its operations to the needs of its customers.

Our capacity to respond proactively to the needs of the market and to innovate collaboratively are central values that guide all our operations to make life better through gas technologies – building positive relationships between people and societies, as well as with our planet.

Our philosophy

Proactive. Innovative. Collaborative.

Making life better through gas technology

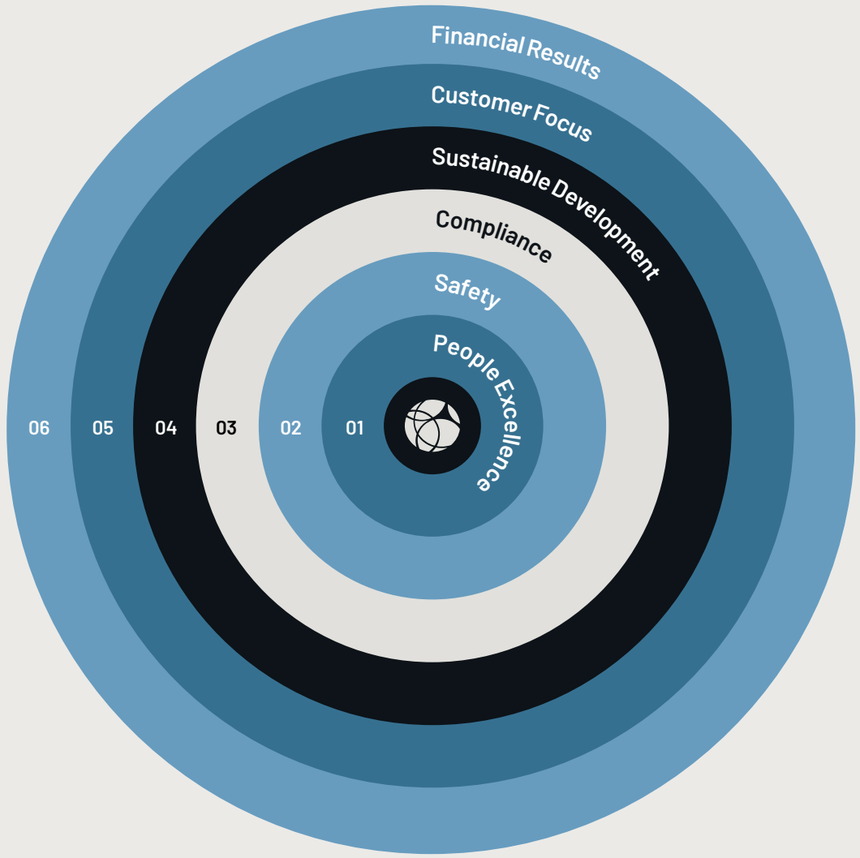
The Gas Professionals

Our guiding principles

Safety	Compliance	Diversity and inclusion
– All accidents can be prevented. – Safety is the responsibility of line management. – Every employee is responsible for his/her own safety. – Every employee must stop a job if it cannot be done safely. – Efforts in safety yield results in safety. – Safety is a condition of employment.	– All compliance breaches can be prevented. – Compliance is the responsibility of line management. – Every employee is responsible for his/her own ethical behaviour. – Every employee must stop a job if it cannot be done ethically. – Efforts in compliance yield results in compliance. – Ethical behaviour is a condition of employment.	– Diversity and inclusion are essential to both our work and our workplace. – Inclusion is a line-management accountability. – Every employee is responsible for being a model for inclusive behaviour. – Every employee must stop non-inclusive actions or conduct. – Efforts in diversity and inclusion will increase engagement and improve business results. – Inclusiveness is a condition of employment.

Nippon Sanso Holdings formulated its first medium-term management plan, NS Vision 2026, defining five strategies: Sustainability Management, Exploring New Business towards Carbon Neutrality, Total Electronics, Operational Excellence, and DX Initiatives.

The main priorities of our company are people excellence, safety, compliance, environmental sustainability, customer focus and financial results. All Nippon Gases employees adhere strictly to our principles in safety, compliance and diversity and inclusion.



Our philosophy

01 **People Excellence.** Diversity, Inclusion, Talent reviews & development, Community engagement…

02 **Safety.** Operational discipline

03 **Compliance.** Knowing and living the Code of Conduct

04 **Sustainable Development.** Meeting the needs of the present without compromising the future

05 **Customer Focus.** Customer partnerships through innovative applications & operational excellence

06 **Financial Results.** The result of our excellence in the previous points

Sustainable development involves implementing business strategies and practices that meet the current needs of the corporation and its stakeholders, whilst protecting, sustaining and enhancing the human and natural resources essential for the future. This entails demonstrating accountability towards employees, customers, communities, the environment and partners.

By adopting socially and environmentally responsible behaviour, businesses can play a crucial role in boosting employment and wealth creation, fostering social equity and preserving the environment.

1.4.1 Sustainability framework

The Nippon Gases President holds ultimate responsibility and authority over our initiatives to work towards the European Union's (EU's) shift to a climate-neutral and green economy. Additionally, he leads Nippon Gases' commitments related to the UN Sustainable Development Goals (SDGs), including both human rights and environmental objectives.

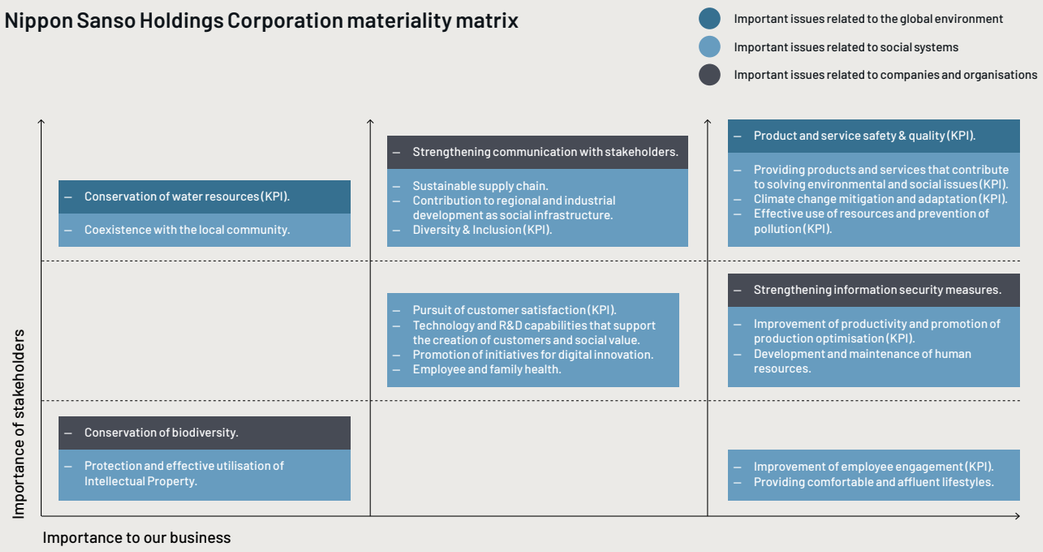
To ensure effective implementation, the President appoints the Nippon Gases Sustainability Director to execute and handle sustainability Programmemes. The management of sustainability matters falls under the Sustainability Committee and the Sustainability Task Force.

The Sustainability Committee (SC), led by the Nippon Gases President, consists of 13 top representatives of the functional areas.

The Sustainability Committee is responsible for:

- Coordinating with NSHD's CSO (Chief Sustainability Officer) and Sustainability team when establishing the sustainability strategy and defining ESG goals and targets. Monitoring the performance of Nippon Gases' Sustainability Mid-Term Plan
- Asssessing initiatives concerning compliance, safety, quality, supply chain, human rights, the environment, energy, people and community
- Promoting and coordinating the release of Nippon Gases' annual Sustainability Report

Nippon Sanso Holdings Corporation materiality matrix



NSHD's materiality matrix was initially formulated in 2015, being revised and receiving approval from the NSHD Board of Directors in December 2021. The respect for Human Rights, Safety and Security, and Corporate Ethics are preconditions for the existence of an Enterprise.

1.4.2 Nippon Gases initiatives

During FYE2024, Nippon Gases has focused on consolidating and following the progress of initiatives committed in our Sustainability Mid-Term Plan FYE2022 - FYE2026, disclosed in last year's Sustainability Report.

Third-party engagement initiatives

Nippon Gases' adherence to external commitments is confirmed and exemplified by engaging third-party agencies relevant to stakeholders to evaluate our sustainable strategy, and provide visibility to our stakeholders.

Ecovadis

In FYE2024 we participated in the Ecovadis survey and received a Platinum Medal, recognising Nippon Gases in the top 1% of companies in our sector for our sustainability Programmeme, covering the areas of Environment, Labour and Human Rights, Ethics and Sustainable Procurement.

Responsible Care

Nippon Gases participate in the Responsible Care Programmeme lead by CEFIC, the International Organisation of the National Chemical Associations. Now, under the umbrella of Nippon Gases and the Global Charter signed by our President, we all benefit from coordination and commitment to fulfill the six Responsible Care pillars.

United Nation Global Compact (UNGC)

We have been an active participant of the network since we joined as an affiliate of Nippon Sanso Holdings.

1.4.3 Nippon Sanso Holdings (NSHD)

Sustainability Initiatives

As part of the NSHD group NGE is committed with the corporate initiatives include in the "NS Vision 2026" medium-term management plan". The group has established eight non-financial Programmes that are replicated with more ambitious goals in NGE.

Carbon Neutral Programme I (CNP I)	NSHD aims for carbon neutrality by technological breakthroughs by FYE2051. NSHD Group GHG emissions FYE2026: -18% FYE2031: -32%*) Compared to FYE2019.
Carbon Neutral Programme II (CNP II)	NSHD will reduce our customers' GHG emissions through environmental product offerings and applications. By FYE2026, NSHD will achieve a GHG reduction contribution that exceeds the Group's GHG emissions.
Zero Waste Programme (ZWP)	The 3Rs (Reduce, Reuse, Recycle) approach to waste treatment are requirement of the times.
Sustainable Water Programme (SWP)	We aim to conserve water resources by using water efficiently throughout our business activities.
Safety First Programme (SFP)	Aim for World-Class Safety in the industrial gas industry. Lost Time Injury Rate (LTIR)*1) ≤ 1.6*2) Until FYE2026.
Quality Reliability Programme (QRP)	Instil a quality-oriented culture to further reform employee awareness, and to improve NSHD's quality and reliability by promoting the introduction of automation technologies.
Talent Diversity Programme (TDP)	Diversity of talents is essential for the sustainable growth of our Group. Female employees 22% FYE2026, 25% FYE2031; Female Management positions 18% FYE2026, 22%.
Compliance Penetration Programme (CPP)	We further promote our compliance activities by ensuring that all employees are aware of and understand compliance. Compliance training rate 100%.

Internal Carbon Pricing

In the previous fiscal year, NSHD endorsed the adoption of an internal carbon pricing mechanism as a means to incentivise investments in decarbonisation efforts. In the upcoming year, this mechanism will be integrated into major investment projects requiring approval from NSHD EXCO. Subsequently, it will be extended to projects subject to regional approval.

NSHD Sustainability Ratings

The NSHD ESG related initiatives have been given high marks by external entities that evaluate sustainability, raising NSHD´s score on ESG matters.

Rating	Previous Year	Current Year
FTSE	3.2	3.5
MSCI	BB	BBB
CDP	B/A-	A-/A-

1.4.4 Sustainable Mid-Term Plan

In January 2022, the Nippon Gases Sustainability Committee approved the Sustainability Mid-term Plan FYE2022-FYE2026. This plan outlines the purpose, governance and the process by which to identify the initiatives, and has been defined in alignment with the NSHD corporate medium-term plan. We are aware of the role we play in society and thus have also incorporated a series of ESG commitments into our Sustainability Mid-term Plan FYE2022-2026.

Five areas of activity have been defined to coordinate the initiatives identified for the mid-term plan:

- Climate change / Innovation and Techonlogy
- People
- Safe operation
- Environmental
- Ethics and compliance

Climate Change / Innovative and Technology. Carbon neutrality, Energy renewable sourcing

People. Human capital, Employee engagement, Diversity and Inclusion, Stakeholders and communities

Safe Operation. Health and Safety, Customers and product safety

Environmental. Environmental management, Productivity Programme, Use of resources-water, Waste management

Ethics & Compliance. Governance bodies, Human rights, ESG risk management, Sustainability reporting certification, Product Carbon Footprint certification, Procurement, Supplier ESG engagement

UN Sustainable Development Goals

The progress of each initiative are reported hereafter.

SDG Goal	NGE Midterm Initiatives	Target	Status April 2024
Climate Change / Innovation and Technology			
7	**Reduction of GHG emissions.** Reduction rate of total CO_2 emission (%) in absolute value (t) from FYE2019.	29% reduction FYE2026 35% reduction FYE2031	On Track 30.2% vs FYE 2019 Baseline
9	**Carbon Neutrality.** Expand products and services that enable customers to reduce CO_2 emissions. Increase the rate of CO_2 reduction contribution to customers.	Contribution > Emission	1.05 Mill TCO_2 > Emission 0.9 Mill TCO_2
9	**Carbon Neutrality.** Biomethane production by Anaerobic Digestion of Waste water treatment sludge.	Reach 8 unit/yr with average production 500 m3/hr, equivalent 281 GWH per year	Long time for permits approval is delaying projects development
9	**Carbon Neutrality.** Promotion of this Biomethane as source for producing green or low carbon Hydrogen for small/ medium customers.	Reach 6 unit/yr with average production 240 m3/hr	Currently 2 units in progress, see previous comment
12	**Renewal Energy.** Continue promotion of renewable energy share.	35% renewable energy	20% Renewable Energy during FYE2024, more effort to secure GO will be implemented
12	**Productivity projects.** Promote productivity generating Sustainable Development savings cumulative FYE2022-FYE2026.	50,000 Tons CO_2eq.	Achieved savings since FYE 2019 at 60,000 TCO_2

SDG Goal	NGE Midterm Initiatives	Target	Status April 2024
Environmental			
6	**Water.** Continue on reducing water usage intensity in all our operating plants. Reduction rate of water consumption intensity. Base year FYE2020.	Reduction 10% in water intensity vs sales	On Track Water Intensity Reduction > 30%
12	**Waste.** Reduction rate of waste disposal intensity. Base year FYE2020.	Reduction 11% in waste intensity vs sales	On Track Waste intensity Reduction > 30%
7	**Logistics.** Continue to take advantage of data driven technologies and improve the efficiencies in our logistics by right sizing our tank and cylinder bundle size. Base year FYE2022.	Reduction 6% product transportation GHG intensity improvement	Goal at Risk, currently we are efficiency is not better than the base line
13	**Environmental Management system ISO14001.** Improve participation of operational sites.	>80% operation sites	On Track 79%
People			
5	**Diversity and Inclusion.** Increase of female population and its managerial and specialist participation.	Female 30.5%, Managerial 28.5%	28.49%, Females; Managerial and Spec 31.35%
8	**Employee engagement.** Evaluation of employee engagement. Improve Sustainable Engagement Index.	≥85%	Employee Engagement level: On track , 88%
8	**Community engagement.** Coordinate social and community initiatives in the areas were we have presence. Base Year FYE2022.	Increase people participation, funding and number of projects. 30% increase	90 projects listed with in total 606 participants
8	**Youngs.** Commitment of increasing the number of positions for young local diverse talent in the organization.	Increase the number of internships by 3% per annum	Trainees/Internships in organization in FYE2024: 74

SDG Goal	NGE Midterm Initiatives	Target	Status April 2024
Safe Operation			
	Safety. Improve our RI-rate.	RIR 1.19	Average last 4 years 1.45
	Safety. Improve Lost Time Injury rate.	LTI 0.54	Average last 4 years 0.96
	Safety. Preventable Product Vehicle Accident rate (Pre-PVAR).	Pre-PVAR 0.20	On track: FYE2024 at 0.06
	Safety. Number of Property Damages (PDs).	12/yr	Property Damages during FYE2024: 4
	Safety. Continue promoting campaigns as result of analysis from Incidents and Assessments.	One campaign per year	Done
	Safety. Complete the Process Safety Roadmap.	Complete by FYE2024	On track
	Safety. Reinforce the European Safety & Environmental assessment Programme.	12 European assessment per year	On track: 16
	Safety. Bring the training for employees and contractors into a digital platform.	Complete Europe deployment by FYE2024	Expected by FYE2025

SDG Goal	NGE Midterm Initiatives	Target	Status April 2024
Ethics and Compliance			
	Customer. Reinforcement of quality assurance and management systems.	Number of Product Complaints with economic impact higher 1 Mi JPY; ≤5/yr	1 Complaint with economic impact higher 1 Mi JPY during FYE2024
	Customer. Satisfaction survey.	As needed	As needed
	Compliance. Through compliance training.	100% employee receiving Compliance training	Successfully completed by 100% of target employees (3,349)
	Standards. Participate in the developing of HSEQ Corporate Standards.	Complete review NGE Standards	We are part of NSHD Standards Board
	Compliance. Sustainable review of all potential integrity cases.	100% review	100% review
	Procurement. Incorporate environmental management and the ESG (Environmental Social and Governance) criteria procedures with all the participants in the value chain. To be included in supplier contracts.	Suppliers covering 80% of spend to be included in new SRM - Supply Relationship Management system. New ESG clauses incorporated in European contract templates	On Track. All suppliers covering the 80% of spend are already included in new SRM.On Track. ESG clauses will be incorporated to the new European agreements Templates during this FYE2025.
	Procurement. Improve CSR risk analysis prior to supplier assessments or audits.	Implement new system (iRisk) as part of the process for all safety critical, single source and sole source suppliers	On Track. The iRisk module for suppliers' performance is completely implemented. During FYE2025 we will manage the supplier performance through the tool.
	Procurement. Improve supporting documentation on the coverage of sustainable procurement actions throughout the company supplier base/ operations.	Incorporate new supplier Code of Conduct to the documentation and SRM process for targeted (80% spend) supplier	On Track. NG Supplier Code of Conduct has been incorporated to the onboarding process for all suppliers in scope. FYE2024= 259 suppliers signed NG SCoC.
	Procurement. Improve information on reporting on sustainable procurement issues.	Incorporate supplier driven initiatives related to productivity sustainable actions and link them to new SRM system	On Track. New SRM system allow us to follow up suppliers sustainable procurement issues since the onboarding till the payment including sustainable performance evaluation.

Chapter 2

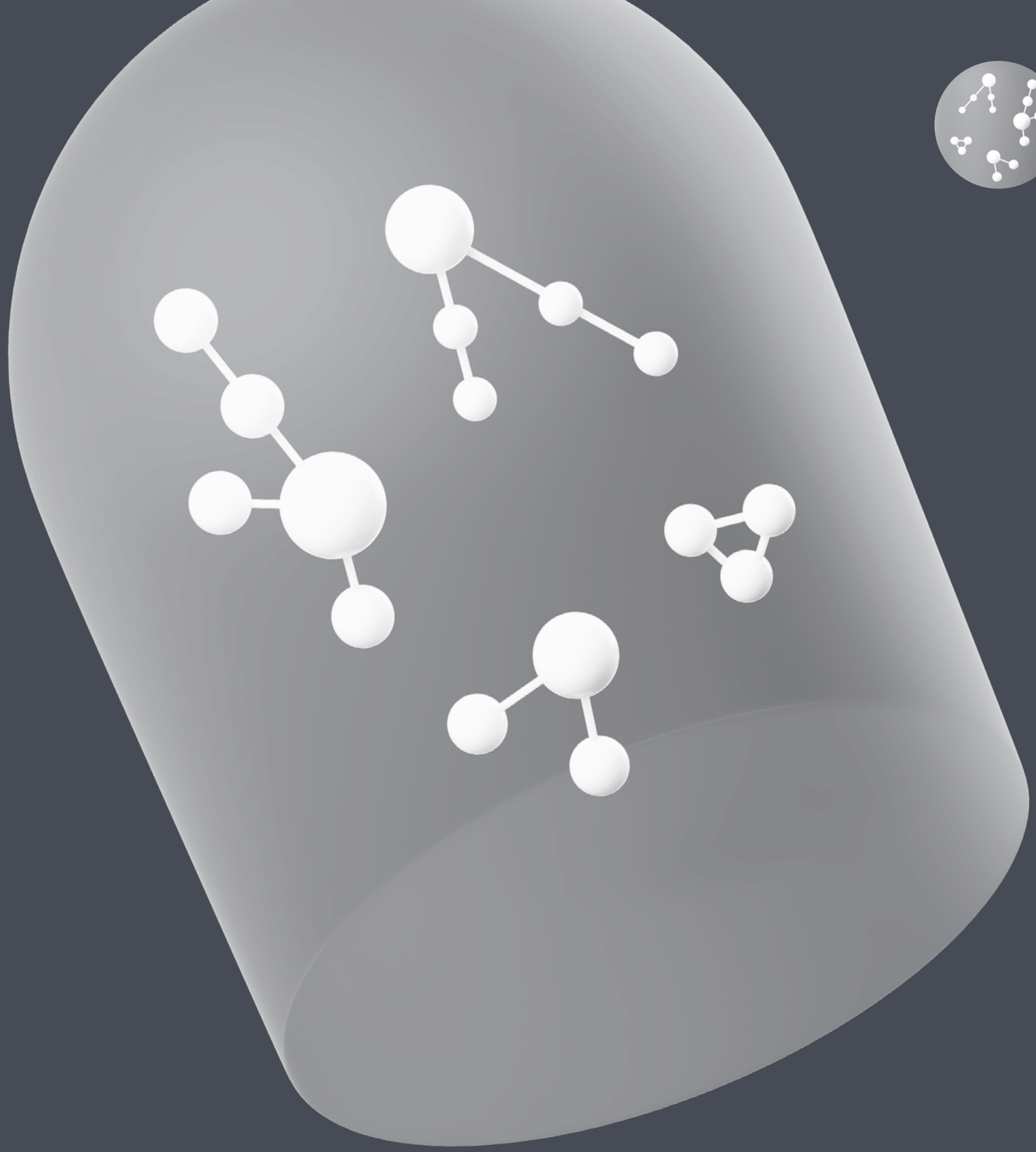
Creating social value through innovative gas solutions

At Nippon Gases we recognise the role innovative, responsible and sustainable business plays in building a healthy, thriving society and the importance of actively addressing future changes.

By leveraging our expertise and collaborative innovation, we proactively use advanced technologies that help us develop sustainable and lasting solutions tailored to our customers' changing needs in the industrial gases industry.

All of that, can only be achieved by prioritizing people excellence and safety above everything else, ensuring they remains our top priority in all our operations by following strong ethical values and a comprehensive Code of Conduct.

Interview



Angelica Cortinovis

Biomethane

What are the environmental benefits of biomethane?

Biomethane is a clean-burning fuel made from organic waste materials like food scraps, agricultural leftovers, and sewage sludge. It's produced through a natural process called anaerobic digestion, which captures the methane gas released when these materials decompose.

Biomethane offers several environmental advantages. First, it reduces greenhouse gas emissions. When organic waste decomposes naturally, it releases methane, a potent greenhouse gas that contributes to climate changes. By capturing and using this methane as biomethane, we significantly reduce its release into the atmosphere, effectively recycling greenhouse gas emissions.

Using biomethane as a clean energy source helps us achieve carbon neutrality goals. It replaces fossil fuels, which release large amounts of carbon dioxide when burned. This switch to biomethane, particularly in transportation and heating, can significantly reduce our carbon footprint. Unlike solar or wind power, which depend on weather conditions, biomethane can be stored and used on demand. This provides a reliable source of renewable energy to complement other renewables.

Biomethane production also addresses waste management challenges in two ways. First, it diverts organic waste from fields, where it would decompose and generate methane. Second, the leftover material from biomethane production, know as digestate, is a nutrient-rich fertilizer that can be used in agriculture. This creates a closed-loop system where waste becomes a valuable resource.

It is important to remember that, like any technology, there are considerations. Sustainable management of the materials used to produce biomethane and efficient production processes are crucial to maximising its environmental benefits.

Why is it booming today?

Biomethane is experiencing significant growth lately due to several reasons. Environmental concerns and a global push for sustainability are major driving forces. Governments are setting ambitious climate goals, and biomethane offers a viable renewable energy option to help achieve them. It also aligns with the growing focus on sustainable waste management practices. In May 2022, the European Commission (within the REPowerEU plan) set a target to produce 35 billion cubic meters (bcm) of biomethane annually in the EU by 2030, representing a ten-fold increase of biomethane production today. In short, it's the right fuel at the right time.

Advancements in technology have made biomethane production more efficient and cost-competitive. Upgrading biogas to biomethane quality has also become easier, allowing for wider integration into the existing natural gas infrastructure.

Interview Angelica Cortinovis

Who are the new players in biomethane? Are all EU countries the same?

Many governments are offering incentives such as subsidies and tax breaks to encourage biomethane production. This financial support makes biomethane projects more attractive to investors and developers. Additionally, the recent geopolitical situation has highlighted the importance of energy independence. Domestically produced biomethane can reduce reliance on imported fossil fuels.

The European biomethane market, however, varies considerable across member states. The value and duration of financial support for biomethane production and injection differ greatly: whilst some countries offer substantial subsidies, others provide less.

Currently, there is no single, unified European biomethane market. Each country has its own regulatory frameworks and registries for Guarantees of Origin (GOs), which certify the renewable quality of biomethane. Efforts are underway, however, to create a more harmonised system across the EU. The types of organic waste used as feedstock for biomethane production can also differ significantly between countries due to factors such as agricultural practices and waste management strategies.

What are the main challenges to growth?

There are other challenges to the growth of biomethane, such as the cost of production, which can still be higher than that of conventional natural gas. Ensuring a consistent supply of organic waste materials is another hurdle. Finally, upgrading existing natural gas infrastructure for biomethane can be expensive and time-consuming.

Despite the challenges, biomethane has a promising future. It is a powerful tool in the fight for a cleaner future, and with continued development and support, it has the potential to play a major role in the global energy landscape.

We are proud to be proactive because we care for our employees, our families, and our communities; it is only through honouring that philosophy that we will help society as a whole: "Making life better through gas technology".

At the heart of our operations is our expertise in providing safe and reliable supplies of industrial, semiconductor and medical gases, and reflects our technological development, production, supply and sales capabilities accumulated over the years since our inception. These capabilities are pivotal in continuing to underpin sustainable growth in the years ahead.

	Onsite/At customer/By pipeline	Bulk/Liquid	Package/Cylinders
Type of gases	O_2, H_2, N_2 and CO	O_2, N_2, Ar, CO_2, He & H_2	All industrial gases Non-cryogenic
End-markets	Chemicals Metal production Energy Glass Petrochemicals Refineries	Manufacturing Metal production Chemicals & Petrochemicals Energy Electronics Food & Beverages Healthcare	Manufacturing Metal production Chemicals & petrochemicals Energy Food & Beverages Healthcare Electronics
Volumes	Large (>50 tpd)	Medium (1-50 tpd)	Low (<1 tpd)
Delivery distance	Up to 250 kms for pipeline networks Low delivery distance for stand-alone/individual customer supply	Medium, c. 300 km	Low <100 km

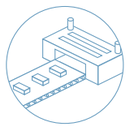
The diagram above sets out the Nippon Gases' business and value creation model, including types of assets used in our supply chain.

2.1.1 Product Markets

Industrial gases primarily include atmospheric gases (air gases), produced via air separation, and other gases which are produced or obtained from various industries and technologies. Our integrated business model incorporates various supply modes, including onsite (at customer premises and via pipelines), bulk (liquid deliveries) and packaged gases (via cylinders, cylinder bundles and small liquid containers).

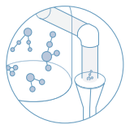
Our core activities encompass the following services

Metals and Chemicals Manufacturing
Developing new ways of improving processes, meeting environmental objectives and reducing production costs. Our range of products, services and equipment are focused on optimising fuel consumption and reducing CO_2, CO or NOx emissions.



Welding and Cutting
Collaborating to reduce manufacturing costs, increase productivity and improve quality-maximising economic performance and minimising environmental impact.

Healthcare
Our medical gases and respiratory therapy services contribute to the health of our society.

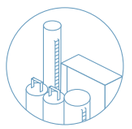


Specialty gases
From research and development to reaching full production in the pharmaceutical, laboratory and biotechnology sector.

Water
Improving the quality of water through our solutions - enabling drinking water, pollution reduction in wastewater, or improving the water quality once it returns to its natural environment.

Food and Beverage
Food safety and quality are the pillars of solutions capable of keeping food fresh without the need for chemical additives.

Hospitality
From supplies for dispensing carbonated beverages to molecular cooking.



Electronics
We supply semiconductor specialty gases used in the manufacturing process of liquid crystal and semiconductors, contributing to the development and dissemination of the high-tech industry.

Research Activities (University & Lab)
Our pure gases and mixtures are basics for research, testing and analysis.

2.1.2 Service Supplier

Nippon Gases' philosophy is to provide solutions that actively contribute to the common goal of making our planet cleaner and more sustainable.

Nippon Gases' sustainable approach helps our customers reduce emissions and waste, reuse materials, and increase energy efficiency and productivity. Our aim is to ensure the safe operation of our production plants while meeting the critical demand from various industries – securing reliable gas supply to support the economic recovery across all sectors.

Additionally, our core activities encompass the following services:

A. Healthcare

At Nippon Gases we advocate for universal access to a high-quality health system which is essential for a sustainable society. Nippon Gases Healthcare, our medical division, contributes to the health of the population by manufacturing medical-grade gases and mixtures following European pharmacopeia.

Medical oxygen, nitrous oxide (N_2O), breathing gas mixtures and helium are just a few examples of the most widely used products in this sector. Complementing these products, our innovative technologies aim to enhance homecare services, ensuring an improved quality of life for the elderly population amid rising life expectancy.

The first device for inhaled nitric oxide therapy developed by Noxtec, has not only made it possible to monitor and control the therapy in constant doses as the patient's respiratory flow changes, but has also improved the safe management of the device through remote control systems and automatic calibration.

Nippon Gases and Noxtec Development have joined forces to develop and strengthen a company dedicated to the design, manufacture and distribution of state-of-the-art medical devices worldwide.

B. Digitalisation

As a result of the pandemic, our digitalisation strategy has significantly accelerated. Digitalisation plays a very important role in sustainable development, as the digital transformation of multiple sectors – in particular energy, water and transport, among others – is a key factor in the tackling climate change. Our commitment to digitalisation and innovation includes products for the remote control and monitoring of processes, and combustion analysis to improve efficiency.

Our company has expanded production capacity at our electronics gases plant in Oevel, Belgium, to support this objective to provide both reliable and high quality electronics gases and chemicals that are so vital to this industry.

C. Decarbonisation and environmental initiatives

Europe has taken the lead in global efforts to reduce global warming and climate change.

For years, Nippon Gases' oxy-fuel combustion solutions have helped energy-intensive consumers improve energy efficiency by reducing fossil fuel consumption in their production processes. The use of Hot Oxygen Burner (HOB) technology and ScopeJet® Burners enables the use of fossil-free fuels, which has a direct impact on reducing CO_2 emissions in the production of aluminium, cement, metals, and many other products.

In other industries, such as glass production, our thermo-chemical regeneration process offers a creative and environmentally-efficient solution, reducing CO_2 emissions by up to 40% when compared to classic regenerative air furnaces, and 60% in comparison to classic air recovery furnaces.

Nippon Gases has the experience and services needed to control and improve wastewater treatment processes. Our Mizu® solutions combine the use of pure oxygen with equipment to improve oxygen dissolution.

Regardless of the type of industry, any aerobic biological treatment process can be improved by injecting oxygen – from increasing the capacity of wastewater treatment plants to treating more loads (volume and/or chemical oxygen demand), eliminating odours, removing ammonia, and enabling seasonal intensive industries to meet environmental requirements.

Water treatment remains an important application when it comes to sustainability. Our Mizu® O3 technology guarantees the quality of drinking water, replacing chemical-based solutions. This solution eliminates viruses and bacteria, allowing treated water to be reused and contributing to the circular economy.

Furthermore, the use of CO_2 in this industry provides an efficient, safe and environmentally friendly solution, replacing hazardous acids and contributing to the goal of optimising natural resources – at a time when stable and potable water supplies are an increasingly pressing issue.

Capturing emitted CO_2 is key to achieving carbon neutrality, and Nippon Gases is actively involved in all these areas. We offer a variety of CO_2 capture solutions to our customers, proposing the most appropriate capture method according to flue gas characteristics and volume. As part of our circular economy approach, converting biogenic waste into biogas via anaerobic digestion (AD) and upgrading it into biomethane has become an increasingly viable initiative to reduce natural gas consumption. Nippon Gases offers various solutions in this market, including a complete solution to liquefy or compress the biomethane and provide a green mobility solution for our customers' vehicles.

2.2 Stakeholders' engagement

We engage with our stakeholders to create social value through innovative gas solutions that increase industrial productivity, enhance human well-being and contribute to a more sustainable future.

Our relationship with all stakeholders (employees, customers, shareholders, suppliers, communities, industry associations, and government and regulatory bodies) is based on the overarching need to ensure the sustainability of our business in all its different aspects, including the impact of our operations on the community and the environment.

In FYE2024, our internal stakeholder engagement activities focused – amongst other things – on our European employee pulse survey, which provides a fair comparison with other companies in our sector.

Customers

- At Nippon Gases we approach our customers with innovative thinking and solutions to their most pressing operational challenges. Finding a valuable solution may become a partnership opportunity.
- The key sustainability concerns of our customers vary by business, but typically focus on how our products and technologies can help them improve resources and energy efficiency, and reduce their environmental impact through the reduction of GHG emissions.

