

Enabling the future together

2025

Sustainability Report

Nippon Gases Italia

Fiscal year ending 31st March 2025



Our guiding principles

Our Group's top priorities include employees excellence, safety, compliance, environmental sustainability, customer focus and financial results.

All Nippon Gases employees adhere strictly to our principles of safety, compliance, diversity and inclusion.



Our philosophy

Proactivity. Innovation. Collaboration.

**Improving quality of life through
the technological applications of our gases.**

The Gas Professionals.



Our vision

Our goal is creating social value through innovative solutions in our gases applications to increase industrial productivity, improve welfare and contribute to a more sustainable future.

Reading Guide

Nippon Gases Italia - part of the Nippon Sanso Holdings Corporation (NSHD) group - uses the accounting period from 01.04 to 31.03 in line with financial reporting. The information contained herein relates to the 2025 financial year (from 1st April 2024 to 31st March 2025), referred to in the text as "Fiscal Year 2025" or "FYE2025".

For the sake of brevity, Nippon Gases Italia will be referred to in this document as Nippon Gases Italia, meaning all the Italian companies of the Group.

Publications

Current edition: 2025 Sustainability Report, with data for the financial year from 1st April 2024 to 31st March 2025. Previous edition: 2024 Sustainability Report, with data for the financial year from 1st April 2023 to 31st March 2024.

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Who we are

Nippon Gases Italia, part of part of Nippon Gases Euro-Holding S.L.U., controlled by Nippon Sanso Holdings Corporation, hereinafter referred to as the "Group", is a strategic partner in Italy for technical, food, medical, pure, specialty, and refrigerant gases. The company provides solutions across a wide range of industries, offering advanced technologies that include the most efficient supply systems and customized applications tailored to the specific needs of each customer or partner.

Nippon Gases commitment to its customers, employees and collaborators and the communities in which it operates reflects its dedication to safety, the environment and sustainability. Nippon Gases Italia, like the entire Group to which it belongs, defines itself as "The Gas Professionals". In fact all the companies have the same objective: "Making life better through gas technology".

Letter to Stakeholders

Taking on the leadership of Nippon Gases Italia as President and Chief Executive Officer from 1st April 2024 marked the beginning of a new journey for me. This past year has been one of listening, vision and initial important actions, guided by a simple yet powerful principle: “Dare, Dream, Smile”. This motto, which reflects our determination to generate value with positivity and ambition, has inspired every initiative, decision, and relationship.

I firmly believe that the word together represents much more than a concept—it is a culture, a mindset and a daily commitment. Over the past months, we have worked to strengthen our sense of belonging, foster cross-functional collaboration, and place people, innovation, and sustainability at the heart of everything we do. It is a shared journey that lays a solid foundation for facing future challenges with determination.

Once again, this year, with a strong sense of responsibility and transparency, we present our Sustainability Report—now in its sixth edition. This document is not merely an account, but a collective narrative of our ongoing commitment to building a more sustainable, innovative, and inclusive future.

For Nippon Gases Italia, sustainability is more than a goal—it is a core value and a guiding principle that shapes our strategic decisions, drives innovation in our processes, strengthens stakeholder relationships, and translates into tangible actions. From reducing CO₂ emissions to promoting the circular economy, from responsible resource management to ensuring health and safety in the workplace, our technological expertise supports customers and communities in the ecological transition, with the shared ambition of building a zero-emission world.

During the past financial year, we implemented significant projects across all areas of sustainability. These include major industrial initiatives such as the new air separation unit in Caserta, which enhances our production capacity and proximity to customers in Central and Southern Italy, and the inauguration of the ROC – Remote Operation Centre, a cutting-edge digital infrastructure for 24/7 monitoring of on-site plants.

But for us, sustainability is above all about people. Our colleagues are the beating heart of our company: thanks to their expertise, passion, and dedication, we are able to meet today's challenges and build a better future together. That is why we launched the WellbeING programme, an initiative focused on physical and mental wellbeing, which has engaged hundreds of employees through activities, webinars and opportunities for sharing. We continue to invest in training, professional development and in creating a work environment that is inclusive, fair, stimulating—built on respect, appreciation of diversity and merit. Mental wellbeing, which has engaged hundreds of employees in activities, webinars and opportunities for sharing. We constantly invest in training, professional development, and in a working environment that is inclusive, fair, and stimulating, built on respect, appreciation of diversity and merit.

The 2025 Sustainability Report reflects all of this: it presents the results achieved, but also the ambitions that guide us. It has been prepared in accordance with international GRI standards and is consistent with the guidelines of our European parent company, Nippon Gases Euro-Holding, and our Japanese parent company, Nippon Sanso Holdings Corporation. Inspired by the United Nations 2030 Agenda for Sustainable Development Goals, I believe it is a key tool for strengthening dialogue with all our stakeholders and promoting a culture of shared responsibility.

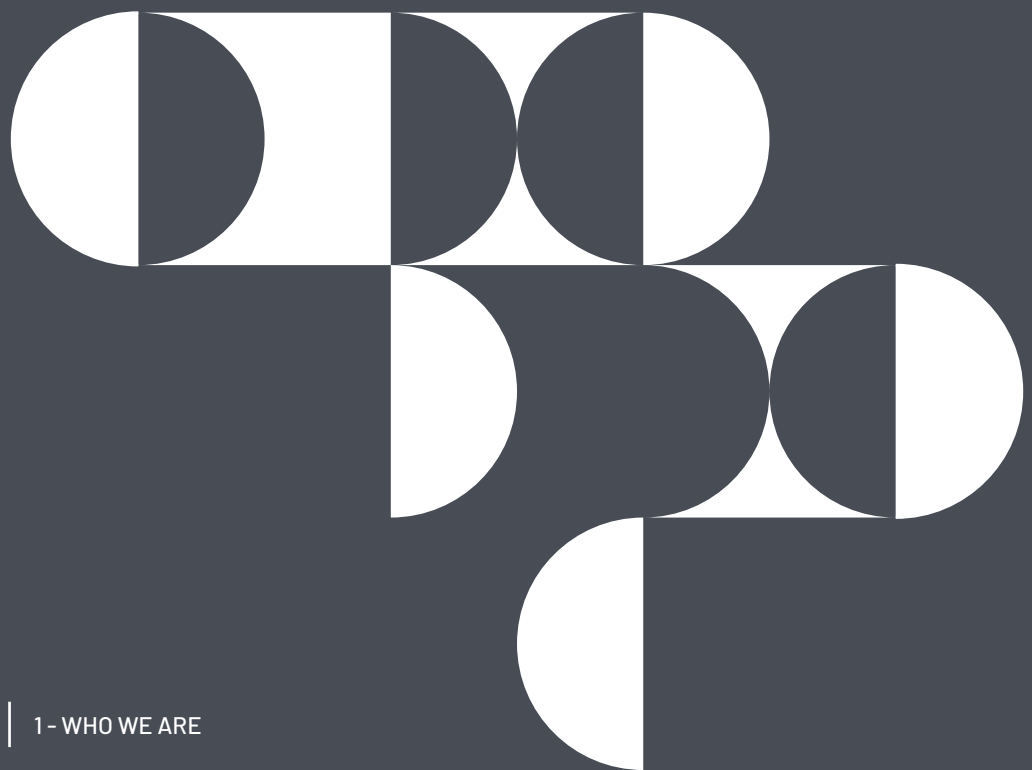
Businesses play a crucial role in the fight against climate change. That is why we have embarked on a path towards Carbon Neutrality, in line with the Group's strategy, built on five pillars: green combustion, Hydrogen solutions, CO₂ capture, circular economy, and digitalisation. We support our customers in achieving their environmental goals by offering advanced, tailored technological solutions.

I am proud of the results achieved and grateful to all the people who, through their daily commitment, make this journey possible.

For us, transparency in sharing results is the first step towards building a fairer and more sustainable future together.

Thanks to all those who accompany us on this journey. Together.

Eduina Marino
President and CEO



1.1 Nippon Gases: who we are

[2-1]; [2-22]

Nippon Gases Italia

Nippon Gases Italia (hereinafter also referred to as the “Group”) is the Italian subsidiary of **Nippon Gases Euro-Holding S.L.U. (NGE)**, which is controlled by **Nippon Sanso Holdings Corporation (NSHD)**. The Group is a strategic partner in Italy for technical, food, medical, pure, specialty, and refrigerant gases. It delivers advanced solutions to a wide range of industrial and medical sectors, combining cutting-edge technologies with efficient supply systems and customized applications tailored to the specific needs of each customer and partner.

Previously known as **Rivoira S.r.l.**, the company changed its name to Nippon Gases Italia S.r.l. in 2020. That same year, Nippon Sanso Holdings Corporation was established as the parent company of several major entities, including:

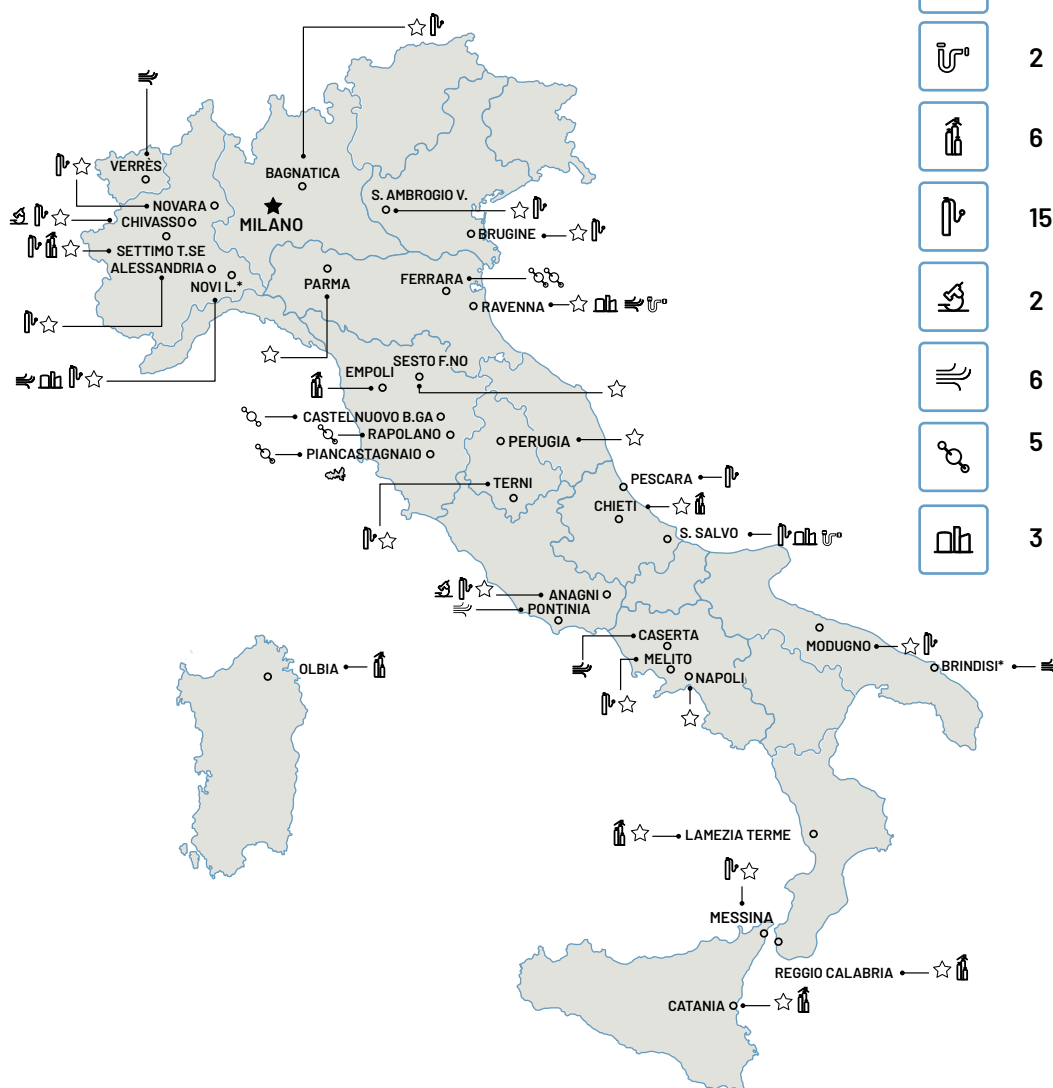
- **Matheson** (United States);
- **Nippon Gases Euro-Holding** (Europe);
- **Taiyo Nippon Sanso Corporation** (Japan);
- **Thermos** and other companies operating across Asia and Oceania.

With origins as a family-run business over a century ago, Nippon Gases Italia is now present throughout the country, supported by a network of production plants, commercial offices, depots, pipelines, filling centers, agencies and resellers.¹



¹ For more information on our Group's plants, sales offices and outlets, please visit the webpage at the following link [Nippon Gases in Italia | NIPPON GASES](#)

1.1 Nippon Gases: who we are



784
Employees



Over 100
years of history



300
Agencies and resellers



Over 15,000
Customers



550.4
M€ of revenue in fiscal year 2025



14 Bulk production plants
15 Filling centres

The Group produces and distributes a wide range of **industrial, refrigerant and medical gases**, along with plant solutions and advanced technologies designed for safe, efficient and sustainable use.

At the heart of everything there are **people**: the professionals of Nippon Gases who, with their expertise and experience, put passion into their work every day, ensuring reliable and customised services for every need.

Our history: Nippon Gases Group

The **Nippon Sanso Holdings Corporation Group** is Japan's main industrial gas manufacturer and one of the five most important industrial suppliers in the world. With over **20,000 employees** and a presence in more than **30 countries and regions** including Southeast Asia, Korea, China, India, Australia and the United States, the Group supplies essential products and services to various sectors, including steel, chemicals, energy, electronics, automotive, construction, food, and healthcare.

The creation of the NSHD **holding** made a decisive contribution in taking a further step forward the process of globalisation of the Group, promoting the sharing of talents, resources and best practices, and improving compliance, safety, quality and the environment.

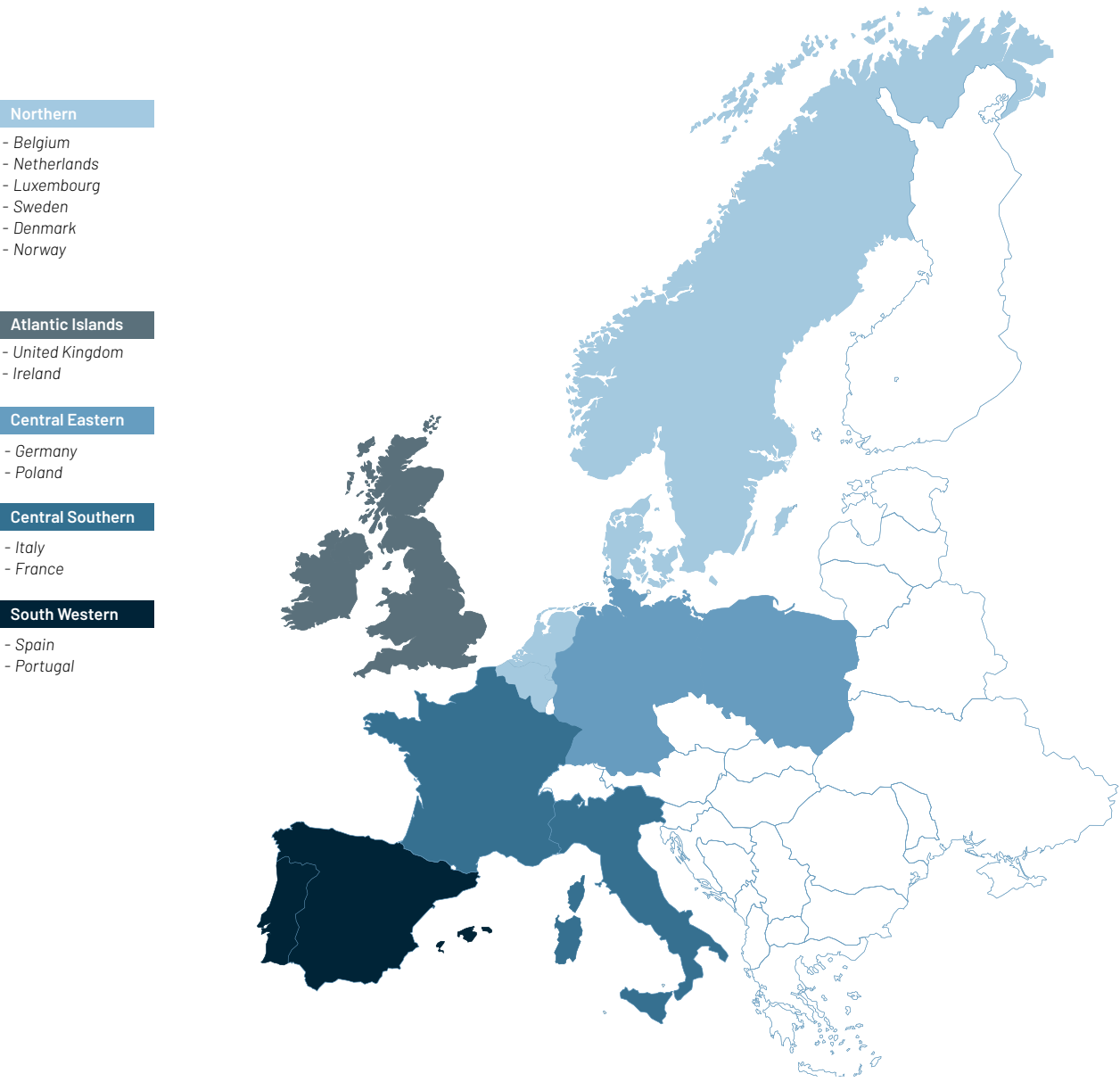


The Group offers an extensive portfolio of industrial gases, complemented by a comprehensive range of equipment, devices, systems and technologies designed to ensure their safe, efficient, and customized application across diverse sectors.

All activities are carried out by highly qualified staff, united by a single motto: **"The Gas Professionals"**.

1.1 Nippon Gases: who we are

From the new financial year, the Group’s European structure has been significantly revised, and it is now divided by geographical areas. In this new set-up, Italy has been included in the Central Southern Region.



 14 Countries	 Over 150,000 Customers	Over 390,000 Patients
 Over 3,400 Employees throughout Europe more than 29% women	 About € 2billion Turnover in FYE2025	



"We believe in a company capable of generating shared value, where economic growth, social responsibility, and environmental respect are interwoven into a single path. Every day we work to innovate, evolve, and create positive and lasting impacts, placing people, relationships, and the future we want to build together at the centre."

Eduina Marino
President and CEO

Through the continuous innovation of our technological applications, at Nippon Gases Italia we work to improve every day, contributing to a more harmonious future for people, society, and the environment.

The core values that drive every activity of the Group are: safety, compliance, diversity and inclusion.

<div>Safety</div> 	<div>Compliance</div> 	<div>Diversity and inclusion</div> 
<ul style="list-style-type: none"> — All accidents and injuries can be prevented. — Safety is the responsibility of line management. — Every employee is responsible for their own safety. — Every employee must stop a job if it cannot be done safely. — Efforts in safety yield results in safety. — Respect for the safety rules is a condition of employment. 	<ul style="list-style-type: none"> — All compliance breaches can be prevented. — Compliance is the responsibility of line management. — Every employee is responsible for their own ethical behaviour. — Every employee must stop a job if it cannot be done. — Efforts in compliance yield results in compliance. — Ethical behaviour is a condition of employment. 	<ul style="list-style-type: none"> — Diversity and inclusion are an opportunity for our work. — Inclusion is a line management accountability. — Every employee is responsible for being a model of inclusive behaviour. — Every employee must avoid non-inclusive actions or conduct. — Efforts in diversity and inclusion will increase engagement and improve results. — Inclusiveness is a condition of your employment.

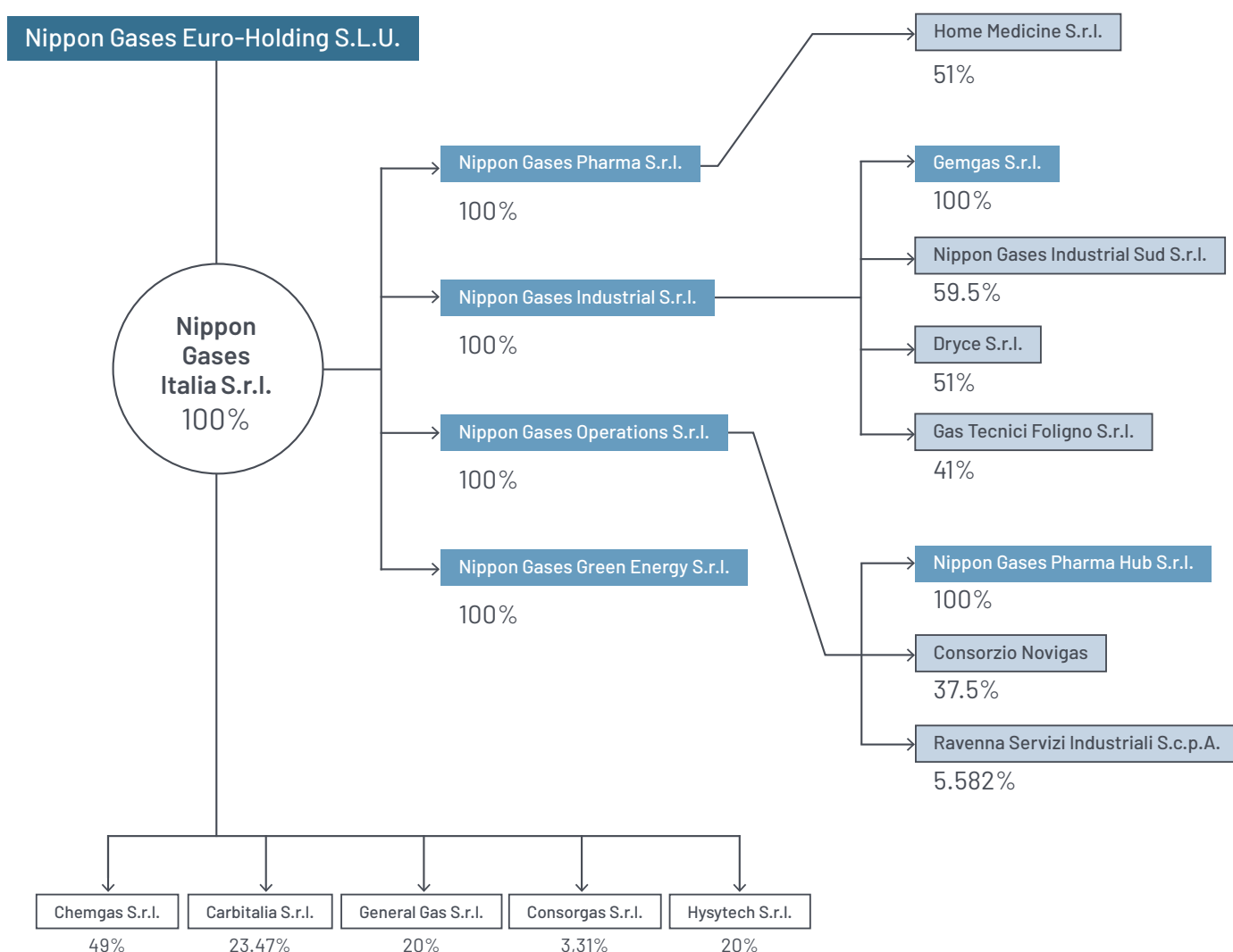
1.2 Nippon Gases Italia and the value chain

Corporate structure

As of **31st March 2025**, the corporate scope underwent the following changes compared to the previous financial year:

- Effective 27th March 2025, **Nippon Gases Pharma S.r.l.** transferred its entire shareholding in **Noxtec Development S.L.** to Nippon Gases Euro-Holding S.L.U.;
- During the same financial year, the merger of **Nippon Gases Pharma Sud S.r.l.** into Nippon Gases Pharma S.r.l. and of **Nippon Gases Refrigerants S.r.l.** into Nippon Gases Industrial S.r.l. was completed.

Below is the organization chart of the structure².



² Further information on individual companies is available on the Nippon Gases Italia website: <https://nippongases.com/it>

1.2 Nippon Gases Italia and the value chain

Each company follows a strong specialisation in one of the Group's core sectors, and all share the fundamental values that characterise the operations of Nippon Gases.

Nippon Gases Industrial S.r.l.

Nippon Gases Industrial S.r.l. is a leader in **industrial gases**. Specialized in **compressed, cryogenic, technical, food, pure** and **specialty gases**, as well as **refrigerant gases** for many industrial sectors. It promotes the development of renewable sources with a significant presence in Italy, including the joint venture with Saldogas and General Gas, Nippon Gases Industrial Sud.

Nippon Gases Operations S.r.l.

The company Nippon Gases Operations S.r.l. produces cryogenic liquid gases and is focused on optimizing production and **distribution**, through a rigorous cost control, and continuous improvement of operational processes.

Nippon Gases Green Energy S.r.l.

The company production and distribution of **energy carriers from biogenic** and renewable sources, namely **Biomethane, BioLNG, and Biohydrogen**, to be used in the civil, industrial, and mobility sectors. The scope of activity also extends to the production, capture, and storage of **Carbon Dioxide** in all its forms, and to its utilisation as a precursor for carriers such as e-fuels and e-chemicals.

Nippon Gases Pharma S.r.l.

Nippon Gases Pharma S.r.l. produces and distributes medical gases through two divisions: **Hospitalcare**, in the hospital environment, and, **Homecare**, in the home environment. Specifically, it produces and sells Oxygen, Nitrous Oxide, Nitrogen, Carbon Dioxide, Medical Air and gas mixtures, liquid and gaseous Oxygen delivered to customers' homes, mechanical ventilation, and, from 2024, enteral nutrition services. At the end of March 2024, the company received **CE certifications** in accordance with the EU Medical Device Regulation **745/2017** for medical gas distribution implants classified as medical devices.

Home Medicine S.r.l.

Home Medicine S.r.l., a joint venture between **Nippon Gases Pharma S.r.l.** and **Aqua S.r.l.**, specialised in the provision and organisation of home care services combined with telemedicine services.

Dryce S.r.l.

Dryce S.r.l. specialises in the production of **dry ice** and in temperature-controlled solutions for the transport of pharmaceutical, biological, and vaccine products. Founded in 1998 as a joint venture between Nippon Gases Italia and the Marotta Group, is one of the leading companies in the market thanks to the innovation and quality of its packaging. The company has developed **ThermoKube®** and **ThermoBlock®**, which guarantee vaccine preservation for up to 10 days.