Employees

- Nippon Gases is committed to a safe work environment where our employees can grow and thrive.
- We promote communications with our employees for continuous personal development and for sustainability initiatives.
- Nippon Gases promotes benefits that reward performance and provide opportunities for a healthy work-life balance, and engages employees in well-being activities.

Stakeholders

- The way to serve our customers with excellence, develop and reward our employees, and support our communities, is to have a profitable company with satisfied shareholders.
- NSHD represents and channels its shareholders' interest. Through quarterly reviews we facilitate a two-way channel to align interests.
- We regularly report to NSHD through quarterly NGEH Board meetings, where a thorough review of the main business areas is undertaken.

Governments, regulators and associations

- All Nippon Gases' activities are ethical, transparent and in compliance with all legal requirements.
- Nippon Gases participates in the preparation and update of regulations through its membership of industry associations, which help to maintain open dialogue with local, regional and national authorities.

Suppliers

- Nippon Gases engages with suppliers proactively in order to promote their environmental and social responsibility as well as the governance bodies to ensure compliance in accordance with corporate ethics.
- Supplier periodic qualification reviews offer an opportunity to evaluate supplier performance as per Nippon Gases standards.

Communities

- Nippon Gases is a good neighbour, committed to community engagement initiatives. See chapter 4.5 (Community Commitment).

Industrial gases are, and will continue to be, an essential part of Europe's journey towards a more sustainable, carbon neutral society.

Raoul Giudici, Executive Vice President

"There are many growth opportunities out there for Nippon Gases Europe. In fact, I want growth, I mean profitable growth, to be our polar star." I believe the following pillars will be critical enablers to our growth:

1. People excellence and leadership

No organisation can succeed without good people. Companies build their own future and success around three key assets: People, PPE (Plant, Property and Equipment) and Customers. Achieving "Business Excellence" means nurturing all three assets with undivided commitment. But it's "People" that make the real difference: "Excellent People" are the best enabler to attract and retain the best PPE's and Customers. Strong performers and talented hires are the lifeblood of an organisation, providing new skills, capabilities, creativity and innovation, as well as new perspectives on business opportunities. We will therefore continue to invest in people excellence and effective leadership.

2. Collaboration and sharing of best practices

While the logistical hurdlesinherent in our models, justify local management of our business, we should avoid this becoming a silo effect, influencing and limiting our behaviour. There's so much we can learn from each other. Let's start with Europe: even though we've been working under the same roof for many years, we are still far from a proactive and effective cross-country collaboration. In addition, recent challenges such as the pandemic, the energy spike and high interest rates have led each business to focus on itself, and this may have reduced our collaboration. We're going to reversethe trend and encourage more collaboration across Europe. And then, there's Japan and our Group: I believe there's a huge potential lying dormant that, if unleashed, can produce enormous results. We'll take the lead in promoting integration within Europe and with NSHD and its affiliates.

3. Technology development

This is clearly no less important. Failure to innovate is probably one of the biggest risks we face in the medium and long term. As technological advances continue to accelerate and push the boundaries of competition, organisations will find themselves under increasing pressure. In fact, the emerging needs of customers' are changing at a much faster pace, driven by mass communication, technological development and stricter regulations. The same is true for Nippon Gases. Whether it's engineering, IT, operations automation or gas applications, we clearly have to gear up and move faster, much faster, if we don't want to miss opportunities or lose ground to our competitors. And that's whatwe're going to do: we're going to do it by using our best resources and by partnering with third parties to make Nippon Gases more competitive and responsive to customer needs.

The Nippon Sanso Holdings Group (NSHD) aims to achieve a sustainable society and global environment through the industrial gases business.

NSHD considers it our inherent mission to maintain our global environment in a sustainable manner for the future. In addition, the Group will also address various social issues by proposing solution-based strategies through products and services that utilise its technological capabilities.

NSHD has set out the main pillars for its development in a medium-term management plan entitled 'NS Vision 2026', with the core of the campaign and Group slogan being 'Enabling the Future'. The strategy of the medium-term management plan is structured across the Group with five focus areas, and through selected business strategies for our four regional industrial gases businesses (Japan, US, Asia & Oceania, and Europe) and the Thermos business.

1. **Sustainability Management:** Focus on continued reduction of greenhouse gases, reduction of waste emissions and conservation of water resources.

2. **Exploring new businesses opportunities towards carbon neutrality, "Delivering value through business":** Contributing to the reduction of greenhouse gas emissions in customer industries through environmentally friendly products and technology development with strategic partners.

3. **Total Electronics:** Expanding existing businesses that supply the electronics industry (electronic materials gas supply, construction and installation of gas supply equipment and facilities) in response to growing global demand.

4. **Operational Excellence:** "Proactive mutual complementation and coordination": Sharing, developing and making the best use of people.

5. **DX Initiatives:** "Advancing business models through the coordination, analysis and use of digital data": Creating new business value.

Respect for Human Rights, Safety and Security Operations and Business Ethics will be reaffirmed as fundamental to the NSHD's business.

Our growth will be balanced between investment projects, applications and technology opportunities, as well as new opportunities to explore what we have not yet done.

Tax strategy

Nippon Gases' approach to tax matters is fully aligned with the Group's ethics and compliance philosophy. Its guiding principles can be summarised as follows:

- Strict compliance with local applicable laws and regulations.
- Consulting with advisors where there is complexity or uncertainty.
- Aligning business customers and suppliers to ensure accuracy of transactional taxes.
- Strong cooperation with local tax authorities.

As the nature of Nippon Gases' business is fundamentally local, we generate our income and pay our taxes in the 13 European countries in which we operate. For the limited cross-border transactions that we undertake, Nippon Gases' approach is always to comply with the OECD transfer pricing guidelines, such as the Arm's Length principle.

Our tax contribution in each country is substantial and similar in size, with a total figure in Europe in the range of €320 million, and mainly includes Corporate and Value Added Tax but also other taxes (mainly Energy & Municipal taxes). It is a significant contribution across the continent.

Proactive. Innovative. Collaborative. Making life better through gas technology. Nippon Gases' philosophy and mission are simple and clear. We aim to create social value through innovative gas solutions that enhance industrial productivity, improve human well-being and contribute to a more sustainable future.

Sustainability stands as a fundamental principle in our core values, and our dedication to this principle is reflected in the Nippon Gases Code of Conduct. Designed to align with the expectations of both our customers and society as a whole, this Code sets the standard of behavior that every Nippon Gases employee is entrusted to maintain in their professional pursuits.

2.4.1 Governance structure

Nippon Gases' governance structure is designed to ensure that the company operates in a transparent, accountable, ethical and responsible manner while delivering value to its shareholders. As a result, sustainability initiatives across all operating companies and support functions are coordinated at the Group level and implemented autonomously in each region, under the responsibility of the local companies.

The role of providing oversight and direction for sustainability Programmemes at a group level is played by Nippon Gases Euro-Holding's (NGEH) Board of Directors, who are committed to implementing the parent company's sustainability guidelines and defining the key areas of focus –considered the pillars of our ESG strategy– as well as the policies, control systems and processes needed to ensure that the company vision is embraced by everyone in the organisation. In addition to this, Nippon Gases has established various committees to ensure effective governance, risk management and sustainability implementation - one of which is the Sustainability Committee.

Nippon Gases aligns its sustainability reporting with current and emerging disclosure standards to ensure that the Group discloses relevant and meaningful data on its sustainability performance. This includes compliance with the obligations of the EU Directive 2014/95/EU on non-financial reporting and its transposition in Spain.

The NSHD Group voluntarily aligns its reporting with the Task Force on Climate-related Financial Disclosures (TCFD) guidance, the Sustainability Accounting Standards Board (SASB), and the Global Reporting Initiative (GRI). This report has been prepared in reference to GRI standards: Core option. Criteria for choosing specific GRI standards are based on compliance with Spanish Law 11/2018 and material issues. In cases where alignment was not possible, other standards aligned to our industry guidance or internal frameworks were used.

At the end of the fiscal year it was awarded a GAP analysis to asses the GAP between current Non-financial reporting and the Corporate Sustainability Reporting Directive (CSRD).

The main following items were identified:

- Double Materiality Assessment
- Transition Plan with specific targets for European Subsidiary
- Fraction of sites at material climate risk
- Taxonomy eligibility and alignment assessment

Relationship with parent company

NSHD fully supports and cooperates with Nippon Gases in accordance with its Group Management Regulations. On a day-to-day basis, NGEH functions independently with autonomous management, financial, sales and other corporate responsibilities. Four NSHD executives have been appointed to the Board of Directors of NGEH, thus assuring the sole shareholder's direct supervision of the company's management.

NGEH's Board of Directors grants continuous alignment with its parent company; it reviews the Company's plans, budgets, and objectives, and ensures compliance with laws, regulations and internal policies and that both the shareholders and other stakeholders' interests are protected.

Decision-making management

The Board of Directors, who are responsible for defining the correct level where different types of decisions must be made and delegating appropriately, make sure that the decisions taken are aligned with company goals, that all stakeholders are informed, and that the management team is aligned and accountable for prompt and efficient execution.

Strategic decisions are reserved for the Board of Directors, who have the authority to resolve transactions above a certain threshold, including those regarding M&A and investments.

The definition of the level of authority to approve decisions within Nippon Gases below the threshold reserved for the Board of Directors, is done through the ATA (Authority to Approve) system. Through the same system, clear powers for making key decisions are conferred upon regional general managers and functional executive teams within Nippon Gases.

To grant a proper evaluation of any decision and assure that the same can bring value to all the stakeholders involved, the ATA system requires the input from different functions, and defines the necessary reporting lines, to allow the Board to monitor the results of business activities and be timely informed of any relevant issue. The objective of the ATA Process is to achieve seamless business operation while ensuring that business decisions of a certain magnitude are appropriately escalated.

2.4.2 Highest Governance Body

Nippon Gases Euro-Holding Board of Directors

NGEH's Board of Directors, whose members are appointed by the sole shareholder, is responsible for making decisions on management policies and key matters relating to business execution, including the formulation of key management indicators and medium to long-term strategies, as well as overseeing the execution of business activities.

The Board supervises key aspects of the governance structure in areas such as the independence of directors, appropriate Board committees, the effectiveness of the Board, the relationship with the parent company and alignment with the parent company's goals and long-term strategy, and adherence to a comprehensive sustainability Programmeme. The Board implements company policies in accordance with the principles of the Code of Conduct, focusing on our commitment to diversity and inclusion, safety, health, the environment, human rights, corporate citizenship, and the prevention of bribery and corruption. Non-financial issues are a key component of Nippon Gases' values, culture and performance expectations. We have therefore set non-financial targets in the areas of safety, compliance, sustainability, human resources, productivity, strategy and integration.

The composition of the NGEH Board of Directors at the end of the reporting year was as follows:

Yujiro Ichihara*. Member of the Board

1974	Joined the Nippon Sanso Corporation
2005	Executive Officer, Deputy General Manager of Business Planning Division and General Affairs Division, Taiyo Nippon Sanso Corporation
2008	Senior Executive Officer and General Manager of General Affairs Division
2010	Managing Director and General Manager of General Affairs Division
2012	Senior Managing Director and General Manager of Corporate Administration Division
2013	Executive Vice President, Director, and General Manager of Corporate Administration Division
2014	Representative Director, President CEO, TNSC
2020	Representative Director, President CEO, NSHD
2021	Chairman of the Board, NSHD
2022	**Current Special Advisor, NSHD**

Eduardo Gil Elejoste. Chairman of the Board

1974	Joined Argon S.A.
1996	Director Marketing responsible for Spain and Portugal, Argon S.A.
1999	Director Business Development responsible for Europe, Praxair España S.L.
2000	Director Marketing responsible for Europe, Praxair Euroholding S.L.
2004	CEO, Germany, Praxair Euroholding S.L.
2006	CEO, Germany and Benelux, Praxair Euroholding S.L.
2008	CEO, Praxair España S.L.
2016	CEO, Praxair Portugal S.A. President, Praxair Euroholding S.L.
2018	Chairman and President, TNSC Euro-holding S.L.U. (now Nippon Gases Euro-Holding S.L.U.)
2019	Director TNSC, Chairman and President Nippon Gases Euro-Holding S.L.U.
2020	**Current Director NSHD, Chairman and President Nippon Gases Euro-Holding S.L.U.**

Alan David Draper. Member of the Board

1993	Certified Public Accountant, Lumsden & McCormick, LLP
1996	Internal Auditor, Praxair, Inc.
1999	Financial Analyst and Subsidiary Controller, Praxair, Inc.
2000	Senior Financial Analyst, Praxair, Inc.
2001	Finance Manager, Praxair, Inc.
2002	North Region Controller, Praxair, Inc.
2004	Director Volume and Revenue Analysis, Praxair, Inc.
2005	Director of Accounting & Operations Controller, Praxair, Inc.
2009	Finance Director, Praxair Surface Technologies, Inc.
2014	Vice President Finance & Operations Excellence, Praxair Surface Technologies, Inc.
2017	Vice President Finance, Praxair Euroholding S.L.
2018	Chief Financial Officer, Nippon Gases Euro-Holding S.L.U.
2020	**Current Executive Officer & Chief Financial Officer, NSHD**

Tsutomu Moroishi*. Member of the Board

1984	Joined Nippon Sanso Corp. The Thermos Company USA
1991	General Manager, Corporate Communications, Taiyo Nippon Sanso Corporation
2013	Deputy General Manager, Taiyo Nippon Sanso Corporation
2014	Corporate Planning & Global Operations, Taiyo Nippon Sanso Corporation
2018	Corporate Officer, Executive General Manager, Global Operations, Taiyo Nippon Sanso Corporation
2021	Current Senior Executive Officer, Group Corporate Planning, Nippon Sanso Holdings Corporation
2024	**Current Senior Executive Officer, In charge of Strategic Projects**

(*) In June 2024 Mr. Ichihara and Mr. Moroishi resigned as Board members.

Todd Kuroiwa.** Member of the Board

1984	Joined Nippon Sanso Corp.
1999	Director of Technology, Messer Nippon Sanso GmbH & Co.KG
2005	Vice President, Linde Nippon Sanso GmbH & Co.KG
2008	General Manager, Taiyo Nippon Sanso Corp. Electronics Marketing
2015	Senior Vice President, Matheson Tri-Gas Inc. Electronics
2017	Vice President, Taiyo Nippon Sanso (China) Investment Co., Ltd. for Total Electronics
2019	Director Integration, Nippon Gases Euro- Holding S.L.U.
2020	**Current Electronic Business Director, Nippon Gases Euro- Holding S.L.U.**

Toshihiko Hamada. Member of the Board

1981	Joined the Nippon Sanso Corporation
2002	Executive Vice President responsible for Specialty Gas Technology, Matheson Tri-Gas, Inc.
2005	Deputy General Manager of Semiconductor Gas Section of Electronics Division, Taiyo Nippon Sanso Corporation
2006	General Manager of Semiconductor Gas Section of Electronics Division, Taiyo Nippon Sanso Corporation
2010	Subordinate directly to General Manager of Electronics Division and General Manager of Business Strategy Promotion section, Taiyo Nippon Sanso Corporation
2014	Managing Director, Nissan Tanaka Corporation
2016	Senior Managing Director, Nissan Tanaka Corporation
2017	President and representative, Nissan Tanaka Corporation
2020	Director, Executive Vice President of the Taiyo Nippon Sanso Corporation (Aide to the president)
2021	**Current Representative Director, President CEO, Nippon Sanso Holdings Corporation**

Wim de Raedt. Member of the Board

1981	Compensation & Benefits Specialist Belgium, Holland, Germany, Praxair NV
2001	HR Manager Benelux & Germany, Praxair NV
2004	HR Director Germany, Praxair Deutschland Holding GmbH & Co KG
2005	HR Director Germany & Benelux, Praxair Deutschland Holding GmbH & Co KG
2008	HR Director Europe, Praxair Euroholding S.L.
2021	**HR Director Europe & Member of the Board, Nippon Gases Euro- Holding S.L.**

Justin Corcho Maters.** Member of the Board

2001	Certified Accountant, Arthur Andersen, Rotterdam, Netherlands
2002	Senior Auditor, Deloitte & Touche BV Rotterdam, Netherlands
2005	Manager Global IFRS and Offering Services , Deloitte SL Madrid Spain
2011	Senior Manager Financial Accounting Valuation and Securitisation group, Deloitte LLP New York, US
2014	Director Internal Audit, South/Central America and Europe, White Martins Gases Industrials Ltda (Praxair, Inc.) Rio de Janeiro, Brasil
2017	Director Merger, Integration & Divestiture, Praxair Inc. Danbury, US
2018	Financial Controller, M&A and Special Projects Director, Nippon Gases Euro-Holding S.L.U. Madrid, Spain
2020	Current Vice President and Chief Financial Officer, Nippon Gases Euro-Holding S.L.U. Madrid, Spain
2023	**Interim CEO Nippon Gases Deutschland GmbH**

(**) During April 2024, Mr. Todd Kuroiwa and Mr. Justin Corcho Maters were replaced respectively by Mr. Raoul Giudici and Mr. Pedro Mazarrasa.

Laura Zanotti. Member of the Board

1999	Italian Legal Counsel, Rivoira S.p.A.
2013	Italian Legal and Compliance Director, from 2014 responsible also for legal and compliance matters for Scandinavia, Praxair Scandinavia
2017	Italian Legal Compliance and Quality Director, Rivoira S.p.A.
2020	Additional responsibilities as Sustainability Champion for Italy, Nippon Gases Italia S.r.l.
2022	**Legal and Compliance Director, Nippon Gases Euro-Holding S.L.U. Madrid, Spain**

Raoul Giudici.** Member of the Board

1995	Area Sales/Marketing Representative Bulk business, Rivoira S.p.A.
2004	Marketing & Bulk Sales Development director, Rivoira S.p.A.
2007	European Marketing Director, Praxair Euro-Holding S.L.U.
2010	Sales and Marketing Director Italy with additional responsibilities in Technical Assistance & PAG Distribution, Rivoira S.p.A.
2013	Appointed as President of Rivoira S.p.A.
2015	Appointed as Managing Director of Praxair Italia S.r.l. (later merged into Nippon Gases Italia Holding, now Nippon Gases Italia S.r.l.)
April 2024	**Executive Vice President, Nippon Gases EuroHolding S.L.U.**

Pedro Mazarrasa.** Member of the Board

2005	Graduated in Business administration and management
2005	Auditor in PricewaterhouseCoopers
2011	European FP&A at Nippon Gases Euro-Holding
2016	Finance Director Nippon Gases UK, Ireland and BNF
2019	European Corporate Accounting Director at Nippon Gases Euro-Holding
2024	**CFO at Nippon Gases Euro-Holding**

(**) During April 2024, Mr. Todd Kuroiwa and Mr. Justin Corcho Maters were replaced respectively by Mr. Raoul Giudici and Mr. Pedro Mazarrasa.

2.4.3 Committees

The European Business Team (EBT)

As determined by the NGEH Board of Directors, the European Business Team (EBT mainly Regional Managing Directors and functional European Directors) meets, under the leadership of the European President, at least four times a year - once after each quarter, to discuss about business results, business forecasts, investment proposals, safety, legal and compliance matters, sustainability initiatives and SDG status, risks and opportunities, HR matters and often additional times for budgeting purposes and when there is a review of the strategic plan , or any other important specific purpose.

Compliance Review Board (CRB)

The Compliance Review Board (CRB), chaired by the Chief Compliance Officer (CCO), meets quarterly and as required.

All Managing Directors report to their local CRB meetings and to the CCO on all other compliance-related matters, including incidents/potential incidents, precautions taken and training processes. The members of the European CRB are the President of Nippon Gases, the Managing Directors of the local businesses, the European Directors for Finance, HR, Legal and Compliance, Sustainability, IT, HSE, Operations and the Business Manager Electronics and Specialty Gases.

Sustainability Committee

The Sustainability Committee, chaired by the European President and led by the Sustainability Director, is made up of the representatives of Nippon Gases functional leaders and meets quarterly.

The Sustainability Committee is responsible for:

1. Reviewing and making recommendations on strategy and commitments regarding Nippon Gases' sustainable development

2. Coordinating with the NSHD CSO (Chief Sustainability Officer) when establishing sustainable strategy, indicators and defining ESG goals and targets

3. Monitoring the performance of Nippon Gases' Sustainability KPIs related to the SDGs, as well as compliance, safety, quality, supply chain, human resources, environmental, energy and community initiatives.

4. Promoting and coordinating the publication of Nippon Gases' annual Sustainability Report.

Capex Committee

The Capex Committee, comprising the European President, the CFO, the Operations Director, the Electronics Director, the Engineering Director and other European Directors as required, meets monthly to review the approval of investment projects presented by the regional businesses.

Safety and Environmental Committees

The European Safety and Environmental Committees, chaired by the HSE Director, meet quarterly. The members of these committees are all Safety and Environmental Heads from the different European regions, and the HSEQ.

The committees are responsible for the development and implementation of the European Safety and Environmental Plans. Incidents are also discussed and corrective actions are agreed and initiated.

2.4.4 Governance performance

FYE2024 performance

Nippon Gases has done an excellent job in implementing pricing actions, enforcing surcharges, and negotiating solid contracts to mitigate these headwinds, but we have also noted that our suppliers are experiencing the same conditions, and we are under pressure mainly on our distribution costs and fixed costs.

Our operating cash flow and working capital have improved significantly year-on-year and compared to pre-Covid levels, providing us with strong cash flow generation.

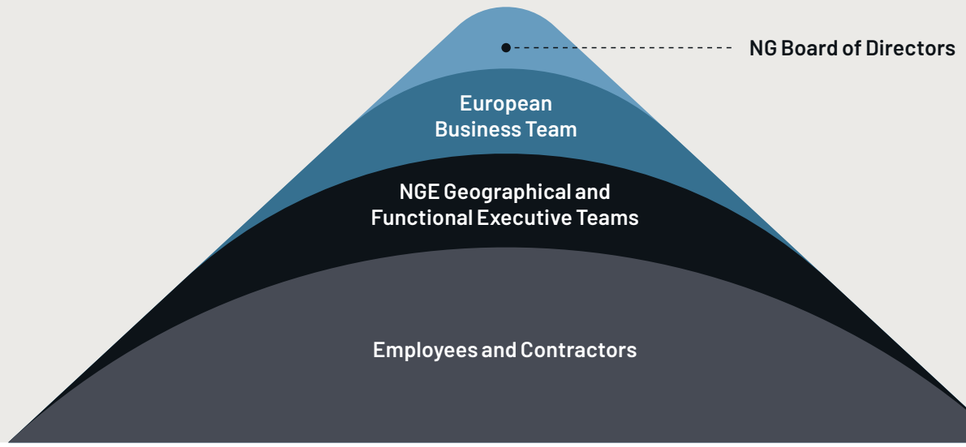
As prices for natural gas have fallen significantly in 2023, European wholesale electricity prices have fallen from their peaks reached in 2022.

European wholesale prices have halved from their record highs in 2022 and are closer to their 2021 average. Despite this, average prices are almost double their 2019 levels. By contrast, wholesale electricity prices in the United States have almost returned to 2019 levels. This fact together with the high inflation rate, has slowed exports from Europe, affecting demand for industrial gases from basic industries. Nippon Gases has been able to reach its financial expectations for the year, despite the decline in demand from basic industries. Nippon Gases' cash flow, liquidity, and balance sheet remain strong. We have maintained excellent working capital during the year, mainly due to strong collections and payment terms for our services. In addition to our financial performance, the NGEH Board of Directors has determined that selected strategic and non-financial factors will be considered critical to measuring our business success when setting annual performance-based variable compensation targets and objectives.

Based on management's assessment of the level of achievement of each goal, and considering their relative importance to Nippon Gases' long-term success, in April 2024 the NGEH Board determined that Nippon Gases' performance against the non-financial goals (i.e. climate change, environment, compliance and people excellence) was favourable and awarded a positive adjustment to the variable compensation award determined by the financial objectives.

Nippon Gases' Board of Directors has overall responsibility for ensuring the appropriate risk management framework is adhered to; including the determination of the nature and extent of risk it is willing to take to achieve its strategic objectives.

Pyramid of responsibilities



The Board has oversight of the Group's operations to ensure that internal controls are in place and operating effectively. Management is responsible for the effective operation of the internal controls and implementation of the agreed risk mitigation plans. However, all Nippon Gases employees should feel responsible for, and be empowered to take ownership of, risk management within their function and for their level of responsibility.

FYE 2024 performance

Nippon Gases has established a business-focused corporate governance system in which certain key management members are involved in the 'Authorisation To Approve' (ATA) process.

Nippon Gases Euro-Holding Board of Directors

The role of the NGEH Board is to represent the shareholder and to promote and protect the interests of the company. In particular, the Board is responsible for setting the limits of authority delegated to the geographical and functional executive teams and dealing with matters reserved for Board decision. These limits are set out in the ATA process. The Board has ultimate responsibility for ensuring that:

1. The Group's risk appetite and tolerance are clearly articulated.
2. Appropriate policies are in place to manage risk and maintain internal controls, and that these policies enable business managers to operate appropriately within these boundaries.
3. A regular Programmeme of audits is undertaken to test the adequacy of, and compliance with, prescribed policies.
4. Appropriate remedial action is taken to address areas of weakness. On an annual basis, the NGEH Board of Directors reports on the outcome of its risk assessment analysis to the executive board of NSHD.

Delegation of authority

Through the ATA process, the regional general managers and functional executive teams within Nippon Gases are empowered to act within their authority.

They are responsible for:

- Implementing and coordinating risk management.
- Managing all risk factors within the strategic, operational and financial framework to mitigate and to reduce risk.
- Providing timely and accurate information on the risks faced by the company and the measures taken to ensure their effectiveness.
- Coordinate the flow of information and documentation related to risk management.

Employees and contractors

Every Nippon Gases staff member is responsible for effective management of risk, including the identification of potential risks. Management is responsible for the development of risk mitigation plans and the implementation of risk reduction strategies. Risk management processes should be integrated with other planning processes and management activities.

Managers are accountable for strategic risk management within areas under their control, including the promotion and training of the risk management process to staff.

It is the responsibility of all Nippon Gases employees and contractors to:

- Report any breaches of policies, laws or regulations to their supervisor.
- Report to their supervisor any perceived risks that may not be covered by existing risk management practices and policies.

2.5.2 Internal framework

The group has an approved Risk Management Policy in place. This policy sets the framework for a comprehensive risk management process and methodology, ensuring a robust identification and assessment of the risks facing the group, including emerging risks. Enterprise risks are assessed and plotted on an enterprise risk map (with individual risk maps produced for each region and relevant function). This system ensures that the appropriate business practices are reinforcing internal control by clarifying decision-making authority and business processes, among other issues.

We have also established Compliance and Safety Risk Assessment, and Management Committees, with the aim of reinforcing compliance and ensuring the effectiveness of our internal control system. In addition to our annual business risk assessment, at Nippon Gases, we have completed a three-point risk analysis which covers:

- Risks to the quality of our products and services.
- Environmental risks.
- Health and safety risks to our employees and to our processes (this review was conducted within the framework of the Seveso regulation and the national HSE regulations).

Manuals and standards

The Nippon Gases Management System is supported by the information documented in manuals which contain the development of activities (procedures) and the documents that report the results obtained (records).

Risk management model

2.5.3 Risk management model

In order to identify risks and assess their likelihood and potential impact, Nippon Gases performs an annual business risk assessment aimed at taking a comprehensive look at the risks faced as a company. These surveys are prepared by the Managing Directors of the different regions and the functional leaders, and result in a risk map for Nippon Gases, highlighting priority issues. Both strategic and internal operational risks as well as risks in the Nippon Gases value chain are evaluated.

This is a bottom-up survey of potential risks, and it specifically addresses a range of risks such as employee safety, welfare and working conditions. Employee safety and welfare is one of our guiding principles and is always considered in Nippon Gases' risk assessment, as significant management resources are allocated to this area.

The results of these surveys are presented to the European Business Team, with an explicit focus on potential risks related to fraud and corruption. A summary of the key risks is then prepared at a European level and reported to the parent company.

Key controls and mitigating actions are documented, including appropriate response plans. Where risk treatments take time to implement, short-term mitigating actions are assessed and the timeline for risk reduction and consequent risk acceptance is discussed and agreed. Each key risk has clear Management Committee oversight.

As part of the risk management framework, potential emerging risks and longer-term threats are considered to identify new trends, competitor actions, regulations, government intervention, or business disruptions that could impact the Group's business strategy and plans. These emerging risks are monitored within the overall risk framework until they are reassessed as no longer posing a potential threat to the business, or until an assessment can be made of the impact of the risk over the next two to three years can be made, and appropriate mitigation measures can be put in place.

The Nippon Gases Board of Directors discusses risks and considers the risk environment as part of wider Board discussions, including a review of the assessment of Nippon Gases' performance against its risk appetite, scenarios for assessment of viability and the outputs from the viability modelling. All risks are assessed for likelihood and impact against the group's business plan and strategy.

Goals of the risk assessment are to:

- Align risk appetite/tolerance and strategy
- Link growth, risk and return
- Enhance risk response decisions
- Minimise operational surprises and losses
- Identify and manage cross-enterprise risks
- Provide integrated responses to multiple risks
- Include all possible strategic and operational risks
- Continue to build risk ownership culture and organisational capabilities around identification and evaluation of risks
- Establish a regular cadence of risk management activities and updates

The steps of planning and implementing a response strategy are determined by the individual regional and/or functional leaders in conjunction with the European management team. The performance is generally a local/functional responsibility, although key topics are also actively monitored at the European level.

2.5.4 Risk identification

These are the key actions taken in FYE2024:

Structural response to supply and distribution chain developments
Succession planning
Manage those matters within our control and monitor others
Receivables and cash flow management
Cybersecurity
Ethics

Structural response to supply and distribution chain developments

In addition to maintaining close contact with our existing suppliers, we have continued to diversify our sourcing where necessary and possible. This, together with the experience gained over the last few years, has enabled us to continue to respond in a timely manner to any developments in the supply and distribution chain, minimising disruption to our customers.

Succession planning

In view of the aging population and the challenges in the labour market, NGE has been put additional effort into succession planning to ensure continuity in key positions within our organisation.

Manage those matters within our control and monitor others

It is difficult to influence the growing number of (geo)political tensions but being aware of the trends allows us to respond to any expected changes in global supply chains and other areas relevant to our business. We are therefore monitoring global developments that are beyond our control and continuing to manage those matters that we can directly influence.

Receivables and cash flow management

Monitoring of outstanding receivables and customers financial positions together with overall strong cash flow management.

Cybersecurity

We continue to invest in cybersecurity both directly, through investments in cybersecurity protection, and indirectly, by continuing to provide our employees with cybersecurity awareness training to improve their basic skills and ability to better identify suspicious cybersecurity threats.

Ethics

In accordance with its internal policies and procedures, NGE conducts its business to prevent anti-competitive practices, fraud, corruption and bribery, conflicts of interest and money laundering. To reduce the risk of non-compliance, NGE works hard to reinforce these policies and procedures, for example by providing training to employees on Nippon Gases' Code of Conduct, but also by conducting risk assessments and audits.

2.5.5 Climate risk

Climate risk is an important element that Nippon Gases evaluates as part of its annual risk assessment. As mentioned above, the development and use of low- carbon technologies and renewable energy are at the core of our long-term strategic assessment of business risks and opportunities. Decarbonisation is the cornerstone of the global strategy to combat climate change. This path to net-zero emissions will impact our customers and we expect the most significant changes to occur after 2030. As part of NSHD's support for the requirements of the Task Force on Climate-related Financial Disclosures (TCFD), Nippon Gases conducted a medium (2030) to long-term (2030-2050) scenario analysis of financial information, the overall result of which was shared and evaluated with NSHD management. This assessment was used as an important input factor for setting the European medium-term (2026) non-financial environmental KPIs.

The assessment rated both the estimated likelihood and magnitude of each issue on a three-point scale, with an indication of the overall importance of each issue.

2.6.1 Internal framework

Our commitment to ethics and compliance is an integral part of our overall ESG strategy, which aims to create long-term value for all stakeholders, including customers, employees, and the wider community.

Nippon Gases has established policies, procedures, and practices to ensure that the company operates in an ethical and legal manner. Each employee, manager and director of Nippon Gases as an individual, as well as the Group as a whole, strives to be ethical in all business endeavours and to follow and apply the Code of Conduct.

Our Code of Conduct outlines the expected standards of behaviour and summarises our core compliance values and principles. The Code of Conduct sets out our commitment to compliance and includes guidance on ethical decision making, conflicts of interest, bribery, corruption, confidentiality and respect for human rights.

The Code of Conduct is also fundamental in promoting a culture of compliance to our business partners and stakeholders too, as it demonstrates our understanding of what it means to be a good neighbour in the community.

The Code of Conduct, which is available in several European languages in both printed and digital versions, also explains how to report any potential compliance breaches. In fact, to achieve its business integrity goals, Nippon Gases actively encourages employees to report any suspicions: they can do so anonymously (if they wish) through several channels, both internal (management, HR or legal department, compliance champions) and external (a dedicated hotline and external platform and the e-mail address compliance@nippongases.com).

All reports and related discussions are treated with the strictest confidence and with defined timelines. In all cases, we ensure that the individuals involved are not treated unfavourably and are protected from retaliation. A specific whistleblowing policy is in place for the reporting and investigation of possible compliance violations.

Each year, a Code of Conduct 'recertification process' involving 100% of our employees, is conducted, to ensure the Code of Conduct is known and fully understood by all of them. Nippon Gases' Code of Conduct is supplemented by policies on specific topics, that are part of Nippon Gases' compliance Programmeme and for which mandatory training is provided at least every two years. The mandatory training focuses on the following modules:

- Competition law compliance
- Conflict of interest, fraud, money laundering and antibribery
- E-mail management and document management including document retention
- Data Protection
- Human Rights

A thorough review of all compliance matters, including the defined compliance metrics, takes place on a quarterly basis through the local and European Compliance Review Boards' meetings.

2.6.2 Fair competition, anti-corruption and bribery

Nippon Gases is also committed to ensuring fair competition at all levels of the production and supply chain.

Nippon Gases firmly believes that new business opportunities should be pursued solely based on the products and services offered, in compliance with all antitrust and fair competition laws. To this end, we are committed to safeguarding competition, and avoiding the exchange of confidential corporate information with other market competitors. To ensure compliance in this area, Nippon Gases has developed detailed policies and guidelines, conducts regular training, and broadcasts messages to remind employees of the importance of proper competitive behaviour.

The guidelines focus on who may communicate with competitors, on what subjects, and how contacts with competitors must be reported and reviewed.

In addition, to prevent any corruption and/or bribery cases, Nippon Gases has clear rules and protocols on giving and accepting gifts, entertainment and sponsorship, and has clearly defined values.

2.6.3 Prevention of money laundering

Due to the nature of our business and the relationships with our business partners, the risk of money laundering activities is very low. In order to maintain sensitivity in this area, the Finance Department sends out regular alerts.

2.6.4 Respect for human rights

Nippon Gases supports the spirit and meaning of the Universal Declaration of Human Rights, the United Nations Global Compact, and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work, and promotes respect for human rights in the workplace and the creation of an appropriate working environment. In this regard, Nippon Gases has published a Human Rights policy and a statement in accordance with the UK Modern Slavery Act 2015.

We consider it essential to create and maintain a respectful and fair working environment, and to promote the respect for human rights in our supply chain through our procurement procedures, which require suppliers to undergo qualification processes that include specific checks in this regard and, in some cases, the obtainment of an undertaking from the suppliers to comply with Nippon Gases Human Rights policy or to confirm their commitment to human rights through their own policies.

Our suppliers must confirm their acceptance of our Code of Conduct and they report to us on their human rights policies. All this information is tracked by an IT system and regular audits of suppliers are carried out.

NGE has tools to both identify and respond to actual and potential human rights risks for workers in its operations. Its supply chain procedures and the services it uses also enable it to reduce the risk of any human rights violations. In January 2022, Nippon Gases was accepted as a participant in the United Nations Global Compact, committing to align its operations and strategy with its 10 principles.

Nippon Gases' commitment to human rights was reaffirmed by the Chairman of the Board of Directors, who pledged to fulfil basic responsibilities in four areas: human rights, labour, environment and anti-corruption. In November 2023 Nippon Gases submitted the Communication on Progress that it is available at https://unglobalcompact.org/what-is-gc/participants/149204-Nippon-Gases-Euro-Holding-S-L-U-.

This commitment is a clear sign of Nippon Gases' determination to continue to make human rights principles an integral part of its business strategy, day-to-day operations and corporate culture.

2.6.5 Extraordinary compliance initiatives

During this financial year, we have launched our third European-wide "Compliance Week" from March 18th to March 22nd. This event, organised biennially as part of our European compliance Programme, focused on the importance of compliance in our relationships with third parties.Throughout the week, employees, managers, and directors were encouraged to engage in meaningful discussions on this topic with colleagues, customers, suppliers, and business partners, reinforcing their dedication to ethical and honest business practices.

Compliance is a collective responsibility that demands our ongoing commitment and active participation. This is the message we continually promote, especially during our Compliance Week, when we remind employees to familiarise themselves with relevant policies and procedures, seek guidance for any questions or concerns, and consistently act with integrity in their daily tasks.

Under the slogan "Stay compliant, stay ahead," our employees organized 444 meetings across Europe, involving 3,283 individuals. The positive feedback and valuable suggestions gathered from this event will help us enhance our compliance Programmeme further.

Our compliance Programmeme has also been promoted through the organisation of numerous training sessions on different topics, both locally and at a European level. A total of 119 training sessions were held during the year. In addition, we regularly send compliance messages to our employees, mainly via our company intranet, as a general and precautionary measure to raise awareness.

The results of our compliance Programmeme for FYE2024 are as follows:

- Confirmed incidents of ethics/corruption and/or antitrust incidents: 0
- Public legal cases related to corruption and/or anti-trust issues: 0
- Reports of human rights violations: 0
- Confirmed cases of bullying/harassment: 0
- Percentage of employees trained on the Code of Conduct: 100% of Nippon Gases Europe employees

2.7.1 Customers Internal framework

Nippon Gases' management teams maintain their commitment to the safety, quality and environmental management systems already in place by defining policies that are communicated to all employees and ensuring that they are understood and adhered to. Our main objective is to provide a stable supply of quality products and services to meet our customers' needs –ensuring the specified quality requirements, optimising production costs and meeting agreed deadlines.

At Nippon Gases, the way we do business is fully governed by our Quality Principles of Business Conduct, which cover to the following main areas:

Management focus on customers and stakeholders
Excellence in people and operations
Continuous improvement
Employee Commitment
Compliance with standards
Communication

2.7.2 Product safety

The safety of customers when using our products is paramount to the way we conduct business, and the Nippon Gases HSE Manual includes a chapter that sets out all necessary requirements for product safety, covering the following areas:

- New product risk assessments
- Product design safety management
- Product hazard communications

All our products are labelled in accordance with EU 1272/2008 Classification, Labelling and Packaging, which introduced the Globally Harmonised System (GHS) into force in Europe. Safety Data Sheets are also provided for all our products. As a result of our risk assessment, sales to a customer or the sale of a product for a specific application may be approved or rejected accordingly.

2.7.3 Customer relationships

Our management systems (safety, quality and environmental) have established various communication channels to receive continuous feedback from customers. These channels help to identify customer requirements or complaints, and to implement an efficient administrative flow for the correct functioning of the business.

During the fiscal year, we conducted a survey to obtain feedback from our customers on their willingness to purchase industrial gases that offset or avoid their emissions during production and distribution. These products are now available to our customers in some markets.

As in the previous years, Nippon Gases has calculated the carbon footprint of its products and these figures have been verified by a third party (SGS).

The carbon footprint calculation indicates the amount of CO_2eq emitted during a product life cycle according to ISO14067.

The units reported for the different gases and services are:

- Liquid supply in mass metric tonnes
- Pipeline and tube trailers supply mode in metric tonnes
- Package gases in cylinders in 50 liters volume @ 200 bar
- Liquid CO_2 in cylinders in 50 litres volume @ 37.5 KG
- Nitrous oxide (N20) per delivery in cylinders per KG
- Transport distance round trip in km
- Dry Ice per delivery tonnes
- Patient home care services per patient

We have also engaged with several customer sustainability Programmemes such as Supplier Leadership on Climate Transition, Supplier LOCT, and Philips' Supplier Sustainable Performance Programmeme.

Customers	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Customer complaints with product out of specification %	%	5.4%	5.5%	3.8%	5.49%
Average days of resolution of closed complains	Days	62	30	71	44
Percentage of complaints reports investigated and closed out within 90 days of the incident	%	63%	90%	73%	86%

Customer complaints management

At Nippon Gases, we use a European information system to report and manage quality issues – from customer complaints received or internal/supplier non-conformities detected in products, services or processes. A new audit management database has been designed and adapted to NG's requirements Common system for HSE&QM, a third-party tool INTELEX is used.

Any Nippon Gases employee who either receives a comment, complaint or claim from a customer by any means of communication, or discovers an internal or supplier non-conformity, reports and registers it in the European information system as a quality incident.

Incidents include what happened, when, where and who was involved, as well as the identification of the product, site, business area and application. It also includes an initial classification of the problem – communicated in advance to the organisation's stakeholders – for its appropriate management, together with an investigation into what could have caused the problem, and actions to be taken to resolve it and prevent its recurrence. All the quality incident reports are reviewed by the Quality Department for final approval.

The Quality Management Department periodically monitors how the incidents have been handled, the trend of the different types of reported problems and complaints, their seriousness and recurrence, in order to consider taking additional action.

At Nippon Gases, we view our supplier base as an extension of our business. We are committed to working with suppliers who share our commitment to responsible business.

Responsible sourcing is a key aspect of our business values and it is how we ensure the reliability and longevity of our operations. Our supplier base provides us with diverse catalogues of equipment and services that enable Nippon Gases to manufacture and distribute products efficiently and effectively. Our extensive and interconnected supply chain is critical to the success of our business and includes manufacturing companies, carriers, distributors, and service providers.

2.8.1 Supply chain procedures

The most significant positive impact on the environment is achieved when suppliers work to extend their commitment to responsible business practices, by integrating fair working conditions and sustainable practices throughout the supply chain; promoting greater corporate social responsibility. Our assessment of new suppliers is achieved through market reference checks and in some cases is, reinforced by these methods:

1. **Historical:** previous suppliers with a history of quality
2. **References:** from other NSHD areas
3. **Audit:** direct inspection
4. **Samples/proof of concept/pilot:** directly tested by the impacted businesses

Historically, there have been very few reassessments due to the extremely low number of critical non-conformities we have experienced.

Nippon Gases has a system in place to receive feedback through customer satisfaction surveys in each country of operation.

These surveys are managed by the quality and customer service departments in each country, using questionnaires to better target customer groups based on information needs regarding customer perceptions and market trends.

Supply chain management

Sustainable supply chain management means proactively engaging with suppliers to promote greater Corporate Social Responsibility (CSR) and cleaner technologies; we are committed to operating responsibly in line with our values.

Significant progress has been made in integrating our key productivity initiatives – linked to sustainable development projects – into our plants, business and systems. This, in turn, will further enhance our ability to run and manage our supply chain operation more effectively and increase its impact.

Supplier non-conformity management process

A non-conformance report means that a product or service did not meet one or more of Nippon Gases' requirements. These requirements may be defined by our customers, a regulatory body, or as part of our internal procedures – in all cases, Nippon Gases employees report and ensure that all non-conformities are recorded in the European Incidents Database. This system records what happens when products and services are received at one of our sites or at a customer's site.

As we continue to improve the use of our new incident reporting tool, we have made a step change in our internal processes to include new incidents in addition to product or service specific defects, such as administrative and supply chain-related issues, enabling our team to improve other areas of the business to better manage our end-to-end process.

As part of the incident management system, non-conformities related to supplier issues are co-managed by the procurement departments to improve the behaviour and control of the products and services they receive from them. Supplier non-conformities are also divided into three different categories:

1. Internal: if they occur 'inside the fence' before the product leaves the factory or as the product/service is received

2. External: meaning they are found at the customer's site

3. Safety-related non-conformities, which are segregated and closely tracked

Nippon Gases has a system in place in each country to receive feedback through customer satisfaction surveys. These surveys are managed by dedicated teams in the quality and marketing departments in each country, using questionnaires for a target group of customers depending on the information needs regarding customer perceptions and market trends.

2.8.2 Responsible supply chain

We set high standards for our own operations and expect the same from our suppliers. We choose to work with suppliers who provide a safe workplace and comply with all local regulations, who share our commitment to the responsible use and the protection of the natural environment through conservation and sustainable practices, who protect and promote human rights, and who work with us to continually achieve remarkable mutual results.

The framework for supply chain activities is defined in the Nippon Gases Procurement Policy.

Throughout Europe, we use common selection criteria based on supplier requirements and our commitment to environmental protection.

This commitment not only improves our own environmental impact, but our overall vision also encourages us to focus on our key stakeholders – those who strive to create an environment in which we both encourage and support long-term responsible solutions in the marketplace by adding value to our business partnerships, as shown below:

Supply chain innovation
More sustainable products
Reduced risk of legal non-compliance
Attract more environmentally conscious customers
Increased productivity and efficiency
Incorporate ESG (Environmental, Social and Governance) criteria into procurement processes

The third party tool Zycus Supplier Network allows to manage our supply chain, including the ESG behaviour of our suppliers.

2.8.3 Supply chain innovation

Nippon Gases continues to provide economic and innovative solutions in four key areas – waste, water, energy, and fuel reduction – while promoting the development and use of low-carbon technologies wherever possible.

We are constantly striving to improve our processes, reduce the energy cost (KWh) of our plants and work with partners who help us reduce the cost of our air separation plants by investing in the design of highly efficient components and equipment, such as compressors, turbines, and intercoolers (to name but a few).

We are also looking at distribution software providers that can help us reduce fuel consumption by continuously lowering our tonne/km costs through the use of state-of-the-art demand forecasting and routing algorithms.

We select energy suppliers to achieve the best balance of renewable energy sourcing, helping us to meet the 'European Green Deal 2030' and 'complete carbon neutrality by 2050' commitments.

We conduct supplier audits to review their performance as we continue to expand the scope of key suppliers. Nippon Gases is implementing a new supplier portal to better understand the status of key initiatives, help us to gain deeper insights into the status of each initiative, and open effective lines of communication with the people responsible for implementing these initiatives in a bi-directional and effective way. This improves our performance in all key functional areas of the supply chain, including those related to ESG (Environmental, Social and Governance). These recurring assessments confirm the correction of the non-conformities, thereby improving overall supplier performance.

Chapter 3

On track for carbon neutrality

Achieving carbon neutrality by 2050 is indeed a shared challenge that requires urgent action across all sectors of society. Companies in the industrial gases sector are uniquely positioned to make a significant contribution to this goal. At Nippon Gases, we recognise our role and remain committed to innovation and sustainable practices. However, our dedication to sustainability goes beyond our operations aimed at minimising our own environmental impact.

We go beyond simply supplying essential gases to various industries; we lead the development of cutting-edge technologies through collaborative efforts with our stakeholders in our pursuit of a more sustainable future. At Nippon Gases, we actively enable the future. This commitment is evident both in our internal operations and in the support we provide to our customers as we work together towards a carbon neutral world.

Joaquín de Diego

Oxy-combustion

How would you describe the growth of the sector in the last 10 years?

Over the past 10 years, the oxy-combustion market has undergone significant changes, mirroring the broader societal shifts. Society, including our customers and our company, has increasingly focused on combating climate change by implementing new technologies to reduce GHG emissions. Achieving a carbon neutral world is a journey, and we believe that introducing oxy-combustion technology is a crucial step in the transition from fossil fuels to renewable energy sources.

Hard-to-abate markets such as steel, glass, cement, and non-ferrous metals have drastically reduced CO_2 emissions over the last decade, with oxy-combustion technology playing a significant role in assisting these markets.

One example is the glass industry, where the implementation of hybrid furnaces (utilising up to 80% electrical energy and 20% oxy-combustion energy) is pivotal in upgrading old furnaces to state-of-the-art ones.

A similar trend is observed in the steel market, where manufacturers are adopting new EAF (Electric Air Furnaces) supported by oxy-combustion technology and exploring the conversion of old BF (Blast Furnace) concepts to OBF (Oxy Blast Furnace). This is being studied under the COURSE50 project (https://www.greins.jp/course50/en/), where NSHD is supporting the development of the Oxy High Temperature Gas Generator, which utilises oxy-combustion technology to significantly reduce the need for fossil fuels.

The aluminium market is also actively implementing oxy-combustion technology to reduce the CO_2 emissions by up to 50%, both in TRFs (Tilting Rotary Furnaces) and reverb furnaces.

What are the main challenges of growth?

One of the most important challenges to overcome in order to facilitate growth is the current volatile and unstable nature of energy prices. This makes it increasingly difficult to ascertain customers' final thoughts when making strategic decisions to incorporate new technology to their production processes.

Do you think that our clients are worried about how we manufactured (green electricity) our gases?

In my experience, our customers are primarily focused on their immediate efforts to reduce their direct CO_2 emissions (Scope 1) and on making the necessary technological changes to further reduce emissions in the near future.

They are also working to reduce their Scope 2 emissions. They are aware that Nippon Gases is committed to incorporating an increasing amount of green electricity into its energy mix and installing photovoltaic panels in its facilities. Whilst they communicate their future needs to us, they are confident in Nippon Gases' ability to provide the right solutions.

Interview | Joaquín de Diego

What is the impact of natural gas prices on new opportunities?

As previously mentioned, the volatility and instability of natural gas prices can significantly impact our customers' decision-making processes. Sudden fluctuations in natural gas prices can sometimes delay decision-making for our customers, even when they are committed to the necessary efforts to reduce CO_2 emissions.

What are the challenges of hydrogen/ammonia combustion?

Over the past 4 years, Nippon Gases has been preparing to support both current and future customers in utilising hydrogen or ammonia as potential future fuels in the journey towards decarbonisation. We have developed and tested our hydrogen/ammonia oxy-combustion technology in both laboratory settings and industrial beta tests. In collaboration with several European and Japanese research centres, and with European and Japanese combustion customers from the aluminium, steel and glass markets, Nippon Gases conducted industrial trials. These trials demonstrated the capability of our oxy-combustion technology to reliably use both new fuels. The remaining challenge after these industrial trials is the availability of hydrogen or ammonia in sufficient quantities and at a feasible price.

Can we provide a one-stop solution?

Absolutely! Nippon Gases possesses the knowledge, available technology, and necessary collaborations with OEMs and engineering companies to adequately address our customers' needs. One-stop solutions require the cooperation of companies with diverse capabilities, specialities and market presence. Nippon Gases has established such collaborations throughout the industry and implemented state-of-the-art technology in close partnership with various market players. For example, we have implemented one of the first oxy-hydrogen combustion ladle preheating stations at an ArcelorMittal site in Spain and an oxy-ammonia combustion system at an AGC glass plant in Japan.

Nippon Gases is fully aware that global warming and climate change are among the major challenges facing our society. In 2023, the EU adopted a set of Commission proposals to make the EU's climate, energy, transport and taxation policies fit to reduce net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. This will enable the EU to become the first climate-neutral continent by 2050. As the European branch, we are fully aligned with these targets.

Our interactions with the Earth's climate are focused on:

- Reducing the direct and indirect Greenhouse Gas (GHG) emissions of the products and services we supply
- Contributing to the avoidance of our customers' the GHG emissions through our proprietary technology and products

During the Fiscal Year the European Environmental Agency published the European Climate Risk Assessment (https://www.eea.europa.eu/publications/european-climate-risk-assessment), it shows that sensitivity of different sectors in Europe to climate hazard (heatwaves, cold waves, droughts, wildfires, river/coastal floods and windstorm). Chemical industry (NGE) is ranked low for most of the factors, except floods or windstorm that are medium. Up to date NGE has not implemented change of operation or business model to adapt to climate change.

3.1.1 Greenhouse Gas emissions

For years, we have been implementing initiatives that focus on the three main areas that affect our GHG emissions: energy consumption at our production plants, emissions from our transport fleet, and GHG emissions associated with the use of our products.

We follow the Scope 1 and Scope 2 categories, and Scope 3 of the GHG Protocol Corporate Value Chain Accounting and Reporting Standard for the calculating and reporting emissions.

- Scope 1 refers to the direct emissions generated by our facilities and equipment, mostly by burning fuels such as natural gas, and diesel for our transportation.
- Scope 2 emissions are the indirect emissions caused by the consumption of third-party energy, such as electricity and steam.
- Scope 3 includes all indirect emissions (not included in Scope 2) that occur in the reporting company's value chain, including both upstream and downstream emissions.

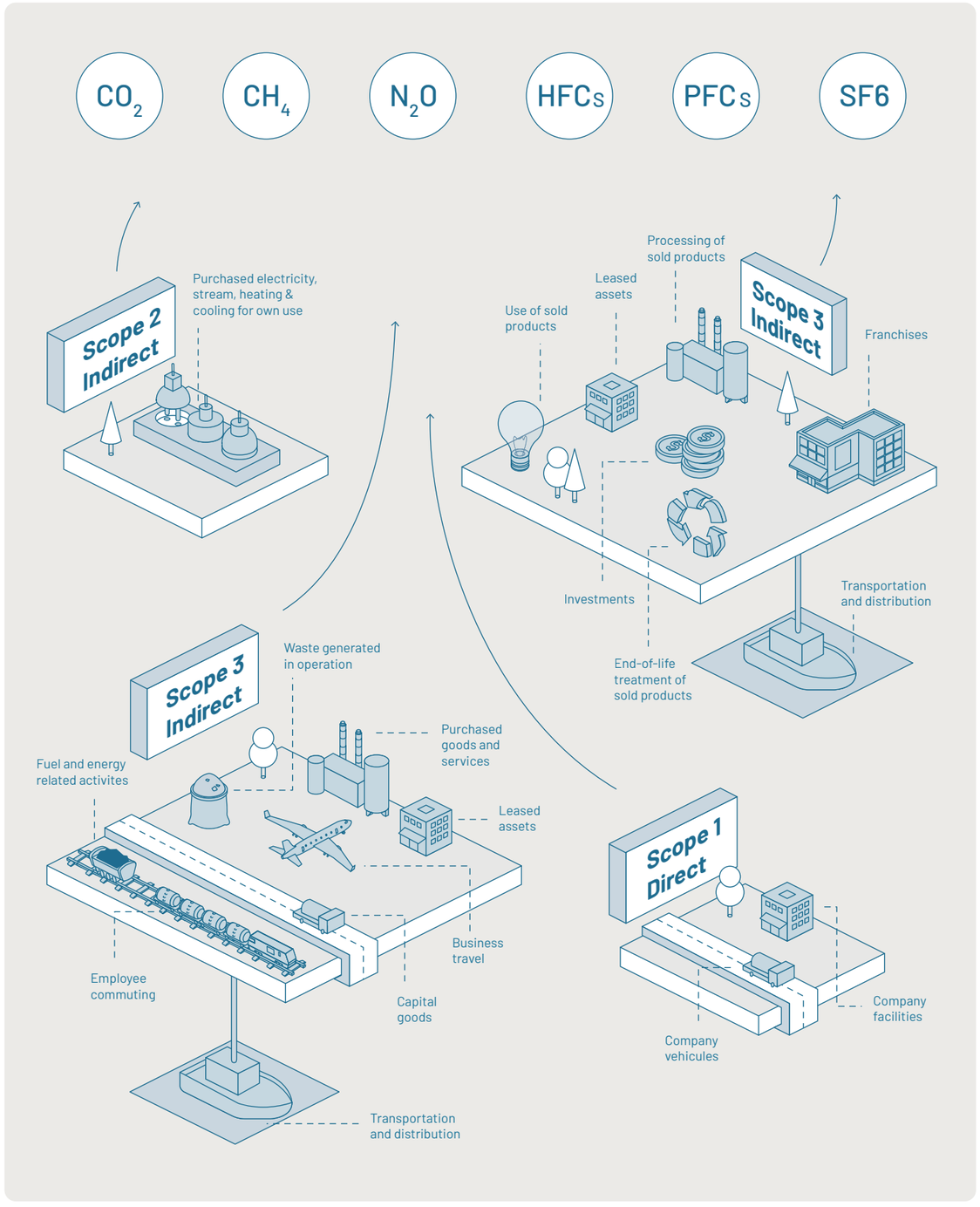
During FYE 2024, Scope 2 increased due to supplier emission factors as the high price of natural gas has increased the use of coal for power generation. In addition, some regions reduced the redemption of GOs as the cost was higher than the previous year.

Indirect emissions from electricity consumption are calculated on a 'market-based' basis, which means that the specific emission factor of each power supplier and GO redemption are taken into account. Consequently, if a supplier does not provide its emission factor, the country's residual mix is used as a default.

Nippon Gases accounts for 100% of the GHG emissions over which it has financial control. It does not account for GHG emissions from operations in which it holds equity but does not have financial control over. This criterion is applied to the entire NSHD organisation, from the baseline year to the current data.

Greenhouse Gas (GHG) Emissions	Unit	FYE2019	FYE2022	FYE2023	FYE2024
GHG Scope 1	Thousands of tonnes CO_2e	63.80	84.60	63.47	52.99
GHG Emissions Scope 2	Thousands of tonnes CO_2e	1,360.38	810.17	854.14	941.44
GHG Emissions Scope 1 + Scope 2	Thousands of tonnes CO_2e	1,424.18	894.77	917.61	994.43
GHG Emissions Scope 3 – Total	Thousands of tonnes CO_2e	1,424.18	1,505.06	1,318.89	1,651.61

	FYE2021	FYE2022	FYE2023	FYE2024
% Absolute Reduction FYE2019 baseline	22.4%	37.2%	35.6%	30.2%



GHG Emissions Scope 3	Thousands of tonnes CO_2e
Total	1,651.610
Category 1. Purchased goods and services	265.42
Category 2. Capital goods	81.24
Category 3. Fuel and energy activities not included in Scope 1 and 2	45.80
Category 4. Upstream transportation and distribution (Including transportation services whose cost is borne by the Company)	NA
Category 5. Fuel and energy activities not included in Scope 1 and 2	0.05
Category 6. Business travel	NA
Category 7. Employee commuting	NA
Category 8. Upstream leased assets	NA
Category 9. Downstream transportation and distribution	57.65
Category 10. Processing of sold products	NA
Category 11. Use of sold products	1,259.113
Category 12. End-of-life treatment of sold products	NA
Category 13. Downstream leased assets	39.12
Category 14. Franchises	NA
Category 15. Investments	NA

Natural gas-burning emissions

The main contributor to direct emissions from our facilities is the emissions resulting from burning natural gas as a heat source in our HYCO and ASU facilities. Energy saving initiatives have reduced these emissions in the recent years, and we expect the availability of biomethane to significantly reduce these emissions in a few years' time.

Emissions related to electrical consumption

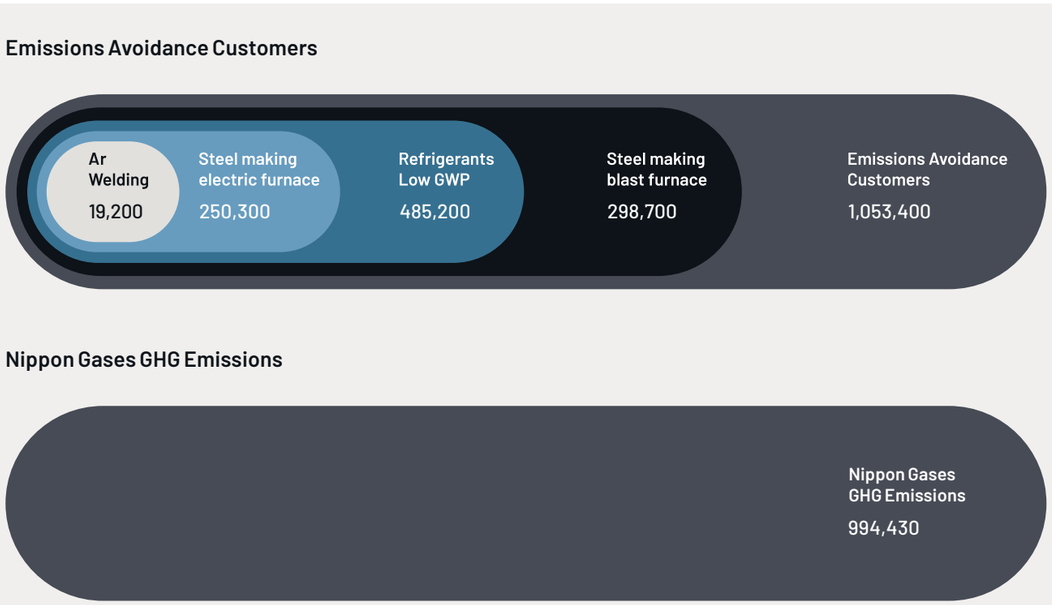
Electrical systems are the most effective sector on the path to decarbonisation, securing power purchase agreements from renewable generators and redeeming Guarantees of Origin is the best way to reduce emissions. In addition, during the financial year we have launched several self-generation projects; all of which use rooftop photovoltaic solar panels to further reduce emissions.

Emissions related to transport

Trucks and ships are mostly equipped with engines that burn fossil fuels. Current technology does not allow these fuels to be replaced, but we have started to use low-carbon fuels such as liquefied/compressed natural gas and biodiesel.

3.1.2 Carbon neutrality

Helping customers to reduce GHG emissions through our solutions and technologies is central to our overall strategy to achieve carbon neutrality. Nippon Gases' commitment to the reduction of GHG emissions does not stop at the gate of our plants – the goal is to achieve, and exceed, customer avoided emissions when compared with the company emissions according to Scopes 1 and 2. Following the NSHD guidelines, the calculation of avoided emissions is limited to steel manufacturing, welding, and new refrigerants. The reason for excluding other applications is the wide range of specific savings from one customer to another.



Greening combustion processes

There is no doubt that the single largest contributor to CO_2 emissions is the combustion of fossil fuels. Our technology provides our customers with a more efficient solution, reducing fossil fuel consumption and enabling the use of alternative, fossil-free fuels. Each customer is unique, and we provide solutions that start with a simulation process and end with a bespoke solution that combines specially designed burners, gas control skids and the tracking of key parameters that enable customised reporting according to customer requirements.

Digitalisation

The use of either the MiruGas® or SansoScan® platforms helps to optimise combustion processes. This reduces carbon emissions, helping our customers to meet their environmental requirements while keeping their production costs competitive.

Hydrogen in combustion

By developing specially designed burners that can be mixed with fossil fuels, we can dramatically reduce CO_2 emissions. In the case of green hydrogen, our burners provide a flexible alternative that ensures optimum combustion conditions according to the available renewable energy fluctuations.

Circular economy: Transforming wastes in valuable products

Through our highly specialised wastewater treatment team, we help reduce CO_2 emissions by replacing mineral acid with CO_2 recovered from waste streams. Highly efficient oxygen dissolving technology reduces the amount of electrical energy required when compared to traditional oxygenation methods, such as aerators, in biological water treatment plants. This technology also provides greater flexibility and efficiency, allowing for seasonal peaks in highly contaminated water.

Thanks to our solutions, millions of cubic metres of wastewater have been treated and either returned to water sources or recycled, always in compliance with environmental standards. With this in mind, the valorisation process continues: sludge from wastewater treatment plants, organic waste from the food industry and landfill waste are converted through an AD process into biogas which, after an upgrading process, produces both biomethane and 'BioCO_2'.

Biomethane can be used to replace fossil fuels in mobility applications either as BioLNG or BioCNG, can be injected into the grid, or used as a source of green/low-carbon hydrogen using an onsite generator. Our specialist teams provide the most appropriate biogas upgrading technology and offer our customers the best biomethane valorisation solution.

The use of waste streams from fertilisers and hydrogen plants to produce CO_2 is also a clear example of the circular economy. Using a cryogenic process, the CO_2 is captured and purified to be used in multiple applications. In Dormagen, the CO_2 waste stream from a fertiliser plant is chemically converted to CO and supplied to an adjacent chemical complex for the manufacture of new products.

New refrigerants

Refrigerant gases continues to be a shifting landscape as environmental regulations evolve, and Nippon Gases has introduced a range of new products and initiatives in this area, including:

- The introduction of new low-GWP (Global Warming Potential) refrigerants has reduced the environmental impact of greenhouse-effect gases
- The contribution of alternative refrigerants for low temperature applications, such as R448A, R449A and R452A, which replace high GWP gases such as R404A and R507

Onsite Plants

Onsite customer units allow us to reduce product transportation and therefore truck emissions. As intensive users of energy in our production plants, efficiency has a direct impact on GHG emissions. Our efforts are based on productivity Programmemes that help to reduce waste, improve plant performance, optimise energy consumption and minimise product losses during the various stages of production and unscheduled plant shutdowns. We have a robust Programmeme to drive productivity initiatives, which forms part of our business plan and has an established quarterly review and follow-up process.

As previously mentioned, product transportation is a major contributor to GHG emissions. To mitigate this, we have specific Programmemes in place to optimise transport by matching our transport to customer patterns and avoiding unnecessary km driven, thereby reducing fuel consumption per unit of product delivered.

For us, a harmonious relationship between people, society and the planet best describes our working culture — it's how we strive to work today, and every day.

Internal framework

In its European Health, Safety and Environmental Standards Library, Nippon Gases devotes an entire section to its policies in this vital area, including: environmental management responsibilities, the environmental management system, environmental key performance indicators (KPIs), as well as the incorporation of new regulations and basic training for our employees. This is the basic framework for Nippon Gases' environmental activities.

All our environmental and energy-conscious efforts increase eco-efficiency – preventing pollution and reducing waste are a basic requirements for every job and workplace.

All our environmental and energy-conscious efforts aim to increase eco-efficiency, which entails the basic requirement for every job and workplace to prevent pollution and reduce waste.

To achieve this, Nippon Gases' Environmental Guiding Principles require management at all levels lead Nippon Gases along an ethical path that increasingly benefits society, the economy and the environment, while adhering to the following principles:

- Run our businesses in an ethical manner that increasingly benefits society, the economy, and the environment.
- Design and develop products that can be manufactured, transported, used, and disposed of or recycled safely.
- Work with customers, haulers, suppliers, distributors and contractors to promote the safe and secure use, transport and disposal of chemicals, and to provide hazard and risk information that can be accessed and applied to their operations and products.
- Design and operate our facilities in a safe, reliable and environmentally sound manner.
- Promote pollution prevention, waste minimisation and conservation of energy and other critical resources at every stage of our products' life-cycle.