The value chain

The value chain represents the integrated set of the organisation's key processes and activities. This approach gives comprehensive insight into how the Group creates value along its entire operational process, from production to distribution.

Bulk production, or primary production, involves three types of facilities:

- **Air Separation Unit (ASU)** for air fractionation;
- **CO₂** production plants;
- **HyCO** plants for **Hydrogen** production.

Nippon Gases ensures continuous supply to customers near production sites through a **pipeline network** that enables the constant delivery of large volumes of gas required by industry.

For customers who require large quantities of gas and who are located far from main production sites, the Group offers the design, construction, installation and management of **on-site plants** for the production of Oxygen, Nitrogen and Hydrogen and for the recovery and purification of CO₂ directly at the customer's site.

Nippon Gases Italia also installs **storage tanks** of various sizes which are supplied with liquid product at customers' production units.

The production of compressed gas is carried out in secondary production centres throughout the country. Here, industrial, food, medical, high-purity specialty, and refrigerant gases are produced, bottled, and distributed. The **distribution** is handled through direct sales, agents and resellers.

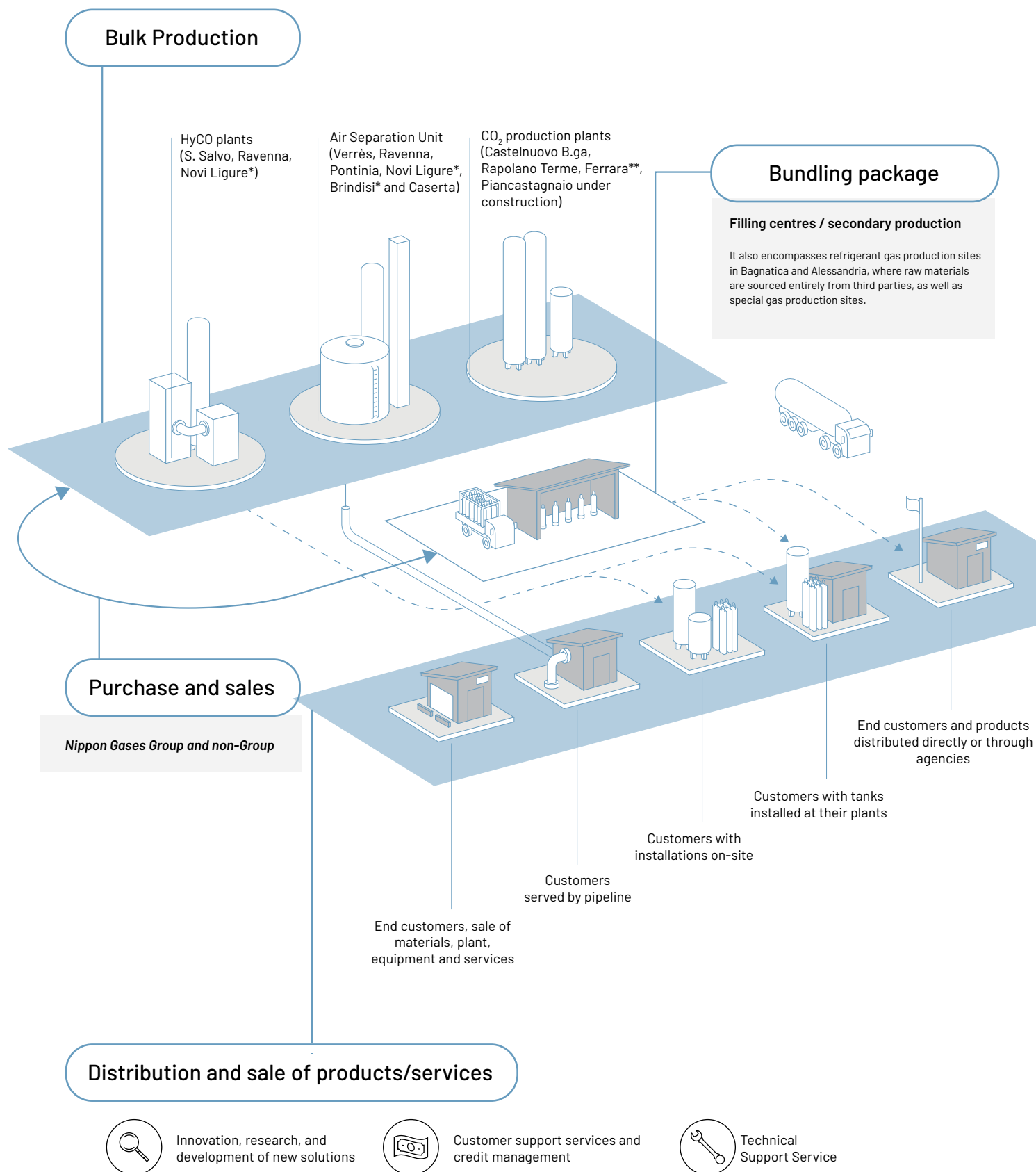
To improve logistic efficiency, Nippon Gases introduced cylinder packs for compressed gases that are filled at **300 bar** and offer around 45% more product than the traditional 200 bar cylinder packs. The Group is extending this technology throughout the country. In addition to compressed gases, Nippon Gases also sells other **process gases** such as Acetylene, Ammonia and Chlorine.

Furthermore, Nippon Gases provides a **24/7 technical support** service that takes care of all activities related to the management of customers' on-site systems, from designing, installing and maintaining the systems to handling the containers³.



³ Further information on main services provided is available on the Nippon Gases Italia website: <https://nippongases.com/it>

1.2 Nippon Gases Italia and the value chain



* Brindisi and Novi Ligure plants are part of two companies in which Nippon Gases Italia holds a minority interest.

** Ferrara plants are owned by Nippon Gases but are managed by third parties.

1.3 Our Commitment to Sustainability

[2-22]; [2-25]; [2-28]; [2-29]

Our Stakeholders

Sustainable development drives the Group's continuous improvement. The **6th Sustainability Report**, published on a voluntary basis, demonstrates Nippon Gases' commitment to responsible growth, analysing the value created and communicating transparently with stakeholders about the impacts and the actions taken to mitigate them.

Stakeholder category	Engagement and communication channels
PUBLIC AND PRIVATE CUSTOMERS	Nippon Gases Italia maintains constant communication with its customers by participating in trade fairs and public events, as well as involving them in customer satisfaction surveys and questionnaires. In this way, it can respond to their needs in a more targeted manner.
EMPLOYEES	Nippon Gases Italia fosters a direct relationship with its employees through regular dialogue and periodic training and informational activities, utilising company and Group digital platforms (WeConnect).
PATIENTS	Nippon Gases Italia is dedicated to improving patient health, placing people's needs at the heart of its mission.
LOCAL COMMUNITIES	For Nippon Gases Italia, maintaining dialogue with the local community is crucial for fostering joint growth and integrating the sustainable development of the entire area. To engage with the communities where it operates, Nippon Gases Italia has implemented a range of activities, including supporting local authorities and organising plant tours in collaboration with schools and universities.
SUPPLIERS AND COLLABORATORS	In developing its products, Nippon Gases works closely with qualified suppliers, requiring them to uphold the same standards of safety, quality and conduct expected of its own employees. To achieve this, suppliers and employees are periodically invited to participate in training sessions and structured meetings, where they can exchange new ideas.
AUTHORITIES AND CONTROL BODIES	Nippon Gases views total transparency and regulatory compliance as essential and is committed to partnering with local authorities to advance research and innovation initiatives.
INDUSTRY ASSOCIATIONS	Nippon Gases actively collaborates with various industry associations, including Assogastecnici, Federchimica, and Unione Industriali, to exchange best practices and guidelines at the national level.





Nippon Gases Italia's materiality analysis

Since the first Sustainability Report, Nippon Gases has carried out a **materiality analysis** aimed at identifying the most significant impacts generated by the Group on the environment, economy, and people, including the impacts on their human rights. The impact analysis process is split into four steps:

- **analysis of the context**, the value chain and the stakeholders involved. To this end, benchmark analyses were carried out compared to the main peers and competitor as well as an average analysis of international standards and sustainability ratings (OECD Guidance, CDC (BII), S&P Sustainability, SASB Materiality Map, MSCI) and macro trends in the industrial gas sector;
- **analysis based on the results, which** led to the preliminary identification of 19 impacts. The impacts have been categorised as either positive or negative, actual or potential;
- **evaluation of the significance** of identified impacts. In accordance with the standard GRI (Global Reporting Initiative), this evaluation is based on the consideration of variables of **severity, scope and irremediable character** of impacts. Based on the previous evaluation each impact is classified as very relevant, moderate or negligible. The materiality threshold has been set above impacts rated as irrelevant;
- **prioritisation of significant impacts**. In this step, the impacts obtained were examined and the established materiality threshold was validated. This phase highlighted 16 significant impacts, forming the themes on which the Group's Sustainability Reporting for FYE2025 is based.

The results of the Group's materiality analysis are shown below.

1.3 Our Commitment to Sustainability

Material impact	Description	Material topic
NEGATIVE IMPACTS ON CLIMATE CHANGE	Nippon Gases greenhouse gas (GHG) emissions contribute to ongoing climate change and depend to a large extent on energy consumption for operations, transportation and any accidental gas leaks. The Group's supply chain generates direct and indirect GHG emissions, caused for example by the use of fossil fuels in raw material processing, the generation of energy required for production, the transport of raw materials, and the delivery of gas to customers. These activities have a negative impact on climate change.	GHG EMISSIONS AND CLIMATE CHANGE
CONSUMPTION OF ENERGY RESOURCES	The production and distribution of industrial gases, medical gases, and refrigerants is very energy intensive. Nippon Gases energy consumption mainly relates to the electricity consumption of its plants and offices and the use of fossil fuels for vehicles and plants. Excessive energy consumption along the entire supply chain, caused for example by inefficient energy use and/or a lack of optimisation in production processes, together with energy generation from non-renewable sources, limits availability and leads to the depletion of this resource.	ENERGY EFFICIENCY
DEPLETION OF WATER RESOURCES	The consumption of water resources in Nippon Gases Italia's facilities (plants, offices, etc.) can cause a decrease in the amount of this resource, especially in areas with water stress.	WATER RESOURCES MANAGEMENT
HEALTH AND ENVIRONMENTAL IMPACTS RELATED TO WASTE	Waste generated during operations can have a negative impact on the environment and human health if improperly managed. It is therefore essential to ensure that such waste is disposed of in compliance with local and international environmental regulations.	WASTE MANAGEMENT
CREATION AND CONSOLIDATION OF STABLE EMPLOYMENT	Human Resource Management promotes the growth of individual skills and the development of teamwork, in an overall effort to attract talent and develop the skills and competencies of each individual, thus creating stable working relationships. A good relationship with trade unions could also build stronger relationships between the company and its employees.	ATTRACTING AND RETAINING EMPLOYEES
DAMAGE TO THE HEALTH AND SAFETY OF WORKERS	Nippon Gases employees and those in its value chain may be exposed to accidents and risks affecting both health and safety. The impacts on workers' health and safety are mainly linked to exposure to physical risks associated with manual operations and the use of hazardous substances (such as gases), which can expose workers to the risk of accidents and occupational diseases, with negative consequences for their health.	WORKERS' HEALTH AND SAFETY
HUMAN CAPITAL DEVELOPMENT	The development of specific skills is essential for employee growth, and this takes place through appropriate training plans that can lead to the development of resources. Thanks to dedicated training courses, Nippon Gases employees acquire and consolidate skills that support their professional development.	EMPLOYEE DEVELOPMENT
DISCRIMINATION IN THE WORKPLACE	Failure to respect diversity and inclusion can lead to discrimination based on factors such as gender, pay inequality, sexual orientation, religion, ethnicity, and language. Inadequate oversight of D&I practices can have harmful consequences on employee wellbeing.	DIVERSITY & INCLUSION
DAMAGE TO HEALTH AND SAFETY CAUSED BY NON-COMPLIANCE OF PRODUCTS AND SERVICES	Failure of products and services to conform could result in damage to the health and safety of customers, end users or employees. The Group may in fact generate a negative impact on the safety of workers downstream in the value chain and on end users due to the marketing of systems that do not comply with industry standards or to the poor quality and safety of the final product. If the final product does not meet the required quality and safety standards or is used in a non-compliant way, risks may arise for the health and safety of end users, increasing the likelihood of accidents.	CUSTOMER AND COMMUNITY HEALTH AND SAFETY

1.3 Our Commitment to Sustainability

Material impact	Description	Material topic
IMPROVING THE SERVICES THROUGH R&D	<p>Nippon Gases continuous investment in research and development projects is aimed at improving technological innovation and product quality, thus increasing the performance of products and services and maximising customer satisfaction.</p> <p>The Group is committed to sustainable development in its plants and processes, as well as in its customers' applications, through continuous investments in digitalisation and research and development. The aim is to support collaborative innovation to improve lives through the technological applications of its gases.</p>	INNOVATION, RESEARCH, AND DEVELOPMENT
IMPACT ON LOCAL COMMUNITY	The proper involvement of local communities in training initiatives or in projects to enhance the local area could have a positive impact on the quality of life of the local community.	VALUE MANAGEMENT AND DISTRIBUTION
THE COUNTRY'S ECONOMIC DEVELOPMENT	Nippon Gases activities generate economic value that is shared among suppliers, employees, investors, public administration, and the local community. The Group's activities generate a positive impact on regional economies, contributing to the development of the communities in which it operates, thereby creating new job opportunities and boosting the local supply chain.	
FAILURE TO MANAGE THE SUPPLY CHAIN	Failure to monitor and control its suppliers to promote sustainable sourcing practices could result in violations of the human rights with negative impacts on workers along the value chain.	SUPPLY CHAIN MANAGEMENT
REPUTATIONAL AND ECONOMIC DAMAGE CAUSED BY INCIDENTS OF ANTI-COMPETITIVE BEHAVIOUR	Nippon Gases may be subject to legal action for conduct that restricts free competition, with serious consequences for its reputation. Anti-competitive behaviour can lead to a misallocation of economic resources.	COMPLIANCE, ETHICS, AND BUSINESS INTEGRITY
REPUTATIONAL AND ECONOMIC DAMAGE CAUSED BY CORRUPTION	Corruption or unethical business practices involving Nippon Gases could lead to misallocation of resources and revenue, environmental damage, and reputational loss. The Group could in fact be subject to sanctions, legal and compensation costs, and the loss of stakeholders and key customers.	
NON-COMPLIANCE WITH RULES AND REGULATIONS	<p>Any behaviour contrary to laws and regulations on environmental, social and governance issues, including business ethics, could have an impact both on the market in which Nippon Gases operates, and on the stakeholders, in relation to its activities.</p> <p>The Group has implemented an effective Compliance Programme, resulting in a strong and sustainable culture that is well rooted throughout the organisation, with the aim of minimising the risk of any type of violation that could have serious consequences for the company and result in damage to its reputation and high financial penalties.</p>	









Our ongoing commitment

Nippon Gases promotes sustainable development through targeted goals and actions.














The **Medium-Term Sustainability Plan**, adopted in 2022 by all European entities, defines objectives for the environment, people, and communities, and sets out initiatives to achieve them by 2026. Approved by the **Sustainability Committee**, which includes members of the Board of Directors, the plan reviews sustainability performance and establishes the Group's related objectives.

The plan also combines the results of the materiality matrix developed by Nippon Sanso Holdings Corporation with 10 of the 17 United Nations **Sustainable Development Goals** (SDGs) covering the Group's main areas of interest and reflecting its commitment to global sustainability through specific objectives and initiatives.

Below are the main **objectives** set by Nippon Gases Europe and the **progress status** as at April 2025.

SDG Goals	Nippon Gases Europe medium-term Initiatives	Target	Results as of April 2025
Climate Change/Technology and Innovation			
	Reduction of GHG emissions: reduction rate of total CO ₂ emission (%) in absolute value (t) from FYE2019	Reduction of 29% in FYE2026 Reduction of 35% in FYE2031	Reduction > 40%
	Productivity projects: promote productivity generating Sustainable Development cumulative savings FYE2022-FYE2026.	50,000 Eq.CO ₂ tons	Over the last 5 years, over 50,000 tons
	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 to major emission reductions	Contribution to reduction > 150 % of emissions
	Carbon Neutrality: Biomethane production by Anaerobic Digestion of Wastewater treatment sludge	Achieving 8 units per year, each with an average output of 500 m ³ /h, totalling 281 GWh annually	Postponed
	Carbon Neutrality: promotion of Biomethane as a source to produce green or low-carbon Hydrogen for small/medium customers.	Producing 6 units per year, each with an average output of 240 m ³ /h	2 projects under development
	Renewal Energy: continue promotion of renewable energy share	35% Renewable Energy	39% Renewable Energy during FY2025
Environment			
	Water: continue to reduce the intensity of water use (vs. Sales) in all Nippon Gases operating facilities. Reduction rate of water consumption intensity. Base year FYE2020	Reduce water consumption intensity by 10% relative to sales	Water Intensity Reduction > 35%
	Waste: reduction rate of waste disposal intensity (vs. Sales). Base year FYE2020	Reduce waste disposal intensity by 11% relative to sales	Wastes intensity Reduction > 35%
	Logistics: continue to take advantage of data-driven technologies and improve the efficiency of our logistics by right-sizing our tank and cylinder bundles. Base year FYE2022	Achieve a 6% reduction in GHG emissions from product transportation	Because of market contraction, the target was not met

1.3 Our Commitment to Sustainability

SDG Goals	Nippon Gases Europe medium-term Initiatives	Target	Results as of April 2025
	Achieve a 6% reduction in GHG emissions from product transportation	Operational sites involved > 80%	On track 76%
People			
	Diversity and Inclusion: increase of female population and its managerial and specialist participation.	30.5% Women 28.5% Women in specialist and managerial positions	● On track > 29.7% Women 33% Women in managerial positions
	Employee engagement: evaluation of employee engagement. Improve Sustainable Engagement Index	≥ 85%	● On track 88% results from the MCG&Me Survey 2024
	Community engagement: coordinate social and community initiatives in the areas where we are present. Base Year FYE2022	Increase the number of participants, funds and projects by 30%	1,780 participants > 100% increase
	Young people: commitment to increase the number of positions for young local diverse talent in the organisation.	Increase the number of internships 3%/year	Goal achieved
Safe operation			
	Improve our Ri-rate per million hours worked	RIR 1.19	The Recordable Injury Rate (RIR) for the past year did not meet expectations
	Improve Lost Time Injury rate (LTI) per million hours worked	LTI 0.54	LTI 1.63
	Preventable Product Vehicle Accident rate (pre-PVA) per million kilometres travelled	Pre-PVAR 0.20	● On track 0.2 in FYE2025
	Number of damages to Nippon Gases' assets	12/year	● On track 3 in FYE2025
	Continue to drive campaigns as a result of analysis from incidents and assessments	One campaign per year	Goal achieved
	Complete the Process Safety Roadmap	To be completed by FYE2024	Goal achieved
	Reinforce the European Safety & Environmental assessment program	12 European assessments per year	● On track 21 assessments last year
	Bring employee and contractor training to a digital platform	Complete implementation across Europe by FYE2024	Goal achieved

1.3 Our Commitment to Sustainability

SDG Goals	Nippon Gases Europe medium-term Initiatives	Target	Results as of April 2025
Ethics and Compliance			
	Customers: reinforcement of quality assurance and management systems	Number of complaints with economic impact of more than 1 million JPY during FYE2023 ≤ 5/year	● On track 1 case last year
	Customers: satisfaction survey	As needed	Stakeholder engagement for Double Materiality Analysis
	Compliance: thorough compliance training	100% of employees undergo compliance training	100% achieved
	Standards: participate in the development of HSEQ corporate standards.	Completion of Nippon Gases Europe standards review	Goal achieved
	Compliance: sustainable review of all potential integrity cases	100% review	Goal achieved
	Procurement: integrate environmental management and environmental, social and governance (ESG) processes with all stakeholders in the value chain. To be included in supplier contracts.	Suppliers accounting for 80% of the expenditure must be included in the new Supply Relationship Management (SRM) system. New ESG clauses to be included in European contract models	ESG criteria incorporated into the SRM process and ESG clauses included in the contract
	Procurement: improve CSR risk analysis prior to supplier assessments or audits	Implement the new iRisk system as part of the process for all safety-critical, single-source suppliers	Sustainability Risk Assessment implemented and in use for critical suppliers and suppliers of special/electronic gases
	Procurement: improve evidence of coverage of sustainable procurement activities across the company's supplier base/operations	Incorporate the new Supplier Code of Conduct into the SRM documentation and process for selected suppliers, covering 80% of expenditure	The Supplier Code of Conduct has been incorporated into the SRM process; critical suppliers are required to accept and sign it
	Procurement: improve information on reporting on sustainable procurement issues	Integrate supplier productivity initiatives related to sustainability and link them to the new SRM system	Need for improvement

The entire Nippon Gases Group works actively to achieve its set objectives and to embed environmental and social sustainability among its core values. This commitment translates into concrete actions, integrated into business processes and aimed at creating value for all stakeholders. The results achieved demonstrate the strength of the path we have taken and reinforce our determination towards a more sustainable future.



In 2024 Nippon Gases Europe. Obtained the prestigious **Ecovadis platinum medal**, confirming the result obtained last year. The company earned the highest accolade in the ranking, underscoring its ongoing commitment to corporate social responsibility and sustainability. This recognition highlights its efforts in key areas such as the environment, diversity and inclusion, employee welfare (with a focus on safety), and ethics and human rights. This award places Nippon Gases in the **top 1% of companies in the industry for its sustainability performance**.



In February 2025, Nippon Gases Industrial obtained a score of **90/100 points**, placing the company at an **advanced Open-es level of 10/12**. This positioning is the result of Nippon Gases Industrial and Nippon Gases Italia's awareness and continuous commitment on issues related to the 4 areas of sustainability analysed by the Open-es programme: environment, ethics, human and workers' rights, sustainable procurement.



Nippon Gases Italia, as a member of **Federchimica**, adheres to the voluntary **Responsible Care** program, to promote the Sustainable Development of the Global Chemical Industry, according to values and behaviours focused on safety, health, and the environment. In line with its commitment to this programme, Nippon Gases Italia strives for constant improvement of its products, processes and conduct in terms of health, safety, environment, management of products along their life cycle and corporate social responsibility.



Nippon Gases Europe was also reconfirmed in 2024 as a participant in the **UN Global Impact**, of which it has been a member since 2021. In fact, its membership status has been updated to reflect its registration as a subsidiary of Nippon Sanso Holdings Corporation.





 **NIPPON
GASES**
The Gas Professional

Creating social value together

Nippon Gases Italia recognises the value of innovative, responsible and sustainable business practices in building a healthy and inclusive society. The Group is aware of the importance of proactively addressing future changes, contributing to the sustainable development of the sectors in which it operates.

Through its technical expertise and collaborative innovation, Nippon Gases employs advanced technologies to provide sustainable and lasting

solutions capable of meeting the evolving needs of customers in the industrial and medical gas sectors.

This commitment is possible only by placing people's excellence and safety at the centre. These values are absolute priorities in all operational activities, guided by strong ethical principles and a strict Code of Conduct that steers every corporate decision.

2.1 Corporate governance bodies and the Sustainability Governance

[2-9]; [2-10]; [2-11]; [2-12]; [2-13]; [2-14]; [2-17]; [2-18]; [2-23]; [2-24]; [405-1]

Board of Directors

Nippon Gases Italia is managed by a **Board of Directors** which serves as the central decision-making body of the corporate governance system. It has full responsibility for the ordinary and extraordinary administration of the Company.

As of **31st March 2025**, the Board of Directors consists of four non-independent members – two women and two men – in office until revocation or resignation, and eligible for re-election.

The current **composition** reflects a gender balance, with at least one female presence, and shall consider the skills and experience of individual members. Three members are over 50 years old, one is aged between 30 and 50 years.

The appointment procedures adopted ensure compliance with the principle of gender balance, guaranteeing **female representation** on the Board.

In addition, the professional experience of the board members is valued, all of whom have a background of over twenty years in the financial, legal and business sectors.

As at 1st April 2024, Nippon Gases Italia appointed **Eduina Marino** as President and Chief Executive Officer of the Group, succeeding **Raoul Giudici**, who held the position until the end of FYE2024 and subsequently took on the role of President of Nippon Gases Europe. **Eduina Marino**, who holds a degree in Chemical Engineering and a Master's in Finance, joined the company 25 years ago, working in sales and various aspects of business management. She has held various roles within the company, starting as a Sales Account and later becoming Key Account Manager, Pricing Manager, and Sales and Business Director. In 2020, she was appointed General Manager of Nippon Gases Pharma.

The shareholders' meeting of Nippon Gases Italia is convened by the Board of Directors at least once a year within 120 days of the end of the financial year for the approval of the financial statements, as the body responsible for their approval. In cases permitted by law, the meeting may be convened within one 180 days.

The General Meeting of Shareholders is duly constituted when a majority of the members representing most of the share capital is present and deliberates by a majority of those present.



The members of the Board of Directors of Nippon Gases Italia S.r.l. As of 31st March 2025



Eduina Marino

President and CEO



Pedro Mazarrasa Llosa

Member of the Board



Davis Reginato

Member of the Board



Laura Zanotti

Member of the Board

Supervisory body

The supervisory body consists of a Sole Auditor, and it is responsible for ensuring compliance with law and articles of association, and compliance with principles of sound administration. In particular, it oversees the adequacy of the Company's organisational structure, with reference to the effectiveness of the internal control system and the administrative-accounting system. Finally, it verifies the reliability of the latter in the accurate representation of management events. **The statutory audit**, pursuant to Article 14 of Legislative Decree No. 39/2010 and articles 2409-bis and following of the Civil Code, is carried out by the auditing company **EY S.p.A.**, registered in the appropriate Register.

The **subsidiaries** Nippon Gases Industrial, Nippon Gases Operations, Nippon Gases Pharma, and Nippon Gases Green Energy are each managed by their own Board of Directors consisting of five members, who are sole responsible for the management of the individual companies. The control activities are carried out by a Sole Statutory Auditor.