A world of risks and opportunities

At Nippon Gases, we promote measures that reduce the impact on the global environment and prevent pollution, while complying with local regulations. Due to the nature of our production, we actively monitor and minimise all environmental risks. We also comply with all legal requirements and internal standards to mitigate environmental risks are followed. Our main opportunities are in the reduction of energy, water and waste consumption, as well as improvements in transport optimisation, where Nippon Gases also participates in and sponsors many initiatives to promote low-carbon activities.

Environmental Management System (EMS)

Nippon Gases has established an Environmental Management System (EMS) to continuously improve its environmental performance and to meet regulatory requirements while minimising its environmental impact. This includes:

- Nippon Gases' Environmental Policy
- The European Health, Safety, and Environment (HSE) Management System, applicable to all operations and based on ISO 14001
- Implementation of ISO 14001 at major sites - currently 74% implemented
- Employee training based on job function
- Risk assessment procedures for both processes and products
- Compliance with regulatory requirements
- HSE assessments carried out by our HSE assessment team
- Environmental performance review at a national and European level
- Internal reporting and review on a monthly basis
- External reporting of environmental performance through our Sustainability Report.

Environmental compliance

In each region there is a Health, Safety, and Environment (HSE) organisation in which a dedicated environmental specialist deals with all specific environmental issues. In addition to this, our country Environmental Managers, the European HSE and our Sustainability Director meet once a quarter at the European Environmental Managers Meeting, which enables the development of Nippon Gases' Environmental Management System (EMS) to be coordinated at the highest level.

Environmental compliance is monitored at country level, with the local HSE organisation carrying out HSE assessments to verify compliance with permits.

Nippon Gases' employees are actively involved in the different working groups and councils of the European Industrial Gases Association (EIGA), which monitors compliance with regulations. In the countries where a national gas association exists, Nippon Gases is also actively involved.

In FYE2024, there were no significant fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations.

Environmental audits are conducted on facilities that may have a significant impact on the environment, and compliance of the audited facilities with internal standards and regulatory requirements is verified.

No serious non-compliance was found. Sites such as small warehouses or logistics centres are not included in the environmental assessment programme.

In addition to these European assessments, the local HSE organisations carry out additional environmental audits, in addition to regular audits by the external ISO 14001 certification body.

	FYE2022	FYE2023	FYE2024
HSE Assesments	14	16	16

What is Nippon Gases' environmental impact?

There are several areas where the company's current activities could have an impact on the environment. The air separation and cylinder filling processes are both environmentally friendly; the main raw material is ambient air, and Scope 1 emissions are low.

Waste generation is also minimal and the water within the ASU is used only for cooling purposes, with no external contaminants introduced into the water stream, and is mainly recirculated in a semi-closed loop.

The most significant emissions are related to the use of electrical energy in our plants and fuel for the distribution of our products by truck. Nippon Gases' focus is on continuous improvement of its existing facilities, with new facilities always being designed using the best available techniques (BAT) to minimise emissions.

Biodiversity

The World Economic Forum (WEF) has ranked biodiversity loss and ecosystem collapse as one of the top five threats humanity facing humanity over the next decade.

Biodiversity is the variety of life on Earth and the systems that support it, including the type of species, ecosystems, and genetic diversity within species. Biodiversity is essential for maintaining the health and resilience of natural systems and provides resources on which businesses depend. It is critical to human well-being by providing essential services such as pollination, pest control, and water purification.

More than 90% of biodiversity loss is caused by five drivers: land and habitat degradation, (over) exploitation of resources, climate change, pollution, and invasive species. Our production sites are located in industrial areas, so the impact of our operations on biodiversity is compounded by our small contribution to the climate change and pollution.

We assess the environmental impact of all major capital projects to preserve the ecological health of the site or region. The most significant projects under development are related to CO_2 recovery from biogenic sources, which will enable the replacement of fossil fuel-based volumes.

The Task Force on Nature-related Financial Disclosures (TNFD) published the final version of the "TNFD Framework" in September 2023.

The industry is moving towards achieving carbon neutrality and nature positivity as a pair. NSHD will also promote nature positive management activities. Examples of initiatives will be published on the Keidanren Declaration of Biodiversity Initiative website. In addition, NSHD participated in the Keidanren Declaration of Biodiversity Initiative in January 2024. Nippon Gases will coordinate its activities through NSHD.

At Nippon Gases, energy is a key resource in the manufacture of our products and therefore at the centre of our initiatives to optimise its use as we strive to combat climate change by helping to mitigate global warming.

Our efforts to contribute to the prevention of global warming include optimising energy and water consumption at our production facilities, reducing the transportation of our products, and selecting energy suppliers that promote renewable energy sources, thereby moving us towards a carbon neutral industry.

In this section we will describe the main processes by which we manufacture our products, how they are delivered to the end customer, and our various initiatives to optimise energy management in these activities:

- Overview of energy consumption
- Air separation process to produce the air gases
- HyCO units. Production of H2 (hydrogen) and CO (carbon monoxide)
- CO_2 liquefaction and purification process
- CO_2 shipping. A unique Nippon Gases mode of transport
- Productivity through cost reduction projects. Describing how Nippon Gases keeps its facilities operating at optimum levels
- Optimising the transport of liquid products. Transport is the second-largest source of GHG emissions
- Energy management strategy

Energy consumption overview

Energy Usage				
Unit	FYE2019	FYE2022	FYE2023	FYE2024
GWh	2,794.99	2,795.31	2,594.42	2,555.60
GJ	1,173.51	1,352.32	945.47	921.73

The production of Nippon Gases' core products, the air gases (oxygen, nitrogen and argon) as they are known, the production of hydrogen and CO (carbon monoxide) and the liquefaction and purification of CO_2, is mainly based on electricity.

CO_2 emissions attributable to the use of electricity for these purposes account for 89% of Nippon Gases total CO_2 emissions.

Total electrical energy consumed by Nippon Gases in all European companies in FYE2024: 2555 GWh.

Air separation process

Air Separation Units (ASUs) produce oxygen, nitrogen and argon by separating atmospheric air into its constituent gases.

Air is first compressed, and then cooled almost to the point where the gas liquefies, after which it is ready to enter the distillation column. Here it is separated into its main components by a thermal distillation process, the basic components are nitrogen, oxygen and argon.

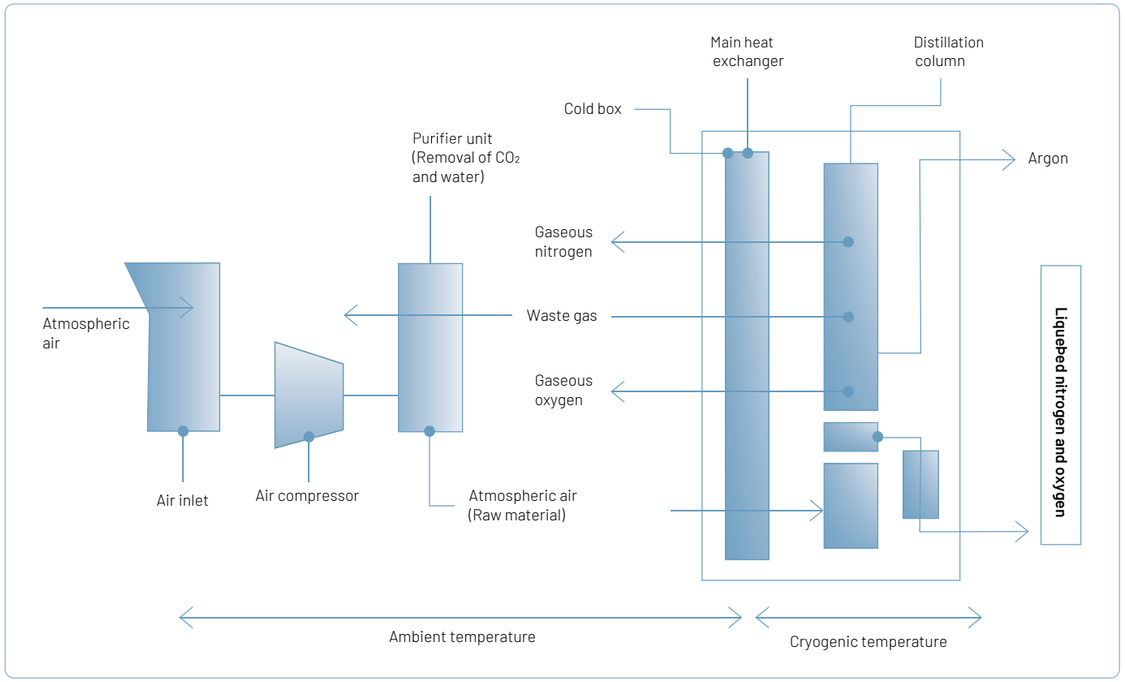
The products of the ASU are mostly in their gaseous phase. These products could be compressed and distributed by a pipeline system to our network of customers, which is the most energy efficient method of delivery. 72% of our ASU molecules are supplied by pipeline to our end customers, therefore avoiding the additional processes of liquefaction and transportation.

Alternatively, these gas products can use a liquefier system, with a pure nitrogen primary circuit that provides the required refrigeration to the air gases, which are then stored at cryogenic temperatures in their liquid state. These cryogenic liquid products are transported by our insulated trailers to our end customers. This secondary process involves additional energy consumption due to the fuels used in transportation.

One alternative to optimise the supply to our end customers is investing in a dedicated on-site unit that matches the capacity and quality required by the customer's process. Most of these units run unmanned, remotely controlled from a Remote Operation Centre (ROC). This saves energy that would otherwise be used for transport.

For smaller applications or where the quality of the product requires a very unique specification, the product can be delivered to the customer in cylinders of compressed gas.

All of the above processes can be optimised and we are therefore taking steps to reduce the energy consumed at our production facilities, by continuously analysing the efficiency of the processes and promoting energy-saving measures, as well as striving to increase the efficiency of product transport.



In FYE 2024 the energy consumption per unit produced by our air separation units has increased compared to last year, as the low demand for basic material has impacted the capacity rate of our clients. The operation of the air separation units at partial load does not improve efficiency.

Energy Usage	Unit	FYE2019	FYE2022	FYE2023	FYE2024
ASU energy efficiency per Ton O_2 equivalent produced (Base year FYE2019)	%	100%	101.0%	100.7%	104.20%
CO_2 liquefaction energy efficiency per Ton of Liquid CO_2 (base year FYE2019)	%	100%	101.0%	105.9%	102%

HyCO units: Production of H_2 (hydrogen) and CO (carbon monoxide)

There are several technologies that can be used to produce hydrogen, and current market demand is focusing on those with a lower carbon footprint impact.

The most widely used process today is via the SMR (steam methane reformer), which produces H_2 and CO. The main raw material is natural gas, with electricity and water used to a much lesser extent. Natural gas, composed mainly of methane (CH_4), reacts with steam inside a furnace with catalyst-filled tubes.

A synthesis gas (syngas) composed mainly of hydrogen and carbon monoxide is produced. A second reaction step produces the syngas, composed mainly of hydrogen and carbon dioxide.

Hydrogen production by electrolysis is based on the dissociation of water molecules (H_2O) using electricity to extract hydrogen and oxygen molecules. If the electricity used for the electrolysis is from a renewable origin, the H_2 produced is considered to be carbon-free. Another way of producing H_2 is to purify a by-product from other industries, such as chlorine production. In this case, the energy resources are low and so is its carbon footprint. In all the above modes, the hydrogen is purified and pressurised in gaseous form and delivered to the end customer, most often in tube trailers.

CO_2 liquefaction and purification process

The atmospheric gases - oxygen, nitrogen and argon - are present in the air we breathe. The source is unlimited and is available wherever we need to capture and use it. In comparison, the sources of the 'process gases' such as carbon dioxide (CO_2) are limited to the location and availability of the sources.

The main source for the CO_2 that we process and sell is a by-product of another industry. In Europe, the largest source is agricultural fertiliser production (ammonia producers), followed by bioethanol production and the SMR process.

CO_2 plants take a raw gas stream from the source plant, which is then compressed, purified and liquefied before it can be delivered to our customers. As a practical consequence, the required CO_2 purification and liquefaction facilities are located close to the raw gas source and the distribution network plays an important role in delivering to customers.

In FYE2024, the consumption of energy per produced unit by our CO_2 facilities improved significantly versus the previous year. The drop of natural gas price versus FYE2023, allowed the ammonia plants to operate at higher load and consequently NGE was able to improve the efficiency of the CO_2 recovery plants.

The actual molecules of CO_2 that are marketed do not constitute any additional 'carbon footprint value' and, in our report, are considered in the Scope 3 boundary. Under the terms of the European Union Emissions Trading Scheme (EU ETS), carbon dioxide is always counted as part of the emissions from the source plant – for example, the fertilisers production plants.

CO_2 shipping

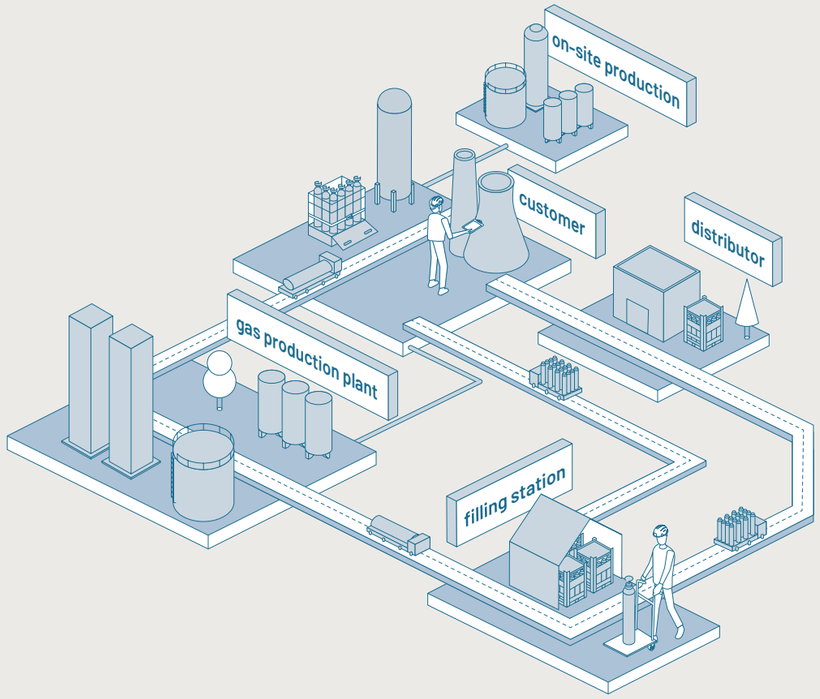
As the CO_2 source plants are remote in relation to some markets, it is necessary to transport relatively large quantities of liquid CO_2 to those markets to balance production capacity with market demand. Nippon Gases owns and operates a fleet of three CO_2 tankers. Each ship can deliver a cargo of between 1,200 and 1,800 tonnes of liquid CO_2 per trip. This unique mode of distribution ensures a more reliable supply of CO_2 to our customers.

Transport of liquid products optimisation

When it comes to the transport of air gases molecules produced at our main air separation facilities, 69% are distributed by pipeline, while the remaining 31% are distributed in liquid form to end customers.

The transport of these liquid products, plus the additional liquid CO_2, is performed daily by trucks which drive approximately 54 million km/year.

Km driven in Europe for all products	FYE2021	FYE2022	FYE2023	FYE2024
Europe	86.6	89.7	84.7	84.3
% Bulk Km	60%	62%	63%	64%
% Pag Km	27%	27%	27%	28%
% HomeCare Km	12%	11%	10%	8%
Km/Tonne Liq vs FYE2019	101.0%	99.7%	104.3%	106.6%
Km/Tonne Liq vs FYE2019 Excl CO_2	100.7%	97.8%	97.0%	99.9%
Km/Cyl vs FYE2019	103.0%	98.9%	95.7%	101.1%



These deliveries are made based on customer orders, and also using forecasts of customer demands based on telemetry installed at customer tanks. Proper analysis of customer consumption forecasts provides a dual optimisation opportunity, to both maximise the delivered volumes and minimise the mileage.The average mileage per tonne of bulk product delivered was at 85% of the base year (FYE2019) basically it means a reduction of 15% of the transport emissions for bulk products.

Productivity: Cost reduction projects

Nippon Gases is continuing to focus its Cost Reduction Programmeme on reducing the consumption of natural resources, such as fuel, water and energy, particularly in air separation units, by replacing ASU components with new high-efficiency upgrades and optimising the end-to-end process control of the units to better meet market demands. As part of our productivity Programmeme, we have established a Cost Reduction Group in our European operations. The Cost Reduction Group promotes optimisation in bulk production by identifying processes for improvement, defining the solution, and facilitating the implementation of projects that result in a more efficient use of our natural resources.

In FYE2024 we developed 136 cost reduction projects with a CAPEX of almost €4.42million, representing a reduction of 9,970 tonnes of CO_2eq.

We have also focused on our packaged business by working in areas such as:

- Improving our processes through automation where machines, equipment and people have a strong interaction, such as sorting, inspecting and picking products together with their plant movement. New layouts already designed.
- Moving from a push to a pull system through better plant scheduling solutions.
- Optimising our distribution process through better inventory management.

Energy management strategy

Energy management is carried out at country level, based on specific national regulations and existing market conditions, with the aim of matching energy supply contracts to our customers' consumption profiles, while optimising the efficiency of our manufacturing processes.

Energy suppliers offer the option to purchase a Guarantee of Origin (GO) certificate, which allows our plants to produce gases by using certified renewable energy. Nippon Gases has embarked on a strategy to increase its use of renewable energy through these GO certificates as well as dedicated renewable energy contracts, also knowns as PPA's (Power Purchase Agreements), allowing the end-user (customer) to benefit from a 'green' origin product. The total electrical energy consumed by ASUs in FYE 2024- 2351.6 GWh – is the result of the energy supplier mix portfolio, with an improved share of renewable energy due to the acquisition of GO certificates. The current share of renewable energy is: 20% renewable energy, a significant drop versus previous year. The reason is due to the impact of the year 2022 natural crisis. In some countries emission factors reported by energy supplier show more than 12 months lag. The average emission of Nippon Gases was 363 gr CO_2/kWh, quite below the level of 531gr CO_2/kWh of European Attribute Mix (European Residual Mixes 2022 Association of Issuing Bodies).

Today, 25 sites are certified, mainly in Germany, Norway, Sweden and Spain. The strategy is to increase this number, although in some countries there are specific requirements (external energy audits) that can delay the process.

Water is a key resource in the production of industrial gases, required for functions such as cooling equipment (e.g. gas compressors), amongst other tasks. The replenishment of water for this purpose accounts for the majority of our water consumption.

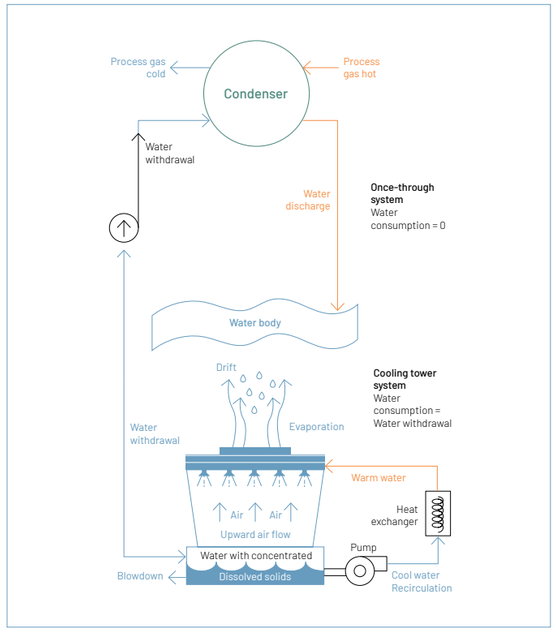
Currently, 100% of Nippon Gases' main consumer sites are covered by water management Programmemes that allow for the tracking and monitoring of water system parameters.

The most intensive users of water are the Air Separation Units (ASUs). In these units there are several types of cooling systems, and 78% have semi-open water recirculation systems – which require water to be withdrawn to replenish losses from evaporation and blowdown to the sewer.

A small percentage of ASUs have a once-through system where the water is pumped into our facility, cools the process, returns to the source at a higher temperature without consumption and without changing the chemistry or contamination of the water.

The once-through systems are available when the production facility is located in a large industrial area where water is a utility, or, as in some cases, when the plant is in areas with very high water availability.

In all cases, the once-through system is always considered to have zero environmental impact, as there is zero consumption and pollution.



As per Global Reporting Initiative GRI-303 - Water and Effluents	
Water Withdrawal	Sum of all water drawn from surface water, groundwater, seawater, or a third-party for any use over the course of the reporting period.
Water Consumption	Sum of all water that has been withdrawn and incorporated into products, used in the production of crops or generated as waste, has evaporated, transpired, or been consumed by humans or livestock, or is polluted to the point of being unusable by other users, and is therefore not released back to surface water, groundwater, seawater, or a third-party over the course of the reporting period.
Water Discharge	Sum of effluents, used water, and unused water released to surface water, groundwater, seawater, or a third-party, for which the organisation has no further use, over the course of the reporting period.

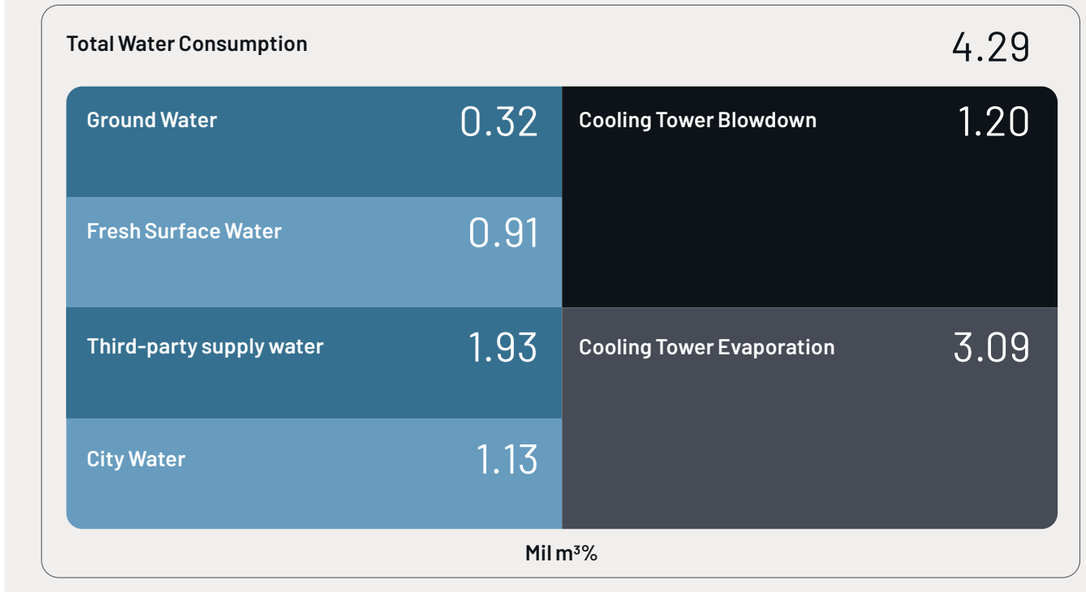
Due to the close relationship between water withdrawal, consumption, and discharge, Nippon Gases' reports on all three topics in accordance with GRI 303.

Water Usage	Unit	FYE2021	FYE2022	FYE2023	FYE2024
Total Water Withdrawn	Millions of m^3	27.89	27.60	25.14	25.69
Total Water Discharge	Millions of m^3	23.78	23.31	20.88	21.64
Total Water Consumption	Millions of m^3	4.10	4.29	4.26	4.05

In FYE2024, Nippon Gases' water consumption amounted to 4 million m^3 from various sources. 21% came from freshwater sources, such as rivers and lakes, 8% came from ground wells, 26% from municipal supply, and the remaining 45% from third-party supply; mainly industrial recycled water.

Water Usage	Unit	FYE2021	FYE2022	FYE2023	FYE2024
ASU	%	86%	86%	87%	87%
HyCO	%	1%	2%	1%	1%
CO_2	%	12%	12%	12%	12%

Around 87% of the Nippon Gases water consumption goes to the ASUs, which separate the components of atmospheric air (oxygen, nitrogen, argon).



Discharges into air and water

Due to the nature of our processes as an industrial gases business, discharges into the air and water are limited. ASUs use water for cooling purposes and the circuits are separated from the process. As a result, no process pollutants are introduced into the water circuits or discharge streams.

Recycled water consumption

Most of the water that enters the cooling circuit of our production facilities does so through a semi-open circuit, where it is recirculated and cooled to provide cooling for the equipment.

This circuit accounts for approximately 2% of the cooling water flow, while the remaining 98% is recycled within the system.

Water consumption is only related to the make-up of the cooling system flow. Of the water used, 72% evaporates into the atmosphere and the remaining 28% is discharged to the sewer.

Cooling system blowdown is necessary to maintain the desired levels of chemical concentrations in accordance with process limits.

Most of the blowdown from these semi-open water circuits (cooling towers) is returned to a controlled sewer, which will be treated at a later stage to allow the water to be reused.

Water Reduction Initiatives

During the fiscal year, several projects were implemented to reduce the water consumption in Belgium, including a new system to divide water flows with new sewer systems, rainwater collection and the recovery of condensation water from main air compressors.

Water management within the value chain

Nippon Gases optimises water consumption by closely monitoring the parameters of the cooling water circuit and adjusting the water treatment accordingly to minimise the discarding of water into the sewerage system, thereby optimising water usage. Our main objective is to minimise the use of an incredibly valuable resource, such as municipal, fresh, surface and ground water. The water cycle shows the ratio of water used in the cooling tower to water discharged. The higher the concentration of the cycle, the more efficient the use of the water. The consumption per m^3 per MWh consumed also indicates the optimisation ratio; the less, the better. The absolute water consumption in FYE2024 has decreased as the load range of the facility was lower than previous year, as consequence, the efficiency ratios (m^3/MWh) were improved. Another area of action is the reuse of water that is not intended for human consumption. The most common alternative is industrial recycled water, where the contaminant levels make it unsuitable for drinking, but mean it can be used for industrial cooling services.

Water KPI's include the following:

Water Usage	Unit	FYE2021	FYE2022	FYE2023	FYE2024
Total Water Consumption	Millions of m^3	4.1	4.29	4.26	4.053
Surface water e.g. river, lake	%	28%	21%	21%	21%
Ground water e.g. well	%	8%	7%	9%	8%
City water	%	26%	28%	27%	26%
Third party water supply	%	39%	48%	47%	44%
Evaporation	Millions of m^3	2.87	3.09	3.06	2.95
Cooling Tower Water Blowdown	Millions of m^3	1.23	1.2	1.2	1.1

As a result, total water consumption (the net between net withdrawal and discharge) across all locations has been reduced by 20,000 m^3 (-4%).

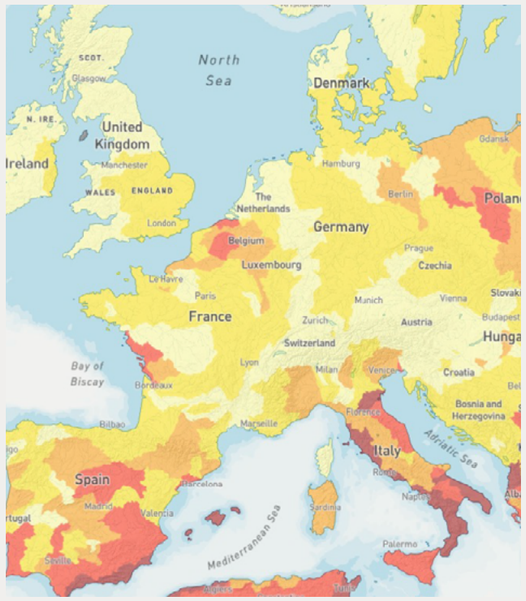
Very High Stress Locations Cosumption Mi m^3 water	FYE2021	FYE2022	FYE2023	FYE2024
Withdrawal	0.76	0.72	0.78	0.96
Discharge	0.34	0.29	0.36	0.35
Cycles	2.24	2.49	2.19	2.73

Focus on water stress locations

Nippon Gases has introduced a new, distinct efficiency analysis into its water management processes, specifically of the Very High Stress water locations as defined by the World Resource Institute (WRI) and its Aqueduct Atlas. This allows us to identify these sites based on their water stress parameter, which indicates the ratio of total water withdrawals to available renewable surface and groundwater supplies – with a focus on sites in Very High Stress water locations.

Last year, the Water Risk Atlas was updated by WRI. As a result, the sequential data on water consumption in areas with very high stress are not comparable.

Additionally, a new plant joined the group, with an annual water consumption of 0.21 HM^3. Consequentially, on the same basis, the water consumption has been reduced by 30,000 m^3.



Water intensity. Consumption vs sales
Base year FYE2020

Following the mid-term plan, here are the results for the Sustainable Development Goal (SDG) of reducing water intensity:

Water Usage	Unit	2021	2022	2023	2024
Total Water Consumption	Millions of m^3	4.1	4.29	4.26	4.05
Water consumption intensity (Water consumption vs business sales. Base year FYE2020)	%	96%	81%	68%	64%

3.5 Raw material usage

Last year most of the raw materials used by Nippon Gases in the production of nitrogen, oxygen, argon and carbon dioxide were considered renewable, especially air and water. Nippon Gases divides the waste stream into three substreams:

1. **Waste that is generated by our suppliers during the production of our main input materials**
2. **Waste that is generated in the manufacture of our products at our plants**
3. **Packaging waste from the delivery of our products to our customers.**

The main supplied materials used at our production facilities are electricity, ambient air or process gases like CO_2. The environmental aspect of the use of electrical energy is described in chapter 3.3, and the supply of raw gas CO_2 to our facilities does not generate any additional waste at our suppliers. The waste generated at our plants is mainly non-hazardous, such as metal, plastic, paper, wood and domestic waste.

Waste	Unit	FYE2022	FYE2023	FYE2024
Waste total	Tons	3,030	3,109	2,336
Waste total on landfill	Tons	120	88	61
Percentage Non-hazardous on landfill	%	3.40%	2.10%	2.38%

Last year, there was a decrease in the total amount of waste, due to several small waste reduction processes in the facilities. 30% of the waste is metal scrap, which is sold and recycled and will not be reported as waste in future reports. Hazardous waste includes some process materials, such as oils and residues from scrubbers in the Semiconductor Specialty Gases (SSG) filling plants and in this year the crapping of old acetylene cylinders.

A small percentage of the hazardous waste generated by Nippon Gases is landfilled (3.0%). The small decrease in either the total amount of hazardous waste or the amount of hazardous waste in landfill is related to some one-off effects.

Waste intensity. Waste total vs sales . Base year FYE2020

Following the Mid-term plan, here are our results for the SDG (Sustainable Development Goal) of reducing the waste intensity:

	Unit	FYE2022	FYE2023	FYE2024
Waste total	Tons	3,030	3,109	2,336
Waste intensity (Waste generation vs business sales. Base year FYE2020)	%	98%	85%	65%

Nippon Gases produces very little packaged waste. The main delivery modes of our products are:

A. Delivery by pipeline

B. Delivery as bulk liquid

C. Delivery as packaged gas in cylinders

Both pipeline deliveries and the delivery of liquid products to tanks installed by customers, do not generate any waste.

Nippon Gases uses steel and aluminium cylinders for the distribution of packaged gases and operates a 'closed-loop' business model for reusable and refillable gas cylinders. Each refillable gas cylinder is designed and intended to contain gas throughout its lifetime, and to be repeatedly refilled.

The refillable gas cylinder is a reusable industrial package with an economic life in excess of 25 years. Each time cylinders are returned for refilling, there are standard procedures to check that they are suitable for continued use. The cylinder only enters the waste stream if it fails the periodic inspection – at the end of its life the cylinder is fully recyclable.

With this sustainable business model concept, Nippon Gases is making a significant contribution to waste prevention.

Ozone-Depleting Substances (ODS) and Global Warming Potential (GWP) compounds

At Nippon Gases we use ODS as refrigerants in our cooling systems. In addition to this, Nippon Gases fills some of these products (purchased from third parties) for subsequent marketing. Emissions from these processes are also closely monitored, and which have decreased in FYE2024 due to changes in the production process. These substances also contribute to the greenhouse effect, and the amounts released to the atmosphere are reported in our GHG inventory according to their global warming potential (GWP).

NOx emissions

Natural gas is mainly used as a process gas in the HYCO plants and as a source of regeneration energy in our ASUs.

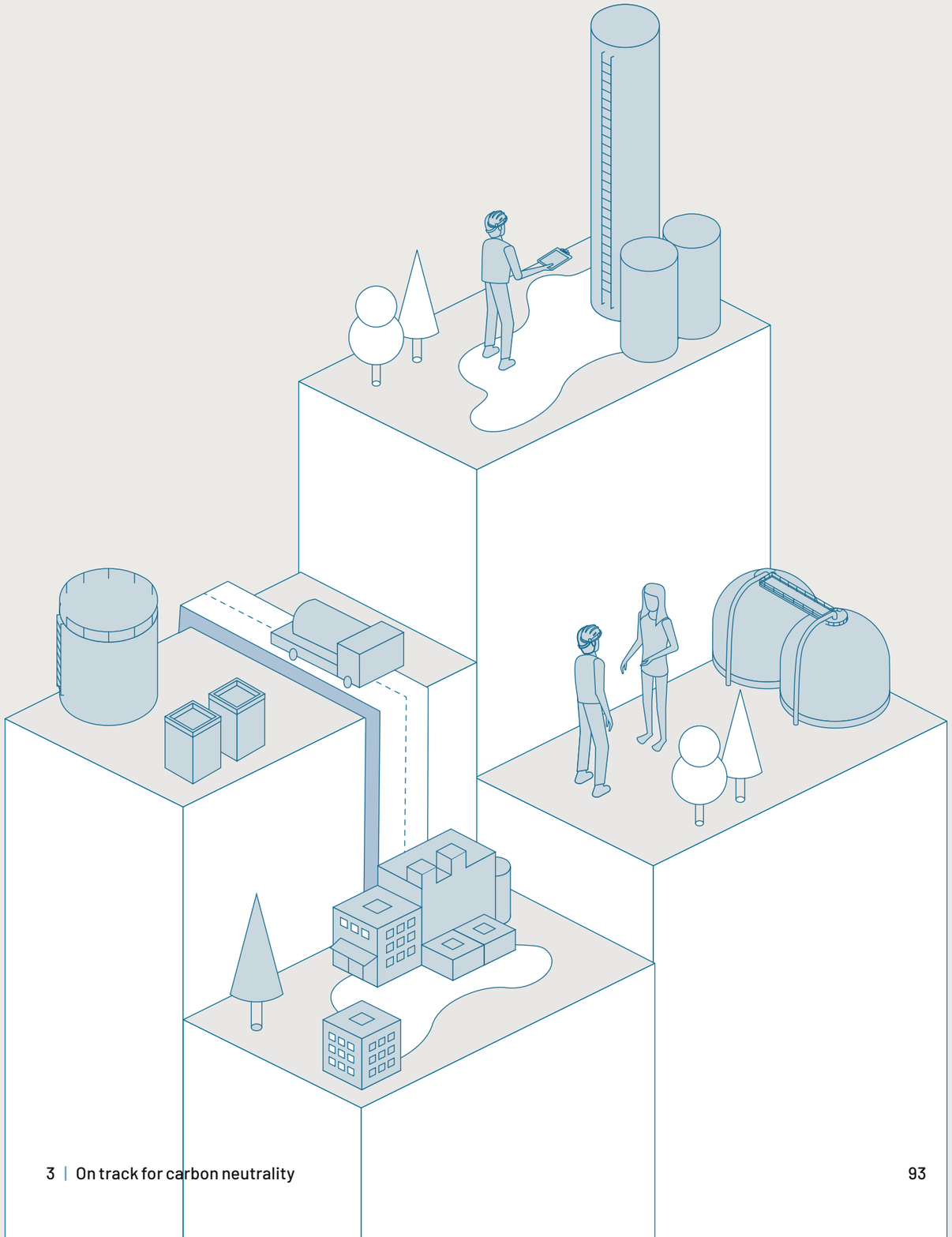
The resulting NOx emissions are calculated using an average EPA emission factor for natural gas.

The reduction in emissions in FYE2024 is due to a lower utilisation of our HyCO plants. Overall, it is still a very low level of emissions.

The environmental section of the Annex 5.3 Summary Data shows the CO_2 equivalent emissions of these gases.

Noise and light pollution

Nippon Gases ensures that its light pollution does not have a significant impact on outdoor areas. Regarding noise pollution, our operating permits are based on national and local regulations that cover the impact of our facilities.



Chapter 4

Greater together

At Nippon Gases, we recognise the invaluable contribution of our highly qualified and experienced workforce and endeavor to facilitate an environment that values and embraces each of our employees as individuals, fostering a collaborative spirit with all our stakeholders.

By striving to foster a culture that grants equal opportunities and creates a collaborative atmosphere, we actively engage with our customers, suppliers, employees, shareholders, and communities. This engagement allows us to fulfill our social corporate responsibility in the best possible way.

We attribute our success as a great company to our exceptional team. It is the unique perspectives and talents of our highly qualified and experienced workforce that have driven our achievements in the last fiscal year.

Stig Are

Fish Farming

How would you describe the growth of your sector in the last 10 years?

Over the past 10 years, we have experienced significant growth within the fish farming segment. On average, the segment has been growing at a rate of 10–15% annually. As the segment has become larger, the growth rate has stabilised closer to 10% rather than 15%.

What are the main challenges to growth?

To secure growth, it is crucial to acquire new customers who are just starting up. Specifically, land-based fish farming and farming in closed systems at sea are important to monitor closely, as they are the largest consumers of oxygen. Historically, we have retained our customers for many years, with 10 years being typical, and therefore it is particularly important to sign new customers. If we fail to do so, we miss the opportunity to supply gas to them for many years.

Do you think that our clients are worried about how we manufacture our gases using green electricity?

Currently, our customers in the fish farming sector are not very focused on how we produce the gas or the environmental impact of its production. This can change quickly, however, so we need to monitor it closely. Our customers are much more concerned about transport distance and the environmental impact of transportation. They are asking for alternatives such as biofuels, electric vehicles, and green hydrogen, although these are not yet widely developed.

Could you describe the environmental benefits of salmon fish farming?

Salmon farming has a relatively small CO_2 footprint compared to other types of food production. Its CO_2 footprint is approximately the same as poultry, whilst pork and red meat have CO_2 footprints that are 8–10 times higher. Eating fish is healthy and environmentally friendly. This combination makes salmon popular, and the demand for it continues to grow.

What are the advantages of using oxygen in this sector?

One important factor in our growth within this segment is that, in addition to providing gas, we also offer an equipment portfolio. Our equipment dissolves oxygen has into the water and is designed for sure in fresh water, brackish water, and seawater. This equipment is highly efficient, and when customers purchase it, it often leads to securing gas contracts as well. We also use our equipment as a strategic tool to obtain gas contracts, which remain our primary focus.

What is Nippon Gases role? A Gas supplier or designer of the installation?

Having a thorough understanding of the entire fish farming process is crucial for our success. It is important that our customers trust us and see us as a reliable gas manufacturer capable of supplying without interruptions and with a deep knowledge of the applications. When customers face challenges in their production, we often offer our help. If our expertise can assist them, it strengthens our relationship with the customer and ensures that we remain their preferred gas supplier.

"Growing our business by growing our people" is the motto that's motivated the HR department since we became Nippon Gases in 2018. Every year, every initiative we launch is done so with this goal in mind – whether it is talent management or to compensation and benefits.

4.1.1 Internal framework

Outlined below is the HR strategy for Nippon Gases, which has made great strides in helping the business to be more successful.

The focus of our improvements continued to be on digitising our systems, developing our people internally attracting the best talent and improving work-life balance.

1 Attract and engage the best possible talent

5 Promote diversity

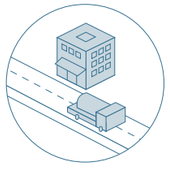
2 Retain the workforce

6 Promote community engagement

3 Develop and improve leadership and technical skills

7 Having a good direct communication style

4 Develop a high-performance culture that continually challenges employees



8 Working on getting a good work-life balance

1. Attract and engage the best possible talent

In a year when several industries have needed to increase their staff, attracting the best talent has continued to be our mission. Having digitised our processes and built a unique candidate experience, we are now working to make the most out of them. This year, we launched a European taskforce to work under the same umbrella to support hiring managers and candidates throughout the recruitment journey.

Most importantly for this year, we launched a new digital onboarding process for new hires. On one single site they will find everything they need for their first days in the company. Full package of videos and presentations was added to have our new people on board in the best and quickest time possible.

2. Retain the workforce

The number of parental leaves taken by male employees have increased during FYE2024. Two years ago, the number of male and female leaves was almost equal. Last year, male parental leaves was 50% higher than the number of female leaves; in line with the company's gender ratio.

3. Develop and improve leadership and technical skills

The well-established leadership Programme, Growing Our Leadership (GOL), grew this fiscal year with the path opening for more of our junior employees.

We held two sessions with great success; engaging over 40 employees in a learning experience aimed to increase their business knowledge, situational adaptability and drive for results, among other competencies.

We continued training our managers in the GOL II Programme, a 9 month leadership path that every manager in the organisation will go through. For the first time, we held the international session, a reward and learning experience for a select and international group of employees who have done the complete path. Participants were chosen based on the success of the productivity projects they had been working on during the last year, which were part of their learning experience. As a result of the efforts of all managers going through this learning Programme, we are expecting more than €1 million in productivity savings for the company.

Our development efforts have strongly increased in the last year and employees are fully aware of it. As a result, in the Employee Engagement survey the satisfaction with the Talent Management category has grown from 60% to 70% in only 2 years. Needless to say, our safety, compliance and phishing training Programmes remain as important as ever.

4. Develop a high-performance culture

The PDP process (Personal Development Plan) remains the key contributor for developing our high-performance culture. The combination of individual goals and an individual development plan, managed both by the employee and the manager, creates a win-win situation for both parties. The PDP is the basis of many other HR Programmes, like succession planning and talent identification.

Furthermore, this year we launched a new edition of female sponsoring, in which professional women from different departments and regions are sponsored by European executive team members. The Programme also includes other networking, visibility and development actions.

5. Promote diversity

Increasing diversity, equity, and inclusion is at the core of Nippon Gases' strategy. Hand-in-hand with our professional female network, WING, we reanalysed our gender diversity strategy and are implementing a joint roadmap in three focus areas: building now for the future, development and communication.

The first action has been engaging employees throughout the entire organisation. In a tremendous communication effort, 30 breakfasts were held with the attendance of over 400 employees during the week of celebration of International Women's Day. The very honest and live conversations are helping to develop the new roadmap.

Although we have seen a surge in the voluntary turnover during the last fiscal year, our figures are going back downwards now. Even at the peak of the graph, our turnover figures were at a low rate when compared to the general market. This low turnover is thanks to our high focus on the retention of our employees – shown through several bonus schemes, long-term incentives, and benefits (in the pension and healthcare areas).

A yearly review of these plans ensures we stay on track with the market. Hybrid working is also embedded as a benefit in our organisation, with high interest for it from our eligible employees'.

6. Promote community engagement

Many NGEH volunteers participated again last year in several community engagement projects, 81 projects were organised or supported by our employees. The majority of our projects were again in the area of educational support, health and social outreach. Many projects are those that have been supported for several years already, outlining a good relationship with organisers, but also amongst our employees.

7. Direct communication style

Internal communications is increasingly becoming a strategic player for the organisation. All across Europe, internal communication teams are strengthened and growing, supported by the leadership teams that rely on them. We really value effective channels of communication with employees and we are focusing our efforts into this mission. In order to keep improving our communication strategy, the European Internal Communications teams went through three monthly upskilling sessions in different locations of our company. Facilitating teamwork and sharing best practices is an effective way in maintaining that conversation with employees.

8. Work-life balance

Several new initiatives to improve work-life balance were initiated in the different regions. All the initiatives were welcomed by our employees and their families. Hybrid working in all our regions is a well-established tool for our employees to find a good work-life balance. Parental leaves taken by male employees have increased during FYE2024. Two years ago, the number of male and female leaves was almost the same. During the last year, male parental leaves were 50% higher than female leaves; this aligned with the company gender ratio.

During FYE2024, we saw a strong growth trend in the recruitment of young people as trainees or interns in all business regions. We believe that this will help us attract excellent young talent for the future.

4.1.2 Headcount

Nippon Gases' diverse and talented group of employees has been working towards the same mission and values for many years.

To achieve these goals, Nippon Gases relies on a diverse group of people from different countries, genders and at different stages of their lives and careers.

In addition to the measurable diversity (as allowed by GDPR), Nippon Gases has proven to be a friendly home for everyone, regardless of their bacKGround or personal lifestyle.

With this philosophy, Nippon Gases also complies – in all regions – with the relevant legislation on the employment of disabled people, resulting in the employment of more than 59 disabled people. During the last years several offices were refurbished taking into account the needs and regulations for handicapped personnel. The new refurbishments of offices or workshops are being carried out take this issue into account.

The number of employees continued to grow, albeit at a slower rate than in previous years, amounting to 3,303. Additional hiring was made in almost all regions due to business growth, the launch new projects, and the stabilisation for cost and legal obligations in all regions of our European business.

4.1.3 Employee turnover

Nippon Gases uses a stable methodology to calculate turnover and provide consistent year-on-year comparisons. This rate is based on all departures (voluntary, involuntary retirement, and temporary contracts) during the previous 12 months, divided by the number of employees in the last month.

Year-on-year, the turnover rate remained largely below the European Union (EU) average. There was a peak in turnover in the middle of FYE2024, but there was also a dip towards the end of the fiscal year. In the coming years, we expect overall turnover to increase due to the ageing demographics of our workforce (retirements) and the use of temporary contracts.

4.1.4 Compensation and Benefits

Nippon Gases' employee compensation is based on several pillars, starting with an appropriate base salary. These base salaries are benchmarked against market salaries using a well-established, globally recognised methodology. The comparison is made by country and by job level to ensure that base salaries are competitive from a local perspective. An annual review of market data is undertaken to ensure that our employees' salaries remain in line with the market.

Other factors that influence the base salaries include statutory increases, performance, promotions and experience. In addition to base salaries, we seek to create a healthy mix of fixed and variable compensation. In this way, our employees are rewarded according to both their performance and the company's results. The mix of fixed and variable compensation depends on the impact of the position on results. Nippon Gases also offers benefits packages that are localised and based on various factors, such as social security coverage, collective labour agreements, length of service and level/grade. These focus mainly on pensions (to promote long-term financial welfare) and medical care plans (to ensure physical and mental health provision). Elements such as gender, part-time/full-time status, or age are never considered in determining eligibility for benefits.

Finally, Nippon Gases will always comply with local legal obligations and respect collective bargained agreements, which includes always provisions related to Health and Safety.

Striving for gender equality in every single area of the company is a strong commitment that Nippon Gases has made. Under the same employment conditions, we can say that there is no gender discrimination at NGE. Due to our historical data from hiring records and low turnover, we still have a raw gender pay gap. However, when analysing the data from a more regional perspective, improvements have been made in almost all countries.

As we have chosen to be proactive on this issue, we are taking every opportunity to reduce this gender pay gap. Working on a master action plan to close the gender pay gap in NGE is one of the key objectives of the compensation team for FYE2024.

4.1.5 Equality of opportunity

The long history of our company, the low turnover and the labour market of the industrial sector, make it difficult to fully recognise gender equality. We see this not as a barrierbut as a motivation to prove that we can be a catalyst for change.

Equal opportunities and diversity are part of our Code of Ethics and one of our three core principles, along with Safety and Compliance.

We work hard in every one of our HR processes to ensure that we give the same opportunities regardless of gender, sexual orientation, race, religion or any other non-objective criteria. With regard to gender, we closely monitor the representative distribution of promotions, development opportunities, internal visibility and other factors.

We are also launching a number of initiatives to address our HR environment, such as a new version of our women's sponsorship Programmeme to give professional women more visibility and networking opportunities, a focus on attracting female talent to STEM careers by offering professional internship opportunities in the industry, the extension of the Code of Conduct certification to all employees in the organisation with a focus on equality, annual training on human rights, and the promotion of the employee networks WING, Equals and Young; aimed to promote gender equality, create a safe environment for the LGBTQ+ community, and provide equal opportunities for people of all age ranges respectively. These networks are growing every year in terms of the number of participants. In the case of WING in particular, the HR department has given the network expanded responsibilities in order to move towards a more diverse organisation.

4.1.6 Talent

Any company aiming for a world-class HR department needs the right leadership, culture, tools and processes. In the case of Nippon Gases, the strong support we receive from leaders in the organisation permeates the work culture. In recent, years we have put more effort in taking our digitised tools and processes to the next level to improve the employee and candidate experience.

We will continue to work towards building a better experience for the future, as we continuously review our processes in collaboration with our business partners.

The focus this year has been on the people. Only by being close to our employees and providing learning and growth experiences can we be a world-class HR department.

This focus has gone in two directions:

1. Strengthening the teams

A committed HR department has a direct impact on employee engagement. This year, we have focused on upskilling the HR employees in all regions, particularly in the area of recruitment (which is of paramount importance to us).

With two intensive workshops dedicated to talent attraction, we are now working to standardise our processes to increase efficiency and reduce time, using our digital tools as a base. Knowledge, experience and best practice are continuously shared between the teams and action plans are identified and executed. This way of working is being extended to other areas of the HR department, where standardising processes will allow us to improve teamwork and create a consistent experience for the employees,wherever they are.

2. Building growth experiences for employees

We invest heavily in our employees, and they respond positively to these efforts. The Talent Management category was rated by employees with a high satisfactory rate.

This has been possible thanks to the consistent cultivating of a learning culture within our organisation. One of the key pillars involved is the Growing Our Leadership (GOL) learning paths, designed for talent in individual contributor roles and managers. However, isolated actions do not change cultures.

The foundations are laid through our PDP process, which is based on supporting their development and not just looking solely at past performance. The PDP is linked to other HR processes, demonstrating its relevance and value to employees. It is the cornerstone for identifying the talent with the greatest potential for growth at any given time, and providing them with the right tools to explore that growth.

As a culture of learning and growth underpins our processes, we identify talent every two years.

We have come to the conclusion that annual exercises can only create stress for the organisation and even frustration for the participants, as significant growth can only happen in the medium term. We provide the right support through visibility, networking and development.

Our learning culture is extended to everyone in the organisation with open NG Talks on technical and leadership topics, the monthly email called Konnichiwa for Leaders with interviews on relevant areas and updates on our safety and financial status, suggested learning paths open to everyone in the organisation and many other measures that, when combined, foster the culture of growth that this section began with: Growing our people to grow our business.

Internal communication is increasingly becoming a strategic player for the organisation. Across Europe, internal communication teams are growing, supported by the leadership teams that rely on them.

Upskilling and increased teamwork

We are committed to keeping the conversation with our employees alive and we are doing everything we can to so. To continually improve our communications strategy, the European Internal Communications teams have undergone three monthly upskilling sessions in different locations of the company.

During these sessions, the team has worked on implementing a common way of working that will allow for increased teamwork and sharing of best practices. Having a highly skilled and prepared internal communications team is the best way to continue this conversation with employees.

Renewal of our internal communication channels

This year we have been reviewing our internal channels. While these channels have been effective tools, we are always looking to keep innovation at the same level as in the rest of the organisation.

Some of these renewed channels are:

- The new intranet has been enhanced with better functionalities to better support better employees and make information more accessible.
- Our Konnichiwa for leaders, with monthly financial and safety updates on the business, an interview with a relevant leader and suggested training, has become a very successful podcast.
- TV screens at production sites are being installed in more regions, extending our communication to more sites and taking it to every level
- Our NG Talks, already consolidated across the company, have an improved preparation and now include suggested pre- and post-work. Leaders from across the organisation share their learning in these online sessions undergo a public speaking training in preparation.

Supporting the business

As a key player in the organisation, we have supported the business in several relevant campaigns and through ongoing efforts. The most highlighted aimed at improving our safety, culture, diversity and cybersecurity culture. We prepare ongoing campaigns understanding the real needs and how communication can help change behaviours so that we all build the safe, compliant, diverse and technologically secure culture we expect.

Employee Engagement Survey

Seeking to gather as many voices as possible, an intensive communication campaign was deployed and we reached almost 71% participation rate in the Employee Engagement Survey 2023 that we conducted with our parent company, Mitsubishi Chemical Group, with the support of external consultants Willis Towers Watson.

Moving on to the results, the headline is that we have maintained the excellent results we achieved one year ago and in certain areas even improved. Our employees rate our company significantly better than the average in the manufacturing and chemical industries:

- The companies Sustainable Engagement is maintained at a very high rating of 88%, or 88% of employees are satisfied with our organisation (coming a few years ago from 86%).
- Highest rated categories are safety (92), diversity (90) and sustainable engagement (88).
- Compared to last year, in all categories we see the same results, or a small difference. The only exception is Corporate Value, Goals and Objectives – it has increased 8 points taking it to 84% of satisfaction.

We see also the results of our action plan of 2023 improving our results , mainly in the people development and communication area.

Nippon Gases' External Communications team has continued to enable the company as a digital sustainable business, leading the path to decarbonisation through connecting people, technology, and stakeholders to provide value to society.

The department's activity has promoted cooperation by creating two core teams to overcome organisational difference and break down regional silos, adopted a collaborative workspace for Europe, leveraged technology to revamp the Electronics web page and provide global support for the entire Holdings group (NSHD) to launch the Biomethane market, and supported business operations through an increase in European tradeshows as well as their digitalisation. Overall, we work with the purpose of improving customer experience, engaging with our stakeholders and creating a recognisable brand to convey how we are "making life better through gas technology".

A. People

Continuing to increase collaboration between regions, utilising the skills and knowledge of all team members to exceed business objectives, and adding value back through societal initiatives:

- Further improving the collaborative working ethos of European regions through the Communication HUB, with joint projects, events, and new reporting processes to measure business value. In collaboration with the new Intelligent Solutions Team, we are further strengthening our efforts, as we collectively work towards optimising our actions. This involves setting standardised KPIs and constructing intelligent reporting dashboards to accurately track progress, ROI, and overall value to the business.
- The Communication HUB initiative has also gained traction globally; with Japan and Southeast Asia joining for the start of FYE25 – projected to increase collaboration and standardise workflows with the rest of the working group.
- To match the growing digital landscape, the External Communications Team launched the Digital Team, bringing together digital specialist profiles from European regions to facilitate a digital culture throughout Communications; focusing on digital marketing, web management, CRM and standardised reporting.

B. Technology

Technology is ever more imperative to have successful communications for businesses. It plays a pivotal role in empowering the External Communications team to expand its capabilities and drive business growth. Leveraging a suite of innovative tools, we enhance our reach, efficiency, and impact across various communication channels:

- The introduction of new tools such as BrightEdge and Agility PR serve as a cornerstone in enabling us to remain relevant and competitive in our industry, by optimising our online presence through effective SEO strategies and providing a platform for disseminating relevant content to media outlets. This streamlined approach facilitates broader media coverage and ensures that our messages reach the right audience at the right time.
- Technology has been also instrumental in elevating our sustainability reporting efforts. By creating a dedicated site for our sustainability report, we have made it easier for readers to access valuable information about our commitment to sustainability, amassing 45,000 views during 2HFYE24. This enhanced accessibility underscores our dedication to transparency and reinforces our reputation as a socially responsible organisation.
- The adoption of new collaboration tools, such as Monday, fosters transparency and synergy within our team. By streamlining communication and project management processes, these tools facilitate smoother workflows, enhance productivity, and enable us to identify synergies more efficiently.
- Moreover, our transition to digital platforms for marketing purposes has been pivotal in going paperless and improving the accessibility of information for our customers. This allows visitors to different trade shows to access our information quickly and easily, thereby enhancing their overall experience and engagement with our brand.
- At a global scale, the External Communications Team leveraged new technology to lead the launch of the Biomethane market for Nippon Sanso Holding's Carbon neutral world. Creating a new-generation web page combining technical and marketing aspects, based on market-specific keyword research, becoming Carbon neutral world's 2nd most visited page during 2HFYE24.

In essence, technology serves as a catalyst for growth and innovation within the External Communications team, enabling us to connect our team, amplify our impact, strengthen stakeholder relationships to drive sustainable business outcomes.

C. Stakeholders

Supporting the business means supporting our stakeholders, with our support being counted upon for a variety of business operations:

- We recognise the crucial role businesses play in the transition to a more sustainable future. Thus, our participation in key trade fairs - 4 at a European level - dedicated to various industries, strengthens brand awareness and stakeholder engagement whilst consolidating the company's position in the market. Our increased presence and collaboration in events, both industrial and medical gases-related (such as EIGA and BIP), as well as purely institutional events, are also examples of our commitment to contributing to the creation of social value. (Sponsorship and support for cultural events that promote the Japan brand, and strengthen the relationship between Japan and Spain: Japan Weekend in Madrid, ARCO (support for Japanese artists), institutional events organised by Shacho Kai and CEJE, Año Euskadi-Japón 2023)
- While we maintain a global perspective, our actions are also locally focused. We actively contribute to the visibility of various community activities, ensuring that the communities wherein we operate remain at the forefront. This includes engagement with local press, hosting open-door events, participating in job fairs, sponsoring local initiatives, and maintaining visibility through our communication channels. By actively participating in and supporting local endeavours in the 13 countries in which we operate, we reinforce our commitment to being a responsible corporate citizen and fostering sustainable development in the areas we serve.

The upcoming LiquidFill 2.0 Inauguration in FYE2025 will be an exemplary showcase of how the External Communications team fosters connections. It will serve as a prime example of collaboration between the Communication Hub, the Digital Team, and the utilisation of available technology to effectively disseminate our communications tailored to our stakeholders. This event embodies our commitment to innovation, collaboration, and stakeholder engagement, demonstrating our dedication to advancing our digital sustainable business model.

Work-life balance remains high on the agenda of NGE. We see supporting a healthy work-life balance in our company as a win-win situation for both the employee and the company.

Employee	Employer
– Better time management	– Better staff retention
– Personal growth	– Increased productivity
– Better focus	– Higher employee engagement
– Higher engagement	– Strong brand reputation & more applicants
– Personal health and well-being	– Increased morale
	– Reduced absenteeism

Regional initiatives

In all regions, we encourage our employees to achieve a good work-life balance.

Our commitment to employee well-being is evident in a number of ways. We prioritise health and fitness promotion and offer fitness Programmemes that include access to gyms, nutritional advice and physiotherapy services. We also host health, safety and wellness webinars to ensure our employees have access to valuable resources and knowledge. To promote a healthy working environment, our offices offer nutritious food options, to encourage employees to make healthy choices.

In some regions, we go a step further by organising special initiatives, such as School-Free Days.

These efforts underline our commitment to work-life balance and support a positive workplace culture while promoting sustainability.

In addition to the protection of our environment, the protection of our employees is of paramount importance to Nippon Gases.

We comply with all relevant regulations and strive to maintain and improve our performance year-on-year in the areas of occupational safety, process safety, environmental protection, quality, food safety and medical product safety. We promote the achievement of significant improvements through effective management practices and the economically viable application of technology.

Together, we are 'The Gas Professionals' and we all share the same goal – 'Making life better through gas technology'.

The quality of our products and services, the health and safety of our employees and contractors, the protection of the environment and the continuous improvement of our energy-related services have always been, and will continue to be, our highest priorities. This commitment is an integral part of our culture, and is reflected in our vision, mission, guiding principles and core values.

The Nippon Gases philosophy demonstrates our commitment to being a leader in safety performance in the industrial gases industry.

In our day-to-day business, we strive to achieve zero accidents and injuries for our employees and contractors, maintain the safe operation of our plants, provide safe products to our customers, and be a good neighbour in our local community.

For this reason, we assign the highest priority to raising awareness and developing a better understanding from in our organisation in the following ways:

– Designing and developing products that can be safely manufactured, transported, used and disposed of or recycled without posing unacceptable risks to people or the environment

– Maintaining a safety management system to prevent major accidents and mitigate their effects on people and the environment, in accordance with the Seveso III Directive on Major Accidents

– The safe operation of our production facilities

– The continuous improvement of our safety management system and its corresponding reporting, regarding our goal for the prevention of accidents, injuries, personal and environmental damage through our processes, products and services.The safe transport of our products to end customers in compliance with all relevant regulations

– Inclusion of all contractors, including hauliers, in the comprehensive Nippon Gases H&S management culture

All employees and contractors are therefore committed to work and act safely in a result-oriented manner to comply with our six safety principles. All of our efforts to increase safety for our employees, products, processes and services are a fundamental requirement for every job and every workplace.

The Safety Management System is described in the European HSE Management Manual, a comprehensive set of standards which applies to 100% of our European locations.

This system integrates internal policies and governmental regulations. In general, our internal policies are stricter than governmental regulations. The main elements of the Health and Safety Management system are:

– Nippon Gases Product Safety and Quality Policy

– Nippon Gases Occupational Safety and Health/ Industrial Safety and Disaster Prevention Policy

– HSE standard manual

– Employee training based on the job functions

– Risk assessment processes for process safety, worker safety, product and transportation safety

– EHS assessments conducted by our national and international EHS assessment team

– Monthly internal reporting and review

– External reporting on safety performance through our Sustainability Report and report to various stakeholders (EIGA, for example).

Our commitment to safety is integral, this is why we apply this premise to all our products, development, design and distribution, and human and environmental control.

We employ an extensive range of health and safety measures, starting with our safety principles. Based on these, we

regularly conduct safety assessments and structured training whilst simultaneously promoting the importance of safety at every level. For example, every meeting starts with a safety topic, and every year we undertake a Safety Excellence Journey.

It is important to us to systematically record near misses, analyse them and take appropriate remedial action. This allows for preemptive measures to be implemented, eliminating risks before they lead to an accident and employee injury. To emphasise the significance of this approach, the theme of our 2024 Safety Excellence Journey was 'Our safety culture: Our Goal many parts moving together". All employees participate in the Safety Excellence Journey, during which events were held at the sites. Each event was led by a member of management and included presentations, videos, and group discussions. Nippon Gases has taken a series of measures to prevent work-related injuries and fatalities. A more specific example is the extensive internal HSE regulations, compliance with which is regularly checked via HSE assessments.

If potential for improvement is found, either special measures and safety campaigns are launched, or the internal HSE standards are revised. In total, the European assessment organisation audited 16 functional units over the past year to check compliance with internal standards. The senior management of the respective countries and the European Business Team received the results of these assessments, which did not uncover any significant safety issues.

Assessments	Unit	FYE2022	FYE2023	FYE2024
Number of Health and Safety European Assessments	Number of events	14	16	16
Number of Health and Safety European Assessments operational sites	Number of events	8	13	11
Number of Environment European Assessments	Number of events	7	11	10
Environmental Operational Assessment Rate		88%	92%	91%

We also adhere to extensive safety training, job safety analysis, risk assessments and Europe-wide minimum requirements for PPE to help prevent accidents.

Any recorded accident or illness that results in one or more day(s) absence from work because of a work-related accident or exposure is recorded as a Lost Time Injury (LTI). Any work-related injury which requires a medical treatment is recorded as a Medical Treatment Case (MTC). Both KPIs are found in HSE. In addition to this, our policy states that all incidents and near-misses must be reported and investigated. They are reviewed at a European level, monthly.

Serious incidents are discussed monthly at the business review meeting and are also reviewed in detail during a meeting with the European President. In addition, Health & Safety and Environmental KPIs and metrics linked to the annual Personnel Development Plan (PDP) and salary reviews are set at all functional levels.

Work injury-related absenteeism is managed by both line management and human resources, and is reported monthly to senior management and is broken into trends to show areas of opportunity. Every case is investigated in detail according to internal standards.

Occupational Health and Safety	Unit	FYE2022	FYE2023	FYE2024
Occupational accidents resulting in recordable injury (LTI)	Number of incidents	5	6	10
Rate occupational accidents resulting in recordable injury (Number of work-related injuries requiring more than first aid, per million hours) LTI frequency rate	Number of incidents	0.90	1.04	1.65

Fleet safety

Although the transportation of our liquid products and most of the transport of gas cylinders and dry ice throughout Europe is handled by contracted hauliers, fleet safety is an important issue for Nippon Gases. This is shown, by the fact that a separate chapter in the HSE management is dedicated to this topic, and by special measures that have been implemented.

Furthermore, every High Severity Product Vehicle Accident (HSPVA) is investigated and reviewed by Nippon Gases and the haulier concerned. High Severity classification is given when the vehicle must be towed away, or personnel injury has occurred. An extensive training Programme, to which the carriers are contractually obliged, is implemented. All bulk product vehicles are also equipped with a Safety On-Board Computer (OBC). This OBC monitors the driver's behaviour, results are sent directly to the haulier who then evaluates and undertakes all appropriate measures. The number of serious traffic accidents involving product transport vehicles has significantly reduced through continuous work in this Programme.

Number of High Severity Product Vehicle

Regarding to accidents, the preventable HSPVA - High Severity Product Vehicle Accidents, has decreased significantly, from 7 to 4.

Contractors Recordable injuries	FYE2021	FYE2022	FYE2023	FYE2024
Number of recordable injuries of subcontractors	10	12	15	2
Frequency of accidents of subcontractors workers (Number of accidents involving lost time of at least one day, per million hours worked)	5.0	5.5	6.4	0.41

Number of Contractor-RI

Contractor safety is as important as employee safety for Nippon Gases.

In FYE2024 contractor-RIs, which are mainly related to drivers, increased compared to the previous year and is mainly related to slip-trip and fall incidents. Several contractor-RIs occurred in the third quarter. To counteract this development, a Contractor Safety Campaign was launched in December.

The campaign consisted of a meeting with the aim of increasing hazard recognition amongst our contractors and the refocus of our safety principles. "All incidents can be prevented" (1st principle) but most importantly, "You are responsible for your own safety" (3rd principle). In the first step, meetings were held with all drivers/contractor representatives.

During the second step, our management spoke to all drivers and contractors to explain the situation, raise safety awareness and receive feedback from each contractor employee.

The number of initiatives developed during the last fiscal year reached its historical peak with the participation of more than 600 employees.

This fiscal year, a large portion of Nippon Gases employees have participated in the 90 initiatives implemented, across 10 countries, contributing to stronger engagement with our stakeholders. The company remains fully supportive towards community engagement initiatives, as they are one of the best teambuilding activities available. It allows employees to interact, engage, and bond with each other whilst also contributing towards a worthwhile cause. The common thread is that when teams work together to support a good cause and achieve a common goal, they attain a stronger sense of connection with between themselves, their organisation, and their community.