Supervisory Board

The **Supervisory Board** (hereinafter also “OdV”) shall be autonomous, independent, and to have the professionalism and continuity of action necessary to perform its duties efficiently. The Board is responsible for: supervising the functioning and compliance with the Organization, Management and **Control Model** (MOGC)⁴ of Group companies that have adopted it in order to:

- make sure that the conduct within the Company corresponds to the Model;
- monitoring the effectiveness of the Model, by verifying the suitability for preventing the occurrence of crimes reported in the document;
- promoting updates to the Model in order to incorporate the appropriate adjustments resulting from organizational changes in the Company and/or new regulatory requirements.

The Committees

The committees present in the Nippon Gases Italia group are:

Management Committee

It meets monthly or at the request of the Chief Executive Officer. Its mandate is to carefully analyse the Group's performance and includes identifying deviations from the assigned objectives and strategic plans, or inefficiencies and critical issues that may limit the proper functioning of the business.

It is also responsible for defining corrective actions and improvement plans, setting operational priorities in the meantime.

Business Committee

It analyses sales trends, with particular emphasis on volume trends, average price, the effectiveness of market development programmes, new business, and growth opportunities.

Innovation Committee

Created in FYE2024, this Committee is tasked with managing, coordinating and approving innovation-related topics and related projects.



Streamlining Committee

It is responsible for gathering and analyzing feedback from the organization regarding procedures, operational cycles, processes, and tools.

The group conducts an in-depth analysis to address any defects and suggest corrective actions, identifying the most effective solutions available.

Gender Equality Steering Committee

The body is responsible for ensuring the constant and effective compliance of the gender equality management system, in accordance with UNI/PdR 125:2022. It works actively to promote the most inclusive working environment possible, supporting the conditions needed for every person to freely express their uniqueness. It also serves as an additional point of reference for all employees who wish to discuss any difficulties related to their individuality, thus working in synergy with compliance structures and other reporting channels currently in place.

⁴ For more information on the MOGC, see the section Our corporate integrity tools and management systems and the compliance section of the Group's website, available at nippongases.com/it-en/nippon-gases/compliance

2.1.1 Nippon Gases Italia' Sustainability Governance

At European level, sustainability performance is analysed and discussed within the **Nippon Gases Euro-Holding (NGE) Sustainability Committee**, composed of the European Management team and including some members of the Board of Directors of Nippon Gases Italia.

The Committee is responsible for defining and monitoring the objectives set out in the **Medium-Term Sustainability Plan FYE2022-FYE2026**, meeting on a quarterly basis. These sessions are complemented by additional quarterly meetings, coordinated by the European Management and addressed to all Chief Executive Officers of the different regions. During these meetings, the results and strategies of Nippon Gases Euro-Holding S.L.U. are analysed in relation to the Sustainability Plan.

The **Board of Directors** of Nippon Gases Italia assesses, at least once a year, the organisation's economic, environmental, and social performance, as well as relevant risks and opportunities, including the management of the company's impacts on the economy, environment, and people, under the supervision of the Group's executives. These evaluation and enhancement processes are necessary to monitor its results and keep business performance under control, which is essential to support corporate activities and to achieve strategic objectives. Starting from this financial year, in addition to top management, middle management has also been included in the **ESG survey** in order to increase employee engagement in terms of sustainability.

Nippon Gases has implemented a set of specific procedures for the **management and control of sustainability issues** with the aim of operating in an increasingly responsible and transparent manner and effectively integrating sustainability into its **business model**. The Group has also established systems of delegations and powers of attorney dedicated to health, safety, and the environment within each Italian company, through internal appointments assigning specific responsibilities.

The documents used to manage sustainability impacts are divided into two main groups: the **policies and procedures** defined by the European parent company, and those developed by Nippon Gases Italia, particularly in the following areas:

Legal, Administration, Finance, HSE e Quality. The Group's main policies are made publicly available on the company website, accessible externally as well, to emphasise the company's transparency.

Nippon Gases Italia demonstrates its social and ethical responsibility through the adoption of the **Group's Code of Conduct** and the related internal policies and regulations, formally approved by the Board of Directors. Depending on the topic and the reference documents (Code of Conduct, Organization, Management and Control Model pursuant to Legislative Decree no. 231/01, Policies), the commitments undertaken are communicated to stakeholders through various channels, including:

- **e-mail** communication to all subsidiaries;
- publications on the company **intranet**;
- presentations to new employees during the **onboarding** process;
- organisation of specific training sessions on the implementation of **policies**;
- periodic recertification of understanding and acceptance of the **Code of Conduct**, with as regular training sessions on its principles.

To ensure the continuous training and skills development of Directors on sustainability-related issues, the **Sustainability Committee** regularly promotes refresher initiatives on these topics and on regulatory developments. Additionally, during the **quarterly European meetings**, attended by all members of the Nippon Gases Board of Directors, detailed updates are provided on company performance and new regulations.



2.1.2 Our corporate integrity tools and management systems

The **compliance** principles inspiring the operations of Nippon Gases Italia are:

- all compliance breaches can be prevented;
- compliance is the responsibility of line management;
- every employee is responsible for their own ethical behaviour;
- every employee must stop a job if it cannot be done;
- efforts in compliance yield results in compliance;
- ethical behavior is a condition of employment.

These principles are set out in the **Nippon Gases Europe Code of Conduct**⁵, a document applicable to all subsidiaries that sets out the general values guiding the Group in its strategic choices. The Code of Conduct is directed toward all employees of Nippon Gases Italia, as well as sub-contractors and temporary workers through agencies, stakeholders and suppliers.

In order to continuously promote a culture of compliance, the Group foresees several initiatives, including the annual re-certification of the **Code of Conduct**. In this process, all employees, including those of the subsidiaries, are required to confirm that they have read and understood the Code by completing a final questionnaire. During the financial year, recertification achieved **100%** participation by Group staff.

In addition, during FYE2025, the **biennial general training session** was organised on the main compliance topics: privacy and personal data protection, human rights, antitrust regulations, conflict of interest, anti-corruption and anti-fraud, as well as email management.

The training was successfully completed by all employees. Overall, in addition to the recertification of the Code of Conduct, **43 compliance-related training courses** were carried out.

In addition to these initiatives, and as a general and precautionary measure, compliance updates were regularly disseminated on the company intranet to raise employee awareness. Moreover, Nippon Gases makes sure that the **principles of ethical conduct** are promoted along the entire value chain, requesting customers and suppliers to pay the utmost attention to professional integrity. In its dealings with external parties and suppliers, the Group conveys the principles of the Code of Conduct by sending an **integrity letter**, requiring its acceptance before starting any form of collaboration. As stated in this document, Nippon Gases is committed to ensuring that all business and production activities are carried out in compliance with applicable laws and regulations, fostering relationships based on fairness and transparency.

Nippon Gases is committed to ensuring **fair competition** on all phases of production, distribution and sales. The Group is convinced that new business opportunities can only be seized in full compliance with antitrust regulations. For this reason, it has adopted an Antitrust and Fair Competition Policy that provides all employees with clear instructions and guidelines, in order to promote behaviour consistent with the principles of fair business practice and **to prevent any violation**.

Nippon Gases' strategic decisions are based solely on public information and the assessments derived from it. Similarly, **for import and export activities**, the Group complies with all applicable regulations and follows strict internal procedures, carrying out thorough checks on the profiles of the partners involved in the operations.

In compliance with the **GDPR** (EU General Data Protection Regulation 2016/679), the Group strictly protects all personal data processed during its activities. To this end, it has internal policies and procedures that ensure adequate security measures to prevent the destruction, loss, or damage of the information in its possession.

⁵ For further information on the Code of Conduct visit the following link: [ng-code-of-conduct-italian.pdf](#)

Finally, as outlined in the previous section, Nippon Gases has adopted an **Organisation, Management and Control Model** (MOGC), in compliance with Legislative Decree 231/2001, aimed at preventing crimes committed in the interest or to the advantage of the company by senior managers or by those acting under their direction or supervision, thereby safeguarding corporate integrity and accountability.

The Nippon Gases **MOGC** identifies:

- the sensitive activities related to these crimes;
- the control criteria in relation to the identified sensitive activities;
- the procedures for managing financial resources to prevent such offences from being ;
- the information reported to and from the Supervisory Board;
- the functions and powers of the Supervisory Board;
- the disciplinary system structure,
- the modes of communication, and distribution of the Model within the Company and to third parties.

Nippon Gases Industrial, Nippon Gases Pharma, Nippon Gases Operations, Nippon Gases Refrigerants and Nippon Gases Industrial Sud, are also equipped with company specific Organizational Models that align with the Nippon Gases Italia Model. Each Model is defined on different risks related to specific business activities.



Nippon Gases is committed to maintaining high standards of corporate ethics and integrity, applying strict sanctions in the event of violations. To strengthen this commitment and in compliance with **Legislative Decree 24/2023** (Whistleblowing Decree), which implements EU Directive 2019/1937 of the European Parliament and Council, the Group has updated its corporate procedures and the Organisation, Management and Control Model, establishing a **whistleblowing** procedure applicable to all Group companies.

This procedure allows employees and third parties to anonymously report potential violations of the Code of Conduct, as well as European and national regulations. Reports can be submitted via the web platform **Ethics Point, telephone hotline, e-mail, or direct meetings**, always ensuring confidentiality and protection from any retaliation.

In addition, specific reporting procedures are in place under the **SA8000 certifications** (Ethics and Social Responsibility), obtained by Nippon Gases Pharma and Home Medicine, and under the **UNI ISO 37001** certification for Nippon Gases Pharma. The management of reports is entrusted to a dedicated committee, chaired by the Chief Compliance Officer and the HR Director of Nippon Gases Europe, who ensure thorough investigations and appropriate responses. Violation of the Code or failures to report a violation of the Code may result in disciplinary action.

Thanks also to the application of the **corporate integrity** standards described, in the last three years in Italy no reports have been received that led to the confirmation of violations of the Code of Conduct and no cases of non compliance with laws and regulations⁶ were recorded during the reporting period.

Nippon Gases has adopted certified **Management Systems**, in compliance with the main international voluntary standards, with the aim of ensuring continuous improvement in the areas of health and safety, quality and environment, social responsibility, digital, and information security. This integrated approach makes it possible to achieve more efficiently multiple interconnected objectives, including the following.

⁶ In particular, it is confirmed that no sanctions have been received in relation to incidents concerning ethics, corruption, or antitrust, nor any legal proceedings regarding corruption or antitrust matters, or complaints of human rights violations or discrimination.

2.1 Corporate governance bodies and the Sustainability Governance

1. Health and Safety:

- prevent workplace accidents and occupational diseases, protecting workers, the public, and the environment;
- fully comply with European, national and local regulations on workplace safety;
- design and manage plants in a way that ensures the safety of people and the surrounding area
- Collaboration with external partners to promote the safe use of products.

2. Quality and Environment:

- ensure the quality of products, processes, and services, meeting customer needs;
- comply with specific requirements for industrial, food, medical, and refrigerant products;
- limit the environmental impact of business activities;
- monitor company performance and set objectives for continuous improvement.

3. Social:

- ensure decent working conditions and respect for employees' rights;
- promote professional growth and active involvement of staff;
- respect for the right to trade union freedom and collective bargaining;
- recognise the strategic role of suppliers and customers also from a social responsibility perspective.

4. Digital and Information Security:

- implement effective systems for the protection of information (digital, paper, physical);
- adopt a robust digital strategy to evolve in the era of technological transformation;
- define guidelines to manage data securely and prevent cyber risks.



2.1 Corporate governance bodies and the Sustainability Governance

To maintain high standards of quality, health and safety, environmental and social responsibility, and information security for all its stakeholders, Nippon Gases has obtained and confirmed over the years **numerous certifications** for its main sites.

Safety and Environment⁷

- ISO 45001:2018 Certification
- ISO 14001:2015 Certification
- EMAS Certification

Food Safety and Quality

- ISO 9001:2018 Certification
- ISO 22000:2018 Certification
- FSSC 22000 Certification for the Anagni (FR), Chivasso (TO), Castelnuovo Berardenga (SI), Ferrara, Ravenna, Rapolano Terme (SI), and Verres (AO) sites
- ISO 13485:2016 Certification
- Declaration of conformity with directive 93/42/EC and the new regulation (EU) 2017/745 for applicable parts, regarding medical devices
- Labelling certification in accordance with 2014/68/EU (PED) for pressure equipment
- Labelling certification in accordance with 2010/35/EU (TPED) and current ADR regulations for transportable pressure equipment
- ISO/IEC 17025:2018 accreditation the Chivasso (TO) laboratory
- Kosher certification for the Castelnuovo Berardenga (SI), Rapolano Terme (SI) and Ferrara sites

Social responsibility

- SA 8000:2014 Certification⁸
- ISO 37001:2016 Certification related to Anti-bribery management systems⁹
- UNI PdR 125:2022 Certification related to Gender Equality System¹⁰
- ISO 30415:2021 Certification related to diversity and inclusion¹¹

Information security

- ISO / 27001:2013 Certification

Maintaining these certifications requires a significant commitment in terms of resources and the organisation of numerous annual audits. These include both internal audits and third-party audits conducted across all Nippon Gases Group sites and functions, as well as audits carried out by customers and those targeting suppliers. During FYE2025, the Group recorded **210 audits** by customers, suppliers, authorities, and certification bodies, as well as internal audits, marking an increase of **23%** compared with the **170** carried out in the previous financial year. This number demonstrates the aim to understand its customers' needs and pursue the highest quality standards, adopt best practices to protect the health and safety of workers, guarantee the safety of its products and services, and minimize the environmental impact of its activities.

Moreover, all Nippon Gases CO₂ production plants are **Kosher certified** in order to satisfy every need. In addition, a **Halal declaration** can be issued due to the characteristics of the production processes.



⁷ See section 3.3 "Management of environmental issues" for full details

⁸ The certification was obtained during fiscal year FYE2023 by Nippon Gases Pharma and Home Medicine

⁹ The certification was obtained during fiscal year FYE2023 by Nippon Gases Pharma

¹⁰ The certification was obtained during fiscal year FYE2023 by Nippon Gases Pharma and in FY2025 by Nippon Gases Industrial

¹¹ The certification was obtained during fiscal year FYE2023 by Nippon Gases Pharma

2.2 The value we generate

[201-1]

In FYE2025, Nippon Gases Italia generated an economic value of **550.4 million euros**, a significant increase compared to the previous year (+11% compared to approximately **495.4 million euros** in FYE2024).

Of the 550.4 million euros generated, **394.8 million euros** (i.e. 72% of the total) were distributed to the various groups of stakeholders, and the remaining **28%** (i.e. 155.6 million euros) was retained by the company. In more detail, of the **394.8 million euros** of economic value distributed, more than **311.7 million**

was allocated to suppliers, mainly in the form of costs for services and raw materials. Approximately **48.6 million** was distributed to employees in the form of salaries and all other costs related to personnel management. **382 thousand euros** was disbursed to capital providers through interest and other financial charges. The value distributed to the local community amounts to **408 thousand euros** including donations and membership contributions. As a result, the economic value retained in FYE2025 amounted to **155.6 million euro**.

ECONOMIC VALUE DISTRIBUTED (in '000 of euros)

	FYE2023	FYE2024	FYE2025
Value distributed to suppliers	302,161	285,200	311,700
Value distributed to employees	40,546	46,000	48,650
Value distributed to capital providers	3,522	3,000	382
Value distributed to Public Administration	8,560	24,062	33,619
Value distributed to the local community	405	567	408
Total	355,194	359,000	394,760

CUSTOMER SATISFACTION AS A STRATEGIC COMPASS

Customer satisfaction has always been a strategic priority. Listening to them, understanding their needs, and constantly improving the experience we offer is a daily duty. For this reason, this year too we strengthened our commitment to monitoring customer satisfaction, interviewing around 2,000 of them. Among the indicators used to monitor progress, the Net Promoter Score (NPS) in particular recorded a significant increase compared with the previous year, marking an important step forward in building trust-based relationships and in the perceived quality of our services.







Together towards a low-emission world

Achieving carbon neutrality by 2050 is a shared challenge that requires urgent and coordinated action across all sectors of society. Companies in the industrial gases sector play a strategic role in this journey, as they are able to offer concrete and innovative solutions.

Nippon Gases is aware of its responsibility and strongly renews its commitment to innovation and sustainability.

The company's commitment to sustainability goes beyond reducing its own environmental impact: the Group works actively to build a more sustainable future, collaborating with customers, suppliers, communities, and other stakeholders.

Through the development and adoption of cutting-edge technologies, the company helps promote a low-emission economy.

This commitment is evident both in internal operations and in the support provided to customers, with the shared goal of achieving a zero-carbon world.

3.1 Innovation for the benefit of the environment

[416-2]

Nippon Gases constantly invests in the development of **innovative technologies and processes**, in response to the needs of a constantly evolving market. This commitment is driven by a continuous exchange of know-how with Nippon Gases Europe and the Japanese parent company, fostering synergistic collaboration and ongoing improvement.

The Group adopts a structured and shared **Innovation Governance** system that clearly defines the objectives, policies, and priorities of innovation, optimising resources, roles, and responsibilities. This model, shared internally through dedicated training sessions, encourages individual initiative and the development of solutions to increase operational efficiency. The approach is structured into six main areas, divided between strategic and operational components.

1. **Why** (strategic) - the purpose of innovation.
2. **Where** (strategic) - where to focus innovation efforts.
3. **How Much** (strategic) - the intensity of innovation.
4. **Who** (operational) - the organisational model.
5. **How** (operational) - innovation processes.
6. **With whom** (operational) - external innovation partners.

One of the main outputs of the Governance system was the establishment of an Innovation Committee, tasked with coordinating and approving specific initiatives and projects. Following the definition of the framework, an innovation action plan was developed to outline the short- and medium-term strategy and objectives, supported by a concrete operational plan. As part of this plan, during the year the Innovation team developed numerous projects, most of which focused on defining better management of operational processes within the Group.

To discover all the applications of our gases, **click here**



NIPPON GASES IS BUILDING THE FUTURE TODAY: THE "IDEAS FOR THE FUTURE" INITIATIVE

Nippon Gases is building the future today: the "Ideas for the Future" initiative. During the financial year, "Ideas for the Future" continued successfully, the internal innovation programme that promotes creativity and collaboration among colleagues. Through the digital platform Innovation Garage, 67 projects were submitted by teams of 4-5 people, with the aim of developing concrete solutions for the company's future. The programme concluded on 18th March 2025 with a dedicated event, during which the six finalist teams presented their proposals to a jury made up of the Directors of the Business, IT, and Innovation areas. The projects will be supported through an implementation process, with the aim of turning them into real solutions. Ideas for the Future confirms Nippon Gases' commitment to fostering innovative thinking and the active contribution of its people, making them key players in driving change.



3.1.1 Innovation and productivity in production plants

At the main production site in **Ravenna**, a project has been launched to upgrade the valves on the main liquid Nitrogen and Oxygen storage tanks. The intervention will significantly reduce vaporisation losses, with an estimated saving of between **1%** and **2%**, while also contributing to lower energy demand. In addition, in August 2024, a revamping project was completed that improves Hydrogen production efficiency.

At the CO₂ production site from geothermal sources in **Castelnuovo Berardenga** (SI), a project was undertaken to enhance the efficiency of the Calcium Carbonate separation process within the existing treatment tanks. This improvement aims to safeguard the area's water reserves.

For the **Rapolano Terme** site, the primary initiative was replacing the pipeline that transports raw CO₂ to the purification plant with new materials. The estimated energy saving is **2.6%** /year. In addition, a project to reduce water consumption at the site was completed, leading to a **10%** reduction.

At the **Pontinia** plant, the old transfer lines for transporting cryogenic products were replaced with new piping equipped with **A-VIP** (Advanced Vacuum Insulated Pipe) technology.

These lines, characterised by vacuum insulation and an additional inner insulating layer, have significantly reduced product evaporation losses. The intervention generated an energy saving of **2%**, contributing to greater overall plant efficiency.

CASERTA: AN INVESTMENT FOR THE FUTURE

During FYE2025, the construction of the **air separation plant** in Caserta was successfully completed. This significant investment represents a key milestone in Nippon Gases' growth and development strategies in Italy. The project forms part of a broader initiative aimed at strengthening the company's competitiveness and increasing proximity to customers, with particular focus on strategic sectors that are essential for sustainable growth and innovation within the national industrial fabric.

Caserta plant, thanks to its cutting-edge technologies and high production capacity, enables a significant increase in the production of high-quality **industrial gases**. This new facility allows Nippon Gases to strengthen its market presence, ensuring greater reliability and timeliness in supply. In addition, the expansion of production capacity helps to strengthen the resilience of the supply chain, an essential factor in addressing the dynamics of a constantly evolving market.

Thanks to its strategic location, Caserta plant stands as a reference point for the entire Central and Southern Italy area, providing concrete and direct support to local industries, from small and

medium-sized enterprises to large companies, with a positive impact also in terms of regional development.

The investment not only strengthens the competitive position but also represents a tangible contribution to sustainable industrial development, technological innovation, and the wellbeing of local communities.



NIPPON GASES AND ENEL GREEN POWER, TOGETHER FOR GEOTHERMAL CO₂

Work continues on the construction of Nippon Gases' new industrial plant in **Piancastagnaio** (SI), in the heart of Tuscany's geothermal area, the result of an exclusive partnership with Enel Green Power. The project represents a concrete example of sustainability and innovation, based on the recovery, purification, and liquefaction of **geothermal Carbon Dioxide**.

The CO₂ is extracted from the fluids discharged by geothermal power plants at the end of the renewable energy production cycle. Thanks to cutting-edge technologies, it will be processed to meet the highest quality standards, making it suitable for use in strategic industrial sectors such as **food, chemical, pharmaceutical, and environmental**.

The plant, which is scheduled to begin operations during FYE2026, is expected to create over **20 new jobs**, both direct and indirect, while at the same

time providing a concrete response to the needs of industry and the ecological transition.

Alongside the construction work, Nippon Gases is developing projects dedicated to the local area and community. Among these initiatives are a **scholarship** for local young people, aimed at promoting education in science and technology sectors related to energy and the environment, and the creation of an educational museum.

The latter will showcase not only how the plant operates but also the potential of CO₂ as a strategic resource in the ecological transition, with an educational focus designed for schools, families, and tourists.

With this project, Nippon Gases and Enel Green Power further strengthen the region's green vocation, enhancing a renewable natural resource and contributing to industrial development based on low emissions and high environmental quality.



WE ENABLE A CARBON NEUTRAL WORLD

In line with the objectives set by Nippon Sanso Holdings Corporation, Nippon Gases Italia actively contributes to the Carbon Neutral World initiative, committing to the development of solutions that support customers in reducing CO₂ emissions and in promoting a transition towards a more sustainable economy. The strategy is based on five key pillars.

GREEN COMBUSTION

Through the integration of oxy-combustion technology and the use of alternative fuels such as Hydrogen, Biomethane or Ammonia, Nippon Gases helps industries reduce their use of fossil fuels and climate-altering emissions. The Oxygen burners designed by the Group improve process efficiency and facilitate CO₂ capture.

SOLUTIONS FOR HYDROGEN

The Group provides technologies, plants, and services to produce, distribute, and use green or low-carbon Hydrogen, promoting its adoption in industrial processes. Burners capable of running 100% on Hydrogen and advanced mixing and control systems are already in operation. The approach integrates renewable sources, efficient technologies, and local availability of raw materials.

CO₂ CAPTURE

Through the selection and implementation of customised solutions, Nippon Gases enables its customers to capture and purify Carbon Dioxide for reuse in industrial processes (for example, in water treatment).

CIRCULAR ECONOMY

The Group promotes circular models that add value to process waste, sludge, and industrial, agricultural, and urban waste through technologies dedicated to the production of Biogas, Biomethane, Bio-LNG, or Syngas. In collaboration with partners such as Hysytech, Nippon Gases develops solutions for the recovery and conversion of materials and energy. Studies are also under way on applications for the synthesis of Methane or methanol from recovered CO₂.

DIGITALISATION

Digital transformation is a key enabler of sustainability. Process automation (RPA), remote monitoring, paperless operations, artificial intelligence, and predictive technologies enable more efficient, integrated, and low-impact management, contributing to the achievement of net-zero objectives.



3.1.2 Solutions towards a carbon-neutral world

Among the most significant initiatives supporting the transition to a low-carbon economy is the **Met4H₂** project, which involved 27 European partners with the aim of developing metrological standards to support the entire Hydrogen value chain – from production to end use – and to promote metrological traceability directly in the field. Nippon Gases played a leading role in the project, actively contributing to two of the main work packages (WP) envisaged:

- **WP1:** focused on the development of measurement infrastructure to ensure health, safety, and sustainability along the Hydrogen value chain. Nippon Gases provided its analytical know-how and took part in defining guidelines for the validation and calibration of H₂ analysers.
- **WP3:** dedicated to identifying metrological instruments to ensure reliable and traceable measurements in the analysis of gaseous Hydrogen quality. Nippon Gases' contribution included:
 - identification of critical sampling points;
 - support in drafting guidelines for quality monitoring;
 - field demonstration of the instrumentation developed;
 - provision of compliant monitoring points.

During FYE2025, Nippon Gases continued to actively support scientific research activities related to the production, storage, and purification of Hydrogen in the **HEHS project**, in collaboration with the University of Perugia and other academic and technological partners. Thanks to Nippon Gases' contribution, the University's Department of Engineering successfully continued the experimental formulation of **new Hydrogen-based clathrates**, using Thermodynamic Hydrate Promoters (THP). The activities included testing mixtures containing Methane, Ethane, and Propane and are currently focused on optimising **ternary Hydrogen/Methane/Ethane systems**, assessing different percentages of each component in order to obtain more stable and functional structures for energy storage. To increase process efficiency, the **University of Perugia** will receive in the coming months a new prototype automatic extractor to be integrated into the horizontal laboratory reactor in Terni. This device will enable faster and continuous production of clathrates, simplifying the subsequent accumulation and testing phases.

At the same time, the **University of Camerino**, a partner in the project, has launched the first experimental tests for the purification of gas mixtures resulting from the decomposition of clathrates, with the aim of obtaining high-purity Hydrogen compatible with fuel cell applications.

HYDROGEN VALLEY: A SUSTAINABLE ECOSYSTEM FOR THE INDUSTRY OF TOMORROW

As part of the Group's decarbonisation strategy, preparatory activities are continuing for the creation of the Hydrogen Valley at the **Giammoro (ME)** site, an initiative promoted by **Duferco** in collaboration with **Caronte** and Nippon Gases Italia.