The initiatives are mainly focused on community support, but also environmental protection, education, and health and wellness are increasing their share.

Earth
Customers
People

Nippon Gases Iberia goes out in the woods!

Last summer, Nippon Gases Iberia and Oximesa launched a survey of all their employees to encourage corporate volunteering, with the aim of finding out their motivations and designing attractive activities for social causes. As a result of the survey, a first activity was carried out together with the FDI Foundation. The “Fundación para el Fomento del Desarrollo y la Integración” (Foundation for the Promotion of Development and Integration) is an NGO whose social purpose focuses on the social and occupational integration of people with special needs and at risk of exclusion through education and sport, always with a commitment to the environment.

On November 19th, about 40 people, including friends and relatives of colleagues, gathered on the outskirts of Madrid. Guided by a team of biologists from the Foundation, the mission was to build nest boxes, crucial to restore the region's native bird population, which has been reduced in recent years as a result of the invasion of a species from South America, the "cotorra argentina", altering the region's ecosystem.

In addition to the nests installed that day, more than 300 packages were sent throughout Spain and Portugal for employees to install in their hometowns

Italy

Nippon Gases Italia and Iren Ambiente together for biogenic carbon dioxide valorisation

Nippon Gases Italia has entered a significant collaboration with IREN Ambiente for the management and marketing of biogenic CO_2 from the new FORSU plant in Gavassa (RE). The plant processes the organic fraction of urban waste, producing compost, biomethane, and high-purity CO_2 for the food market. This agreement highlights the zero-impact, renewable energy produced and enables CO_2 purification and liquefaction for the food and beverage sector. Nippon Gases will provide expertise for health authorisations, staff training, and procedural guidance, enhancing their leadership in the CO_2 market while promoting sustainability and the circular economy.

Germany

Increasing sustainability driven by technological progress

Sustainability is multifaceted and can manifest itself in countless aspects of day-to-day business. There are no limits. By reviewing and optimising its processes and supply routes and replacing outdated vehicle technology, the Supply Chain division managed to save or avoid a total of around 450 tonnes of CO_2 emissions in the 2024 financial year. The commissioning of two new hydrogen trailers contributed to this, as did the switch to hybrid technology (aluminium instead of steel) for the trailers used for the product supply with cryogenic gases. In order to reduce particulate matter and CO_2 emissions, Nippon Gases Deutschland has already been relying on product delivery vehicles that run on alternative fuels for some of its fleet for several years.

Northern Europe: Norway, Sweden, Denmark

Ensuring environmentally friendly and sustainable processes

The Green+ portfolio in Scandinavia is an initiative that offers climate-compensated liquid oxygen, nitrogen, argon and carbon dioxide with net-zero CO_2 emissions for customers. We achieve this by using renewable energy, backed by Guarantees of Origin (GO), a European electricity labelling scheme. This ensures that our production processes are both environmentally friendly and sustainable. We offer Green+ deliveries using trucks that run on biofuels according to the allocation principle. This principle ensures that we use enough biofuels in our fleet to secure net-zero CO_2 emissions of Green+ product, but not necessarily in the delivery to Green+ customers.

To address any remaining emissions, we collaborate with Trefadder, a project that provides climate offsetting by safely capturing CO_2 from Norwegian climate forests. This partnership ensures that any remaining emissions are offset, making our Green+ portfolio a leader in green production and demonstrating our comprehensive climate responsibility.

BNF

Optimising earth's natural resources

Nippon Gases Belgium embarked on a journey towards sustainability by harnessing the gifts of nature to optimise energy consumption.

Solar panels were installed at the sites of Oevel and Lillo to produce renewable energy and use for own consumption, avoiding an estimated annual consumption of more than 81,000 kWh. This not only reduces the carbon footprint, but also complies with Flemish legislation in force from 2025.

In addition, Nippon Gases Belgium implements water conservation measures, which reinforces its commitment to resource efficiency. In Lillo, condensate from air compressors is channelled to cooling towers, saving up to 20,000 m^3/year of municipal water. The ASU in Lommel, located next to the canal, optimises the use of water for the cooling towers. Through the sewerage project, condensate and rainwater are recovered, saving an estimated 2% of the water in the canal.

Through these initiatives, Nippon Gases Belgium demonstrates its commitment to sustainable practices and serves as an example of proactive environmental management in the industry. By integrating renewable energy and water conservation strategies, the company sets a benchmark for responsible corporate citizenship.

Iberia

Advancing Biomethane and BioCO_2 Production

Nippon Gases leverages its gas separation expertise in biogas upgrading projects to produce biomethane and biogenic CO_2.

Biogas plants transform waste into renewable biomethane, which has a near-zero carbon footprint and produces biofertilizer. Biogenic CO_2 can be captured for industrial uses or sustainable fuel synthesis.

These plants epitomize the circular economy by converting waste into energy, supporting rural areas, and replacing fossil natural gas. Biomethane facilitates industrial decarbonisation without equipment changes and supports sustainable mobility.

The EU aims to produce 35 bcm of biomethane annually by 2030, covering 10% of fossil gas consumption.

Italy

Leading the way in labour pain relief in Sardinia

Thanks to the commercial promotion efforts of Nippon Gases Pharma, the Health Authorities in Sardinia introduced a new way of managing pain. For the first time, a combination of nitrous oxide and oxygen NinoXan® has been used at Olbia hospital to offer effective analgesia during childbirth.

This method increases the pain threshold during labour and provides a non-invasive solution for childbirth without any side effects and can also be used in other medical disciplines. The collaboration between the obstetrics unit and the Anaesthesia and Resuscitation team was important for the safe and effective delivery of this service. The delivery room was fully equipped for the procedure and the staff was trained to ensure a good result.

The implementation of NinoXan® by Nippon Gases Pharma was a success and attracted attention, leading to an invitation to the AGOI (Association of Obstetricians and Gynaecologists of Italian Hospitals) congress in Olbia on 20 October 2023. This event, attended by all ASL heads and Regional Hospital Authorities, provides a platform on which this technology could be presented.

Germany

Oxygen Boosts Energy Efficiency

Decarbonising production processes is a major challenge for the metal-producing industry. Oxygen-based burners can enhance the environmental footprint of smelting furnaces.

Nippon Gases Germany recently upgraded an electric arc furnace with a new oxygen burner system, thanks to collaboration within the Nippon Sanso Holdings Group.

After a successful multi-month test phase, the customer adopted the system, achieving a double-digit performance increase and significant electrical energy savings.

This retrofit not only improved the ecological balance of the melting process but also initiated a series of follow-up projects within the customer group.

Northern Europe: Norway

Northern Lights CSS

Northern Lights is developing the world's first open-source Carbon Capture and Storage (CCS) infrastructure, offering carbon storage as a service. It aims to assist industrial emitters in reducing emissions by providing a secure and permanent CO_2 storage solution. CO_2 will be transported from capture sites to a terminal in western Norway for interim storage before being permanently stored 2,600 meters below the seabed.

Nippon Gases has been involved in this initiative since its inception, contributing expertise in CO_2 handling and knowledge sharing. Nippon Gases Norway and Nippon Gases CO_2 Operations Europe in UK are collaborating on commissioning the Northern Lights terminal, providing necessary services and equipment for testing the facility's main systems prior to captured liquid CO_2 being pumped through a 100 km submerged pipeline and into the reservoir.

Phase one of this facility has a capacity to handle 1.5 million tonnes of CO_2 per year with its 12 storage tanks and one ship jetty for Northern Lights ships with a cargo capacity of 7,500 tonnes of CO_2.

BNF

Supporting young potentials and innovation

Every year, a group of students from Delft University of Technology in the Netherlands sign up for a project team. Some of them interrupting their studies for a year to devote themselves entirely to the design and construction of a rocket. The Stratos V student project, under the tutelage of the student organisation DARE (Delft Aerospace Rocket Engineering), is an inspiring example of how young people can follow their passion for space exploration. Their mission is to launch a fully self-designed recoverable rocket by 2025.

Nippon Gases Netherlands is proud to support this ambitious project for the fourth consecutive year. These young talents have a unique opportunity for hands-on experience, project-based work and working as a team towards the same goal. Nippon Gases' expertise as a gas professional is contributing through safety training on the products provided. It is important to stress the importance of the correct and safe use of liquid oxygen, nitrogen, CO_2 and helium.

In 2021 and 2022, the team developed and tested the rocket engine. Currently, they continue to work on improving the engine and the rocket's recovery systems and tanks. The students are in communication with a launch centre in Spain for the planning of the launch campaign. If this works out, the Spanish subsidiary is ready to continue supporting this project.

People

Iberia

Food Collection Campaign: a call to donate

Nippon Gases Iberia continues to show its social responsibility by launching a new Food Collection Campaign in 2023. This initiative, a collaboration between Nippon Gases Iberia and the Spanish Federation of Food Banks (FESBAL), asked employees, friends and family to donate. The goal was to help the Spanish people at risk of poverty and exclusion (20.4% in 2022) by giving them essential non-perishable food.

The food banks used the donations to buy the items they needed the most, especially in the areas where the need and the scarcity were the highest. Donors could also get a certificate for tax reduction. This campaign not only helped fight hunger, but also serves as proof of Nippon Gases Iberia's commitment to inclusion, diversity and environmental preservation. From the above, we are established to affirm that we are socially responsible entity where our operations are primarily focused on human beings.

One thing's clear; the success of the campaign was not only due to our team's efforts, but to all those who collaborated and supported the campaign.

Italy

Home Medicine in support of blood donation

Croce Rossa Italiana

On the 23rd of October, at the headquarters of Medicina Domiciliaria in Palestrina (RM), an event was organised in collaboration with the Italian Red Cross to collect blood. Numerous voluntary donors took part in this initiative, which is evidence of a great commitment of the community.

Home Medicine not only provided the space and offered the reception, but also participated actively in the organisation of the day. This effort was acknowledged and thanked by the President of the local committee of the Italian Red Cross, who expressed his wish to repeat similar initiatives in the future and to extend the collaboration with Home Medicine. The Palestrina office, inaugurated less than a year ago, houses one of the operational centres of Home Medicine and Medical Clinics, where numerous specialists work, including gynaecologists, endocrinologists, cardiologists, pneumologists, neurologists, angiologists, paediatricians and allergists.

This initiative underlines and reinforces one of the main objectives of Home Medicine: to be close to the communities with a full range of health services and initiatives in the area.

Germany

Taking the circular economy further

Recognising the persistent digital disparity in schools, especially in disadvantaged areas such as Duisburg, and in response to the 4.7 million tonnes of e-waste produced annually in Europe, Nippon Gases Germany took an opportunity at the end of 2023 to mitigate this problem.

Dominic Müller, Marketing Manager for Additive Manufacturing together with the IT department, headed an initiative to reuse still-functional laptops destined for replacement, seeking to donate these devices to address the deficit. The laptops were inspected, and data cleansed to ensure they were suitable for educational use.

In January 2024, 20 laptops found a new home at a General Education Centre. Located in the heart of Duisburg, this comprehensive education center is a model of education that fosters the growth of 1,260 pupils under the slogan "Learning together, growing together."

Northern Europe: UK & Ireland

Nippon Gases UK & Ireland national partner for Primary Engineer

Nippon Gases UK & Ireland has continued its partnership with Primary Engineer, a not-for-profit educational organisation whose vision is to inspire children from an early age to become designers and makers - the engineers of the future. Primary Engineer has developed a project-based learning approach to education that includes practical maths and science, creative problem solving and literacy. As part of the Programmeme, Nippon Gases has partnered 11 schools in Aberdeen and 11 schools in Lincolnshire and Hull. Our engineers have provided teachers with hands-on training to enable them to confidently carry out an engineering project in their classrooms.

Our support doesn't stop there, Nippon Gases is also a national partner of Primary Engineer's unique annual "If you were an engineer, what would you do?" competition. Open to students aged 3-19, the competition asks children what problem they would like to solve. Through interviews with engineering professionals and their own experiences, children design solutions to everyday problems.

BNF

Bistro Social – preparing food for people in need

Colleagues from the Electronics & Specialty Gases plant in Oevel, the Schoten filling station, and the regional headquarter in Olen gathered to prepare a special meal for people who struggle financially due to the consequences of the recent crises in Europe. Nippon Gases Belgium chose the area of Westerlo, where the Oevel plant is located and the neighbouring village of Olen. They were actively supported by local organisations and the Westerlo community to identify the beneficiaries of the initiative and deliver meals to more than 100 people.

A group of 30 Nippon Gases employees cooked a delicious soup, a meat or vegan dish with Belgian fries, and various desserts. They made everything fresh and worked as a team to provide the highest quality possible. It was also a way to bond with coworkers and support a good cause. Community Engagement activities remain one of the best teambuilding activities. Seeing the gratitude and smiles on people's faces was immensely rewarding. This action had not only a positive impact on the local community, but it also received coverage from radio, newspaper, and TV channels to spread the word.

EUH Our Digitalization and Cultural transformation double awarded

The jury of the XIV Edition of Cegos and E&T Awards to HR Best Practices has recognised Nippon Gases in the category Strategy and Transformation.Nippon Gases has been awarded for its project Learning culture based on four main dimensions:

- Learning and development resources for all employees: online development resources in PeopleHub, NG Talks and the monthly podcast.
- Performance management: digitalised process with high impact in the development of the employees.
- Talent identification: digitalised process with the goal of maximizing key people potential through development, visibility and networking.
- Leadership development Programmes for key collectives: Specialists (GOL I); Managers (GOL II); Directors (GOL III); Female sponsoring.

EUH EcoVadis Platinum Medal

Nippon Gases awarded an EcoVadis Platinum Medal for its performance in Corporate Social Responsibility.

The gold status reached by Nippon Gases places the company in the top 1% of companies performance in four key areas: Environment, Ethics, Human and Labour Rights and Sustainable Procurement.

EcoVadis especially highlighted our company's commitment to continuous improvement in playing a key role in shaping a sustainable future for all. This achievement is the result of the company's commitment to take actions that have a positive impact in areas such as climate change, employee health and safety, diversity and inclusion as well as other aspects such as ethics and human rights.

EUH and Iberia EIGA Awards 2023

During the Annual General Meeting of the European Industrial Gases Association (EIGA), Nippon Gases received several awards for its safety and environmental performance in 2023.

The company was delighted to secure awards in the following categories:

- Zero Accident Site Award: We received six awards in this category, honoring our relentless focus on safety.
- Environmental Awards 2º: Nippon Gases Iberia was awarded for its reforestation projects in Spain, where 750 trees were planted, offsetting up to 125 tonnes of CO_2 emissions, and in Portugal, where around 1,000 native trees were planted, compensating for 166 tonnes of CO_2 emissions.

Northen Europe Double International Safety Award, from the British Safety Council

Nippon Gases UK Ltd, Immingham, and Nippon Gases Offshore, Dyce, have been awarded International Safety Awards by the British Safety Council for their commitment to workplace health and safety in 2022. These awards recognise organisations that prioritise the prevention of workplace injuries, work-related illnesses, and promote well-being and mental health at work. Nippon Gases' UK & Ireland sites at Wilton and Dyce have received a top international safety award from the British Safety Council for their commitment to workplace health and safety in 2023. These awards recognise organisations that prioritise the prevention of workplace injuries, work-related illnesses, and promote well-being and mental health at work.

As two of 269 organisations to receive a Distinction, the award recognises commitment to exemplary health, safety and well-being management throughout the year.

Germany Customers repeatedly vote Nippon Gases Germany the best supplier

Last March, Nippon Gases Deutschland received the Prospitalia award for best supplier in the "Invest" category for the third time after 2020 and 2022. On the basis of four assessment criteria - "Economic efficiency", "Supply reliability", "product quality" and "service and communication" - we achieved an average score of 1.83, which once again surpassed the previous year's good result. This very positive assessment also confirms the good result that we achieved as Nippon Gases Germany in the last customer survey in autumn 2023. Customers gave the German organisation an overall satisfaction rating of 1.82.

This award from Prospitalia once again recognises in particular the achievements of our employees, who show great commitment and personal dedication to the care of our customers every day and contribute to "making life better through gas technology". The Prospitalia Group is a leading purchasing service provider in the German healthcare market. Every year, the affiliated acute clinics assess the performance of suppliers in three categories: "Medical", "Pharma" and "Invest", whereby the supply of medical gases is assigned to the "Invest" category.

Iberia Nippon Gases Iberia recognised for its support during the Influenza Campaign

Nippon Gases Iberia collaborated with the Hospital General Universitario Gregorio Marañón in Madrid, Spain to launch a campaign to promote flu vaccination among hospital staff. Our involvement was recognised with a letter of thanks from the hospital, highlighting the importance and success of the campaign.

As part of the campaign, Nippon Gases Iberia distributed 4,000 cups, given to those who participated in the vaccination campaign. These tokens served as a reminder of the importance of health and safety, and also as a symbol of our appreciation for their commitment. We are proud of this partnership and look forward to continuing our collaboration with the Gregorio Marañón Hospital.

Annex

Country	Category	Organization name	Description of Project/Programme
Spain	Community Support	FUNDACIÓN ADECCO, Plan Familia (Oximesa)	We collaborate providing physio therapies, pedagogical and phsicological assitance to seven company children with profund dissabilities
Spain	Community Support	FUNDACIÓN ADECCO, Plan Familia (Nippon Gases Spain)	We collaborate providing physio therapies, pedagogical and phsicological assitance to seven company children with profund dissabilities
Spain	Community Support/ Health & Wellness	Hospital Gregorio Marañon	Delivery of cups with HGM and Nippon Gases logos, for the promotion of the vaccination campaign to the hospital staff.
Spain & Portugal	Community Support	Hospital Gregorio Marañon	Creating a teams "TED TALK", with Mr. Ignacio Sánchez-Arcilla, Head of Prevention at the Gregorio Marañón Hospital (Madrid), on prevention strategies for different types of cancer. Vía Teams
Spain	Community Support	Fundación Aladina	Creating nicer rooms for children with cancer, who have to be at Hospital Niño Jesús during many months
Spain & Portugal	Community Support	FUNDACIÓN ADECCO	Disability week 2023. Awareness Campaign
Spain	Diversity	RAI (Royal Academy of Engineering).Project, women and engineering	Development job-seeking skills for five recent female graduates
Spain	Community Support/ Education/Health & Wellness	Hospital Universitario Reina Sofía de Córdoba. Biomedical Research Foundation	A radio Health Post cast in the Hospital. Educational and training content on health issues.
Spain	Community Support/ Health & Wellness	Música en Vena (Nippon Gases)	"Música en vena", is an initiative to bring small orchestras to hospitals to be listened by patients, in order to improve their mood, especially for children suffering from cancer.
Spain	Community Support/Education/ Environmental/Diversity	FDI (Promoting development and Integration)	Installation of nest houses prepared by people with disabilities, to promote the recovery of native birds in the Madrid area.
Spain	Community Support	FESBAL (Spanish Federation of food banks)	Christmas campaign to raise funds for FESBAL, so that they can buy the food that is most needed at any given time.
Spain	Community Support/ Health & Wellness	Foundation Against Pulmonary Hypertension	Sponsorship XV Anniversary Foundation

Country	Category	Organization name	Description of Project/Programme
Spain	Community Support/ Health & Wellness	Hospital El Escorial	Collaboration vaccination with Hospital. (Vaccination gift - thermal bag)
Spain	Community Support/ Health & Wellness	Hospitalized Children (Red Cross Granada)	Sponsorship 12th march "We fight for life".
Spain	Community Support/ Health & Wellness	Música en Vena (Oximesa)	"Música en vena", is an initiative to bring small orchestras to hospitals to be listened by patients, in order to improve their mood, especially for children suffering from cancer.
Spain	Community Support/ Health & Wellness	Pulmonary Hypertension Association	Pulmonary Hypertension Association. Collaboration in activities of the Pulmonary Hypertension Day 2023.
Spain	Community Support/ Health & Wellness	World No Tobacco Day (Gregorio Marañón)	Delivery of gifts to attendees (sustainable bags and ecological pen).
Spain	Community Support/ Health & Wellness	13th March "We fight for life".	Collaboration for the development of the event
Spain	Community Support/ Health & Wellness	Charity match against childhood cancer	Publicity, backpacks, posters, trophies on the day of the event
Spain	Community Support/ Health & Wellness	Escape to the Rural World - Asociación ALES Niños Cáncer	Collaboration for the development of the event
Spain	Community Support/ Health & Wellness	Red Cross Flag Day 2023	Collaboration according to agreement signed between the parties
Spain	Community Support/ Health & Wellness	Red Cross Crea + 2023 Gala	Collaboration in the gala in favor of human rights development
Portugal	Community Support/ Health & Wellness	Oximeters	Delivery of oximeters to hospitals across the country
Portugal	Community Support/ Health & Wellness	At Home with NIV	Flyer for patients
Portugal	Community Support/ Health & Wellness	International Family Day	Presence of Equipment Technician to demonstrate to patients
Portugal	Community Support/ Health & Wellness	Celebrating COPD Day	Participation in COPD Diagnostic Screening through the presence of technicians and equipment
Portugal	Community Support/ Health & Wellness	World Sleep Day Celebration	Held flyers to raise awareness among patients
Portugal	Community Support/ Health & Wellness	Stethoscopes	Delivery of stethoscopes to hospitals across the country

Country	Category	Organization name	Description of Project/Programme
Norway	Community Support	Christmas Donation	Kirkens Bymisjon have 1800 full and part time employees 4500 volunteers and is an inclusive, nonprofit organization, which works in towns and cities across Norway, among people who face challenges in life for various reasons. Our vision is that people in the city shall experience respect, justice and care.
Norway	Community Support	Ullensaker/Kisa Floorball Team (boys born 2009)	The donation will reduce the attendance fee in tournaments.
Norway	Community Support	Astor soccer team (boys born 2013)	One employee is coach of the team (boys born in 2013). They are going to their first tournament and will reduce the attendance fee.
Norway	Community Support	National Day committee - Miland	Volunteers organise 17 May events in the local community. One employee is a volunteer
Norway	Community Support	Dance crew «Deja Vu Crew» (boys born 2007)	The HipHop og breakdance group for youths has to sponsor everything itself, and a contribution from Nippon Gases is a welcome addition to all the hours of voluntary work.
Norway	Community Support	Bøler IF Handball (girls born 2010)	Bøler IF's slogan is; as many as possible - as long as possible! which has resulted in having 30 players age 14 divided into 3 teams. They will use the donation on social activities for the players.
Norway	Community Support	Rjukan Golf club	Support to the local golf club
Norway	Community Support	Rjukan Food festival	Support to the local food festival
Norway	Education	Trygg Trafikk - Reflector to school starters at Rjukan	Nippon Gases gave reflector to all 6 year old school starter - Importance to learn that the kids are not visibile in the dark
Norway	Community Support	Rjukan barneskole, 3.klasse.	Support to christmas celebration in classrom for 8 year old kids
Norway	Community Support	Solfesten	Support to celebration of "the sun is coming back to Rjukan" (away almost 6 months)
Norway	Community Support	Foreldrealver - Cheerleeding course	Cheerleeding course
Norway	Community Support	Tinn Leisure club - for youths	Voluntary work and donation for daily cost
Norway	Community Support	Rjukan gymnastic group fitness/Jazzercise/ Moods	Donation to gymastic group located at Rjukan
Norway	Community Support	Gaustaløpet - cross country skiing race	Donation to the local cross country skiing race

Country	Category	Organization name	Description of Project/Programme
Norway	Community Support	Logo in Programme for Bånnkallspelet	A local theatre near by plant Grorud - donation for 2000 Programmeme booklets
Norway	Community Support	Men's choir Malmklang	Made video - video with choir singing from the mine tower and filming from the air gas factory
Norway	Community Support	Følling sportsclub -Handball	Support the handbool club
Norway	Community Support	Holdenrace - cross country skiing race	Support to the race "Holdenrennet"
Norway	Community Support	Malm sports club- 10 kilo propane to lottery	Donation to lottery for local sportsclub
Denmark	Health & Wellness	Børnecancerfonden (Children with cancer)	The purpose of the organisation is to help children with cancer in Denmark. They focus on 3 important areas: support for the family, research and information.
Denmark	Health & Wellness	Kræftens bekæmpelse (Danish Cancer Society)	The mission of the organisation is to increase cancer survival rates, reduce number of cancer cases and improve life with cancer. They do it through research, prevention and patient support.https://danskehospitalsklovne.dk/om-danske-hospitalsklovne
Denmark	Health & Wellness	Danske hospitalsklovne (Danish Hospital Clowns)	Support for hospitalized children and their families, to increase life courage anad happiness when life hurts.
Denmark	Community support	Bredsted Pjedsted Hallen (community sportsvenue)	Support for local venue to perform activities for community
Denmark	Community support	Elbo Hallen (community sportsvenue)	Support for local venue to perform activities for community
Denmark	Community support	Smidstrup Hallen (community sportsvenue)	Support for local venue to perform activities for community
Denmark	Community support	Fredericia Byorkester (local town orchestra)	Support for local town orchestra for instruments and travels
Denmark	Community support	Fredericia Live (local music event venue)	Support for local music event venue, building maintenance etc.
United Kingdom	Community support	Mental Health Aberdeen	Employees walked 17.8 miles along the Scottish countryside to raise funds for local charities. Employees raised funds through sponsorship and the funds were donated to Mental Health Aberdeen
United Kingdom	Community support	Mastrick Community Centre Aberdeen / CARE Immingham	Employees donated food and essential items to a local foodbank

Country	Category	Organization name	Description of Project/Programme
United Kingdom	Community support	Macmillan	Employees baked various cakes / savory goods for 4 weeks, a winner was announced at the end of the challenge and all sponsorship donations made was donated to Macmillan
United Kingdom	Community support	Turning The Plastic Tide	2hr beach clean to improve health of our marine enviroment
United Kingdom	Community support	Charlies House	Some employees attended a Ball to support a local charity - Charlies House, funds will go towards the physical foundations of the build for the new facility which will provide vital support / respite for local familes.
United Kingdom	Community support	Colony Cults Football Club	Donation made towards a local football team to support the youths fun trips and kits
United Kingdom	Community support	Thistle Youth FV	Donation made towards a local football team to support the youths fun trips and kits
United Kingdom	Community support	Turning The Plastic Tide	2hr beach clean to improve health of our marine enviroment
Sweden	Community support	Lydinge Padel barn	Support to local club to carry out activities for the community - padel for children
Sweden	Community support	Köpings Golfklubb	Support to local club to carry out activities for the community - golf for children
Sweden	Community support	Arboga Södra IF, P11	Support to local club to carry out activities for the community - fotball for children
Sweden	Community support	IFK Fjärås F08	Support to local club to carry out activities for the community - fotball for children
Sweden	Community support	Riksförbundet HjärtLung i Köping	Support to local club to carry out activities for the community - different activites for heart/lung sick people
Sweden	Community support	Västra Karups IF	Support to local club to carry out activities for the community- fotball for children
Germany	Community support (Handicapped people)	v. Bodelschwinghsche Stiftungen Bethel	Collecting stamps from incoming mail to be sent to Bethel. The Bethel organisation offers handicapped people the work to sort, refurbish, select and sell these stamps.
Germany	Education	Gesamtschule Duisburg-Großenbaum	Donation of non-longer used Laptops to a school
Germany	Health&Wellness	Zero-Hunger Run / WHH	In the fight against hunger of more than 800 million people worldwide (as of 2021), Welthungerhilfe (WHH) has organized the #ZeroHungerRuns every year since 2016. Here, running enthusiasts have the opportunity to either run or walk 5 or 10 km.

Country	Category	Organization name	Description of Project/Programme
Germany	Health &Wellness	DKMS Donor Center gGmbH	B2Run: Supporting DKMS in the search for stem cell donors
Italy	Education, Health & Wellness	Sapre	Funds collection to support Research on Genetic Diseases
Italy	Community Support	Casa Famiglia Ferentino	Funds collection to buy Christmas presents for children in a community home
Italy	Community Support	32° REGGIMENTO GENIO GUASTATORI	Scolarship for training on Safety topics
Italy	Community Support	Misericordia	Christmas card contribution for flooded people
Italy	Education, Health & Wellness	OBM Onlus	Helium and Baloons donation for Hospital Event
Italy	Community Support	Runners Fidas Buttapietra	Helium and Baloons donation to support 80 disabled children accompanied by teachers and family members
Italy	Education, Health and Wellness	"La Sapienza" University	Support for safety trainings at the University and students visit organization to our filling station
Italy	Education, Health & Wellness	Bambino Gesù Foundation	Contribution to hospitalised children through the purchase of products
Belgium	Health & Wellness	ANTWERP 10 MILES	Participate at Antwerp 10 miles in the center of Antwerp. There are 3 distances: 10 miles / short mile 6,7 km / kids mile 1,8 km. Subscription paid by Nippon Gases and money raised via a sponsor run.
Belgium	Health & Wellness	PDS CUP	A mini football tournament organized in memory of a friend of some staff members, Peter de Smet, who died of cancer, hence PDS cup. A significant part of the proceeds will be passed on to the official Come on Against Cancer campaign. In a previous edition, we had assembled a team of players from Schoten, Oevel, Olen and Zwijndrecht. There is fringe entertainment with music, bouncy castles, food stalls and a free party with DJs afterwards. The tournament will take place on the artificial turf of KSk s'Gravenwezel.
Netherlands	Community Support / Environment	YULIUS	A colleague in Enschede took the initiative to lead a project for people with psychiatric problems who have difficulties entering the labor market. At the plant in Dordrecht, Nippon Gases invited Yulius to help us clean up our facility. A day of hard work resulted in a beautiful result:sharing stories, creating respect, cleaning up, the facility of Dordrecht, returning old iron to get a wonderful profit of € 4.000 to be donated to Yulius
Belgium	Community Support	HET VRIENDENHUIS	Sponsorship of a BBQ event for a home of disabled children. Employees volunteer to organize the BBQ, help with serving the food, do the dishes, entertain the children.
France	Health & Wellness	LA SÉNARTAISE	Walk & run event to support the research for cancer. In total 6400 participants
Belgium	Community Support	WARMSTE WEEK	Support of 'Warmste Week', a national event supported by radio and television. Every year they work around a central theme, in 2023 it was 'growing up without worrying'. Different actions were organized: Sale of chocolat, picknick, breakfast, nespresso cups, organizing a wine and cheese evening, vernissage,...
Netherlands	Community Support	PUB QUIZ	Online quiz of 1,5 hours over lunch time to support 'ALS Foundations Netherlands'.
Belgium	Community Support	BISTRO SOCIAL	Colleagues from Oevel, Olen and Schoten gathered to prepare a 3 course meal for people who struggle financially due to the consequences of the most recent crises lived in Europe in the area of Westerlo, where the Oevel office is located. Everything was freshly prepared by the team for more than 100 people.

Count of Number of Employee Volunteers per project / Grand Total: 90

Belgium 5	Denmark 8	France 1	Germany 4
Italy 8	Netherlands 2	Norway 20	Portugal 6
Spain 20	Sweden 6	Spain & Portugal 2	United Kingdom 8

Sum of Number of Employee Volunteers per project / Grand Total: 606

Community support 189	Diversity 5	Education 87	Environment 1
Environmental 45	Health & Wellness 279		

Sum of Donation Amount (EUR) / Grand Total: 199,065.81

Belgium 13,145.75	Denmark 5,062.00	France 30.00	Germany 0.00
Italy 14,543.00	Netherlands 4,510.00	Norway 10,066.00	Portugal 8,660.00
Spain 129,104.06	Sweden 2,610.00	Spain & Portugal 0,00	United Kingdom 11,335.00

5.2 Membership list of associations

We are convinced that our business benefits from the active participation in organizations that represent our industry. During FYE2024 we were active in many associations and organizations, including:

Europe

EIGA European Industrial Gases Association

Spain & Portugal

ACE Cluster de Energía, País Vasco: Energy Cluster Bask country

AEBIG Spanish Biogas Association

AEC Spanish Association for Quality

AEDTFAA Business Group for the Development of Advanced Aeronautical Manufacturing Techniques

AEGE Spanish Energy-Intensive Industry Group

AeH2 Spanish Hydrogen Association

AFGIM Spanish Industrial Gases Association

AmCham Spain American Chamber of Commerce in Spain

APCSD Portuguese Home Healthcare Association

APQuímica Portuguese Chemical, Petrochemical and Refining Association

AVEQ-KIMIKA Vizcaya Association of Chemical Companies

BEQUINOR National Association for the Standardization of Capital Goods and Industrial Safety

BH2C Basque Hydrogen Corridor

CAC Asturias Quality Club

CEJE Association of Japanese companies in Spain

CESOL Spanish Association of Welding and Joining Technologies

CFAA Aeronautical Advanced Manufacturing Center

Compromiso Asturias XXI Association to increase the development and well being of the Principality of Asturias

FEIQUE The Spanish Federation of the Chemical Industry

Spain & Portugal

FENIN Spanish Federation of Healthcare Technology Companies

Fundación Goierriko Herrien Ekintza Foundation for technical-social development in the Basque Country

GASNAM Spanish Hydrogen Organization

Health Cluster Portugal Aeronautics and Space Cluster Association of the Basque Country

HEGAN Spanish Energy-Intensive Industry Group

INDES Asociación de Industrias de El Serrallo (INDES): Industry Association of El Serrallo

IQPA Cluster of Chemical and Process Industries of Asturias

Club de Calidad Quality Club

QUIMACOVA Chemical and Environmental Association of the Chemical Sector in Valencia

SEDISA Spanish Society of Healthcare Managers

Shacho Kai Association of Japanese companies helping to develop their business in Spain

Italy

FEDERCHIMICA Italian Association of Chemical Industry

AGT Italian Association of Industrial and Medical Gas Manufacturers

UNIONE INDUSTRIALE Association of Italian Manufacturing and Service Companies

IJBG Italian- Japan Business Group

AICEP Italian Process Energy Consumers Association Association of Industrial Groups characterized by the use of large amounts of electricity in production processes

CIB Consorzio Italiano Biogas Voluntary aggregation for companies / organizations / institutions involved in biogas and biomethane from renewable sources

CTI Comitato Termotecnico Italiano A body federated with UNI, aims to carry out normative and unifying activities in the various fields of thermotechnics

5.2 Membership list of associations

Germany

IGV Industrial Gas Association e.v.