The project, partially funded under the "Hydrogen Valleys" call of the National Recovery and Resilience Plan (**PNRR**) to support the production of green Hydrogen in disused industrial areas through the Region of Sicily, will enable the production of around 100 tonnes of **green Hydrogen** per year (RFNBO – Renewable Fuel of Non-Biological Origin), using a 1 MW electrolyser powered by a

4 MW photovoltaic plant. The initiative represents a concrete example of synergy between industry and renewable energy sources, with the aim of accelerating the **energy transition** in Southern Italy.

The project will also contribute to the redevelopment of a strategic industrial area, creating **new employment opportunities** and stimulating the local supply chain. Thanks to the use of innovative technologies, Giammoro Hydrogen Valley is set to become a replicable model on a national scale.

3.1 Innovation for the benefit of the environment

Activities are focusing on the use of MOFs (Metal-Organic Frameworks), innovative microporous materials with high adsorption capacity, promising in the field of gas separation and storage.

The project also benefits from the contribution of the company **aizoOn**, engaged in the development of an advanced computational model to simulate the formation and behaviour of clathrates under different conditions, with the aim of guiding experimentation more efficiently.

The steps planned for the next financial year include:

- the definition of the optimal **base mixture** for the formation of stable clathrates;
- the evaluation of the purification threshold achievable through **MOF** technology;
- the design of the most suitable **storage** methods for clathrates or gases derived from their decomposition;
- the planning of a semi-industrial scale **test**.

This project is fully aligned with the vision of a sustainable **Hydrogen** economy, applicable in real-world contexts, reaffirming Nippon Gases' commitment to promoting the energy transition through applied research and strategic collaborations with academia.

PRODUCTIVE AUTONOMY AND SUSTAINABILITY: THE NEW CRYOGENIC PLANT OF 3SUN IN CATANIA

During FYE2025, the start-up of the on-site cryogenic technology plant at the **3Sun** facility in Catania was successfully completed.

The plant, consisting of a cryogenic self-producer and a liquid Nitrogen storage area, was designed and built for the continuous production and supply of ultra-pure **Nitrogen** (UHP – Ultra High Purity), with a **purity level** compliant with the most stringent standards required by high-tech industrial processes.

The introduction of the plant enables 3Sun to ensure production autonomy, reducing dependence on external supplies and increasing the reliability of Nitrogen delivery.

The **on-site technology** also delivers significant sustainability benefits: the plant makes it possible to achieve a substantial reduction in emissions associated with gas transport logistics, which are particularly impactful when delivery distances are long, and the volumes required are considerable.

The plant is fully integrated with the facility's control and **supervision systems**, ensuring real-time monitoring, traceability of quality parameters, and maximum energy efficiency.

This investment represents a further step forward in 3Sun's path of technological growth and production excellence.



3.1 Innovation for the benefit of the environment

Nippon Gases offers its customers innovative and cutting-edge technologies to improve the sustainability of their production activities.

Among the most significant projects of FYE2025 is the collaboration with a start-up on the **Limenet** project, which transforms biogenic CO₂ into stable carbonates dissolved in seawater. This innovative technology makes it possible to permanently remove CO₂ from the atmosphere while also helping to rebalance ocean pH. Inspired by the natural carbon cycle, the process is certified, scalable, and represents a concrete step forward in protecting marine ecosystems.

Nippon Gases is working with **IREN Ambiente** on the recovery and management of biogenic CO₂ generated by the FORSU treatment plant in Gavassa (RE), where the organic fraction of waste is converted into compost, Biomethane, and Carbon Dioxide. Once purified and liquefied, the latter meets the strict **purity** requirements for use in the food sector, standing as a concrete example of zero-emission circular economy. The plant uses a membrane upgrading system to convert Biogas into Biomethane, contributing to the injection of renewable energy into the national grid. Within this collaboration, Nippon Gases provides specialised technical and regulatory support, assisting IREN Ambiente in obtaining **health authorisations and quality certifications**. The Group is also responsible for the technical training of staff and provides operational consultancy for the proper management of tank loading activities, batch traceability, and the issuance of certificates of analysis, thereby ensuring compliance with the required standards and the safety of the entire supply chain.

In fiscal year 2025, the **DevH2EAF** project was launched to develop Hydrogen burners for **electric arc furnaces (EAF)**, with the aim of replacing fossil fuels in liquid steel production. The project includes the design of the burners, risk analysis related to **Hydrogen**, and performance monitoring with blends of up to 100% H₂. Nippon Gases plays a strategic role in gas supply, safe Hydrogen management, and the design of the feeding system, integrated with advanced safety protocols. The tests were carried out in two phases: on a laboratory furnace at CSM RINA (Dalmine); and on **industrial EAF furnaces**, focusing on emission reduction, natural gas savings, and the quality of the molten metal.

Nippon Gases has taken a significant step forward within the European **H2AL** project, co-financed by the **Clean Hydrogen Partnership** under the Horizon programme, together with a consortium of European companies and research institutes. The project aims to assess the use of Hydrogen as an alternative fuel in “tower” melting furnaces in the **aluminium sector**, with the goal of improving the sustainability of the production process. One of the most significant developments of the period was the successful completion of the first laboratory tests at the **GWI research centre**, which demonstrated the effectiveness of the burners developed by Nippon Gases when operating with 100% Hydrogen. These results represent an important technical validation and a step forward towards future industrial application. Nippon Gases is responsible for the supply of **technical gases** (compressed Hydrogen and cryogenic liquid Oxygen), the design of dedicated burners, and the development of an advanced control system for managing fuel and oxidant mixtures.



3.1.3 Innovations and services in the applications of industrial gases

In FYE2025, Nippon Gases strengthened its advisory role through the **NGI Hub**, a centre of expertise dedicated to the **food, manufacturing, and additive manufacturing** sectors. The service is structured around five integrated pillars: training, inspections, testing, certifications, and technical consultancy, with the aim of supporting safe, efficient, and sustainable production processes.

In the food sector, support focuses on optimising **shelf life**, detecting microbiological markers, regulatory compliance, and managing safety-related risks, including foreign bodies.

In the Metal Fabrication sector, NGI Hub provides support with **welding**, quality control, advanced testing, and technical documentation, in collaboration with ISO/IEC certification bodies.

In the field of Additive Manufacturing, in addition to the supply of high-purity gases, Nippon Gases develops solutions to improve the 3D printing atmosphere by reducing Oxygen and humidity, thereby ensuring better mechanical performance of components.

Nippon Gases has further reinforced its leadership in the pure and specialty gases sector by investing in internal production capabilities, aiming to reduce reliance on external suppliers. Through the **"Make vs Buy"** project, the range of gases produced internally has been expanded, with particular focus on pure

Methane, manufactured at the Chivasso plant, the only facility in Europe capable of guaranteeing 6.0 purity.

Within this project, there is also **MiniCyl®**, the line of small cylinders designed by Nippon Gases for the distribution of pure gases and calibration mixtures, ideal for use in the field, in laboratories, and in space-constrained environments. Characterised by ease of handling, high purity, and certified accuracy, it is compatible with both fixed and portable gas detectors as well as analytical instruments. During FYE2025, production and filling have taken on a **European dimension**. Production takes place in-house at the Chivasso (TO) laboratory, ensuring the required purity. The system features flexible packaging, dedicated pressure regulators, and containers optimised for weight and volume.

Certified according to **ISO 9001**, the MiniCyl® line ensures fast delivery times and full product traceability, thanks to a QR code on each cylinder. An efficient, sustainable, and reliable solution for every technical requirement in the field of specialty gases. A further advantage is the **filling pressure of 70 bar**, higher than the market average (around 50 bar), which makes it possible to optimise the gas content per unit and improve the logistical and environmental efficiency of the entire system. After use, the cylinders are recovered, refilled, and returned to the market, thereby helping to reduce the environmental impact of the product life cycle.



3.1 Innovation for the benefit of the environment

Finally, Nippon Gases has strengthened its commitment in the **semiconductor** sector with targeted investments to support the growth of the European market and meet new technological demands. In September 2024, the new “Liquid Fill 2.0” production area was inaugurated in Oevel, Belgium, designed for the local filling of electronic gases from tanks. Thanks to this new system, it is no longer necessary to ship empty containers to distant countries – such as those in Asia – and then receive them filled for transfer. Now the gases arrive directly in tanks and are bottled within the destination facility.

This innovative solution makes the process more efficient, safe, and sustainable: it drastically reduces the number of international shipments and limits the use of packaging, thereby making a tangible contribution to reducing environmental impact and supporting the company’s innovation goals.

In FYE2025, development continued on **Frutil®**, a mixture of Nitrogen and ethylene designed to optimise the degreening and post-harvest ripening of fruit in a natural and controlled way. Usable in ventilated ripening rooms, it is suitable for **citrus fruits, bananas, mangoes, papayas, and avocados**, and is also approved for use in organic farming (for bananas and citrus fruits). Frutil® mimics natural conditions, stimulating physiological processes that enhance fruit colour, aroma and flavour. During the year, its use was successfully extended to three new products – mango, papaya, and avocado – further confirming its effectiveness. Registered as a plant protection product with the Ministry of Health, **Frutil®** helps to extend shelf life, reduce waste, and ensure fruit reaches the right stage of ripeness throughout the supply chain.

NATIONAL MEETING OF NIPPON GASES AGENTS

On 17th and 18th March 2025, the **national meeting of Nippon Gases agents** was held in Milan, an event that brought together representatives from agencies across Italy. The occasion strengthened the relationship of collaboration and trust that binds Nippon Gases to its agencies, highlighting the strategic importance of these partnerships for the company’s success and growth. Currently, around 70 agencies operate across the country, playing a key role in developing turnover for

the package line. These agencies mainly serve small customers, including manufacturers and craftsmen, who require timely and flexible services and a single point of contact for the full range of products. Thanks to their widespread presence, agile structure, and synergy with other products, the agencies represent the ideal point of contact for these customers. The **meeting** was not only a moment for updates and discussion on corporate objectives but also an opportunity to present Nippon Gases’ new strategic vision to the participants. The rich and well-structured programme included presentations on key topics for the agencies’ field activities: commercial policies, applications in major industrial sectors, support from the back office and the new dedicated team, logistics improvement, pricing, and compliance with payment terms. Significant emphasis was also placed on safety and **compliance**, with in-depth sessions on products, regulations, storage, and cylinder handling-essential elements to ensure quality and safety in service. There were also moments of open discussion and debate that actively engaged the participants, fostering an exchange of experiences and ideas.



SANSHIELD®: SUSTAINABLE INNOVATION FOR THE PROTECTION OF FOODSTUFFS

During FYE2025, Nippon Gases Italia successfully completed the development and registration of **SanShield®**, an innovative fumigant gas based on high-purity Carbon Dioxide (99.9%), designed for the control of insects and mites in stored foodstuffs. Following a nine-year registration and authorization process in Italy, **SanShield®** and its bulk version **SanShield® Geo** became the first plant protection products in Italy entirely based on CO₂, officially registered with the Ministry of Health (April 2025) and included in the MASAF database.

SanShield® and **SanShield® Geo** can be used for the treatment of foodstuffs originating from organic farming.

SanShield® stands out for its fumigant action, which suppresses Oxygen and leverages the toxic effect of carbon dioxide to eliminate pests without leaving residues on treated goods. Its use is strictly reserved for qualified professionals holding certification for the purchase and application of plant protection products, in compliance with current regulations.

Application takes place post-harvest, with methods and dosages varying according to the type of product and the treatment environment (silos, pressurized chambers, or storage rooms). The effectiveness of the treatment is ensured by reaching the indicated concentrations, depending on operating conditions.



SanShield® and **SanShield® Geo** represent a valid ecological alternative to traditional toxic gases, thanks to the use of geothermal CO₂, produced and distributed by Nippon Gases, a leading company in the sector. This initiative is part of a broader path of responsible innovation, offering the agri-food market an effective, safe, and organic-compatible solution.

Treatable foodstuffs include:

- grain cereals (e.g., rice, wheat, corn, barley, oats);
- oilseeds (sunflower, soy, flax, peanuts, rapeseed, hemp, etc.);
- processed cereal products;
- medicinal herbs, spices, tea, tobacco, dried fruit, and other stored goods

Through SanShield®, Nippon Gases reaffirms its role in promoting sustainable solutions for food safety, combining technological innovation, environmental protection, and public health awareness.



3.1 Innovation for the benefit of the environment

In **FYE2025**, Nippon Gases strengthened its commitment to innovation for **food quality** and safety, launching and consolidating several strategic projects.

In collaboration with the Department of Pharmacy of the University of Salerno, Nippon Gases funded a research scholarship for microbiological analysis in the field of **Modified or Controlled Atmosphere Packaging (MAP)** for the implementation of the project: "Development of innovative packaging to improve shelf life and microbiological quality of food." The aim is to **extend the shelf life** of fruit products (currently between 6 and 10 days) in order to reduce food waste. The project also included the establishment of a laboratory dedicated to packaging and food analysis, providing testing services to identify the optimal storage conditions. The current phase is research and development.

At the same time, Nippon Gases developed the **LEAK DETECTION** project in collaboration with an industrial partner, introducing the integrated **Foodsense® Leak Detection System**. This advanced technology enables in-line detection of micro gas leaks, X-ray inspections, and weight control in a single solution, using a non-destructive system on 100% of production. Using laser or infrared spectroscopy, the system detects leaks of CO₂, alcohol, or specific aromas, automatically rejecting them.

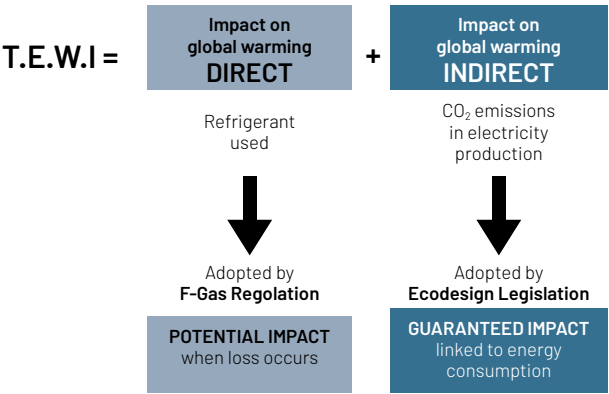
In addition to improving the reliability of **MAP** packaging, the system reduces waste, increases efficiency, and lowers costs compared to traditional methods. During the year, machine installations continued, confirming the validity of the solution.

With the **HappyDrink®** service, Nippon Gases offers a sustainable solution for beverage carbonation in collective catering. The system involves the installation at the customer's premises of compact stainless-steel containers for the continuous supply of food-grade CO₂, ensuring consistent quality, operational efficiency, and a significant reduction in transport and single-use plastic. The service is also used for the supply of gas to public sparkling water fountains, which are particularly widespread in Central Italy (Rome, Florence, Perugia, Terni), promoting sustainable access to an essential resource. In FYE2025, around **40 new fountains** were installed, with a 5% increase in tonnes of CO₂ supplied. As a result of the increase, the vehicle fleet was expanded with a new tank for the supply of CO₂ to the beverage sector, with particular attention to the logistical and space requirements of fast-food chains and users of small tanks.



3.1.4 Refrigeration and air-conditioning solutions

In the refrigeration sector, Nippon Gases Industrial offers **low-GWP (Global Warming Potential)** gases and advanced solutions for commercial and industrial applications, in compliance with environmental regulations. In addition to the direct impact of emissions (GWP), the energy consumption of the systems is also considered, as it affects the indirect CO₂ emissions. The sum of these two factors defines the **T.E.W.I. (Total Equivalent Warming Impact)**, a key indicator for assessing overall environmental impact.



Nippon Gases promotes the use of low environmental impact gases, such as **HF0s** (Hydrofluoroolefins), which offer high stability in use and low atmospheric persistence. The progressive replacement of high-GWP **HFCs** (Hydrofluorocarbons) with these new solutions has led, from 2016 to FYE2025, to a reduction of around **550 tonnes of CO₂eq** in customer emissions.

In the treatment of spent refrigerants, classified as hazardous special waste, it is essential to comply with strict regulations prohibiting their release. To meet these needs, Nippon Gases offers the **Ecostar™** service, which ensures the recovery and safe management of gases, promoting a circular economy model in the sector. In addition, the promotion of **easyEcostar™** continued an extension of the service designed to encourage the regeneration of refrigerant gases in compliance with the new F-gas Regulation (EU) 2024/573. Available through a customisable annual subscription, the service provides **RecoveryCold** containers and direct collection from maintenance operators. Up to 80% of the recovered gas can be **regenerated**, reimbursed, and returned to the market exclusively for subscribers, guaranteeing original purity standards.

Thanks to the introduction of a recovery system at the **Alessandria site**, refrigerant losses were halved compared to the previous year, confirming the effectiveness of the service in reducing CO₂eq emissions and promoting **circularity** in the refrigeration sector.

Nippon Gases has integrated digital technologies and Artificial Intelligence-based solutions to improve the energy efficiency of **HVAC-R** (Heating, Ventilation, Air Conditioning and Refrigeration) **systems**. In collaboration with an energy sector partner, Nippon Gases is implementing an intelligent control system that optimises in real time the operation of the systems, dynamically adapting to factors such as temperature and room occupancy levels.

To support the spread of these technologies, the company also promotes training activities aimed at both customers and the sales force, with the goal of encouraging more informed and effective use of digital solutions for energy efficiency.



3.1.5 Solutions offered for Healthcare

Nippon Gases Pharma has been committed for years to promoting services and solutions that help make healthcare facilities more efficient, safe, and sustainable. Among these, the **SGM – Site Gas Management** programme is one of the most significant activities. It is a medical gas direct management service, active in around 40% of client facilities, which involves the continuous on-site presence of a specialised operator. This role manages, on behalf of the hospital, the entire **supply** process – from fixed tanks to individual cylinders – helping to reduce waste, optimise stock levels, and ensure the rational use of company resources.



Thanks to the direct intervention of the operator, disorganised accumulation of **cylinders** is avoided, timely collection of empty ones is ensured, and technical support is provided in managing accessories (gas outlets, regulators, pipelines). The operator also carries out regular **checks** to detect malfunctions or leaks, increasing the safety and efficiency of the system. In a concrete case, the introduction of the service enabled a customer to **recover** unused but still rented **cylinders**, drastically reduce urgent orders, and align supplies with actual needs, bringing tangible economic and organisational benefits.

To support the ecological and digital transition of healthcare facilities, Nippon Gases also offers a series of **targeted** initiatives:

- **Revamping of primary plants:** replacement and modernisation of gas distribution systems, including compressed air and vacuum plants. The new systems, equipped with low-consumption motors and more efficient pumps, ensure superior performance, lower operating costs, and optimised energy management. The service is also available for rental, making the investment sustainable even in the medium term.
- **Centralised cryobanks for liquid Nitrogen:** in biological preservation centres, we promote the replacement of obsolete dewars with centralised systems equipped with vacuum-insulated lines and external insulated tanks. This solution significantly reduces product losses due to natural evaporation, improves safety, and streamlines logistics.
- **Tank resizing:** we propose replacing tanks with larger-capacity models (up to +50%) to optimise refilling frequency, reduce transport, and cut logistics costs, fuel consumption, and emissions.
- **Safety technologies:** the new Noxtec devices for Nitric Oxide-based therapies now include an exhaust system for waste gases (Nitric Oxide and Nitrogen Dioxide), reducing environmental impact and improving operational safety for healthcare personnel.

3.1 Innovation for the benefit of the environment

- **Environmental Monitoring:** we offer a comprehensive service for the control of operating rooms and UFA centers (Antiblastic Drug Units), verifying critical parameters such as pressure, air exchange rates, particulate contamination, humidity, noise, and lighting. These checks are essential to ensure safe environments, reduce post-operative risks, and promptly manage any critical issues.
- **Pain management with Ninoxan®:** for years we have been supplying equimolar mixtures of Nitrous Oxide and Oxygen (Ninoxan®), used for conscious sedation in emergency care, paediatrics, and orthopaedics. This method reduces recovery times, risks, and costs, while improving the patient experience.
- **Air treatment devices – EISEI®:** we provide solutions for air purification in hospital environments, based on filters and UV-C lamps, capable of reducing the presence of pathogens, allergens, and fine dust, contributing to the well-being of staff and patients.

Through these integrated services, Nippon Gases Pharma supports its customers in achieving environmental, economic, and organisational goals, actively contributing to the creation of a more sustainable healthcare system.



“TRAVEL WITH US”: CLOSENESS THAT NEVER STOPS

For Nippon Gases Pharma, being at patients' side means ensuring continuity of care wherever they are. With the “Travel with us” service, Nippon Gases guarantees the delivery of therapeutic gas supplies and technical assistance even in locations other than the usual residence, both in Italy and in EU countries, in accordance with agreements made with the relevant Local Health

Authorities (ASL). Thanks to a dedicated team specialised in managing patients in transit, **Nippon Gases Pharma** supports people during their travels – for holidays, family needs, or health reasons – ensuring peace of mind and safety. A service designed to put well-being at the centre, even when away from home.



3.1.6 The importance of logistics in sustainability

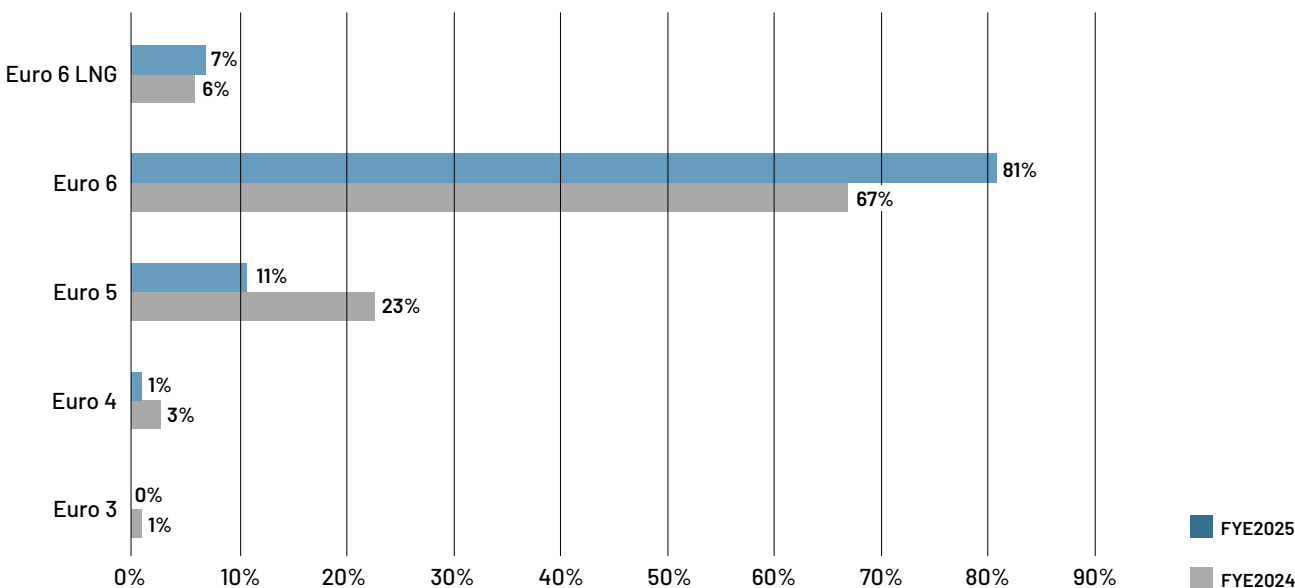
Another lever for improving environmental sustainability is the management, planning, and control of the distribution of cryogenic liquid products, overseen by the **Bulk Distribution** function. Among the main indicators monitored is the kg/km ratio, which measures the amount of product transported per kilometre travelled. In FYE2025, this indicator showed a slight decrease, **37.1** compared to 38.7 in the previous year, due to higher demand for CO₂ and Oxygen in geographical areas characterised by longer logistics routes, while demand in areas closer to supply points declined.

In addition, the **Tank Resizing** project continued, which involves increasing the size of tanks installed at strategic customers, reducing the number of deliveries and annual refuelling trips.

To improve logistical efficiency, in FYE2025 the **OIR** (Ortec Inventory Routing) **project** was enhanced—an advanced software system dedicated to optimising delivery planning, with the aim of reducing the kilometres travelled annually. The use of **OIR** has been extended to all products managed by the Bulk Distribution function, including not only Nitrogen but also Argon, Oxygen, and CO₂. The system integrates two key functions: proactive order generation, enabled by telemetry installed at customer sites

that monitors product levels and suggests optimal delivery times, and route optimisation, which allows for more efficient planning based on availability and pending orders.

It is important to highlight that the environmental impact of transport is closely linked to the type of vehicles used. In this regard, the Group has continued to upgrade its fleet, reaching a share of **98%** of vehicles classified as **Euro 5, Euro 6, or Euro 6 LNG**.



3.1 Innovation for the benefit of the environment

The **Package Distribution** team, responsible for the **logistics of cylinders** across various product lines (technical, pure and specialty, food, medical, and refrigerant gases), implemented several initiatives in FYE2025 to optimise the **KPI km/bb**, which measures the equivalent cylinders transported per kilometre travelled, highlighting operational efficiency. Among the initiatives implemented, significant actions were taken to **improve logistical efficiency** and the quality of patient service, including more accurate patient mapping, optimised management of patients in transit, and more effective selection of carriers for distribution.

In addition, the installation of the **Mix Telematics** system was completed on all vehicles belonging to the Package and Homecare fleets, as part of a project aimed at improving transport safety, operational efficiency, and sustainability. The system allows **continuous** and detailed **monitoring** of various driving parameters, such as driver behaviour, speeding, lane changes, harsh braking, and other potentially risky actions. Through the analysis of the data collected, it is possible not only to **intervene promptly** to correct any critical issues but also to implement **targeted training** programmes to improve driving habits.

The use of Mix Telematics helps to **reduce fuel consumption** and **CO₂ emissions**, thanks to a more conscious and efficient driving style. The integration of this technology therefore represents a concrete step towards intelligent and responsible fleet management, in line with the company's objectives of innovation and continuous improvement.

During FYE2025, alongside a significant expansion of the fleet dedicated to **homecare therapy services** – driven by the increase in the number of patients assisted – a major improvement was recorded in the KPI km/bb, which fell from **11.74 in FYE2024 to 9.43 in the current fiscal year**. This improvement reflects greater efficiency in delivery routes and optimised distribution management, with a positive impact both operationally and environmentally. The results achieved confirm the validity of the **strategies adopted** and highlight the organisation's ongoing commitment to increasingly sustainable, precise, and efficient logistics.



3.1.7 Customer service offerings

Nippon Gases' Customer Service ensures comprehensive support across the entire national territory, in both industrial and medical sectors. Through a structured analysis of exceptional tickets, it was possible to classify the main causes of intervention, enabling targeted actions to improve the **reliability** and **efficiency** of maintenance services at customer sites.

In FYE2025, thanks to **investments** aimed at increasing the reliability of plants and equipment, as well as the expansion of the geographical presence and proximity of technical assistance, a reduction was recorded in intervention hours and kilometres travelled.

This translates not only into greater operational efficiency but also into a positive environmental impact.

In line with its focus on people's health and safety, Nippon Gases also provides, upon request and with a medical prescription, **prescription PPE glasses** for staff who need them, thereby promoting a safer, more inclusive working environment that respects individual needs.



3.2 Management of environmental aspects

[2-25]; [302-1]; [303-1]; [303-2]; [303-3]; [303-4]; [305-1]; [305-2]; [305-3]; [306-1]; [306-2]; [306-3]

3.2.1 The strategic approach to environmental issues

In line with the directives of Nippon Gases Europe and its Japanese parent company, Nippon Gases Italia is strengthening its commitment to **environmental sustainability** through clear policies, targeted actions, and continuous impact monitoring.

The Group companies adopt **certified management systems** in line with the leading international standards in Health, Safety, and Environment, with the aim of effectively overseeing and concretely reducing their environmental impact.

Society	ISO 45001	ISO 14001 ¹²	EMAS ¹³
Nippon Gases Italia S.r.l.	X		
Nippon Gases Industrial S.r.l.	X	X	X
Nippon Gases Pharma S.r.l.	X	X	X
Nippon Gases Operations S.r.l.	X	X	

Main environmental impacts are related to the consumption of energy resources at the plants and the related emissions of **Greenhouse Gases (GHG)**, the consumption of water resources and waste

management practices. Operatively, the Group endeavours to make efficient use of resources and monitor **consumption** levels continuously.



¹² Certification obtained at Anagni, Bagnatica, Brugine, Chivasso, Modugno, Novara, Ravenna, San Salvo plants and the distribution and Customer Service sites

¹³ Certification obtained for Chivasso and Novara sites

3.2.2 Energy consumption and GHG emissions

In FYE2025, Nippon Gases' **energy consumption** was mainly due to the use of Methane and electricity at production sites and offices and, to a lesser extent, to the fuels used within the production plants. The following table shows the Group's energy consumption over the past three years.

ENERGY CONSUMPTION (GJ)				
Type of energy source		FYE2023	FYE2024	FYE2025
Diesel		17,457.8	14,433.5	680.1
Methane		447,881.2	472,362.6	491,514.1
Petrol		3,010.9	3,916.2	-
Fuel Gas		9,877.8	7,690.9	12,755.6
OffGas SHU		5,386.8	8,633.8	4,259.4
Direct consumption of energy from non-renewable sources		483,614.5	507,036.4	509,209.2
Purchased electric energy		929,829.3	906,036.2	918,743.5
From renewable sources		458,222.8	362,739.9	450,579.6
Vapor		9,421.9	12,765.5	10,281.9
Indirect energy consumption		939,251.2	918,801.7	929,025.5
Total energy consumption		1,422,865.7	1,425,838.1	1,438,234.7

In FYE2025, Methane consumption increased by around **4%** against a production increase of approximately **12%** in Hydrogen. This improvement was made possible thanks also to the optimisation of plant operation, which enabled the recovery of a greater quantity of **OffGas** as an alternative fuel.

With regard to indirect **energy consumption**, the Group recorded an increase of 1.1% compared with FYE2024. Of the total electricity purchased during the year, **49%** is covered by guarantees of origin (GO), certifying its supply from renewable energy sources. This percentage shows an increase compared

with the previous year (**+24%**), fully in line with the company's strategy and the **35%** impact reduction target.

Each year, Nippon Gases monitors the impact of its activities and value chain on climate change through the **calculation of greenhouse gas emissions**. As in previous years, direct emissions (Scope 1), generated from owned or controlled sources, and indirect emissions are reported, divided between those related to the consumption of electricity, heat, and steam (**Scope 2**) and those connected to upstream and downstream value chain activities (**Scope 3**).



THE NEW PUMPING UNIT FOR REFRIGERANT RECOVERY

When customers return drums containing refrigerant products, the **residual contents** are recovered. This operation is carried out using a **recovery unit**, a pump specifically designed to extract both the liquid and gaseous fractions of the remaining product.

Once the **drums** containing refrigerant products are returned by the customer, the residual contents inside them are recovered. The recovered product is conveyed into a dedicated container, preventing any release into the atmosphere. In this way, the drum is effectively cleaned, making it suitable for subsequent

treatment or disposal phases without product loss.

The same recovery principle is also applied to **filling lines** and **tanks**, always with the aim of maximising product recovery and minimising waste and environmental impact. The increase in drum transfer activities and the growing diversification of products handled, with mixtures of different chemical and physical characteristics, made it necessary in FYE2025 to purchase, replace, and install a new, higher-performance **pumping unit** in the field.

DIRECT GHG EMISSIONS (SCOPE 1) AND INDIRECT GHG EMISSIONS (SCOPE 2)

	FYE2023	FYE2024	FYE2025
Diesel	1,336.1	1,104.7	52.0
Methane	25,230.5	26,697.0	27,882.1
Petrol	200.4	284.6	-
Fuel gas	556.4	434.7	723.6
OffGas SHU	303.5	487.9	241.6
F-gas	1,907.3	639.2	649.3
Scope 1 Emissions (Tons CO₂eq)	29,534.2	29,648.0	29,548.6
Vapor	446.8	637.0	513.1
Electricity	59,786.1	68,991.1	65,096.9
Scope 2 Emissions – Market-based (Tons CO₂)	60,232.9	69,628.1	65,610.0
Total emissions (Scope 1+Scope 2 – Market-based)	89,767.1	99,276.1	95,158.6

In FYE2025, Nippon Gases' direct emissions (**Scope 1**) recorded a slight decrease of 1.6% compared with the previous year, thanks to lower consumption of diesel, petrol, and F-gases, which offset the increase in emissions from the use of Methane and fuel gas.

Indirect emissions (**Scope 2**), calculated using the market-based approach, decreased by 6%, mainly due to the increase in electricity purchased

with **Guarantees of Origin (GO)**. This methodology considers the national thermoelectric mix excluding renewable sources, but offsets the emissions associated with energy certified as renewable. Using instead the location-based approach, which takes into account the actual national energy mix, Scope 2 emissions amounted to **80,412** tonnes of CO₂, with an increase of **1.5%** compared with FYE2024, consistent with the slight rise in electricity consumption.

3.2 Management of environmental aspects

Since last year, the Group has also continued to calculate and report Scope 3 indirect emissions, including all categories relevant to its business model. Below are the data for the last three years.

INDIRECT GHG EMISSIONS (SCOPE 3)				
Category		FYE2023	FYE2024	FYE2025
Upstream (Categories 1- 8)		124,357	147,655	160,150
Category 1	Purchased goods and services	97,907	117,260	106,709
Category 2	Capital goods	19,580	23,544	22,066
Category 3	Fuel and energy related activities	6,858	6,841	28,584
Category 4	Upstream transportation	N/A	N/A	607
Category 5	Waste generated in operations	12	10	3
Category 6	Business trips	N/A	N/A	2,182
Category 7	Employee commuting	N/A	N/A	N/A
Category 8	Asset in leasing upstream	N/A	N/A	N/A
Downstream (Categories 9- 15)		397,747	274,443	280,719
Category 9	Downstream transportation and distribution	15,539	15,723	N/A
Category 10	Use of sold products	N/A	N/A	N/A
Category 11	Use of sold products	374,764	248,851	271,811
Category 12	End-of-life treatment of products sold	N/A	N/A	N/A
Category 13	Asset in leasing upstream	7,444	9,869	8,907
Category 14	Franchising	N/A	N/A	N/A
Category 15	Investments	N/A	N/A	N/A
Total emissions Scope 3		522,104	422,098	440,869

Thanks to the calculation of **Scope 3** indirect emissions, Nippon Gases is able to identify areas for improvement along its supply chain, pinpointing the most emission-intensive categories that will allow targeted actions in areas such as logistics or supplier selection criteria.

Overall, Scope 3 emissions of Nippon Gases Italia recorded a modest increase of 4% compared with the previous financial year. The increase is mainly attributable to indirect emissions from the upstream phase of the value chain (+8%), particularly Category 3 – Fuel and energy-related activities. This rise is linked to the methodological refinement introduced in FYE2025, which now also includes emissions from electricity generation and grid losses related to the energy consumed by the Group.

This increase was partly offset by the reduction in emissions in Category 1 – Purchased goods and services (–9%), thanks to the adoption of updated and more accurate emission factors, and in Category 2 – Capital goods (–6%). A further methodological update concerned goods logistics, previously allocated to Category 9 – Downstream transportation and distribution, and now reclassified under Category 4 – Upstream transportation and distribution, in line with the approach of Nippon Gases Europe.

As already noted in FYE2024, Category 11 – Use of sold products continues to account for the largest share of Scope 3 emissions, representing over 60% of the total, particularly due to the increase in sales of liquid CO₂.

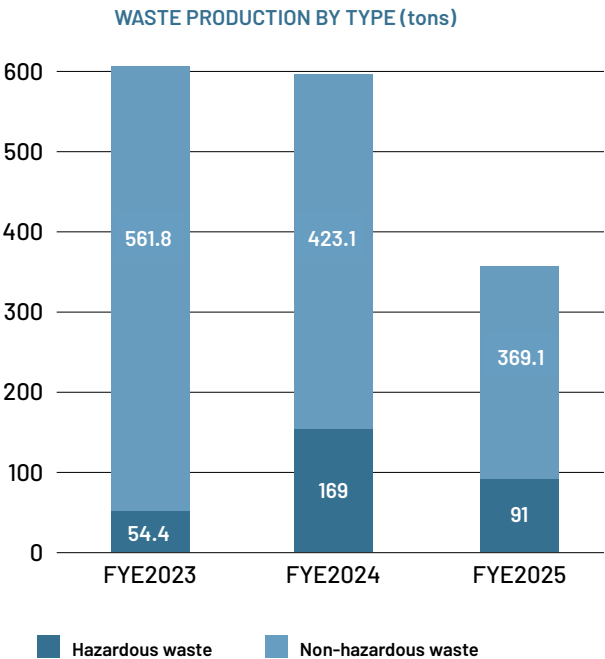
3.2.3 Waste management

During FYE2025 Nippon Gases production, activities generated a total of **460.1** tons of **waste**, marking a decrease of **22%** compared to the **592** tons produced in the previous fiscal year.

This difference is mainly due to a non recurring activity at the testing facilities, where in the previous financial year there was a high number of cylinders that could not be tested, particularly those intended for Acetylene. In FY2024, **80.2%** of the waste (369.1 tonnes) is non-hazardous waste, while the remaining 19.8% (91 tonnes) is hazardous waste.

Most of the waste generated by Nippon Gases comes from equipment **maintenance and testing** activities. Containers such as cylinders, tanks, and reservoirs have a long useful life and can be reused many times. Their end of life coincides with the periodic testing phase, in which any waste produced results in non-hazardous metallic waste, as well as sand and wash water, considered waste downstream of the **value chain**. Other waste comes from normal operating activities and includes hydraulic oils, plastic packaging, wooden pallets, and paper, all intended for recovery

Finally, **extraordinary waste** may result from the decommissioning of obsolete equipment or exceptional plant clean-ups, leading to the production of atypical materials such as large quantities of ferrous metals, oils, or contaminated rags.



The **hazardous waste** generated by Nippon Gases comes mainly from plant maintenance activities carried out by **Customer Service** at customer sites. The company procedure requires that such waste, whether industrial or hospital, be recorded and allocated to the facility closest to the intervention.

In the context of the **EcoStar™** service, maintenance and revamping of industrial refrigeration systems are carried out through qualified partners, with the consequent collection of refrigerant fluid, which is then reprocessed at our regeneration sites.

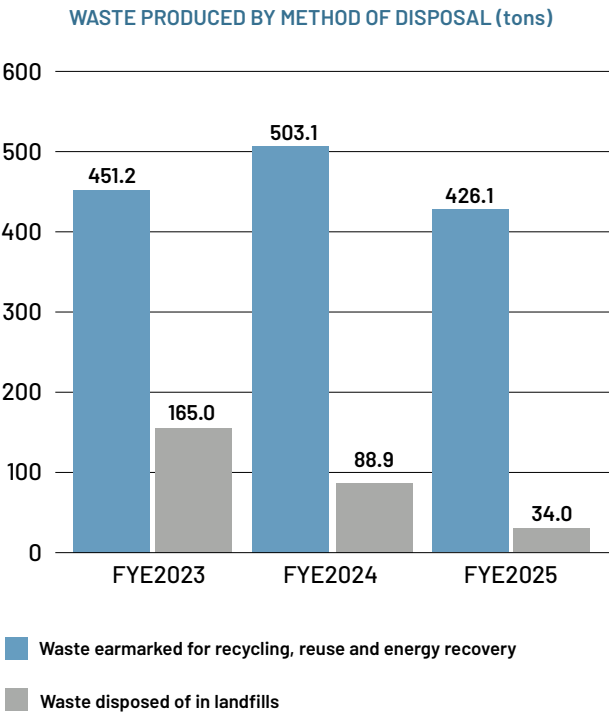


3.2 Management of environmental aspects

The exhausted gas is analysed and, if it meets specific technical requirements, regenerated and reintroduced into the production cycle.

In FYE2025, **92.6%** of the waste generated (equivalent to 426.1 tonnes) was sent for recycling, reuse, or energy recovery, while only **7.4%** (34 tonnes) was sent to landfill. Compared with the previous year, the proportion of recycled waste increased by 10 percentage points, confirming the Group's ongoing commitment to increasingly sustainable waste management.

The standardised production processes at Nippon Gases sites generate **waste** that is similar over time in both type and quantity. Any variations depend on the availability of **disposal** facilities. All waste is managed by authorised operators, with transport entrusted to certified companies or, in specific cases, carried out using own vehicles. The **responsibility** for management lies with each individual site, which selects qualified suppliers through documentary and contractual verification.



TESTING OF CYLINDERS: CIRCULAR ECONOMY AND PROCESS OPTIMISATION



Within the testing centres at **Terni and Chivasso**, the Package Production function of Nippon Gases plays an essential role in the management and optimisation of compressed gas **cylinders**, one of the longest-lasting and most sustainable assets in the production chain. Designed for repeated use over time, the cylinders are systematically subjected to rigorous inspections and testing, in line with national and international standards that ensure their safety and long-term performance. In FYE2025, at Nippon Gases centres, a result of **around 6 cylinders tested for every hour worked was achieved**: a figure that demonstrates the operational efficiency of the Italian testing centres, a benchmark for the entire Group.

This approach represents a concrete example of circular economy: reducing the consumption of raw materials, avoiding the generation of waste, and optimising the entire product life cycle. The testing activity goes beyond a simple inspection: the cylinders are also requalified, painted, tested, and returned to the operational cycle, always ensuring the highest levels of safety

Thanks to the upgrading of the **testing benches**, a significant improvement has also been achieved in water consumption. All containers are in fact subjected to **hydrostatic tests**, which pressurise the cylinder up to 1.5 times its nominal pressure; with the aid of special sensors that stop the inflow of water, waste has been significantly reduced.

A further step forward was made in Terni, where the testing procedure for **Nitrogen cylinder bundles** was optimised. Today, when the gas is used in containers intended for industrial use, it is recovered and reintroduced into the commercial circuit, helping to reduce waste and improve plant efficiency. In addition, for the painting process, the switch was made entirely to the use of powder coatings, reducing the production of waste associated with the use of liquid products (containers and spray booth filters)

3.2.4 Water management

Nippon Gases pays particular attention to the environmental impact of its activities, with a specific focus on **water consumption**. The sources of supply are diversified and adjusted according to the operational needs of each individual plant. In particular, the **primary production** (Bulk) plants, which have the highest consumption levels, mainly use artesian wells and industrial water supplied by local consortia, thereby ensuring a responsible and efficient use of water resources.

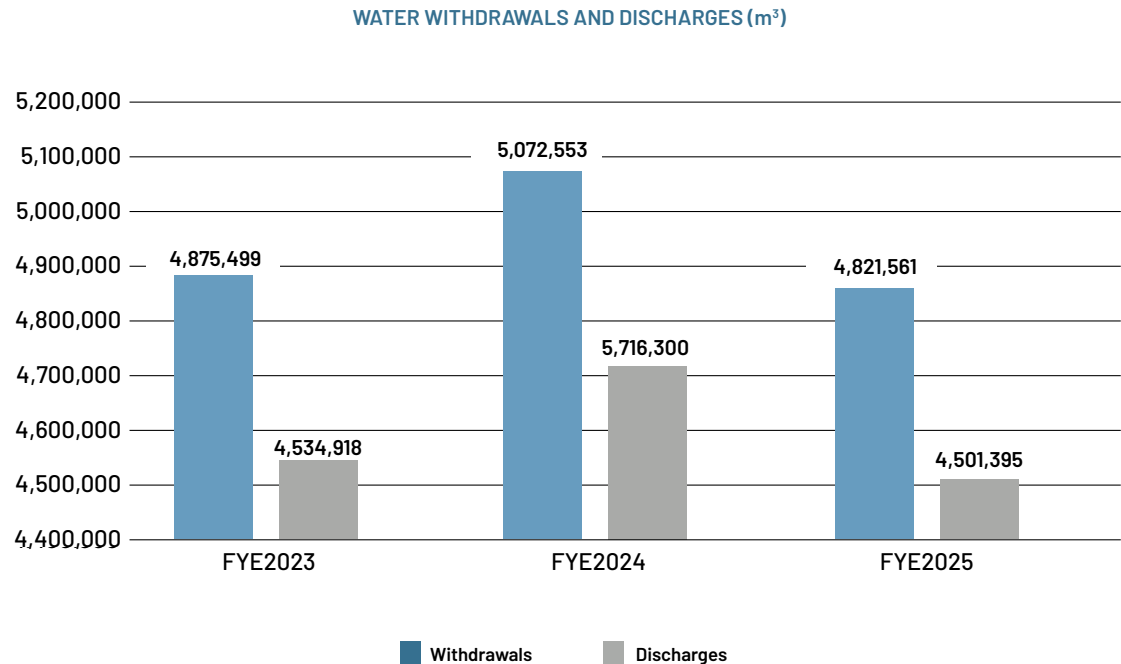
For the **secondary production** (Package) plants and offices, water is mainly supplied by municipal aqueducts. Around half of the sites discharge their **wastewater** into the public sewer network, while the remaining plants are connected to industrial sewers managed by consortia – as in the cases of **Ravenna** and **San Salvo** (CH), where preliminary treatments are carried out in tanks – or discharge directly into surface waters, in compliance with environmental regulations.

In FYE2025, total water consumption was **320,166 m³**, marking a 10% reduction compared with the previous year. Total withdrawals, amounting to approximately **4.8 million m³**, came **92.9%** from wells, **0.4%** from surface water, another **0.4%** from

municipal aqueducts, and **6.3%** from third-party suppliers and demineralised water. Discharges also decreased by **4.6%**, amounting to approximately **4.5 million m³**, of which **97.3%** went into surface water, **2.3%** into consortium sewers, and **0.4%** into municipal sewers.

Water is used as a utility (cooling), as a raw material (e.g. for Hydrogen production), and for general purposes. Withdrawals are monitored to ensure compliance with environmental balance, and almost all sites return the water without altering its quality, with the exception of the Ravenna site, where part of the water is returned in the form of steam.

All water discharges are authorised through AUA (Single Environmental Authorisation) or AIA (Integrated Environmental Authorisation) and monitored according to the required parameters. Any changes to discharges are managed through Management of Change (MOC) procedures, while consumption is measured using certified instruments. The sites operate in areas with different levels of water stress (according to the WRI Water Risk Atlas) and adopt recycling practices to limit withdrawals.







Together, we grow stronger

Nippon Gases recognises the immense value of its highly skilled and experienced workforce and is committed to fostering an environment that values each employee as an individual. This approach nurtures a spirit of collaboration with all stakeholders.

By actively promoting a culture based on equal opportunities and inclusion, the Group maintains strong relationships with customers, suppliers, employees, shareholders, and communities, thereby effectively fulfilling its social responsibility.

The success of Nippon Gases, among the leading companies in the sector, is the result of the commitment and the value of its Group. It is the skills, perspectives, and unique talents of each employee that have played a decisive role in the results achieved in the past financial year.

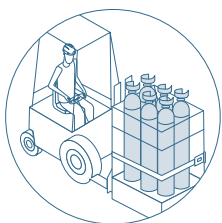
4.1 Our workforce

[2-7, 2-8, 401-1, 403-5, 405-1, 406-1]

Nippon Gases places great emphasis on the management of its **human resources**, promoting an inclusive, safe, stimulating, and growth-oriented working environment. The company values **diversity**, recognises talent, and encourages collaboration, building its internal relationships on transparency and mutual respect. Work quality and creativity are central elements in generating a positive impact in the context in which the company operates.

The Group's people share a clear vision of corporate objectives, driven by the motivation to constantly improve and to face new challenges **with enthusiasm**.

Human capital management is carried out in line with the objectives and guiding principles defined at European level by the parent company **Nippon Gases Europe**.



1

Attract and engage the best talent



5

Promote diversity



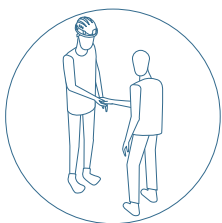
2

Workforce retention



6

Encourage community engagement



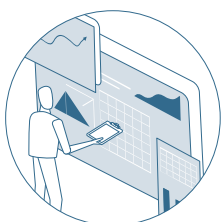
3

Develop and improve leadership abilities



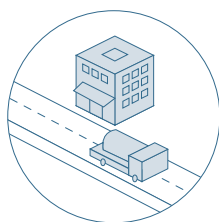
7

Support direct communication



4

Assign ambitious personal goals



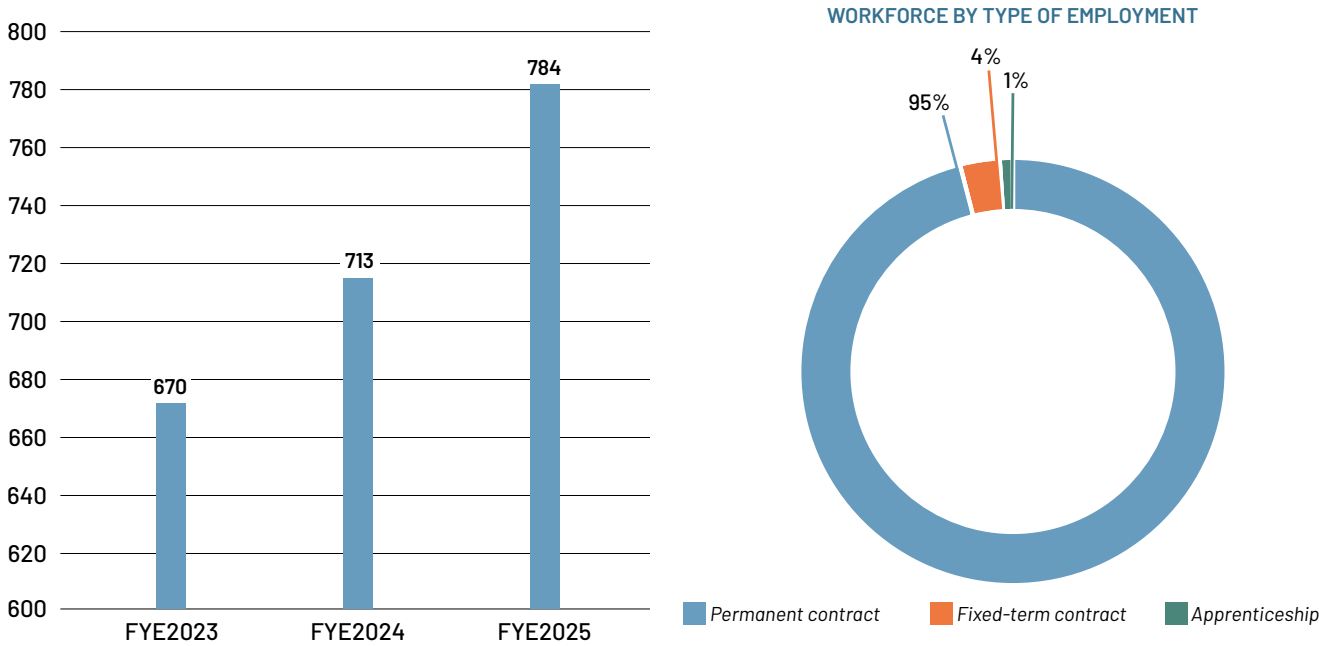
8

Promote work-life balance

4.1 Our workforce

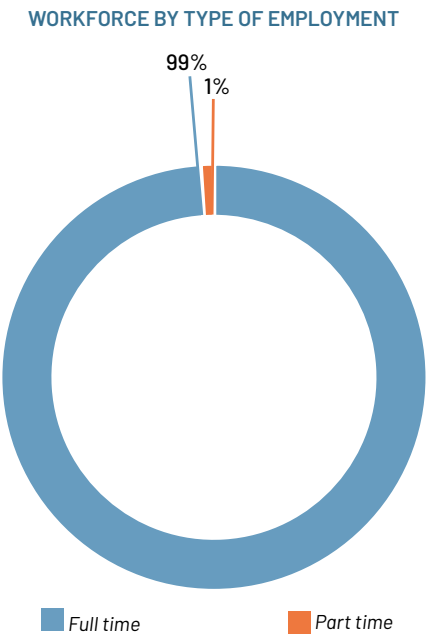
As at 31st March 2025, the workforce of Nippon Gases Italia comprised 784 employees, marking a **10% increase** compared with FYE2024, a trend proportional to the company’s **organic growth**. Besides the 784 people hired on a permanent basis, at the end of the FY the company employed 26 temporary workers and 8 apprentices.

With regard to employee contract types, 99% of the Group’s workforce has a **full-time contract**, and 95% has a **permanent contract**, confirming Nippon Gases’ commitment to creating stable jobs and lasting relationships with its people.