VCI Association of Chemical Industry

DVS German Welding Association

VIK Association of Industrial Energy Consumers

JIHK The Japanese Chamber of Industry and Commerce in Düsseldorf

Wasserstoffenergiecluster Mecklenburg-Vorpommern e.V. Association in Mecklenburg-Vorpommern to promote the production and use of hydrogen

Silicon Saxony Association of Electronic Manufacturers and Suppliers Saxony

HVG-DGG Association of German Glas Producers

IHT Industrieverband Härtetechnik

AWT Arbeitsgemeinschaft Wärmebehandlung + Werkstofftechnik e. V.

VDZ/ECRA Association of German Cement Producers

AGV Chemical employers' associations: Rheinland, Hessen, Nord, Rheinland-Pfalz, Baden-Württemberg, Nord-Ost Chemie

EPMA European Powder Metallurgy Association

TÜV e. v. Rheinland

Wirtschaftsrat der CDU e.V.

Belgium

Essenscia Federation of the chemical and life sciences industries

Waterstofnet VZW Hydrogen Association of Belgium

FEBELIEC Federation of Belgian Industrial Energy Consumers

BJA Belgium-Japan Association & Chamber of Commerce

VOKA Flemish Economic Association

Flanders Metals Valley Cooperation of companies, universities and research centers that focusses on complete circular chain (going for climate neutrality & circularity in the metal industry)

Bemas Non-profit organization in the field of maintenance and asset management

RBA Responsive Business alliance

Netherlands

VFIG Association of Manufacturers of Industrial Gases of Netherlands

DUJAT Dutch – Japanese Trade Federation Netherlands

JCC Japanese Chamber of Commerce in the Netherlands

VNCI Federation on Neth Chem Industry

France

AFGC Association Française de Gaz Comprimes France

AFF Association Françoise du Froid

Bio Vallée https://biovallee.net

5.2 Membership list of associations

United Kingdom	
BCGA	British Compressed Gases Organization
CIA	Chemical Industries Association
BSI	British Standards Institution
Britsafe	British Safety Council
SEDEX	Ethical Trading Organisation
IMCA	International Marine Contractors Association
AGCC	Aberdeen & Grampain Chamber of Commerce

Denmark	
PCG	Association of Compressed Gases Producers
DI	Confederation of Danish Industry

Sweden	
SIGA	Swedish Industrial Gas Association
SWC	Swedish Welding Commission

Norway	
NIGF	Norwegian Industrial Gas Association
BN	Biogas Norway

Tradename	Activity	Holding		Registered office
		% Direct	% Indirect	
Nippon Gases Deutschland GmbH.	Marketing of gases	-	100%	Hans-Böckler Strasse, 1, 40476 Düsseldorf, Germany
Sauerstoff- und Stickstoff-rohrleitungs-gesellschaft mbH (SRG)	Distribution of industrial gases	-	50%	E.N. 13 Km 6,4 4470-Maia, Portugal
Nippon Gases SP Z o. o.	Sale of industrial gases	-	100%	Al Korfantego 40-004 Katowice, Poland
Nippon Gases Belgium, NV.	Production and sale of gases	100%	-	Lammerdries 29 2250 Olen, 2900 Schoten, Belgium
Antwerpse Chemische Bedrijven (LCB), N.V.	Marketing of gases	-	100%	Metropoolstraat 16, 2900 Schoten, Belgium
Nippon Gases Netherlands, B.V.	Production and sale of gases	100%	-	Beugsloepweg 3, 3133 KV Vlaardingen, Netherlands
Nitraco, N.V.	Distribution of industrial gases	-	50%	Metropoolstraat 17, 2900 Schoten, Belgium
Nippon Gases Danmark A/S.	Production and sale of industrial gases	100%	-	Rode Banke, 120, 7000 Frederica, Denmark
Nippon Gases Norge A/S.	Production and sale of industrial gases	100%	-	Ringnesveien 50, 0978 Oslo, Noruega
Nippon Gases Sverige AB.	Production and sale of industrial gases	100%	-	Volvogatan 14, 731 36 Köping Västmanlands län Sweden
Nippon Gases Europe Ship AS.	Distribution of gases	-	100%	Fredrik Selmers vei 6, 0663 Oslo, Noruega
Nippon Gases UK Ltd.	Marketing of gases	100%	-	Gresley Way, Immingham Docks, DN40 2NT, United Kingdom
Nippon Gases Ireland Ltd.	Marketing of gases	100%	-	Unit 22, Viscount Avenue, Airway Industrial Estate, Santry, Dublin 17, Ireland
Nippon Gases France SAS.	Sale of industrial gases	100%	-	Rue de l'industrie 60, Savigny, France

5.2 Membership list of associations

Tradename	Activity	Holding		Registered office
		% Direct	% Indirect	
Nippon Gases Offshore Ltd.	Marketing of gases	-	100%	Howe Moss, Avenue, Kirkhill Industrial, Estate, Dyce, Aberdeen
Nippon Gases Finance Ltd.	Financial activities	100%	-	Unit 22, Viscount Avenue, Airway Industrial Estate, Santry, Dublin 17, Irleland
Noxtec Development, S.L.	Production and sale of medical gases	-	60%	Polígono Industrial La Encinilla, calle Guadarrama nº 22-24, 28411, Madrid, Spain
Nippon Gases Technology, S.L.	IT services	100%	-	Orense 11, 28020 Madrid, Spain

5.3 2024 Summary Data

ENVIRONMENT

Greenhouse Gas (GHG) Emissions	Unit	FYE2019	FYE2022	FYE2023	FYE2024
GHG Scope 1	Thousands of tonnes CO_2e	63.8	84.6	63.47	52.99
GHG Emissions Scope 2	Thousands of tonnes CO_2e	1,360.38	810.17	854.14	941.44
GHG Scope 1 percentage vs Scope 1 + Scope 2	%	4%	9%	7%	5%
GHG Scope 2 percentage vs Scope 1 + Scope 2	%	96%	91%	93%	95%
GHG Emissions Scope 1 + Scope 2	Thousands of tonnes CO_2e	1,424.18	894.77	917.61	994.43
ASU	%	88%	83%	87%	87%
HyCO	%	3%	5%	4%	4%
CO_2 liquefaction	%	5%	5%	5%	6%
Distribution	%	1%	1%	1%	1%
Filling Stations + F-gas + Others	%	4%	6%	4%	3%
GHG Emissions Scope 1 + Scope 2 vs FYE2019 (a)	%	100%	63%	64%	70%
GHG Emissions Scope 3 – Total	Thousands of tonnes CO_2e		1,505.06	1,318.89	1,651.61
Category 1 Purchased goods and services	Thousands of tonnes CO_2e		183.33	187.52	265.42
Category 2 Capital goods	Thousands of tonnes CO_2e		69.92	86.99	81.24
Category 3 Fuel and energy activities not included in Scope 1 and 2	Thousands of tonnes CO_2e		52.52	45.89	45.8

(a) Calculated using a base of 100 in FYE2019,
Scope 1 emissions: Direct emissions occurring from sources owned or controlled by the company
Scope 2 emissions: Indirect emissions from the use of electricity, steam when supplied by third parties,
Scope 3 emissions: Indirect emissions other than Scope 2 emissions,
GHG emissions are verified by external third party, attached statement

ENVIRONMENT

Greenhouse Gas (GHG) Emissions	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Category 4 Upstream transportation and distribution (Including transportation services whose cost is borne by the Company)	Thousands of tonnes CO_2e		NA	NA	NA
Category 5 Waste generated in operations	Thousands of tonnes CO_2e		0.064	0.066	0.05
Category 6 Business travel	Thousands of tonnes CO_2e		NA	NA	NA
Category 7 Employee commuting	Thousands of tonnes CO_2e		NA	NA	NA
Category 8 Upstream leased assets	Thousands of tonnes CO_2e		NA	NA	NA
Category 9 Downstream transportation and distribution	Thousands of tonnes CO_2e		65.22	57.09	57.65
Category 10 Processing of sold products	Thousands of tonnes CO_2e		NA	NA	NA
Category 11 Use of sold products	Thousands of tonnes CO_2e		1,091.69	888.29	1,259.11
Category 12 End-of-life treatment of sold products	Thousands of tonnes CO_2e		NA	NA	NA
Category 13 Downstream leased assets	Thousands of tonnes CO_2e		42.31	53.03	39.12
Category 14 Franchises	Thousands of tonnes CO_2e		NA	NA	NA
Category 15 Investments	Thousands of tonnes CO_2e		NA	NA	NA

Contributions to Environmental Protection through Products	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Greenhouse Gas Emission Reduction Customer Application Contribution (*)	Thousands of tonnes CO_2e		1,520	1,419	1,053
Greenhouse Gas Emission Reduction by Low Global Warming Potential Refrigerants	Thousands of tonnes CO_2e		344.5	410.8	485.2

(*) This year approx 400 kTCOs avoided are not reported as Client will not provide data until July

Energy Usage	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Electric power	GWh	2,794.99	2,795.31	2,594.42	2,555.60
Air Separation Unit	%	92%	92%	92.8%	92.4%
CO_2 liquefaction	%	5%	5%	4.5%	4.9%
Filling Stations	%	1.7%	1.7%	1.6%	1.5%
HyCO	%	0.4%	0.4%	0.7%	0.6%
Others	%	0.9%	0.9%	0.1%	0.7%
Thermal Energy	GJ	1,173.51	1,352.32	945.47	921.73
Air Separation Unit	%	12%	9%	12%	13%
CO_2 liquefaction	%	16%	12%	17%	19%
HyCO	%	72%	79%	71%	68%
ASU energy efficiency per Ton O_2 equivalent produced (base year FYE2019)	%	100%	101%	100.7%	104.2%
CO_2 liquefaction energy efficiency per Ton of Liquid CO_2 (base year FYE2019)	%	100%	101%	105.9%	102%
Renewable energy sourcing (Electricity)	%		34%	35%	20%

Purchased fuels and steam are converted into primary energy amounts:
(a) Calculated using a base of FYE2019
(b) Gases produced (oxygen, nitrogen, argon) calculated in Tons of equivalent gaseous oxygen

ENVIRONMENT

Environmental Impact	Unit	FYE2019	FYE2022	FYE2023	FYE2024
NOx Emissions	Tons	35	47	43	29
SOx emissions	Tons		N/A	N/A	N/A
Particulate emissions	Tons		N/A	N/A	N/A
VOC emissions	Tons		N/A	N/A	N/A
Releases of substances designated under the Pollutant Release and Transfer Register (PRTR)	Thousands of tonnes CO_2e		N/A	N/A	N/A
Local and accidental pollution issues	Number of events		0	0	0
Local and accidental biodiversity issues	Number of events		0	0	0
Local and accidental noise issues	Number of events				0
Local and accidental efluents issues	Number of events				0
Local noise measurements	Number of events				0
Environmental Violations fines	Number of events		0	0	0
Environmental Violations fines	Euros		0	0	0
F-gases fugitive emissions in refrigerant systems (ODS and GWPC)	Tonnes		2.27	1.96	0.33
GHG Emissions from F-gases in transfilling or process emissions (ODS and GWPC)	Thousands of tonnes CO2e		31.76	18.18	11.8
Reporting boundary: Nippon Gases and its consolidated subsidiaries in Europe					

Water Usage	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total Water Consumption	Millions of m^3		4.29	4.26	4.05
ASU water consumption	%		86%	87%	87%
HyCO water consumption	%		2%	1%	1%
CO_2 water consumption	%		12%	12%	12%
Surface water e,&, river, lake	Millions of m^3		0.91	0.91	0.84
Ground water e,g, well	Millions of m^3		0.32	0.37	0.34
Brackish water e,g, sea water	Millions of m^3		0	0	0
City water	Millions of m^3		1.13	1.08	1.07
Third party supply water	Millions of m^3		1.93	1.9	1.80
Cooling Tower Water Evaporation	Millions of m^3		3.09	3.06	2.95
Cooling Tower Water Blowdown	Millions of m^3		1.2	1.2	1.10
Total Water Withdrawn in Extreme high stress areas	Millions of m^3		0.72	0.78	0.96
Cooling Tower concentration cycles	Cycles		3.57	3.55	3.67
Water energy intensity	m^3/MWh		1.47	1.64	1.62
City water consumption	%		26%	25%	26%
Water consumption intensity (Water consumption vs business sales, Base year FYE2020)	%		81 %	68%	64%
Percentage main consumer sites with water management Programme (Base year 2019, Q> 30,000m^3/yr))	%		100 %	100 %	100 %
(a) Water consumption vs business sales, Base year FYE2020 (b) Water main consumers with water withdraw >30,000 m^3/yr					
Water savings Capital Projects	Number				10
Effluents samplings anlysis	Number				15

ENVIRONMENT

Waste	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Waste total	Tons		3,030	3,109	2,336
Waste total on landfill	Tons		120	88	60.848
Non-Hazardous waste	Tons		2,434	2,538	1,729.932
Non-Hazardous Waste on landfill	Tons		84	53	41.115
Percentage Non-hazardous on landfill	%		3.40%	2.10%	2.38%
Hazardous waste	Tons		595.7	571.3	605.965
Hazardous Waste on landfill	Tons		36.6	35.3	19.733
Percentage Hazardous on landfill	%		6.10%	6.20%	3%
Zero waste Programme sites	%		100%	100%	100%
Waste intensity (Waste generation vs business sales, Base year FYE2020)	%		98%	85%	65%

Environmental Accounting	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Investments e,g, efficiency projects with environmental emission reduction	Million Euro		6.5	2.9	4.42
Reported Electrical Energy Savings	MWh/year				17,084
GHG Emission Reduction from efficiency projects	Thousands of tonnes CO_2e		10.8	17.8	9.97
Carbon Free products delivered	Tons				<10
Carbon Footprint Certification provided	Number of sites				150 aprox
Amount of accruals or guarantees made or provided for environmental risks	Thousand EUR	0	0	0	0

Transportation Footprint	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Zero waste Programme sites	Million km	95.4	89.7	84.7	84.3
Kilometers travelled by all vehicles delivering liquid	Million km	53.9	55.7	53.7	53.9
CO_2 emissions generated by road vehicles	Thousands of tonnes CO_2e	63.3	66.1	57.8	58.2
Change in distance travelled per ton of liquid industrial gas delivered by truck	%	100%	98.7%	104.3%	103.4%
Change in distance travelled per cylinder industrial gas delivered	%	100%	98.9%	95.7%	101.1%
Maritime Gas oil used by CO_2 Carriers	Thousand ltr	3,226	3,674	3,677	3,149
CO_2 emissions generated / Ton Liquid CO_2 transported (Base line FYE 2019)	%	100%	111%	108%	90%
Estimate of truck transportation kilometers avoided through on-site customer units (in millions of km)	Million km		15	12.3	11.65

ENVIRONMENT

Transportation Footprint	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Estimate of transport CO_2 emissions avoided by on-site customer units	Thousands of tonnes CO_2e		13.7	10.2	9.7
Percentage of deliveries of air gases via pipeline	%		72%	67%	69%
Total number of patients treated by Nippon Gases	Thousands	261	267	298	306
Kilometers driven per patient monitored per year	Km	61	36	27	23
CO_2 emissions related to transportation (KG CO_2/patient/yr)	KG CO_2e/patient/yr	10.5	5.7	3.8	3.3

Certifications	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Number of sites certified under ISO 14001 Environmental management system	Number of sites		89.7	84.7	78
Percentage of operational sites certified under ISO 14001 Environmental management system	%		70%	74%	79%

SOCIETY

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total employees (Full time + Part time)	**Number of individuals**	**2,696**	**3,077**	**3,186**	**3,303**
Total # of employees & distribution by sex					
Female	%	26.04%	27.82%	27.9%	28.49%
Male	%	73.96%	72.18%	72.1%	71.51%
Total # of employees & distribution by age					
20s and below	%	5.71%	7.73%	8.57%	8.75%
30s	%	21.48%	22.52%	22.66%	22.8%
40s	%	31.49%	30.13%	28.75%	27.97%
50s and above	%	41.32%	39.62%	40.02%	40.48%
Total # of employees by professional category					
Director	%	2.89%	2.92%	3.08%	3.36%
Manager/specialists	%	41.43%	40.79%	46.01%	47.44%
Technical- Admin	%	55.68%	56.29%	50.91%	49.2%
HC permanent contracts	**Number of individuals**	**2,677**	**3,046**	**3,146**	**3,256**
Total # of employees & distribution by sex					
Female	%	25.92%	27.91%	28.07%	28.56%
Male	%	74.08%	72.09%	71.93%	71.44%
Total # of employees & distribution by age					
20s and below	%	5.57%	7.52%	8.14%	8.14%
30s	%	21.29%	22.59%	22.82%	22.88%
40s	%	31.57%	30.2%	28.89%	28.26%
50s and above	%	41.58%	39.69%	40.15%	40.72%

SOCIETY

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total # of employees by professional category					
Director	%	2.91%	2.92%	3.08%	3.41%
Manager/specialists	%	41.58%	41.1%	46.5%	47.94%
Technical-Admin	%	55.51%	55.98%	50.41%	48.65%
HC by temporary contracts	**Number of individuals**	**19**	**31**	**40**	**47**
Total # of employees & distribution by sex					
Female	%	42.11%	19.35%	15%	23.4%
Male	%	57.89%	80.65%	85%	76.6%
Total # of employees & distribution by age					
20s and below	%	26.32%	29.03%	43%	51.06%
30s	%	47.37%	16.13%	10%	17.02%
40s	%	21.05%	22.58%	18%	8.51%
50s and above	%	5.26%	32.26%	30%	23.4%
Total # of employees by professional category					
Director	%	0%	3.23%	2.5%	
Manager/specialists	%	21.05%	9.68%	7.5%	12.77%
Technical- Admin	%	78.95%	87.1%	90%	87.23%
HC by part time contracts	**Number of individuals**	**108**	**136**	**137**	**137**
Total # of employees & distribution by sex					
Female	%	71.3%	65.44%	63.5%	64.96%
Male	%	28.7%	34.56%	36.5%	35.04%

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total # of employees & distribution by age					
20s and below	%	3.7%	5.15%	7.3%	1.46%
30s	%	17.59%	14.71%	10.95%	18.98%
40s	%	28.7%	29.41%	30.66%	27.74%
50s and above	%	50%	50.74%	64.23%	51.82%
Total # of employees by professional category					
Director	%	0%	0.74%	0.73%	0.73%
Manager/specialists	%	25.93%	26.47%	35.04%	39.42%
Technical- Admin	%	74.07%	72.79%	64.23%	59.85%
Total terminations	**Number of individuals**	**97**	**270**	**290**	**276**
Total terminations by sex					
Female	%	31.96%	37.78%	34.14%	32.61%
Male	%	68.04%	62.22%	65.86%	67.39%
Total # terminations by age					
20s and below	%	13.4%	24.07%	20.69%	27.54%
30s	%	20.62%	28.15%	32.76%	30.8%
40s	%	21.65%	15.56%	18.62%	15.22%
50s and above	%	44.33%	32.22%	27.93%	26.45%
Total # terminations by professional category					
Director	%	1%	1.48%	1.72%	1.09%
Manager/specialists	%	37%	30.74%	34.83%	39.49%
Technical- Admin	%	62%	67.78%	63.45%	59.42%

SOCIETY

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total # voluntary leaves (voluntary includes employees decision to leave the company)	**Number of individuals**	**51**	**181**	**174**	**118**
Total voluntary leaves by sex					
Female	%	37.25%	41.99%	35.63%	40.68%
Male	%	62.75%	58.01%	64.37%	59.32%
Total # terminations by age					
20s and below	%	25.49%	32.6%	14.37%	27.12%
30s	%	27.45%	36.46%	41.95%	43.22%
40s	%	35.29%	16.02%	20.11%	16.1%
50s and above	%	11.76%	14.92%	23.56%	13.56%
Total # voluntary leaves by professional category					
Director	%	0%	1.1%	1.15%	0.85%
Manager/specialists	%	43.14%	28.73%	44.25%	55.08%
Technical- Admin	%	56.86%	70.17%	54.6%	44.07%
Total # involuntary leaves (involuntary includes employers decision to leave the company)	**Number of individuals**	**17**	**64**	**93**	**134**
Total involuntary leaves by sex	%				
Female	%	17.65%	29.69%	37.63%	29.1%
Male	%	82.35%	70.31%	62.37%	70.9%

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Total # involuntary leaves by age					
20s and below	%	0%	9.38%	37.63%	32.84%
30s	%	35.29%	15.63%	23.66%	25.37%
40s	%	17.65%	20.31%	20.43%	17.16%
50s and above	%	47.06%	54.69%	18.28%	24.63%
Total # involuntary leaves by professional category					
Director	%	0%	1.56%	3.26%	1.49%
Manager/specialists	%	52.94%	39.06%	19.35%	23.13%
Technical- Admin	%	47.06%	59.38%	77.42%	75.37%
Total # retirements	**Number of individuals**	**29**	**25**	**23**	**24**
Total terminations by sex					
Female	%	31.03%	28%	8.7%	12.50%
Male	%	68.97%	72%	91.3%	87.50%
Total # retirements by age					
20s and below	%	0%	0%	0%	0%
30s	%	0%	0%	0%	0%
40s	%	0%	0%	0%	0%
50s and above	%	100%	100%	100%	100%
Total # retirements by professional category					
Director	%	3.45%	4%	0%	0%
Manager/specialists	%	17.24%	24%	26.09%	54.17%
Technical- Admin	%	79.31%	72%	73.91%	45.83%

SOCIETY

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
New Hires Total	**Number of individuals**		**347**	**412**	**393**
Total new hires by sex	Number of individuals		347	412	393
New hires male	%		62.82%	66.99%	63.61%
New hires female	%		37.18%	33.01%	36.39%
Total Number of the new graduates newly hired (Full-time)	Number of individuals			84	17
Male	Number of individuals		26	47	11
Female	Number of individuals		17	42	6
Total Number of the mid-career newly hired (Full-time)	Number of individuals			323	376
Male	Number of individuals		192	229	239
Female	Number of individuals		122	94	137
Internships	**Number of individuals**		**64**	**64**	**74**
Years of continual employment (Unit: Years)(Full-time)	Year		12.73	12.43	12.15
Male	Year		13.69	13.32	13.01
Female	Year		10.26	10.12	9.8
Average age (Full-time)	Age		45.54	45.47	45.39
Male	Age		46.5	46.38	46.22
Female	Age		43.06	43.12	43.14
Managers	Age		47.49	49.19	49.74

Employees	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Compensation					
Gender pay gap Spain	%		2%	0.76%	3.26%
Gender pay gap Oximesa	%		3.7%	4.15%	7.61%
Gender pay gap Rest Nippon Gases	%		13.7%	11.12%	10.19%
Employees with incentive plan	%		79%	81.8%	85.98%

NOTE
Employees data is generally reported as percentage to make possible to track the changes year by year.
Average calculations are based on end of fiscal year data.
Gap calculation: (Average men remuneration - Average women remuneration)/ Average men remuneration.
Gender Gap change is due to the increase of females in early steps of career.

Career- Performance	Unit	FYE2019	FYE2022	FYE2023	FYE2024
% of the total workforce across all locations who received regular performance reviews	%		72.8%	74.2%	68.03%
% of the total workforce across all locations who received regular career development reviews	%		72.8%	74.2%	63.18%
% of employees with an individual variable component as part of their remuneration	%		79%	81.8%	85.98%
Average length of service in the Group	Years		12.73	12.43	12.32

SOCIETY

Diversity	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Female employees as a % of the total number of employees	%		27.8%	27.9%	28.49%
Female specialist & managers as a % of the total of the specialist & managerial positions	%		27.1%	30.43%	31.35%
Employees with disabilities as a % of total labour force	Number of individuals		44	61	59
Employees with disabilities as a % of total labour force	%		1.4%	1.9%	1.8%

Work-life Balance	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Parental leave taken					
Male	Number of individuals		43	62	49
Female	Number of individuals		36	45	52
Caregiver leave taken					
Male	Number of individuals		25	31	56
Female	Number of individuals		17	38	26
Volunteer leave systems					
Male	Number of individuals		13	34	56
Female	Number of individuals		9	32	11
Male	Days		13	34	56
Female	Days		9	32	11
Expenditures on social contribution initiatives (see Contribution to non-profit organizations)	Thousands Euro		116	298	199
Employee satisfaction survey in last 3 years	Number of individuals		1	2	3

Living wage	Unit	FYE2019	FYE2022	FYE2023	FYE2024
% of employees payroll above living wage					99.97%

Training	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Employees who received training at least once during the year	%		100%	100%	100%
% of the employees who received training to strengthen employees' knowledge and skills specific to their work or their career advancement	%			86%	79%
Employee training hrs/employee/yr	Hrs		12	13	13
Safety training hours/employee/yr	Hrs/employee		8	4	3
Total Training Hours					
Male				30,059	29,603
Female				11,093	11,879
Mandatory Training in PeopleHub					
Technicians & Administration					
Male	Train, Hours reg,		8,759	12,543	7,688
Female	Train, Hours reg,		2,992	3,846	2,591
Specialist					
Male	Train, Hours reg,		8,992	7,998	6,309
Female	Train, Hours reg,		3,424	2,623	2,765
Manager					
Male	Train, Hours reg,		3,579	2,136	2,015
Female	Train, Hours reg,		746	704	442

SOCIETY

Training	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Director					
Male	Train, Hours reg,		1,064	690	559
Female	Train, Hours reg,		157	95	138
Total					
Male	Train, Hours reg,		22,394	23,366	16,572
Female	Train, Hours reg,		7,319	7,268	5,936
Soft Skill Training in PeopleHub					
Technicians & Administration					
Male	Train, Hours reg,		759	1,200	1,790
Female	Train, Hours reg,		657	803	1,318
Specialist					
Male	Train, Hours reg,		2,413	3,773	8,133
Female	Train, Hours reg,		1,846	2,247	3,712
Manager					
Male	Train, Hours reg,		1,049	1,334	2,618
Female	Train, Hours reg,		599	662	743
Director					
Male	Train, Hours reg,		346	386	490
Female	Train, Hours reg,		156	113	170
Total					
Male	Train, Hours reg,		4,566	6,693	13,032
Female	Train, Hours reg,		3,257	3,825	5,943

Occupational Health and Safety	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Occupational accidents resulting in recordable injury (RI)	Number of accidents	3	5	6	10
Male	Number of individuals	3	4	6	9
Female	Number of individuals	0	1	0	1
Rate occupational accidents resulting in recordable injury (Number of work-related injuries requiring more than first aid, per million hours) RI frequency rate		1.07	0.9	1.04	1.67
Lost-time accidents of employees of at least one day (a)	Number of accidents	2	3	3	8
Male	Number of individuals	2	2	3	7
Female	Number of individuals	0	1	0	1
Rate occupational accidents resulting in recordable injury (Number of work-related injuries requiring more than first aid, per million hours) RI frequency rate		0.71	0.52	0.52	1.34
Male	Number of individuals	0.71	0.48	0.71	1.62
Female	Number of individuals	0	0.64	0	0.61
Accident severity rate(Average number of days of lost time per million hours worked)			12.06	8.7	10.19
Male			14.91	12.1	12.45
Female			4.48	0	4.24
Absenteeism rate (# of hours of illness / # of employees * annual working time by employee)		5.32%	4.41%	3.79%	3.61%
Male	Number of individuals	5.27%	4.23%	3.85%	3.42%
Female	Number of individuals	5.43%	4.86%	3.64%	4.09%

SOCIAL

Occupational Health and Safety	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Absenteeism Hours (Based on average working hours for each country)					
Male	Hours			164,175	151,574
Female	Hours			53,719	68,147
Occupational diseases					
Male	Number		0	0	0
Female	Number		0	0	0
Number of accidents of subcontractors			12	15	2
Frequency of accidents of subcontractors workers (Number of accidents involving lost time of at least one day, per million hours worked)			5.5	5.58	0.41
High Severity Product vehicles preventable incidents	Number	7	7	5	4
High Severity Product vehicles preventable incidents rate (preventable incidents with an injury or vehicle tow away per million driven km)			0.08	0.03	0.02
Product vehicles preventable incidents rate	Number	0.32	0.16	0.05	0.12
No occupational diseases reported	Number		0	0	0
Number of sites certified under ISO 45001	Number				68

Assessment	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Number of Health and Safety European Assessments	Number of events	13	14	16	16
Number of Health and Safety European Assessments operational sites	Number of events		8	13	11
Number of Environment European Assessments	Number of events	4	7	11	10
Environmental operational assessment rate	See note		88%	92%	91%
% of all operational sites for which an environmental risk assessment has been conducted or ISO14,001 implementation	%		70%	74%	75%
% of all operational sites for which an employee health & safety risk assessment has been conducted	%		100%	100%	100%

Community	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Community projects , # people participating	Number		658	1,020	606
Hours of volunteerism (at 6 hours average)	Hours		NA	NA	3,636
Community engagement, # projects	Number		79	84	90
Contribution to non-profit organizations	Thousand Euros		141	298	199

SOCIAL

Social Relations	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Employees under collective agreement	%		93,30%	92,94%	92,98%
% of the total workforce across all locations represented by formal employee representatives			95,70%	95,45%	95,34%
% of the total workforce across all locations represented by formal employee representatives					95,34%
% of employees covered by Collective Bargain Agreement					
Belgium	%			100%	100%
Germany	%			100%	100%
Denmark	%			100%	100%
Italy	%			100%	100%
Netherlands	%			0%	0%
Norway	%			100%	100%
Portugal	%			100%	100%
Spain	%			100%	100%
France	%			0%	0%
Sweden	%			100%	100%
United Kingdom	%			0%	0%
Ireland	%			0%	0%

GOVERNANCE

Management Configuration	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Directors Male BOD NGEH	Number of individuals			8	6
Directors Female BOD NGEH	Number of individuals		1	1	1
Confirmed incidents of ethics/ corruption and/or anti-trust matters	Number of individuals		0	2	2
Public legal cases regarding corruption and/or anti-trust matters	Number of individuals		0	0	0
Human Rights violations complains	Number of individuals		0	0	0
Discrimination / Harassment cases reported and confirmed	Number of individuals		2	0	0
Security breaches high severity cases	Number of individuals		0	0	0
Number of Compliance trainings	Number of individuals		116	93	119
Employees received training on ethics (Code of Conduct re-certification process)	Number of individuals		2,100	2,831	3,349(b)
% Employees received training on ethics (Code of Conduct re-certification process)			100%	100%	100% (a)
Employees received training on preventing discrimination and human rights violations (part of the Code of conduct re-certification process)	Number of individuals		2,100	2,831	3,349(b)
%Employees received training on preventing discrimination and human rights violations (part of the Code of conduct re-certification process)			100%	100%	100%
Employees received training to prevent anti-competitive practices	Number of individuals		2,547	2,272	3,349(b)
% Employees received training to prevent anti-competitive practices			100%	100%	100%
Employees received training to information security risk practices	Number of individuals		2,514	100	632
% employees received training to information security risk practices			(b)		19%

GOVERNANCE

Management Configuration	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Audits on anti-competitive practices performed	Number of events		0	0	0
Audits on information security risk performed	Number of events		1	1	1
Audits of control procedures(e,g, JOX, accounting, purchasing, fraud, etc,)to prevent corruption and bribery	Number of events		0	5	4
Risk assesments					1
Fraud/Corruption assesments					1
Tax Paid	Million Euros				323
Public Grants Received	Million Euros				2.95
Estimate Tax Paid	Euros		0	0	0

(a) selected employees
(b) includes retired, new hires and temporary employees

Customers	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Customer complaints with product out of specification %	%	5.40%	5.50%	3.80%	5.49%
Average days of resolution of closed complains	Days	62	30	71	44
Percentage of complaints reports investigated and closed out within 90 days of the incident	%	63%	90%	73%	44%

Supply Chain	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Reported non-conformities	Number	61	204	399	308
Reported non-conformities - internal	Number	51	62	167	10
Reported non-conformities - external	Number	10	142	232	318
Reported non-conformities - safety	Number	0	0	0	3(a)
Supply chain suppliers audits	Number		13	34	37
Percentage of targeted suppliers who have signed the supplier code of conduct	%		60	65	75

(a) FYE2024 non-conformities-safety new category not used in the past

External Commitments	Unit	FYE2019	FYE2022	FYE2023	FYE2024
Audit, specifically related to CSR issues (e,g, Ecovadis)					1
Reporting boundary: Nippon Gases and its consolidated subsidiaries in Europe					

Ref No 02-958-355729-02_V0

Greenhouse Gas Verification Opinion

The inventory of Greenhouse Gas emissions in the period
01/04/2023 - 31/03/2024 for

NIPPON GASES EURO-HOLDING S.L.U.