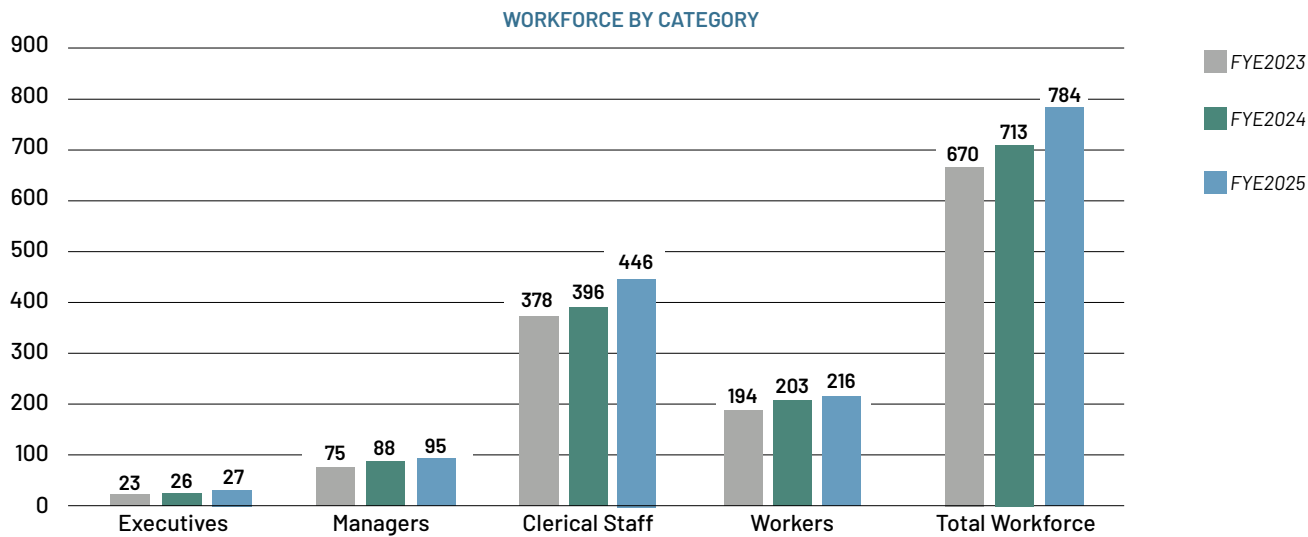


The composition of Nippon Gases’ workforce shows a predominance of office staff, accounting for **57%** of the total, and workers, representing **28%**. Both percentages have remained substantially stable compared with the previous year. Completing the workforce are middle managers and executives, who account for **12%** and **3%** of the company population respectively.

From a gender perspective, the Group employs **211 women**, representing around **27%** of the workforce, a figure that has increased compared with the previous year (**+17%**). In FYE2025, the number of women in **managerial roles** increased, aligning with the Group’s objectives and its commitment to achieving balanced gender representation within the organisation. In support of this vision and as a sign of the Group’s commitment to promoting inclusion, gender balance, and the development of women’s leadership skills, Nippon Gases Italia also actively supported the **WING** (Women’s Ikigai Nippon Gases) network in FYE2025 through a sponsorship programme.



4.1 Our workforce



As a demonstration of its renewed commitment to gender equality, the Group has seen the number of companies with **UNI/PdR 125:2022** certification increase: during FYE2025, Nippon Gases Industrial also obtained this recognition from the accredited body **RINA Consulting**, alongside Nippon Gases Pharma, which received it in the previous fiscal year. **Standard** outlines national guidelines enduring culture of **diversity and inclusion**. The Steering Committee for gender equality is the body responsible for ensuring the effective and continuous compliance of the gender equality management system with the principles of the **UNI/PdR 125:2022** practice.

In parallel, Nippon Gases Pharma also obtained the **UNI ISO 30415:2021** certification, becoming the first company in the Group to formalize the for gender equality management systems in companies. It requires the adoption and assessment of performance indicators to ensure adherence to these principles and to foster a sustainable and its own commitment in the field of diversity and inclusion.

All valid certificates are available and can be downloaded from the [download](#) section of the company website.

WING – Women’s Ikigai Nippon Gases



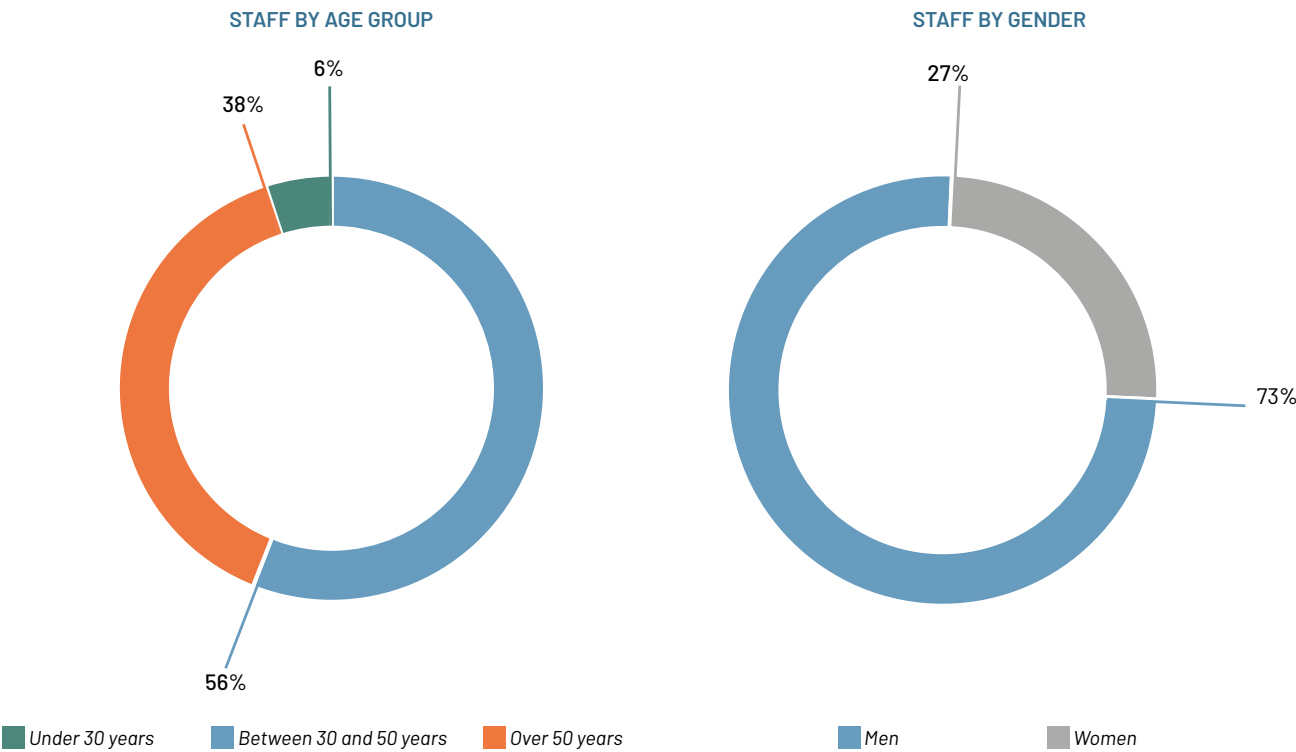
WING is Nippon Gases’ internal network created to promote an inclusive and sustainable corporate culture. Inspired by the Japanese concept of **Ikigai** – reason for being – the project aims to promote gender balance, counter discrimination, and improve people’s well-being.

In FYE2025, WING held its first official meeting, involving colleagues from different areas of the company. During the event, an **interactive workshop** was held, led by business coach Gina Pinto, entitled “Self-Leadership: How to Change the World Starting from Ourselves”, focused on enhancing self-awareness and personal leadership.

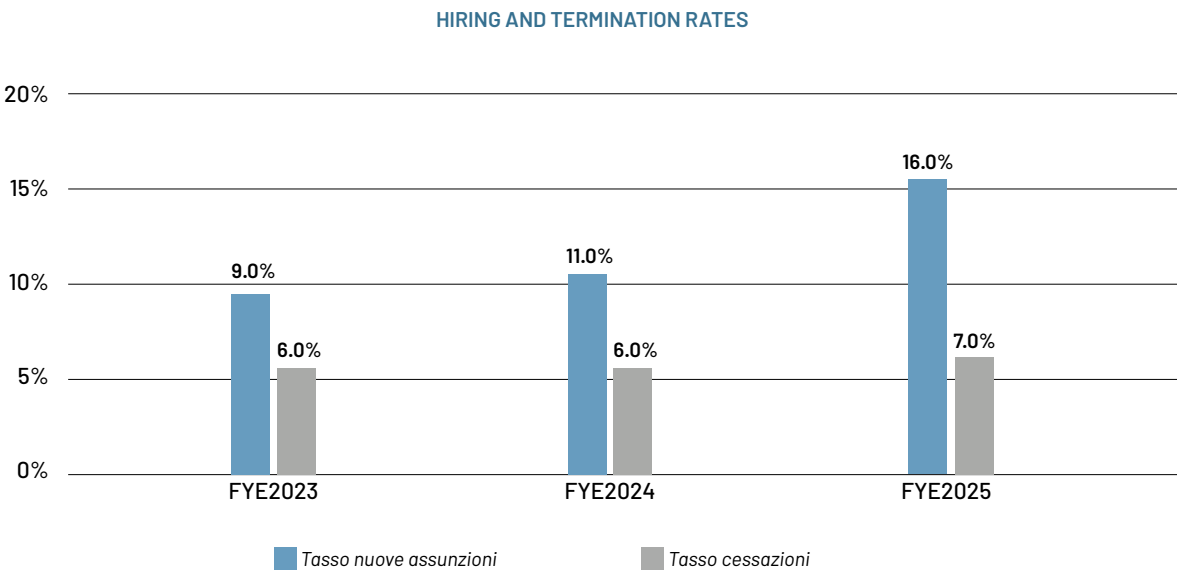
On the occasion of International Women’s Day, moments of reflection and awareness were promoted at all sites, including the presentation of an internal survey on the perception of gender-based violence, which highlighted increased awareness and the need for cultural change.

Through training, networking, and listening activities, WING actively contributes to the Group’s **diversity, equity, and inclusion** objectives, valuing the contribution of women and promoting an increasingly fair and representative working environment.

4.1 Our workforce



The demographic composition of Nippon Gases Italia shows a heterogeneous workforce also in terms of age: as at 31st March 2025, **56%** of employees were between 30 and 50 years old, **38%** were over 50, and the remaining **6%** were under 30. During FYE2025, the workforce grew with the addition of 123 new employees, resulting in a hiring rate of **16%**. In the same period, 52 people concluded their professional journey with the company, leading to an exit rate of **7%**¹⁴.



¹⁴ Rate determined as ratio between total number of terminations and total number of employees at the end of the same accounting period.

4.1 Our workforce

Nippon Gases aims to build a solid and transparent relationship with its employees, recognising trust and continuity in relationships as a strategic advantage. This commitment translates into **personalised growth paths** and cross-functional projects that support both vertical development and internal mobility, with particular attention to younger talent.

To support the growth of new generations, the role of **Ambassador** has been strengthened: a title awarded to those who, through their career path and the experience and authority they have gained, have developed a strong sense of belonging to the company and therefore serve as role models, guides, and points of reference for the entire organisation. The first two Ambassadors, each with over 30 years of service in the company, are: **Marco Cistola, Bulk Senior Business Manager Nippon Gases Industrial**, and **Michele Giovagnoni, Hospitalcare Business Manager Nippon Gases Pharma**.

In FYE2025 the **Onboarding&Induction** programme continued successfully, designed to facilitate the integration of new hires through a structured path that conveys the company's culture, values, and activities.

As part of a broader initiative launched at European level, the programme includes e-learning modules on the **LMS People Hub platform**, which guide new colleagues in understanding the Group's ethics, vision, and key topics such as IT, compliance, safety, and sustainability. For Nippon Gases, recognising and valuing talent is not just a principle but a concrete practice implemented through a solid **performance management programme (Personal Development Plan – PDP)**.

ADVISORY BOARD

Established in 2023 on an experimental basis, the Advisory Board is an interdisciplinary group made up of **14 young talents** who change from year to year. The team's objective is to bring new perspectives and foster innovation, contributing to the identification of sustainable, quick, and effective solutions to be proposed to the **Management Committee**.

Given the good results achieved in previous

years, the Advisory Board was also confirmed in FYE2025. In this fiscal year a new method of selecting its members was adopted, providing for broader participation.

To strengthen operational knowledge of the business, a training day was also organised in Valle d'Aosta, taking participants to visit the **Cogne Acciai Speciali** plant in Aosta and Nippon Gases' primary production facility in Verrès.



A significant share of the workforce, equal to **66%**, actively took part in the programme, working both on achieving individual objectives related to their role and on developing professional skills, in line with their experience and position. The programme provides for the definition of **annual objectives** (goal setting), followed by two review meetings with one's manager to monitor progress and align priorities.

The **personal development plan** also supports each employee in a targeted growth path, and serves as the basis for assessing the allocation of variable performance-related bonuses. In FYE2025, a new **second-level agreement** was signed **between Nippon Gases Italia and the trade unions**, aimed at strengthening the profit-sharing system and expanding corporate welfare measures for employees under the chemical sector national collective labour agreement (CCNL chemical).



The agreement, the result of constructive and participatory dialogue, will remain in force for the next three years and represents an important step forward in valuing people and promoting organisational well-being.

Among the main contents of the agreement:

- annual increases in performance-related bonuses;
- **(+3%** per year upon achievement of corporate objectives);
- a **15%** increase on the amount of the bonus converted into welfare, exempt from taxation;
- an increase in **welfare** on top from 400 to 450 euro per year;
- extension of the bonus also to **retiring employees**, calculated on the previous three-year average.

Finally, the **training days** for colleagues returning from maternity leave remain in place, but this year they are complemented by similar training courses for two additional categories: parents and caregivers, that is, those who are responsible for looking after a dependent family member.

In addition, Nippon Gases has for several years used a **corporate welfare** platform dedicated to employees with permanent contracts or fixed-term contracts of at least 12 consecutive months. Each employee has a personalised annual **welfare** account, which can be used according to their personal and family needs.

As confirmation of its concrete commitment to people's well-being, Nippon Gases Italia obtained, for the second time, **the highest rating (5W) from the Welfare Index PMI 2024**, becoming one of the 142 Italian companies awarded as a **Welfare Champion**. The recognition highlights the quality and variety of the initiatives adopted, including:

- pension and health funds (Fonchim and Faschim), insurance coverage, and vaccination campaigns;
- smart working, flexible working hours, company loans, and scholarships for employees' children;
- individual welfare account on the Edenred platform, with a wide range of services for family, health, mobility, and leisure;
- the new WellbeiNG Programme, which promotes healthy lifestyles and a positive working environment.

4.1 Our workforce

Among the initiatives confirmed in FYE2025, a highlight is the **scholarship programme** for employees' children, awarded for academic merit from primary school through to master's degree level. In the fiscal year under review, the total amount granted exceeded 50,000 euro, demonstrating Nippon Gases' ongoing commitment to valuing education and merit.

SALES&COMPETITIVENESS AWARDS

At the same time, recognition initiatives were launched to reward excellent results and outstanding contributions. On 24th July 2024, at the Milan headquarters and broadcast live to all branches, the **Sales&Competitiveness Awards** ceremony was held, dedicated to recognising the most significant performances.

The **Best Sales Rep Award** was presented to Dimitri Rampinini – Special and Pure Gases Business Coordinator – for his excellent commercial results and ability to generate lasting value for both customers and the company.

The **Competitive Advantage Award**, presented for the first time to a team, recognised Ilaria Dal Ben – Industrial Marketing, Applications Technology & Key Account Manager, Maura Delaini – Legal and Compliance Manager, and Filippo Fabbri – Quality Assurance Leader, for the project "IREN Plant: "CO₂ sources and product cost optimization", which introduced a new strategic source of biogenic CO₂, strengthening the company's leadership in the sector and promoting innovation, sustainability, and cross-functional collaboration.



VALUING PEOPLE: EMPLOYEE OF THE YEAR AWARD

Once again this year, Nippon Gases presented the "**Employee of the Year FYE2025**" award to Stefano Boggio, Special and Pure Gases Production Manager at Chivasso plant. The award, the result of colleagues' votes, celebrates the commitment, professionalism, and spirit of collaboration that Stefano has demonstrated throughout his career with the company, which began in 2010. His story reflects the values of respect, growth, and dedication that inspire the Nippon Gases community.



WEBINAR “PARENTS IN THE MAKING”

Finally, in FYE2025, Nippon Gases reconfirmed its membership in the Caring Company network, a consortium of Italian companies committed to promoting working environments focused on people's well-being and growth.

The Group expanded the scope of the initiative by involving 40 employees in the “Parents in the Making” programme, dedicated to new parents.

In FYE2025, Nippon Gases renewed its commitment to an inclusive, fair, and well-being-oriented corporate culture through a series of webinars organised in collaboration with its partner Life-ed. These sessions provided valuable opportunities for discussion on key topics such as gender equality, parenting, inclusive language, and mental health.

Among the main events:

- **“New Men for a New Millennium”**, held on the occasion of International Women's Day and Father's Day, reflected on the role of contemporary masculinity and the importance of a genuine alliance between genders to overcome stereotypes and rigid cultural models.
- **“Back to School: Good Resolutions for Mums and Dads”**, dedicated to shared parenting, offered practical insights to support a balance between private and working life, highlighting the link between sharing family responsibilities and gender equality.
- **“Let's Learn to Use Words”** addressed the value of inclusive language, emphasising how communication choices influence the perception of reality and can help create more respectful and welcoming environments.
- **“Emotional Intelligence, an Anti-Burnout Recipe”**, held on the occasion of World Mental Health Day, highlighted emotional awareness as a lever for both individual and collective well-being.



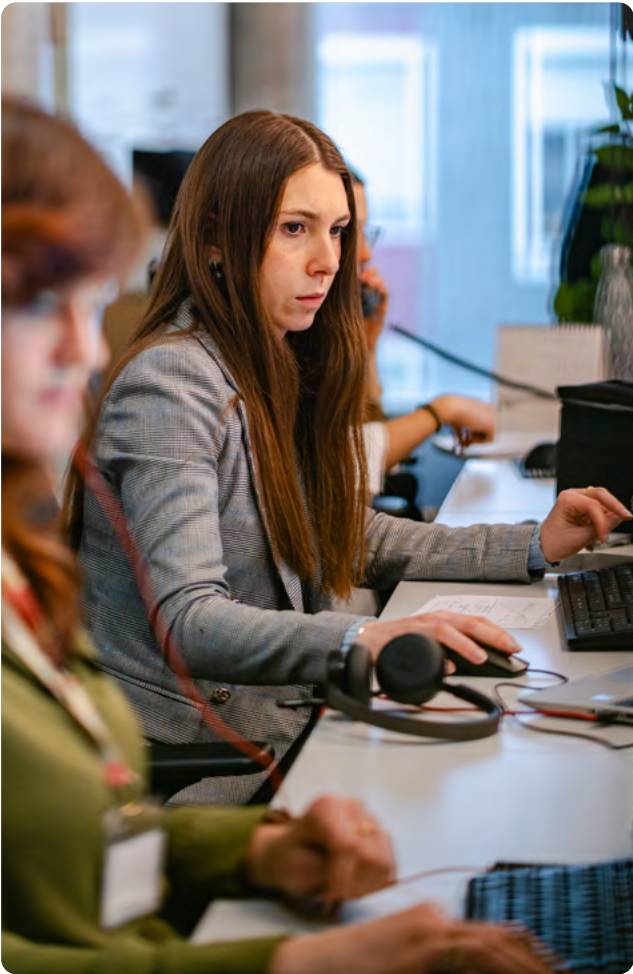
4.2 We take care of our people

[404-1]

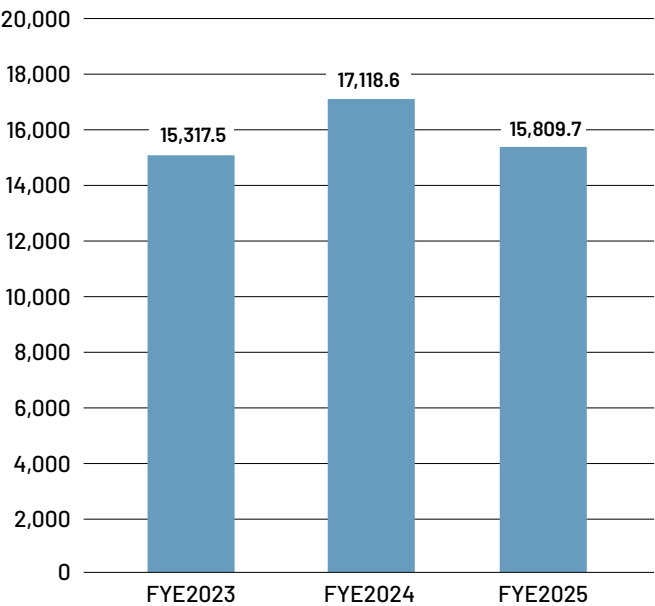
This section details two strategic levers the Group uses to maintain a strong relationship with its workforce: **training** and **internal communication**.

In FYE2025, Nippon Gases reaffirmed its commitment to people’s growth and development through a **targeted training offer**, built around the real needs of employees. The needs were identified through dedicated interviews and with the active involvement of function managers. During this FYE, a total of **15,809 training hours** were provided, averaging about 20 hours per employee.

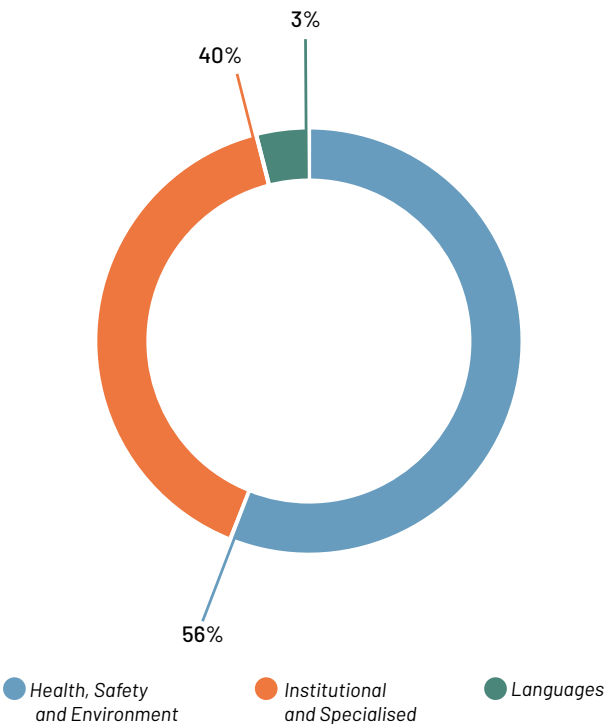
A central role was played by training in health and safety, which accounted for **56.4%** of the total. The programme, developed jointly by the **HSE** and **Human Resources** functions, provides specific sessions and periodic updates for all staff, in line with current regulations. This integrated approach contributes not only to strengthening technical skills but also to promoting a corporate culture oriented towards awareness and responsibility.



TOTAL HOURS OF TRAINING



BREAKDOWN OF TRAINING HOURS FY 2025



4.2 We take care of our people

The 40.3% of the training hours administered are devoted to institutional and specialist topics. The first category includes training on compliance and organisational models, quality, and Nippon Gases product technologies. The second type is initiated by employees and focuses on specific topics or professional development needs. The last category, **3.3%** of total training hours, concerns language courses.

With regard to the second lever mentioned, **internal communication** is based on a structured flow of information aimed at strengthening the sense of belonging and enhancing individual contributions to achieving corporate objectives.

The **communication plan** aims to build trust in the Group's strategies and policies, clearly conveying the company's identity and values. Through various tools and channels, active employee participation in corporate life and initiatives is encouraged:

The Nippon Gases Europe intranet, **WeConnect**, is the first touchpoint for accessing information and initiatives, as well as projects, values, commercial successes, business results, events, and corporate objectives. During FYE2025, more than 120 articles were published on the intranet.

- **Magazines** such as the quarterly *Konnichiwa Europe*, featuring contributions from local teams and interviews with Top Management; *Konnichiwa for Leaders*, a monthly publication for managers and middle management; *Konnichiwa NSHD*, the Group's global digital magazine.
- Alongside these are the **Leadership Webinars** and **Tech Talks**, online meetings for sharing experiences and technical expertise, the quarterly conference calls with the European Top Management, and the **Onboarding Webinars**, designed for new hires but open to all employees interested in learning more about the Group.

In FYE2025, Nippon Gases renewed its loyalty project in collaboration with **Treedom**, strengthening its commitment to environmental and social sustainability. The initiative, launched to engage **customers** on sustainability issues, was expanded this year to also include **employees**: for every new birth or significant milestone – such as a graduation – a tree is gifted, symbolising growth, care, and a shared future.

In 2025, the Nippon Gases forest reached the milestone of **2,000 trees**, with an estimated impact of almost **430,000 kg of CO₂** absorbed over 10 years, thanks to the joint contribution of customers and employees. A concrete gesture that goes beyond symbolic value, contributing to the achievement of 10 of the 17 Sustainable Development Goals (SDGs) set by the United Nations for 2030 and strengthening the bond between the company, its people, and the planet.



4.3 Health and Safety Management

[403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-9]

At Nippon Gases, safeguarding employee health and safety is a top priority and essential to all company activities. This commitment is reflected in the strict compliance with current regulations, internal Health and Safety policies, and the adoption of management systems subject to voluntary certification under the **ISO 45001:2018** standard. Nippon Gases is committed to ensuring a safe working environment by analysing and minimising risks, investing in ongoing training, and acquiring new equipment. Additionally, it closely monitors adherence to proper operational practices in line with strict company procedures. The **Health, Safety, and Environment (HSE)** team collaborates closely with Management and Functional Managers to plan health and safety activities, defining roles and responsibilities in compliance with Legislative Decree 81/08, the applicable regulations, ISO 45001 and company policies. HSE also identifies the training and information needs of the employees and provides support to the Procurement Office and

the operational functions with the qualifications of contractors from the standpoint of Safety and Environment. It is crucial to emphasise that this training not only meets legal requirements but also covers additional content and complementary topics that align with voluntary standards, Nippon Gases Europe criteria, and specific training programmes.

The **Prevention and Protection Service** at Nippon Gases Italia is an internal Group department and includes two Prevention and Protection Service Managers (RSPP) and five Prevention and Protection Service Coordinators (ASPP). Every quarter, Nippon Gases engages all plant and operations staff in safety meetings to discuss several key topics. These topics include risks and protective measures, emergency management, proper use of PPE (Personal Protective Equipment), recent significant accidents in the industry, and specific safety programmes developed by Nippon Gases.

SAFETY EXCELLENCE JOURNEY

In FYE2025, Nippon Gases celebrated the sixth anniversary of the **Safety Excellence Journey** programme, dedicated to promoting a shared safety culture, with a 97% participation rate.

This year's theme was **"Moment of Decision"**, that crucial moment when we choose the course of action to follow in order to achieve a goal or complete a task. The programme highlighted how some choices made at certain moments are necessarily right, while others are not and can have negative consequences, such as an accident.



	WORK-RELATED INJURIES FYE2025	
	NIPPON GASES ITALIA EMPLOYEES	NON-EMPLOYEES
Hours worked	1,306,544	64,770
Registered work-related injuries	1	0
Injury rate	0.77	0



The Group monitors continuously and keeps track of **near miss** events and accidents associated with its products and services which are always followed by targeted actions to prevent their recurrence. Below are the total hours worked by the Group's employees and non-employees, the recorded accidents, and the corresponding accident rate. Besides its own **facilities**, Nippon Gases takes into consideration the external context where they are and the surrounding reality, for purposes of risk assessment and management of emergencies. During the reporting period, one workplace accident involving employees was recorded, resulting in an accident rate¹⁵ of **0.77** respect the hours worked. This represents an improvement from the previous fiscal year's rate of **1.58**.

With regard to non-employees, no accidents were recorded in FYE2025.

Given the crucial role of transport safety, Nippon Gases continues to invest significantly in driver training. All distribution vehicles are equipped with advanced systems for vehicle stability control and driving data monitoring. Each vehicle is equipped with **Mix Telematics** technology, which makes it possible to monitor drivers' driving style, taking into account parameters such as critical speed, harsh acceleration and braking, lateral acceleration, and activation of **Roll Stability Support**. This initiative aims to improve driving safety and help the company achieve its goal of zero accidents and zero injuries. All the data are analysed periodically and, when the need arises, improvement plans and targeted training sessions for the drivers are organised.

¹⁵ Rate calculated as the ratio between the number of recorded accidents and the total hours worked at the end of the same reporting year, multiplied by 1,000,000. For the current FYE, non-employee workers include interns and temporary staff.

WELLBEING PROGRAM: WELLBEING, INCLUSION AND POSITIVE IMPACT

In FYE2025, Nippon Gases further strengthened its commitment to people's well-being through the **WellbeiNG Programme**, an initiative dedicated to all employees, designed to promote a healthy lifestyle, an inclusive working environment, and a positive impact on the community. The programme, developed in collaboration with partner **Healthy Virtuoso**, is based on three fundamental pillars:

- **health and well-being:** promoting a healthy and active lifestyle that brings physical and mental benefits;
- **sense of belonging:** building a cohesive, positive, and inclusive working environment in which everyone feels an integral part of the corporate community;
- **social responsibility:** focusing on the company's impact on the community and the environment, with the aim of making a concrete and positive contribution.

Through **informative pills**, **themed webinars** (on nutrition, stress management, mental health), **physical and digital screening** campaigns, and a series of weekly and monthly **challenges**, the programme actively engaged employees, encouraging self-care and collective participation. The activities are accessible through the dedicated **Healthy Virtuoso** app, which allows users to track progress, accumulate credits, and win prizes, making the experience engaging and rewarding. Each registration also contributed to global reforestation, thanks to the collaboration with the **Eden Reforestation Project**, which included the planting of one tree for every registered employee.



Among the main activities of the programme:

- **challenges:** weekly and monthly competitions that encourage participants to be more active and improve their daily habits;
- **webinar:** informative and interactive sessions led by experts on topics such as nutrition, stress management, and mental well-being;
- **physical and digital screening campaigns:** free assessments of physical and mental health, with personalised advice for improving individual well-being.

The programme also included targeted initiatives, such as the **Post-Holiday Step Challenge**, designed to counter "post-vacation syndrome" and encourage movement and social interaction among colleagues.

On the occasion of **World Mental Health Day**, staff were able to take part in the webinar "Mental Well-being Through Care", which promoted psychological awareness and individual well-being. In addition, the **Health Check-up**, which involved 455 participants across all branches, offered screenings on bone health, lipid and glucose profiles, as well as the administration of the flu vaccine.

Nippon Gases' commitment also extended to other significant occasions, such as the International Day of Happiness, with reflection activities on the theme "Caring and Sharing", and the **World Stress Awareness Day**, celebrated with a video pill created by our WellbeiNG Influencers, who shared practical tips for dealing with everyday stress.

Among the most significant initiatives, the **Charity Challenge** was a concrete example of how well-being and solidarity can go hand in hand. The goal of 15 million steps in 25 days was greatly exceeded, enabling the company to support the **Community of Sant'Egidio**, which is committed to helping the most vulnerable people.

4.4 Our relationships with our suppliers

[204-1]



To ensure the effectiveness of the **supply chain**, all Nippon Gases suppliers are qualified and registered through a dedicated portal that streamlines the management of non-conformities, optimises documentation, and facilitates communication. Supplier must ensure the same level of commitment and conduct required of Nippon Gases employees. To access the Group's vendor list, potential suppliers must register on the portal by completing, in addition to the administrative section, questionnaires relating to Safety, Environment, and Compliance, and by attaching the necessary documents and certifications, such as **SA 8000** (social responsibility) and **ISO 37001** (anti-bribery). After the Purchasing team and all relevant teams verify and approve the documentation, the qualification process and subsequent coding are completed.

All the questionnaires and the documents uploaded to the portal must be updated periodically to maintain the approval obtained. The suppliers are also required to sign the **General Conditions of Contract Nippon Gases**. All suppliers are regularly monitored and evaluated by taking into account aspects such as quality of the products/services supplied, environmental impact, safety performance.

In FYE2025, the implementation of the European **Zycus** platform continued, intended to replace the current portal. The **I-supplier** module, already active, allows suppliers to register directly, enter their data, and accept the Group's Code of Conduct. The platform, used across all of Nippon Gases Europe, also enables supplier trans-coding between countries, ensuring integrated and more efficient management.

4.4 Our relationships with our suppliers

The **iRisk** module has been implemented, which digitalises and streamlines supplier assessment, standardising management at the European level. The system makes it possible to assign a score to suppliers, useful for monitoring their performance and keeping them active on the vendor list. In addition, it allows customised surveys to be created on specific topics and assessments to be carried out in line with the requirements of **ISO 27001** certification for information security.

Given the widespread presence of customers and plants across the territory, the Group prioritises local suppliers, contributing to greater flexibility, cost reduction, and a lower environmental impact. As part of this commitment, spending on the Group's local suppliers amounted to **73%** of the total in the reporting year, representing an **11%** increase compared with FYE2024¹⁶.

The supply chain is broad and diversified: among the main cost items are suppliers of energy, services, and complementary products. A key role is played by transporters and agents, responsible for distribution, followed by suppliers of technologically advanced equipment and materials. Special mention should be made of the maintenance providers who operate across functions and the **Customer Service** suppliers, dedicated to extraordinary interventions and installations at customer sites.



¹⁶ For more information on the Group's spending on local suppliers, please refer to the Appendix of this document.

4.5 Success histories

COMBATING GENDER-BASED VIOLENCE:

a shared commitment to a safer and more inclusive working environment

In November 2024, on the occasion of the **International Day for the Elimination of Violence Against Women**, Nippon Gases Italia launched an internal survey addressed to its employees, with the aim of gathering perceptions and experiences related to the issue of gender-based violence. The survey, launched by the **company's WING network**, involved around **200 people** of different ages and functions, confirming strong interest and widespread awareness of such a complex and topical issue. Violence does not only manifest in physical form but can also take psychological, economic, verbal, and behavioural forms. Recognising all its forms is the first step towards effectively combating it. The results of the **survey** highlighted growing awareness among employees, as well as the need to promote deeper cultural change to overcome stereotypes and power imbalances that are still present in society. **75%** of participants stated that they feel free to address the topic even in the workplace, while more than **140** people reported having experienced or witnessed episodes of violence, demonstrating the relevance of the issue even in professional contexts.

Among the most significant findings, **87%** of employees stated that they are aware of the company channels available to report episodes of discrimination, and **82%** expressed support for the initiatives against violence promoted by Nippon Gases. Among the proposals that emerged was the desire to further strengthen the path undertaken, through new awareness campaigns, internal training courses, and a more structured support network.

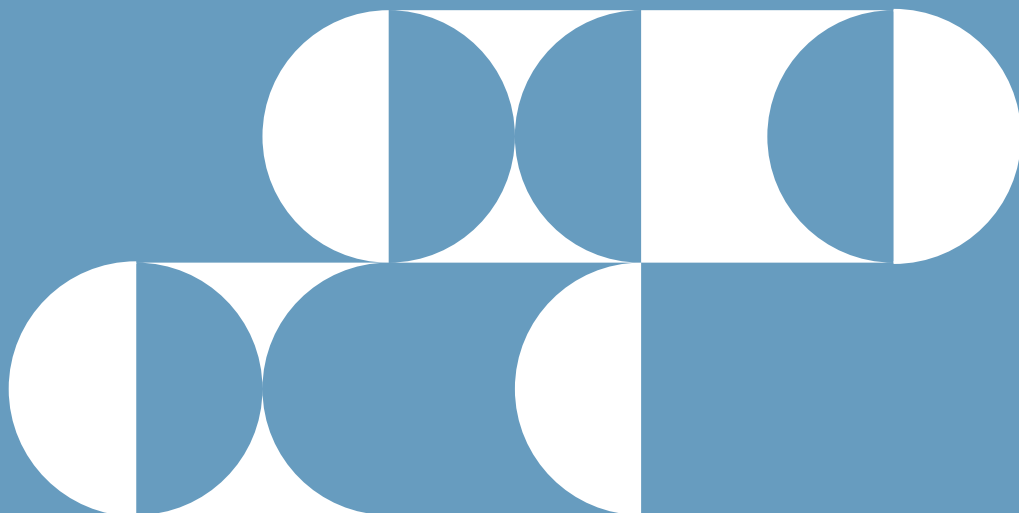
As confirmation of its corporate commitment, in 2024 Nippon Gases Italia obtained **UNI/PdR 125** certification on gender equality, an important milestone that complements existing initiatives such as training webinars, the dedicated reporting line, and the activities of the WING network. Openly discussing these issues in the workplace means creating an environment where everyone feels heard, respected, and protected. A concrete and ongoing commitment that Nippon Gases intends to pursue, with the conviction that a culture of respect and inclusion represents a fundamental value for the sustainable growth of both the company and society.



CREATING THE FUTURE TOGETHER THE YOUNG NEXT GEN EVENT

In FYE2025, the **Young Next Gen** event was also held, dedicated to employees under 36 with less than six years of service in the company. Entitled *"Connecting our dreams, shaping our future"*, the initiative involved more than **80 participants** in workshops, brainstorming sessions and interactive activities, fostering intergenerational dialogue and gathering ideas for the future. Participants had the opportunity to share their dreams and visions for the company's future. Through a series of interactive activities, workshops and brainstorming sessions, young colleagues were encouraged to express their views and actively contribute to shaping the Nippon Gases of tomorrow.

The activities included group discussions, presentations and **networking** sessions, all designed to foster creativity, engagement and teamwork. Participants had the opportunity to exchange ideas, highlighting elements they consider fundamental for the future of our company, such as **people's well-being**, a **culture of innovation**, the appreciation of individual talent and skills, and the **strengthening** of cross-functional and regional communication. The event was an important opportunity for growth and a further step towards a more inclusive, dynamic and change-oriented organisation.



ROC – REMOTE OPERATION CENTER: THE DIGITAL HEART OF ON-SITE FACILITIES

During FYE2025, Nippon Gases further strengthened its commitment to the digitalisation of operational processes by launching one of the most significant projects in the technological field: the **ROC – Remote Operation Centre**. The centre, operating 24/7, is located at the Milan headquarters and was designed for the remote management of on-site plants, with a particular focus on cryogenic production plants for **Nitrogen** and **Oxygen**.

Launched in the first half of 2024, the ROC is a strategic infrastructure built on an advanced digital architecture, capable of ensuring **continuous monitoring**, centralised control and the optimisation of process parameters. The project is currently being expanded and is progressively incorporating **CO₂** production plants, with the aim of extending remote control to the entire national production network. The initial phase involved a thorough analysis of customer consumption profiles, particularly regarding the variable demand for Nitrogen, the technical assessment of installations to be **remote-enabled**, the verification of the operational reliability of plants in remote mode, and the validation of the potential of centralised management in terms of service stability, efficiency and effectiveness.

From a technical perspective, the adoption of the ROC makes it possible to anticipate anomalies, **intervene promptly** in the event of deviations from process parameters, reduce response times and optimise the use of resources. The ability to access accurate real-time operational data supports the implementation of predictive and preventive maintenance strategies, with a positive impact on reliability, service continuity and energy efficiency.

The ROC also contributes to **greater integration** between local operational teams and central headquarters functions, facilitating coordination and alignment on plant management strategies. Looking ahead, the platform may be enhanced with advanced machine learning functionalities and decision-making algorithms to support process control.

In summary, the **Remote Operation Center** represents a significant evolution in Nippon Gases' operating model, strengthening technological oversight of the plants, improving the quality of services provided to customers, and contributing to sustainability, safety and industrial efficiency objectives.



A HOSPITAL AS A FRIEND, TOGETHER FOR A DAY OF CELEBRATION AND SOLIDARITY

Also in FYE2025, Nippon Gases supported the initiative **"Un Ospedale per Amico"** ("A Hospital as a Friend"), a day of celebration dedicated to children and families, promoted by the **OBM Association – Buzzi Hospital Milan**. The event, held on Saturday 12th October 2024, offered a wide variety of activities for both adults and children, making the day unforgettable for all participants.

The day was not only an opportunity for fun, but also a chance to raise awareness of the different areas of activity of the OBM Association. For the past 20 years, OBM has been dedicated to humanisation, technological development and the support of **children** and **families** who turn to the Buzzi Hospital in Milan.

This year, the main goal was to raise funds for the **Family Room** project, welcoming spaces where young patients can spend precious moments with their parents.

"The 'A Hospital as a Friend' project is an important annual event to support and improve the hospital experience of young patients and their families. "I am pleased to be able to help make this day special for everyone, both personally and thanks to the valuable support of Nippon Gases. I would like to thank my colleagues who accepted the invitation and devoted their time to the initiative for the well-being of the little ones," commented **Alessandra Pierucci**, HR Director, *Nippon Gases Italia*.



NIPPON GASES ITALIA AT THE CAREER DAYS OF THE POLITECNICO DI MILANO AND THE UNIVERSITY OF PADOVA

In FYE2025, **Nippon Gases Italia** took part in two important events dedicated to bringing students and the world of work together: the **Career Day of the Politecnico di Milano** (7-8th May at Bovisa Campus) and the **Career Day of the University of Padova** (23th May 2024).

These initiatives offer participants the opportunity to acquire useful tools to navigate the professional landscape and to develop a personal strategy for entering the world of work. They also represent a key opportunity to reflect on personal aspirations and to invest in both professional and personal growth.

The three days proved to be full of meetings, constructive dialogue and valuable exchanges. Many students and recent graduates visited the Nippon Gases Italia stand, engaging directly with the company's **professionals**. It was a valuable opportunity to present the Group's activities, share a passion for the industrial gases sector and showcase the career opportunities available.

The experience once again proved to be a moment of strong engagement, valuable both for young people seeking career guidance and for the company, which remains committed to fostering dialogue with new generations of talent.



LABORATION BETWEEN THE ABBI GROUP AND NIPPON GASES INDUSTRIAL

Centro Sardegna S.r.l., an affiliate of the ABBI Group, adopted the innovative refrigerant gas **Solstice® L40X(R-455A)**, developed by Honeywell and distributed by Nippon Gases Industrial, for the new **Tuttigiorni** store opened in December 2024 in **Lanusei**, in the province of Nuoro.

The ABBI Group is a leading player in the large-scale retail sector in central Italy, with around 330 supermarkets across Sardinia, Lazio and Abruzzo, and a turnover of 600 million euro in 2023. Among its leading brands, **Tuttigiorni** stands out for its commitment to sustainability and the promotion of local supply chains. The decision to use refrigerant R-455A fits perfectly with this vision, offering an efficient, low-environmental-impact solution that fully complies with the new European **F-gas Regulation 573/2024**, which bans the use of high-GWP refrigerants in new commercial installations. R-455A is an **ultra-low GWP** gas, with a value of just 146, and represents a sustainable, efficient and compliant solution under the new regulations. Compared with older gases such as R-404A, it has a 97% lower global warming potential.

The new Lanusei facility, covering an area of 1,200 m², powers five cold rooms. For normal-temperature refrigeration, R-455A was used, while for low-temperature refrigeration R-448A was temporarily chosen due to delays in the supply of certain specific components.

The valves used in the system are AKV Danfoss electronic thermostatic valves. The supply of the systems was managed by **ARNEG S.p.A.**, while installation was carried out by **Tecnofrost**, a company with long-standing experience in the construction of refrigeration systems. The entire project was completed in line with industry best practices, using components certified for use with Solstice® L40X (R-455A) and in compliance with **EN378 regulations**, to ensure maximum safety.

"The adoption of refrigerant R-455A has proved to be a winning choice not only for its efficiency and low environmental impact, but also for its ease of installation and management. The system was commissioned in the same way as a traditional installation, without the need for complex structural modifications. This allows us to offer

the customer a sustainable, reliable solution that is perfectly aligned with decarbonisation goals," says Ivano Panzeri, Tecnofrost.

The decision to adopt a refrigeration system with a GWP below 150, using **Honeywell's Solstice® L40X** refrigerant, represents a sustainable solution in line with the new European F-gas regulations. Using the eco-efficiency model developed by Honeywell, a comparative analysis was carried out between two direct expansion systems: one based on R-455A and the other on transcritical CO₂. The analysis considered the entire 10-year lifecycle of the system, assessing both electricity consumption and operating costs, and demonstrated that the use of R-455A enables a **significant reduction in the Total Cost of Ownership (TCO) and CO₂ emissions** compared with alternative transcritical CO₂ systems. In particular, a reduction of up to 22% in environmental impact was observed.

This project not only confirms the ABBI Group's commitment to the environment and innovation, but also highlights the importance of **strategic collaborations** with highly specialised partners. To successfully address the challenges of decarbonisation, it is essential to adopt a scientific and multi-technology approach, as demonstrated by the decisive contribution of organisations such as **Honeywell, Nippon Gases Industrial and Tecnofrost**. Thanks to these partnerships, it is possible to make informed **technological choices** that combine economic efficiency with environmental sustainability, effectively accelerating the retail sector's transition towards a low-emission future.



THE PARTNERSHIP BETWEEN ALCANTARA AND NIPPON GASES ITALIA

Founded in 1972, Alcantara is one of the iconic brands of Made in Italy excellence. A registered trademark of Alcantara S.p.A. and the result of an exclusive proprietary technology, Alcantara® is a cutting-edge material that uniquely combines sensory, aesthetic and functional qualities. Based entirely in Italy, Alcantara operates on a global scale through two sites: its headquarters in Milan and its production facility in Nera Montoro (Terni), in the heart of Umbria.

For Alcantara, sustainability is not a trend or a temporary requirement, but an absolute necessity. We have a responsibility to safeguard future generations by limiting climate change and preserving non-renewable resources. For these reasons, Alcantara began its sustainability journey in 2009, well before the topic became widely debated and, with a pioneering approach, has since achieved Carbon Neutrality certification. This is based on offsetting greenhouse gas emissions through certified and verified carbon credit projects, following the measurement and management of the company's climate impact.

*"We are well aware that offsetting is not the ultimate solution; however, we believe it is an effective way to finance actions aimed at tackling climate change, beyond our own value chain. With Nippon Gases we have a long-standing history of collaboration in the supply of industrial gases for our production plant's needs, and we are pleased that they accepted our invitation to take part in our Carbon Neutrality programme, committing themselves to measuring, reducing and directly offsetting the impact of the products and services supplied to Alcantara," said **Paola Amore**, Sustainability and Investments Senior Manager at Nippon Gases Italia. She added: "Looking to the future, we have launched a new collaborative project aimed at reducing impact through an innovative technological solution for the on-site production of a significant share of the gases used."*



The collaboration with Alcantara is a concrete example of how industrial companies can work in synergy to build more responsible and resilient production models. Participation in **Alcantara's Carbon Neutrality** programme is not only consistent with Nippon Gases' corporate values, but also represents an important opportunity to contribute actively and directly to the decarbonisation of the entire production chain.

This partnership makes it possible to tackle environmental challenges together through innovative, technologically advanced and practically applicable solutions, progressively reducing the environmental impact of our activities.

Working alongside a partner who shares the same vision not only enables the measurement of sustainability results but also amplifies their value, strengthening the commitment towards future generations. The collaboration is founded on shared principles of transparency, innovation and mutual responsibility - key elements in building a more sustainable industrial future. Only through continuous dialogue and a shared commitment is it possible to promote real transformation of the sector, combining economic growth with environmental protection.

EFFENCY AND CONTINUITY: A NEW NITROGEN GENERATION SYSTEM IN THE SERVICE OF SUSTAINABILITY

During FYE2025, Nippon Gases supported a major international company in the **packaging and recycling** sector in upgrading its **Nitrogen** generation system at a production site in Italy. The project involved replacing an outdated, energy-intensive membrane system with a more advanced solution based on **PSA (Pressure Swing Adsorption)** technology.

The adoption of the new system has led to a significant improvement in **energy efficiency**, greater operational reliability and a reduction in overall costs, contributing to the customer's environmental objectives. At the same time, the **backup system** was strengthened through the installation of a second cryogenic tank, the upgrading of vaporisers and the addition of a

water heat exchanger, ensuring continuity of supply even in the event of a shutdown of the main plant.

Following these improvements, a new long-term contract was formalised for the management of the system and product supply, consolidating the partnership between the two companies and ensuring an even stronger focus on reliability, safety and operational sustainability. The project is already operational and stands as a concrete example of how technological innovation can contribute to the **decarbonisation** of industrial processes.

CONTRIBUTION TO NUCLEAR FUSION: NIPPON GASES ITALIA SUPPORTING RESEARCH FOR THE ENERGY OF THE FUTURE

In a global context where decarbonisation is a priority, Nippon Gases Italia is actively engaged in developing solutions for cleaner, safer and more sustainable energy. Among the most ambitious projects in this field is **ITER (International Thermonuclear Experimental Reactor)**, the largest international research programme dedicated to the production of energy from nuclear fusion. The goal is to replicate on Earth the reactions that occur in the sun, to generate energy from abundant sources such as Hydrogen, Helium and Lithium, **without CO₂ emissions** or radioactive waste.

Nippon Gases Italia is involved in the ITER project at various stages, supporting industrial partners and research centres. In particular, by equipping the **test facility** with storage, distribution and injection systems for high-purity gases - Hydrogen 6.0, Deuterium 5.0, Nitrogen 5.0 and liquid Nitrogen. These gases are essential for the operation of the **SPIDER** (ion source) and **MITICA** (complete injector) experiments, dedicated to

the development of the particle injection system of the ITER reactor.

In addition, Nippon Gases Italia recently signed an important contract with **Walter Tosto S.p.A.**, a leading company in the manufacture of critical equipment for the energy industry and one of the strategic suppliers to the ITER project. At its Ortona (CH) facility, a system was built for the supply and distribution of liquid **Argon**, used both for filling components of the **Tokamak reactor** (the central structure of the ITER reactor) and for carrying out high-precision **TIG welding**.

These collaborations demonstrate the active role of Nippon Gases Italia in supporting the scientific and industrial community in the pursuit of the energy of the future. Commitment to research and the development of advanced technologies is a cornerstone of our sustainability and innovation strategy, serving the global energy transition.

4.6 I premi Nippon Gases

NIPPON GASES ITALIA AWARDED THE HIGHEST RATING BY THE WELFARE INDEX PMI 2024

Nippon Gases Italia is proud to have been recognised as one of the 142 Italian Welfare Champion companies, winning for the second time the prestigious **Welfare Index PMI 2024** award with the highest 5W rating. The award was presented to Eduina Marino, President and Chief Executive Officer, during the official ceremony held on 13rd June 2024 in Rome, at the Salone delle Fontane. This important initiative, now in its **eighth edition**, is promoted by Generali Italia under the patronage of the Presidency of the Council of Ministers and with the involvement of the main Italian confederations, including Confindustria and Confcommercio, as well as the participation of institutional representatives such as the Minister for Family, Birth Rate and Equal Opportunities, Eugenia Roccella. The award recognises companies with up to 1,000 employees that have distinguished themselves

for the quality and breadth of their corporate welfare initiatives, promoting a culture of care for employee well-being within Italian small and medium-sized enterprises. The survey carried out by **Innovation Team - Mbs Consulting (Cerved Group)** involved more than 100,000 Italian companies, of which only 7,000 passed the first stage and 142 received the highest 5W rating. Nippon Gases thus confirms its place among the Italian excellences in corporate welfare. The Welfare Index PMI model assesses ten key areas: Pensions and protection, Health and care, Work-life balance, Economic support for employees, Human capital development, Support for education and culture, Rights, diversity and inclusion, Working conditions and safety, Social responsibility towards consumers and suppliers, and Community welfare.

AWARD FOR THE MOST CLIMATE-CONSCIOUS ITALIAN COMPANIES

For the fourth consecutive year, **Corriere della Sera**, in collaboration with Statista, an international company specialising in market analysis, rankings and business data, has published the list of the most climate-conscious Italian companies (**Most Climate-Conscious Companies**). The initiative rewards businesses that have most significantly reduced their CO₂ emissions in relation to turnover, thereby highlighting environmental efficiency alongside economic growth. A key indicator for measuring concrete commitment to the transition towards a low-emission economy. In the 2025 edition, 175

companies were included in the ranking, selected on the basis of certified data and rigorous methodologies. In this context, Nippon Gases Italia **ranks 1st among chemical companies**, confirming its leadership in the sector and its constant commitment to decarbonisation and the adoption of sustainable solutions. This recognition is an important endorsement of the Group's environmental strategy, which focuses on technological innovation, energy efficiency and reducing environmental impact, making a tangible contribution to building a carbon-neutral economy.