CALLE ORENSE 11, 28020 (MADRID)

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of

GHG PROTOCOL

For the following activities: production of industrial and medical gases

in Belgium, Denmark, France, Germany, Ireland, Italy, Norway, Portugal, Spain, Sweden, The Netherlands and United Kingdom.

Approved by

VERIFICADO
GHG PROTOCOL
Inventario de Emisiones de Gases Efecto Invernadero
www.climatecharge.aga.com

Mª Lourdes Martín Mangas
Technical Director of Sustainability and Climate Change
Date: 10th June 2024

SGS Tecnos S.A.U.
C/Trespaderne 29, Edificio Barajas I, 2ª Planta, 28042 – Madrid (España)
www.sgs.es

This Opinion is not valid without the full verification scope, objectives, criteria and conclusion available on pages 2 to 5 of this Opinion

Ref No: 02-958-355729-02_V0

Greenhouse Gases Verification Opinion

NIPPON GASES EURO-HOLDING S.L.U, provided the GHG statement based on the requirements of GHG Protocol. The GHG emissions for the Fiscal Year 2024 have been verified by SGS to a limited level of assurance, consistent with the agreed verification scope, objectives and criteria.

The emissions are broken down into the following categories:

t CO2e	Fiscal Year 2024
Scope 1- Direct GHG emissions	52,988
Scope 2- Electricity indirect GHG emissions	941,442
Scope 3- Other indirect GHG emissions	1,651,610
TOTAL	**2,646,040**

SGS has planned and performed the current work to obtain the information, explanations and evidence considered necessary to provide a limited level of assurance that the CO2 equivalent emissions for the fiscal year 2024 are fairly stated.

Our verification of the GHG Statement of NIPPON GASES EURO-HOLDING S.L.U. includes the evaluation of the GHG information system, its control, and its notification protocol. This verification has included the collection of evidence supporting the reported data, and the verification of the correct application of NIPPON GASES EURO-HOLDING S.L.U. procedures.

SGS Tecnos, S.A. Trespaderne, 29 Edificio Barajas 1 28042 MADRID División de Medioambiente

Opinion

Based on the process and procedures conducted, SGS concludes that there is no evidence that the presented GHG statement:

- Is not materially correct and is not a fair representation of GHG data and information, and
- Has not been prepared in accordance with the requirements of GHG Protocol, in relation to its quantification, control and notification.

This opinion shall be interpreted with the GHG statement "Nippon Gases GHG Inventory Report 2024 Rev 1c" as a whole.

Schedule Accompanying Greenhouse Gas Verification Opinion

SGS has been contracted by NIPPON GASES EURO-HOLDING S.L.U., for the verification of direct and indirect carbon dioxide (CO_2) equivalent emissions as provided by NIPPON GASES EURO-HOLDING S.L.U. in their GHG statement "Nippon Gases GHG Inventory Report 2024 Rev 1c", covering the period 01/04/2023 - 31/03/2024 and considering Fiscal Year 2019 (from 01/04/2018 to 31/03/2019) as the base fiscal year.

Responsibilities

Energy and sustainability Department of NIPPON GASES EURO-HOLDING S.L.U. is responsible for the organization's GHG information system, the development and maintenance of records and reporting procedures in accordance with that system, including the calculation and determination of GHG emissions information and the reported GHG emissions.

It is SGS' responsibility to express an independent GHG verification opinion on the GHG emissions as provided in their GHG Statement for the period 01/04/2023 - 31/03/2024,

SGS conducted a third party verification following the requirements of GHG Protocol and ISO 14064-3:2019 of the provided GHG statement "Nippon Gases GHG Inventory Report 2024 Rev 1c", for the period 01/04/2023 - 31/03/2024.

Level of Assurance

The level of assurance agreed for the assignment is a limited level of assurance.

SGS Tecnos, S.A. Trespaderne, 29 Edificio Barajas 1 28042 MADRID División de Metrología

Scope

NIPPON GASES EURO-HOLDING S.L.U. has commissioned an independent verification by SGS of reported CO_2 equivalent emissions arising from their activities, to establish conformance with the requirements of GHG Protocol in their facilities located in BELGIUM, DENMARK, FRANCE, GERMANY, IRELAND, ITALY, NORWAY, PORTUGAL, SPAIN, SWEDEN, the NETHERLANDS and UNITED KINGDOM.

The reporting boundaries have been:

- Scope 1: Direct GHG emissions:
  - Emissions from stationary sources: consumption of natural gas.
  - Emissions from mobile sources: Fossil fuel combustion: own vehicles fleet and ships.
  - Fugitive emissions: refrigerants, Dry Ice manufacturing and ODS Gases.
- Scope 2: Electricity indirect GHG emissions:
  - Electrical power
  - Steam
- Scope 3: Other indirect GHG emissions:
  - Category 1: Purchased goods and services.
  - Category 2: Capital goods.
  - Category 3: Fuel-and-energy-related activities (not included in scope 1 and 2).
  - Category 5: Waste generated in operations.
  - Category 9: Downstream transportation and distribution.
  - Category 11: Use of sold products.
  - Category 13: Downstream leased assets.

The exclusions have been:

- Category 1: Natural Gas in Liquid CO_2 Plants, Filling Stations and Specialty gases laboratories because it is not required.
- Category 1: Steam in Liquid CO_2 Plants, Filling Stations and Specialty gases laboratories because it is not required.
- Category 1: CO_2 refilling extinguishers estimated emissions.
- Category 4. Upstream transportation and distribution.
- Category 6. Business travel.
- Category 7. Employee commuting.
- Category 8. Upstream leased assets.
- Category 10. Processing of sold products.
- Category 12. End-of-life treatment of sold products.

Ref No: 02-958-355729-02_V0

SGS

SGS Tecnos, S.A. Trespaderne, 29 Edificio Barajas 1 28042 MADRID - División de Medioambiente -

The organizational boundaries were established following the **financial** control approach.

This engagement covers verification of emissions and removals of greenhouse gases included within the organization's boundaries and meets the requirements of ISO 14064-3:2019.

- **Title and description of activities**: Verification of the GHG statement for NIPPON GASES EURO-HOLDING S.L.U. fiscal year 2024.
- **Location of the activities**: Belgium, Denmark, France, Ireland, Germany, Italy, Norway, Portugal, Spain, Sweden, Poland, the Netherlands and United Kingdom plants.
- **Activities of the organization:** production of industrial and medical gases The main products supplied by Nippon Gases in various physical forms and purities are oxygen, nitrogen, argon, carbon dioxide, hydrogen, helium, carbon monoxide, gas mixtures, electronic gases, specialty gases and the services and technologies associated with the use of these gases and mixtures.
- Types of **GHGs** included: CO_2, CH_4, N_2O, HFCs, SF_6, NF_3 and PFC.
- The **verification** period is: 01/04/2023 - 31/03/2024

Objectives

The purposes of this verification exercise are, by review of objective evidence, to independently review:

- Whether the CO2 equivalent emissions are as declared by the organization's GHG statement.
- That the data reported are accurate, complete, consistent, transparent and free of material error or omission.
- Whether the inventory system complies with the criteria and scope established in the GHG Protocol.

Criteria

Criteria against which the verification assessment is undertaken are the requirements of ISO 14064-3:2019.

SGS Tecnos, S.A. Trespaderne, 29 Edificio Barajas 1 28042 MADRID - División de Medioambiente -

Materiality

The materiality required of the verification was considered by SGS to be below 10%.

The non-financial statement was prepared pursuant to the requirements of Royal Decree-Law 11/2018, of 28 December, amending the Spanish Commercial Code, the consolidated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010, of 2 July, and Spanish Audit Law 22/2015, of 20 July, on disclosures of non-financial and diversity information. It also considered the European Commission guidelines on non-financial reporting (2017/C 215/01) arising from Directive 2014/95/UE.

Preparation also considered the content of the Global Reporting Initiative's Sustainability Reporting Guidelines (selected GRI Standards) and the principles in the Integrated Reporting Framework, published by the International Integrated Reporting Council, IIRC.

The scope of this report includes the information on FY2022 (from April 1st 2021 to March 31st 2022) of Nippon Gases.

The following criteria have been applied to the information reported herein: – The financial information is presented in accordance with the consolidation principles applied in the annual accounts. – Non-financial information relates to operations over which Nippon Gases maintains control (companies consolidated in the Consolidated Financial Statements in accordance with the full integration method).

This report details and expands on the nonfinancial statement. Through the non-financial statement, Nippon Gases reports on relevant environmental, social and governance aspects, employee-related and human rights matters for the company in carrying out its business. During the preparation of this report and its contents selection, the results of the materiality analysis carried out have been considered with the following results: selection, the results of the materiality analysis carried out have been considered with the following results:

Extremely important aspects	– Product and service safety & quality – Providing products and services that contribute to solving environmental and social issues – Climate change mitigation and adaptation – Effective use of resources and prevention of pollution – Strengthening information security measures – Improvement of productivity and promotion of production optimization – Development and maintenance human resources – Strengthening communication with stakeholders – Sustainable supply chain – Contribution to regional and industrial development as social infrastructure – Diversity & Inclusion
Very important aspects	– Pursuit of customer satisfaction – Technology and R&D capabilities that support the creation of customers and social value – Promotion of initiatives for digital innovation – Employee and family health – Conservation of water resources – Coexistence with the local community – Improvement of employee engagement – Providing comfortable and affluent lifestyles
Very important aspects	– Conservation of biodiversity – Protection and effective utilization of Intellectual Property

Tradename	Activity	Holding		Registered office
		% Direct	% Indirect	
Nippon Gases España S.L.U.	Production and sale of gases	100%	-	Orense 11, 28020 Madrid, Spain
Nippon Gases Portugal Unipessoal, LDA.	Production and sale of gases	100%	-	E.N. 13 Km 6,4 4470-Maia, Portugal
Oximesa S.L.U.	Production and sale of medical gases	100%	-	Orense 11, 28020 Madrid, Spain
Nippon Gases Italia S.R.L.	Production and sale of industrial gases	100%	-	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Industrial S.R.L.	Production and sale of industrial gases	-	100%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Operations S.R.L.	Production and sale of industrial gases	-	100%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Pharma S.R.L.	Production and sale of medical gases	-	100%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Refrigerants S.R.L.	Marketing and sale of refrigerant gases	-	100%	Via Benigno Crespi 19, 20159 Milán, Italy
GemGas S.R.L.	Marketing and sale of industrial gases	-	100%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Green Energy S.R.L.	Distributioin of industrial gases	-	100%	Via Cavalier Virginio Tedeschi 1 - 10036, Settimo Torinese (TO), Turin, Italy
Nippon Gases Industrial Sud S.R.L.	Production, marketing and sale of industrial gases	-	59,5%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Pharma Sud S.R.L.	Production and distribution of gases	-	100%	Via Aterno n. 56, Pescara, Italia
Dryce S.R.L.	Production and distribution of gases	-	51%	Via Aosta 5, Cernusco sul Naviglio, Italia
Nippon Gases Pharma Hub S.R.L.	Production and sale of medical gases	-	70%	Via Benigno Crespi 19, 20159 Milán, Italy
Home Medicine S.r.l.	Holding of shares	-	51%	Via Benigno Crespi 19, 20159 Milán, Italy
Nippon Gases Deutschland Holding GmbH.	Holding of shares	100%	51%	Hans-Böckler Strasse, 1, 40476 Düsseldorf, Germany

Tradename	Activity	Holding		Registered office
		% Direct	% Indirect	
Nippon Gases Deutschland GmbH.	Marketing of gases	-	100%	Hans-Böckler Strasse, 1, 40476 Düsseldorf, Germany
Sauerstoff- und Stickstoff-rohrleitungs-gesellschaft mbH (SRG)	Distribution of industrial gases	-	50%	E.N. 13 Km 6,4 4470-Maia, Portugal
Nippon Gases SP Z o. o.	Sale of industrial gases	-	100%	Al Korfantego 40-004 Katowice, Poland
Nippon Gases Belgium, NV.	Production and sale of gases	100%	-	Lammerdries 29 2250 Olen, 2900 Schoten, Belgium
Antwerpse Chemische Bedrijven (LCB), N.V.	Marketing of gases	-	100%	Metropoolstraat 16, 2900 Schoten, Belgium
Nippon Gases Netherlands, B.V.	Production and sale of gases	100%	-	Beugsloepweg 3, 3133 KV Vlaardingen, Netherlands
Nitraco, N.V.	Distribution of industrial gases	-	50%	Metropoolstraat 17, 2900 Schoten, Belgium
Nippon Gases Danmark A/S.	Production and sale of industrial gases	100%	-	Rode Banke, 120, 7000 Frederica, Denmark
Nippon Gases Norge A/S.	Production and sale of industrial gases	100%	-	Ringnesveien 50, 0978 Oslo, Noruega
Nippon Gases Sverige AB.	Production and sale of industrial gases	100%	-	Volvogatan 14, 731 36 Köping Västmanlands län Sweden
Nippon Gases Europe Ship AS.	Distribution of gases	-	100%	Fredrik Selmers vei 6, 0663 Oslo, Noruega
Nippon Gases UK Ltd.	Marketing of gases	100%	-	Gresley Way, Immingham Docks, DN40 2NT, United Kingdom
Nippon Gases Ireland Ltd.	Marketing of gases	100%	-	Unit 22, Viscount Avenue, Airway Industrial Estate, Santry, Dublin 17, Ireland
Nippon Gases France SAS.	Sale of industrial gases	100%	-	Rue de l'industrie 60, Savigny, France

5.6 Legal entities list

Tradename	Activity	Holding		Registered office
		% Direct	% Indirect	
Nippon Gases Offshore Ltd.	Marketing of gases	-	100%	Howe Moss, Avenue, Kirkhill Industrial, Estate, Dyce, Aberdeen
Nippon Gases Finance Ltd.	Financial activities	100%	-	Unit 22, Viscount Avenue, Airway Industrial Estate, Santry, Dublin 17, Irleland
Noxtec Development, S.L.	Production and sale of medical gases	-	60%	Polígono Industrial La Encinilla, calle Guadarrama nº 22-24, 28411, Madrid, Spain
Nippon Gases Technology, S.L.	IT services	100%	-	Orense 11, 28020 Madrid, Spain

5.7 GRI Content Index & Table of contents required under Law 11/2018

GENERAL

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Business Model	Brief description of the group's business model: — Business environment — Organization and structure — Market presence — Objectives and strategies — Main factors and trends thataffect the company´s future evolution	GRI 2-1 Organizational details. GRI 2-2 Entities included in the organization's sustainability reporting. GRI 2-6 Activities, value chain and other business relationships. GRI 2-9 Governance structure and composition. GRI 2-23 Policy commitments.	Pp 13-17	
Materiality	Materiality Analysis Process to determine material topics.	GRI 3-1 Process to determine material topics. GRI 3-2 List of material topics. GRI 3-3 Management of material topics.	Pp 18	
Management Policies	Description of the policies applied by the group, Results of these policies, including key indicators of relevant non-financial results	GRI 2-23 Policy commitments. GRI 2-24 Embedding policy commitments.	Pp 34-53	
Significant Risks and impacts	Main risks related to these issues and related to the group's activities, including, when relevant and proportionate, its business relationships, products or services that may have negative effects in these areas.	GRI 3-3 Management of material topics. GRI 2-23 Policy commitments. GRI 2-24 Embedding policy commitments. GRI 2-25 Processes to remediate negative impacts.	Pp 52-57	

ENVIRONMENT

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Environmental management	Current and foreseeable effects of the company's activities	GRI 3-3 Management of material topics. GRI 201-2 Climate change: financial implications, risks and opportunities. GRI 2-23 Values, standards and codes of conduct. Spanish Law 26/2007 Environmental Liability.	Pp 70-74, 90	
	Environmental assessment and certification procedures.		FYE2024 Summary Data	
	Resources dedicated to the prevention of environmental risks		Pp 76-77	The environmental risk assessment has not identified a high probability of occurrence in the locations where we work.
	Implementation of the precautionary principle			
	Amount of provisions and guarantees for environmental risks.		FYE2024 Summary Data	Consequently, during FYE2024 there have been no provisions or guarantees for environmental risks.
Pollution	Measures to prevent, reduce or repair emissions that seriously affect the environment, including any form air, noise and light pollution	GRI 3-3 Management of material topics. GRI 305-6 Emissions of ozone-depleting substances (ODS). GRI 305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions.	Pp 76-77	
Circular economy and waste prevention and management	Measures related to prevention, recycling, reuse and other form of waste recovery and disposal.	GRI 3-3 Management of material topics. GRI 301-2 Recycled input materials used. GRI 301-3 Reclaimed products and their packaging materials.	Pp 88-89	

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
		GRI 306-2 Management of waste discharge-related impacts GRI 306-3 Waste generated GRI 306-4 Waste diverted from disposal GRI 306-5 Waste directed to disposal		
	Actions to avoid food waste.	GRI 3-3 Management of material topics		Our processes and locations do not create a material amount of food waste.
Sustainable use of resources	Water consumption and water supply in accordance with local constrains.	GRI 3-3 Management of material topics GRI 303-1 Interactions with water as a shared resource GRI 303-2 Management of water discharge-related impacts GRI 303-3 Water recycled and reused GRI 303-4 Water discharge GRI 303-5 Water consumption	Pp 84-87	
	Raw materials consumption and measures taken to improve the efficiency of its use	GRI 3-3 Management of material topics GRI 301-1 Material consumption by weight or volume		Raw Material is Air

ENVIRONMENT

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
	Direct and indirect energy consumption	GRI 302-1 Energy consumption within the organization.	Pp 78	
	Measures taken to improve energy efficiency	GRI 302-3 Energy intensity.	Pp 82-83	
	Use of renewable energy	GRI 302-4 Reduction of energy consumption. GRI 302-5 Reductions in energy requirements of products and services. GRI 305-5 Reduction of GHG emissions. GRI 3-3 Management of material topics.	FYE 2024 Summary Data	
Climate change	Measures taken to adapt to climate change	GRI 3-3 Management of material topics. GRI 201-2 Financial implications and other risks and opportunities due to climate change.		Up to date NGE has not implemented change of its operation or business model to adapt to climate change
	Voluntary reduction targets	GRI 3-3 Management of material topics. GRI 302-4 Reduction of energy consumption. GRI 305-5 Reduction of GHG emissions.	Pp 24	

ENVIRONMENT

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Biodiversity protection	Measures taken to preserve or restore biodiversity	GRI 3-3 Management of material topics. GRI 304-3 Habitats protected or restored.	Pp 77	
	Impacts caused by activities or operations in protected areas	GRI 3-3 Management of material topics. 304-2 Significant impacts of activities, products, and services on biodiversity.	Pp 77	

SOCIAL AND EMPLOYEE RELATED MATTERS

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Employment	Total number of employees and distribution by country, gender, age and professional category	GRI 2-7 Employees. GRI 405-1 Diversity of governance bodies and employees.		The company reports the total number and distribution of employees by gender, age and professional category; The breakdown of the number of employees by country is not included, to avoid a competitive advantage to our competitors
	Total number and distribution of employment contract modalities			The information provided refers to the number of contracts at the end of the year

SOCIAL AND EMPLOYEE RELATED MATTERS

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
				due to the difficulty of obtaining average annual values. Given the company's low turnover rate, it is considered a good estimate of the average number of contracts for the year ended March 31, 2024
	Annual average of indefinite, temporary and part-time contracts by gender, age and professional category.	GRI 2-7 Employees.		The information provided refers to the number of contracts at the end of the year
	Number of dismissals by gender, age and professional category	GRI 401-1 New employee hires and employee turnover.	FYE 2024 Summary Data	
	Gender pay gap	Internal reporting framework: (average women remuneration - average men remuneration) / average men remuneration. GRI 405-2 Ratio of basic salary and remuneration of women to men.	FYE 2024 Summary Data	
	Average remuneration by gender, age and professional category.	Internal reporting framework: Average remuneration (includes the total remuneration for the year, fixed salary and all variable remunerations (per diems, compensation, payment to savings pension systems, etc.) obtained during the year		The Group does not report the average remuneration of employees by gender, age and professional category.
	Average remuneration of the Board of Directors by gender.			The Administrator and the members of senior management who may hold positions of administrators or directors in the parent company have not received any type of specific remuneration for this concept.
	Average remuneration of directors by gender.			
	Implementation of labor Disconnection policies.	GRI 3-3 Management of material topics	Pp 102	
	Number of employees with disabilities	GRI 3-3 Management of material topics	FYE 2024 Summary Data	
Work organization	Organization of working time	GRI 3-3 Management of material topics GRI 2-23 Policy commitments	Pp 101-104	
	Number of absenteeism hours	Internal reporting framework: quantitative description of the number of total hours of absenteeism.	FYE 2024 Summary Data	
	Measures to promote work-life balance and co-parenting responsibilities	GRI 3-3 Management of material topics GRI 401-3 Parental leave	Pp 110	

SOCIAL AND EMPLOYEE RELATED MATTERS

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Health and safety	Occupational health and safety conditions	GRI 403-1 Occupational health and safety management system	Pp 112-114	
	Number of work accidents and Occupational diseases, by gender. Frequency rate and severity rate by gender.	GRI 403-9 Work-related injuries Rate occupational accidents resulting in recordable injury (Number of work-related injuries requiring more than first aid, per million hours) RI frequency rate Accident severity rate (Average number of days of lost time per million hours worked)	FYE 2024 Summary Data	No occupational diseases have been recorded during FYE2024
Labor relations	Social dialogue organization	GRI 3-3 Management of material topics. GRI 2-26 Mechanisms for seeking advice and raising concerns. GRI 2-30 Collective bargaining agreements. GRI 403-1 Occupational health and safety management system. GRI 403-4 Worker participation, consultation, and communication on occupational health and safety.	FYE 2024 Summary Data	
	Percentage of employees covered by collective agreements, by country	GRI 2-30 Collective bargaining agreements	FYE 2024 Summary Data	
	Procedures to inform, consult and joint participation with employees, as well as negotiation procedures.	GRI 2-29 Approach to stakeholder engagement. GRI 403-4 Worker participation, consultation, and communication on occupational health and safety.	Pp 103	
Training	Training policies implemented	GRI 404-2 Programmes for upgrading employee skills and transition assistance Programmes.	Pp 105-106	
	Number of hours of training by professional category	Internal reporting framework. GRI 404-1 Average hours of training per year per employee.	FYE 2024 Summary Data	
Universal accessibility of people with disabilities		GRI 3-3 Management of material topics. GRI 405-1 Diversity of governance bodies and employees . GRI 405-1 Diversity of governance bodies and employees.	Pp 102	

SOCIAL AND EMPLOYEE RELATED MATTERS

	Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Equality	Measures taken to promote equal treatment and equal opportunities for women and men	GRI 3-3 Management procedure for material issues. GRI 401-3 Parental leave. GRI 3-3 Management procedure for material issues.	Pp 101-105	
	Equality plans measures adopted to promote employment, protocols against sexual and gender-based harassment	GRI 3-3 Management procedure for material issues. GRI 2-23 Values, principles, standards, and norms of behavior. GRI 405-1 Diversity of governance bodies and employees.	Pp 101-105	
	Integration and universal accessibility for people with disabilities	GRI 3-3 Management procedure for material issues.	Pp 101-105	
	Policy against all types of discrimination and, where appropriate, management of diversity	Internal reporting framework: qualitative description of the management carried out. GRI 3-3 Management of material topics. GRI 2-23 Values, principles, standards, and norms of behavior. GRI 406-1 Incidents of discrimination and corrective actions taken.	Pp 101-105	

HUMAN RIGHTS

Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Application of due diligence procedures in the field of human rights	GRI 2-26 Counselling mechanisms for human rights concerns. GRI 3-3 Management of material topics. GRI 2-23 Values, principles, standards, and norms of behavior.		In FYE2024, the company has not carried out human rights due diligence procedures.
Prevention of the risks of violation of human rights and, where appropriate, measures to mitigate, manage and repair possible abuses committed	GRI 3-3 Management procedure for material issues. GRI 2-23 Values, principles, standards, and norms of behavior. GRI 2-26 Counselling mechanisms for human rights concerns.	Pp 58	
Human rights violations complaints	Internal reporting framework: GRI 2-26 Counselling mechanisms for human rights concerns.	FYE 2024 Summary Data	
Promotion and compliance with ILO´s provisions related to freedom of association and collective bargaining; the elimination of work discrimination, forced or compulsory labor and the effective abolition of child labor	GRI 3-3 Management procedure for material issues. GRI 2-23 Values, principles, standards, and norms of behavior. GRI 407-1 Suppliers and own operation subject to risk of breaching labor rights. GRI 409-1 Suppliers and own operation subject to risk of employment forced labor workers.	Pp 58	

CORRUPTION AND BRIBERY

Sub-category	Reporting framework	Reference	Comments/ Reason for Omision
Measures taken to prevent corruption and bribery	GRI 2-23 Values, principles, standards, and norms of behavior. GRI 2-25 Management procedure to correct failures. GRI 2-26 Mechanisms for advice and concerns about ethics. GRI 205-1 Operations assessed for risks related to corruption. GRI 205-2 Communication and training about anti-corruption policies and procedures. GRI 205-3 Confirmed incidents of corruption and actions taken GRI 205-1 Operations assessed for risks related to corruption. GRI 205-2 Communication and training about anti-corruption policies and procedures. GRI 205-3 Confirmed incidents of corruption and actions taken.	Pp 57-58	
Measures to combat money laundering		Pp 57-58	
Contributions to non -profit organizations	GRI 201-1 Direct economic value generated and distributed.	FYE 2024 Summary Data	

SOCIETY

Sub-category		Reporting framework	Reference	Comments/ Reason for Omision
Commitment with sustainable development	Impact of the company's activity on employment and local development	GRI 3-3 Management of material topics I. GRI 413-1 Local community involvement operations, impact assessments and development Programmes. GRI 413-2 Operations with potential or real impact on local community.	Community initiatives P 109	
	Impact of the company's activity on local populations and territories		Community initiatives Pp 116-119	
	Company's relations with local communities´ agents and dialogue channels		Community initiatives Pp 116-119	
	Partnerships and sponsorship actions	GRI 3-3 Management of material topics. GRI 2-28 Membership of associations. GRI 413-1 Local community involvement operations, impact assessments and development Programmes. Internal reporting framework: qualitative description of the management carried out.	Membership list of associations	
Sustainable supply chain	Inclusion of social, gender equality and environmental matters in the company's purchasing policy	GRI 3-3 Management of material topics. GRI 2-6 Activities, value chain and other business relationships.	Pp 61-63	
	Consideration in the suppliers and subcontractors´ relations of their social and environmental responsibility	GRI 2-24 Embedding policy commitments GRI 408-1 GRI 414-1 New suppliers who have passed evaluation and selection filters according to social criteria.	PP 61-63	
	Monitoring systems and audits and results	GRI 308-1 New suppliers that were screened using environmental criteria. GRI 308-2 Negative environmental impacts in the supply chain and actions taken.	FYE2024 Summary Data	

SOCIETY

Sub-category		Reporting framework	Reference	Comments/ Reason for Omision
Consumer relationship management	Measures to protect consumers´ health and safety	GRI 3-3 Management of material topics. GRI 416-1 Assessment of health and safety impacts of categories of products or services. GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships.	Pp 59	
	Complaint systems	GRI 2-16 Critical compliants Survey. GRI 2-25 Critical compliants Management. GRI 2-26 Mechanisms for seeking advice and raising concerns. GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data.	Pp 60 FYE 2024 Summary Data	
	Complaints received and their resolution	GRI 2-25 Critical compliants Management. GRI 2-26 Mechanisms for seeking advice and raising concerns. Internal framework: Qualitative description of the complaints received and their resolution.	Pp 60 FYE 2024 Summary Data	

Sub-category		Reporting framework	Reference	Comments/ Reason for Omision
Tax information	Profits obtained by country	GRI 201-1 Direct economic value generated and distributed. GRI 207:4 Tax reporting requirements.		Information is not provided on the profits obtained before taxes and taxes on profits paid country by country, since said breakdowns and their historical evolution are considered detrimental to the commercial and competitive position of the company. The profits obtained before taxes and the taxes on profits paid are found in the Group's FYE2024 Consolidated Annual Accounts (Note 18).
	Taxes paid on profits	GRI 207:4 Tax reporting requirements. Internal reporting framework: quantitative description of taxes on profits paid.		
	Public subsidies received	GRI 201-4 Financial assistance received from government.	FYE 2024 Summary data	

Independent Verification Report of the Sustainability Report for the year ended March 31, 2024

NIPPON GASES EURO-HOLDING, S.L.U. AND SUBSIDIARIES

Ernst & Young, S.L.
C/ Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

Building a better working world

INDEPENDENT VERIFICATION REPORT OF THE SUSTAINABILITY REPORT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of NIPPON GASES EURO-HOLDING, S.L.U.:

In accordance with article 49 of the Commercial Code, we have carried out the verification, with the scope of limited security, of the Sustainability Report for the year ended March 31, 2023, NIPPON GASES EURO-HOLDING, S.L.U. and subsidiaries (hereinafter, the Group) that is part of the Group's 2024 Consolidated Management Report.

The content of the Sustainability Report includes additional information to that required by current commercial regulations on non-financial information that has not been the subject of our verification work. In this sense, our work has been limited exclusively to the verification of the information identified in section 5.7 "Index of contents required by Law 11/2018" in the attached Sustainability Report.

Directors' Responsibility

The formulation of the Sustainability Report included in the Group's Consolidated Management Report, as well as its content, is the responsibility of the Directors of NIPPON GASES EURO-HOLDING S.L.U. The Sustainability Report has been prepared in accordance with the contents set out in current commercial regulations and following the criteria of the *Global Reporting Initiative* 's *Sustainability Reporting Standards* (GRI standards) selected, as well as those other criteria described in accordance with the aforementioned for each subject section 5.7 "Index of contents required by Law 11/2018" included in the Sustainability Report.

This responsibility also includes the design, implementation and maintenance of the internal control deemed necessary to enable the Sustainability Report to be free of material misstatement, due to fraud or error.

The directors of NIPPON GASES EURO-HOLDING, S.L.U. are also responsible for defining, implementing, adapting and maintaining the management systems from which the necessary information is obtained for the preparation of the Sustainability Report.

Our independence and quality management

We have complied with the independence and other ethics requirements of the International Code of Ethics for Accounting Professionals (including the International Standards of Independence) of the International Ethics Standards Board for Accounting Professionals (IESBA Code of Ethics) which is based on the fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

Our firm applies the International Quality Management Standard (NIGC) 1, which requires the firm to design, implement, and operate a quality management system that includes policies and procedures relating to compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Building a better working world

The work team has been made up of professionals who are experts in reviews of Non-Financial Information and, specifically, in economic, social and environmental performance information.

Our responsibility

Our responsibility is to express our findings in an independent verification report of limited safety based on the work done. We have carried out our work in accordance with the requirements set out in the current Revised International Standard for Assurance Engagements 3000, "Assurance Engagements other than Audit or Review of Historical Financial Information" (NIEA 3000 Revised)) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Guidance for Engagement of verification of the Sustainability Report issued by the Institute of Chartered Accountants of Spain.

In a limited safety job, the procedures carried out vary in their nature and time of performance, and are less extensive, than those carried out in a reasonable safety job, and therefore the safety obtained is substantially less.

Our work has consisted of asking questions to Management, as well as to the various units of the Group that have participated in the preparation of the Sustainability Report, reviewing the processes for collecting and validating the information presented in the Sustainability Report and applying certain analytical procedures and sample review tests described below:

- Meetings with the Group's staff to learn about the business model, policies and management approaches applied, the main risks related to these issues and to obtain the necessary information for the external review.
- Analysis of the scope, relevance and integrity of the content included in the 2024 Sustainability Report based on the materiality analysis carried out by the Group and described in section 1.4.1, considering content required by the commercial regulations in force.
- Analysis of the processes for collecting and validating the data presented in the 2024 Sustainability Report.
- Review of the information relating to the risks, policies and management approaches applied in relation to the material aspects presented in the 2024 Sustainability Report.
- Verification, by means of tests, based on the selection of a sample, of the information relating to the contents included in the Sustainability Report for the 2024 financial year and its appropriate compilation based on the data provided by the information sources.
- Obtaining a letter of statements from the Directors and Management.

Building a better working world

Basis for qualified conclusion

The Sustainability Report does not include, as indicated in section 5.7 "Index of contents required by Law 11/2018", the breakdown of the number of employees by country, the breakdowns of the average remuneration of managers by sex, of employees by sex, age and professional category, nor the tax information related to the profits obtained or the taxes on profits paid on a country-by-country basis. information required by the commercial regulations in force on non-financial information.

Qualified conclusion

Based on the procedures carried out and the evidence we have obtained, except for the effects of the matter described in the paragraph "Basis for the conclusion with qualifications", no additional aspect has been revealed that would lead us to believe that the Group's Sustainability Report for the year ended 31 March 2024 has not been prepared, in all its significant aspects, in accordance with the contents set out in current commercial regulations and following the criteria of the selected GRI standards, as well as those other criteria described in accordance with what is mentioned for each subject in section 5.7 "Index of contents required by Law 11/2018", of the aforementioned Sustainability Report.

Use and distribution

This report has been prepared in response to the requirement set out in the commercial regulations in force in Spain, and therefore may not be suitable for other purposes and jurisdictions.

ERNST & YOUNG, S.L.

(Signed on the original version In Spanish)

_____

Elena Fernández García

June 27, 2024