ASSOGASTECNICI SAFETY AWARDS

Assogastecnici – the Federchimica association representing companies producing and distributing industrial, specialty and medical gases – celebrated its 40th anniversary during the annual General Assembly. As per tradition, the event was a key occasion to acknowledge the commitment of member companies in promoting workplace safety, with the presentation of the **Safety Awards**. These awards recognise the results achieved in the previous year and highlight the good practices adopted in production facilities. In this particularly significant edition, Nippon Gases was awarded for the safety results achieved at several sites, thus confirming its ongoing commitment to protecting people and preventing accidents.

Five of the company's plants received prestigious awards:

- **Award for 5 consecutive years without accidents:** Chivasso Gas (TO), Bagnatica (BG), Alessandria
- **Award for 10 consecutive years without accidents:** Settimo Torinese (TO), Castelnuovo Berardenga (SI)

These achievements are a source of great pride and demonstrate Nippon Gases' determination to maintain high safety standards, without ever accepting compromises. The company is committed every day to working in safe conditions, promptly reporting risky behaviours or situations, and contributing to the continuous improvement of processes. Safety remains Nippon Gases' number one priority, driving an operational discipline that promotes a culture of shared responsibility, with the common goal of zero incidents and zero accidents.



“LEGITIMACY AND PROFIT” AWARD – A RECOGNITION OF BUSINESS INTEGRITY

In 2025, on the occasion of its fourth edition, Nippon Gases Industrial was selected among the 100 Italian companies that stood out for combining significant economic growth with a high level of legality and transparency, thus receiving the prestigious “Legality and Profit” Award. The award, promoted by **Economy** and **RSM** under the patronage of the Italian Senate, is given to companies that, in addition to excelling in terms of productivity and competitiveness, demonstrate a concrete commitment to respecting ethical principles and current regulations. Legality, transparency and safety are recognised as key factors not only for corporate solidity but also as drivers of economic and social development for the country. This award represents an important confirmation for Nippon Gases of the value placed on responsible governance, and highlights how it is possible to

do business in Italy with integrity while at the same time generating tangible and sustainable economic results. It is also an opportunity to share good practices and to strengthen the culture of legality as a driver of growth for the national production system.



SMAU INNOVATION AWARD 2024: TECHNOLOGY AND SUSTAINABILITY SERVING THE FUTURE

On the occasion of **SMAU Milano 2024**, one of Italy's leading events dedicated to innovation, **Nippon Gases Italia** participated by showcasing advanced technological solutions and reaffirming its commitment as an active player in the Open Innovation ecosystem.



During the event, the company was honored with the **SMAU Innovation Award** for an experimental project launched at the **CO₂ production site in Castelnuovo Berardenga (Tuscany)**. The initiative involves the use of an **autonomous drone equipped with artificial intelligence** to monitor environmental parameters. The goal is to enhance safety, improve operational efficiency and ensure full environmental compliance. This recognition stands as tangible proof of Nippon Gases' dedication to promoting digital and sustainable practices, made possible through close collaboration between the Innovation team, the IT department and the site personnel. Participation in SMAU also provided valuable opportunities to engage with startups, companies and institutions, further strengthening the company's Open Innovation strategy and fostering a culture of co-creation, sustainability and the future of industrial technologies.

Methodological note

This Sustainability Report contains qualitative and quantitative information relating to the topics relevant to Nippon Gases Italia and its main stakeholders identified through the materiality analysis described in paragraph "1.3 Our Commitment to Sustainability". The information refers to FYE2025 (from 1st April 2024 to 31st March 2025) and the data relating to the previous two year period are also given for comparative purposes; "FYE" or "fiscal year" indicate that the data refer to the period from 1st April to 31st March.

Unless otherwise specified, the scope of the companies included in the Sustainability Report comprises:

- Nippon Gases Italia S.r.l.
- Nippon Gases Industrial S.r.l.
- Nippon Gases Operations S.r.l.
- Nippon Gases Green Energy S.r.l.
- Nippon Gases Pharma S.r.l.
- Nippon Gases Pharma Hub S.r.l.
- Home Medicine S.r.l.
- Nippon Gases Industrial Sud S.r.l.
- Noxtec Development S.L.
- Dryce S.r.l.
- GemGas S.r.l.

Performance indicators and the reporting cycle have an annual basis. Unless otherwise specified, the information provided includes Nippon Gases Italia S.r.l. and all its wholly-owned subsidiaries, according to the corporate structure that went into effect on 16th April, 2021 and updated to April 2025.

The document is prepared in compliance with the "GRI Sustainability Reporting Standards", the most recent and widespread non-financial reporting standards defined by the Global Reporting Initiative (GRI), according to the "In Accordance - Core" option, which provides for the reporting of at least one GRI indicator for each material topic. The document was drafted in accordance with GRI Standards, considering reporting principles for defining content—such as Inclusiveness of Stakeholders, Sustainability Context, Materiality, and Completeness—and principles for defining quality, including Accuracy, Balance, Clarity, Comparability, Reliability, and Timeliness. For each topic to be reported, the description and the topic boundary along the Nippon Gases Italia value creation chain is provided below, specifying whether internal or external.



THE CALCULATION METHODS

We describe below the main calculation methods and the sources from which the emission factors were taken, relating to the performance indicators mentioned herein, to supplement the information provided in this document.

- The quantity of greenhouse gas emissions Scope 1 e 2 è was determined with the following formula: activity data (m3 of natural gas, litres of diesel oil, kg of Fuel Gas, kg of Offgas Shu, KWh of electric energy, etc.) multiplied by the respective emission factor. Refrigerant gas losses (kg) multiplied by their respective Global Warming Potential (GWP) values are also taken into account.
- Scope 3 GHG emissions were calculated using documented emission factors, which are ratios that quantify GHG emissions relative to a proxy measure of the activity in question. The formula applied is:

$$\text{Greenhouse gas emissions} = \text{Emission factor} * \text{Activity data}$$

- The emission factors and the GWP used for the calculation of GHG emissions are:
 - **Scope 1 Emissions:** the emission factors of fuels and the GWPs of refrigerant gases are taken from the National Standard Parameters Table of the Ministry of the Environment and Energy Security for the reference year.
 - **Scope 2 Emissions:** to calculate the emissions related to purchased steam, the database “UK Government GHG Conversion Factors for Company Reporting – fuel properties”, published by the UK Government’s Department for Environment, Food and Rural Affairs (hereinafter also “DEFRA”) and updated annually, was used. For electricity purchased from the national grid, emissions were calculated using two methodologies, as required by the GRI Standards:
 - For the Market-based determination, the residual mix emission factors given in document “European residual mix” published by the Association of Issuing Bodies (AIB) were used.
 - for the Location-Based calculation, the emission factors from Terna’s “International Comparisons” document were used.
 - **Scope 3 Emissions:** were calculated using emission parameters aligned with the parent company NSHD and emission factors from public databases, including the European Environment Agency (EEA), European Industrial Gases Association (EIGA), and DEFRA.

MATERIAL TOPIC	GRI STANDARD	INTERNAL BOUNDARY	EXTERNAL BOUNDARY
GOVERNANCE			
Value management and distribution	GRI 201: Economic performances 2016	Nippon Gases Italia	-
Compliance, ethics, and business integrity	GRI 205: Anti- corruption 2016 GRI 206: Anti-competitive Practices 2016	Nippon Gases Italia	-
Supply Chain Management	GRI 204: Procurement Practices	Nippon Gases Italia	
PEOPLE			
Workers' health and safety	GRI 403: Occupational Health and Safety 2018	Nippon Gases Italia	Partners and suppliers***
Attracting and retaining employees	GRI 401: Employment 2016 GRI 402: Labour and labour relations management 2016	Nippon Gases Italia*	-
Employee development	GRI 404: Training and Education 2016	Nippon Gases Italia*	-
Diversity and inclusion	GRI 405: Diversity and Equal Opportunity GRI 406: Non -discrimination 2016	Nippon Gases Italia* Nippon Gases Italia	-
PRODUCTS AND CUSTOMERS			
Innovation, research, and development	Non-GRI Indicator	Nippon Gases Italia	-
Customer and community health and safety	GRI 416: Customer Health and Safety 2016	Nippon Gases Italia	-
ENVIRONMENT			
Energy efficiency	GRI 302: Energy 2016	Nippon Gases Italia**	-
GHG emissions and climate change	GRI 305: Emissions 2016	Nippon Gases Italia**	-
Waste management	GRI 306: Waste 2020	Nippon Gases Italia**	-
Water resources management	GRI 303: Water and water discharges 2018	Nippon Gases Italia**	-

The internal perimeter encompasses the following companies: Nippon Gases Italia S.r.l., Nippon Gases Industrial S.r.l., Nippon Gases Operations S.r.l., Nippon Gases Pharma S.r.l. and Nippon Gases Green Energy S.r.l.

* Reporting of these GRI aspects only concerns the following companies: Nippon Gases Italia S.r.l., Nippon Gases Industrial S.r.l., Nippon Gases Operations S.r.l., Nippon Gases Pharma S.r.l., Nippon Gases Industrial Sud S.r.l., Nippon Gases Green Energy S.r.l.

** Reporting of these GRI aspects only concerns the following companies: Nippon Gases Italia S.r.l., Nippon Gases Industrial S.r.l., Nippon Gases Operations S.r.l., Nippon Gases Pharma S.r.l., Dryce and Nippon Gases Industrial Sud S.r.l., Nippon Gases Green Energy S.r.l.

*** Reporting partially extended to partners and suppliers

Appendix

Additional data for chapter

"3. Together towards a low-emission world"

GRI 303-3, 303-4, 303-5: WATER WITHDRAWALS, DISCHARGES, AND CONSUMPTION (m³)

	FYE2023	FYE2024	FYE2025
Withdrawals	4,875,499	5,072,553	4,821,561
Discharges	4,534,918	4,716,300	4,501,395
Consumption	340,581	356,253	320,166

GRI 303-3: WATER WITHDRAWALS (m³)

	FYE2023	FYE2024	FYE2025
Well water	4,446,457	4,653,522	4,479,045
Surface waters	24,662	24,902	19,780
Municipal water system	17,186	23,124	20,933
Third party water system and Demineralised water	387,194	371,005	301,803
Total	5,428,463	4,875,499	4,821,561

GRI 303-4: WATER DISCHARGES (m³)

	FYE2023	FYE2024	FYE2025
Well water	-	-	-
Surface waters	4,381,024	4,590,661	4,378,197
Municipal sewer system	13,812	19,733	17,928
Third party sewer system and Recovered vapour water	140,082	105,907	105,270
Total	4,534,918	4,716,300	4,501,395

GRI 306-3: GENERATED WASTE (ton)

	FYE2023		FYE2024		FYE2025	
	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous
Waste earmarked for recycling, reuse and energy recovery	437.9	15.4	391.4	111.7	356.6	69.5
Waste disposed of in landfills	123.9	39	35	54	12.5	21.6
Total waste	561.8	54.4	423	169	369	91

Additional data for chapter

"4. Together, we grow stronger"

GRI 401-1: RECRUITMENT OF NEW EMPLOYEES AND EMPLOYEE TURNOVER

NEW HIRES AND TERMINATIONS BY GENDER AND AGE FYE2025

	WOMEN				MEN			
	Hired		Terminated		Hired		Terminated	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
< 30 years	11	9%	1	2%	19	15%	6	12%
30-50 years	27	23%	8	15%	55	45%	22	42%
> 50 years old	4	3%	3	6%	7	6%	12	23%

NEW HIRES AND TERMINATIONS BY GENDER AND AGE FYE2024

	WOMEN				MEN			
	Hired		Terminated		Hired		Terminated	
	Number	Rate ¹⁷	Number	Rate	Number	Rate	Number	Rate
< 30 years	6	8%	2	4%	13	17%	5	11%
30-50 years	14	19%	12	27%	31	41%	15	33%
> 50 years old	2	3%	2	4%	9	12%	9	20%

NEW HIRES AND TERMINATIONS BY GENDER AND AGE FYE2023

	WOMEN				MEN			
	Hired		Terminated		Hired		Terminated	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
< 30 years	4	7%	0	-	6	10%	2	6%
30-50 years	9	15%	6	19%	33	55%	19	61%
> 50 years old	1	2%	3	10%	7	12%	10	3%

STAFF BY AGE AND GENDER

	FYE2023		FYE2024		FYE2025	
	Women	Men	Women	Men	Women	Men
< 30 years	11	18	10	23	18	28
30-50 years	119	275	115	286	129	311
> 50 years old	43	204	56	223	64	234
Totale	173	497	181	532	211	573

¹⁷ Rate determined as the ratio between number of hirings/terminations during the year in a given category and the total number of hirings/terminations in the same year.

GRI 2-7, 2-8 - EMPLOYEES, NON-EMPLOYEES

STAFF BY EMPLOYMENT CONTRACT AND GENDER

	FYE2023		FYE2024		FYE2025	
	Women	Men	Women	Men	Women	Men
Apprenticeship	2	2	1	4	3	6
Permanent	171	495	173	515	187	556
Fixed-term contract	0	0	7	13	21	11
Total	173	497	181	532	211	573

STAFF BY EMPLOYMENT CONTRACT AND GENDER

	FYE2023		FYE2024		FYE2025	
	Women	Men	Women	Men	Women	Men
Full-Time	166	496	173	531	203	572
Part-Time	7	1	8	1	8	1
Total	173	497	181	532	211	573

GRI 405-1: DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

BOARD OF DIRECTORS BY GENDER AND AGE

	FYE2023		FYE2024		FYE2025	
	Women	Men	Women	Men	Women	Men
< 30 years <i>old</i>	0	0	0	0	0	0
30-50 years	0	1	0	1	0	1
> 50 years <i>old</i>	1	3	2	2	2	1
Total	1	4	2	3	2	2

EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP

	FYE2023			FYE2024			FYE2025		
	<30 years	between 30 and 50 years	> 50 years old	<30 years	between 30 and 50 years	> 50 years old	<30 years	between 30 and 50 years	> 50 years old
Managers	0	2	21	0	4	22	0	4	23
Middle managers	0	25	50	0	27	61	0	29	66
Employees	19	243	116	22	241	133	33	270	143
Operators	10	124	60	11	129	63	13	137	66
Total	29	394	247	33	401	279	46	440	298

STAFF BY PROFESSIONAL CATEGORY AND GENDER						
	FYE2023		FYE2024		FYE2025	
	Women	Men	Women	Men	Women	Men
Managers	5	18	5	21	6	21
Middle managers	10	65	15	73	18	77
Employees	158	220	161	235	187	259
Operators	0	194	0	203	0	216
Total	173	497	181	532	211	573

GRI 403-9: WORK-RELATED INJURIES

NIPPON GASES ITALIA EMPLOYEES' ACCIDENTS AT WORK OVERVIEW			
	FYE2023	FYE2024	FYE2025
Hours worked	1,183,344	1,268,461	1,306,544
Number of injuries	2	2	1
Injury rate ¹⁸	1.69	1.58	0.77
Number of severe injuries ¹⁹	-	-	1
Severe injury rate	-	-	0.77
Number of fatalities	-	-	-
Fatality rate	-	-	-

The main types of injuries suffered by Nippon Gases Italia workers were minor contusions due to tools or falls.

Nippon Gases Italia Group considers cases of absolute inability to work, originating in occasion of work (therefore excluding any in itinere).

EXTERNAL WORKERS' ACCIDENTS AT WORK			
	FYE2023	FYE2024	FYE2025
Hours worked	514,232	611,797	64,770 ²⁰
Number of injuries	5	0	0
Injury rate	9.72	0	0
Number of severe injuries	-	-	-
Severe injury rate	-	-	-
Number of fatalities	-	-	-
Fatality rate	-	-	-

The main types of injuries suffered by external workers were due to road accidents or were minor contusions due to tools or falls.

¹⁸ Injury rate: number of injuries * 1,000,000 / hours worked.

¹⁹ Severe injury: injury entailing absence from work for at least 6 months.

²⁰ The decrease in hours worked between the current FYE and previous years is due to an internal revision of the classification of non-employee workers. For the current FYE, interns and temporary staff are considered non-employee workers, whereas in previous editions of the Report this definition also included distribution and customer service contractors.

GRI 204-1 PERCENTAGE OF EXPENDITURE ALLOCATED TO LOCAL SUPPLIERS			
LOCAL SUPPLIER OF NIPPON GASES ITALIA			
	FYE2023	FYE2024	FYE2025
Local suppliers (Italian)	70.7%	68.4%	73.4%

- a. The percentage represents the proportion of spending on local suppliers relative to the total expenditure for all Nippon Gases Italia supplies.
- b. By "local supplier," the organisation refers to suppliers located throughout Italy.
- c. Given that Nippon Gases Italia operates sites and offices across the country, Italy was deemed the location of significant activities.

GRI content Index

STATEMENT OF USE	Nippon Gases Italia submitted a report following GRI Standards for the period from April 1 st , 2024, to March 31 st , 2025.
Use Of GRI 1	GRI 1 - Fundamental Principles, Version 2021
Relevant GRI sector standards	Not applicable

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirements omitted	Reason	Explanation
GENERAL DISCLOSURES					
GRI 2 General Disclosures Version 2021	2-1 Organisational Details	1.1 Nippon Gases: chi siamo			
	2-2 Entities included in the organisation's sustainability reporting	- Methodological note			
	2-3 Reporting Period, Frequency and Point of Contact	- Methodological note			
	2-4 Restatements of information	- Methodological note Any minor changes are reported in appropriate footnotes			
	2-5 External assurance	Report by the auditing firm EY			
	2-6 Activities, Value Chain and Other Business Relationships	1.2 Nippon Gases Italia's and the value chain			
	2-7 Employees	4.1 Our workforce - Appendix			
	2-8 Non-employees	4.1 Our workforce - Appendix			
	2-9 Structure and composition of governance	2.1 Corporate governance bodies and the Sustainability Governance			
	2-10 Appointment and selection of the highest governing body	2.1 Corporate governance bodies and the Sustainability Governance			
	2-11 Appointment and selection of the highest governing body	2.1 Corporate governance bodies and the Sustainability Governance			
	2-12 Role of the highest governing body in impact management and control	2.1 Corporate governance bodies and the Sustainability Governance			
	2-13 Delegation of responsibility for impact management	2.1 Corporate governance bodies and the Sustainability Governance			
	2-14 Role of the highest governance body in sustainability reporting	2.1 Corporate governance bodies and the Sustainability Governance			
	2-15 Conflicts of interest	2.1.2 Our Corporate Integrity Tools and Management Systems			
	2-16 Communication of critical issues	2.1.2 Our Corporate Integrity Tools and Management Systems			
	2-17 Collective expertise of the highest governing body	2.1 Corporate governance bodies and the Sustainability Governance			
	2-18 Performance Evaluation of the highest governing body	2.1 Corporate governance bodies and the Sustainability Governance			

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirements omitted	Reason	Explanation
GRI 2 General Disclosures Version 2021	2-19 Remuneration Rules	Managers are employees who receive a fixed salary, as determined by the CCNL, along with bonuses tied to the Group's overall performance and personal targets. Board members do not receive any remuneration for their roles			
	2-20 Remuneration Determination Procedure	Managers are employees who receive a fixed salary, as determined by the CCNL, along with bonuses tied to the Group's overall performance and personal targets. Board members do not receive any remuneration for their roles			
	2-21 Total annual salary ratio	N/D	Omission	Confidentiality constraints	The Group deemed the information required to calculate the indicator as confidential and, therefore, chose not to publish it for this fiscal year
	2-22 Sustainable development strategy statement	Letter to Stakeholders 1.1 Nippon Gases: who we are			
	2-23 Policy commitment	2.1 Corporate governance bodies and the Sustainability Governance			
	2-24 Integration of Policy Commitments	2.1 Corporate governance bodies and the Sustainability Governance			
	2-25 Remedial Processes Negative impacts	3.1 The management of environmental aspects 1.3 Our Commitment to Sustainability			
	2-26 Mechanisms for requesting clarification and raising concerns	2.1 Corporate governance bodies and the Sustainability Governance			
	2-27 Compliance with Laws and Regulations	No cases of non-compliance with laws or regulations, whether resulting in monetary sanctions or not, were reported within the Group			
	2-28 Membership of associations	1.3 Our Commitment to Sustainability			
	2-29 Approach to stakeholder engagement	1.3 Our Commitment to Sustainability			
	2-30 Collective Agreements	100% of employees are covered by collective bargaining agreements.			

GRI content Index

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirements omitted	Reason	Explanation
MATERIAL TOPICS					
GRI 3 Material Themes	3-1 Process for determining material themes	1.3 Our Commitment to Sustainability - Methodological note			
Version 2021	3-2 List of material topics	1.3 Our Commitment to Sustainability			
Value management and distribution					
GRI 3 Material Themes	3-3 Management of material topics	2.2 The value we generate			
Version 2021					
GRI 201	201-1 Economic value directly generated and distributed	2.2 The value we generate			
Supply Chain Management					
GRI 3 Material Themes	3-3 Management of material topics	4.4 Our relationships with our suppliers			
Version 2021					
GRI 204	204-1 Proportion of expenditure with local	4.4 Our relationships with our suppliers - Appendix			
Supply Chain Management					
GRI 3 Material Themes	3-3 Management of material topics	2.1.2 Our Corporate Integrity Tools and Management Systems			
Version 2021					
GRI 205	205-3 Confirmed incidents of corruption and actions taken	2.1.2 Our Corporate Integrity Tools and Management Systems			
GRI 206	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.1.2 Our Corporate Integrity Tools and Management Systems			
Energy efficiency					
GRI 3 Material Themes	3-3 Management of material topics	3.1 Innovation for the benefit of the environment 3.2 Management of environmental issues			
Version 2021					
GRI 302	3.2.1 Energy consumption within the organization	3.2.2 Energy consumption and GHG emissions			
Water resources management					
GRI 3 Material Themes	3-3 Management of material topics	3.2.4 water management			
Version 2021					
GRI 303	303-1 Interactions with water as a shared resource	3.2.4 water management			
	303-2 Management of water discharge-related impacts				
	303-3 Water withdrawal	3.2.4 water management - Appendix			
	303-4 Water discharges				
	303-5 Water Consumption				

GRI content Index

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirements omitted	Reason	Explanation
Water resources management					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	3.2.2 Energy consumption and GHG emissions - Methodological note			
GRI 305	305-1 Direct emissions of GHG (Scope 1)	3.2.2 Energy consumption and GHG emissions			
	305-2 Indirect emissions GHG from energy consumption (Scope 2)				
	305-3 Other Indirect emissions of GHG (Scope 3)	3.2.2 Energy consumption and GHG emissions			
Waste management					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	3.2.3 Waste management			
GRI 306	306-1 Waste production and significant impacts of waste	3.2.3 Waste management			
	306-2 Management of significant impacts of waste				
	306-3 Waste generated	3.2.3 Waste management - Appendix			
Attracting and retaining employees					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	4.1 Our workforce			
GRI 401	401-1 New hires and turnover	4.1 Our workforce - Appendix			
Workers' health and safety					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	4.3 Health and Safety Management			
GRI 403	403-1 Occupational health and safety management system	4.3 Health and Safety Management			
	403-2 Hazard identification, risk assessment and incident reporting	4.3 Health and Safety Management			
	403-3 Occupational health services				
	403-4 Worker participation, consultation, and communication on occupational health and safety				
	403-5 Worker training on occupational health and safety	4.3 Health and Safety Management			
	403-6 Promotion of worker health	4.3 Health and Safety Management			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				
	403-9 Work-related injuries	4.3 Health and Safety Management			

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	OMISSIONS		
			Requirements omitted	Reason	Explanation
Employee development					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	4.2 We take care of our people			
GRI 404	404-1 Average hours of training per year per employee	4.2 We take care of our people Due to the organisational changes that have taken place, Nippon Gases Italia is able to specify the average hours of training per person and per professional category. The company is committed to including this information in its sustainability documents in the next few years			
Diversity and inclusion					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	2.1 Corporate governance bodies and the Sustainability Governance			
		4.1 Our workforce			
GRI 405	405-1 Diversity of governance bodies and of employees	2.1 Corporate governance bodies and the Sustainability Governance 4.1 Our workforce - Appendix			
GRI 406	406-1 Incidents of discrimination and corrective actions taken	4.1 Our workforce			
Customer and community health and safety					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	2.1.2 Our Corporate Integrity Tools and Management Systems			
GRI 416	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	In the three-year period, there were no episodes of non-compliance regarding the impact on the health and safety of products and services.			
Innovation, research, and development					
GRI 3 Material Themes Version 2021	3-3 Management of material topics	3.1 Innovation in service of the environment			
Non GRI	Not applicable	3.1 Innovation in service of the environment			



Independent Auditor's Report on the Sustainability Report



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Independent auditors' report on the Sustainability Report

To the board of Directors of
Nippon Gases Italia S.r.l.

We have been appointed to perform a limited assurance engagement on the Sustainability Report of Nippon Gases Italia S.r.l. and its subsidiaries (hereinafter the "Group") for the year ended on March 31st, 2025 (hereinafter "Sustainability Report").

Responsibilities of Directors on the Sustainability Report

The Directors of Nippon Gases Italia S.r.l. are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by the GRI - Global Reporting Initiative ("GRI Standards"), as described in the section "Methodological Note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not intentional behaviors or events.

The Directors are also responsible for defining the commitments of Nippon Gases Italia S.r.l. regarding the sustainability performance, as well as for the identification of the stakeholders and of the significant matters to report.

Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Management 1 (ISQM Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

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The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with the Group's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain the evidence considered appropriate.

In particular, we have performed the following procedures:

1. analysis of the process related to the definition of material aspects included in the Sustainability Report, with reference to the methods of analysis and understanding of the reference context, the identification, assessment and prioritization of actual and potential impacts and the internal validation of the process outcome;
2. comparison of the economic and financial data and information included under paragraph "2.2 The value we generate" of the Sustainability Report with those included in the Group's consolidated financial statement;
3. understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.

In particular, we have conducted interviews and discussions with the management of Nippon Gases Italia S.r.l. and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures that support the collection, aggregation, processing and transmission of non-financial data and information to the management responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the Group's activities and characteristics at Group level:

- a) with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
- b) with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report of the Group for the year ended on March 31st, 2025 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described under paragraph "Methodological Note" of the Sustainability Report.

Milan, 4 August 2025

EY S.p.A.
Gabriele Grignaffini
(Revisore Legale)

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

