

Fiscal year ending 31st March 2026

Sustainability Report 2026

Towards a Global Identity: the Transition to Nippon Sanso

**Effective 1st April, 2026, Nippon Gases becomes Nippon Sanso:
One Unified Global Identity**

As of 1st April, 2026, Nippon Gases, the European operating company of Nippon Sanso Holdings Corporation, has adopted the name Nippon Sanso Italia. This strategic decision brings together the Group's businesses (with the exception of the THERMOS business) under a single internationally recognized brand, present in more than 30 countries. The move supports stronger operational alignment, collaboration, and innovation across the organization, while maintaining the same commitment to service quality and customer satisfaction.

The new name reflects a long-standing industrial heritage. Founded in 1910, Nippon Sanso has more than 115 years of experience in developing gas technologies that enhance industrial productivity and improve people's quality of life.

«Nippon» (日本) reaffirms the company's Japanese roots, while «Sanso» (酸素), meaning Oxygen, encapsulates its core mission. While the company name and logo have changed, its values, people, and commitment to delivering safe, innovative, and sustainable gas solutions across Europe remain unchanged.

Now, as part of a unified global brand, we are stronger and more connected than ever.

We Keep Growing as One.

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Reader's guide Nippon Sanso Italia
As part of the Nippon Sanso Holdings Corporation (NSHD) group, Nippon Sanso Italia uses the accounting reporting period running from 01.04 to 31.03, aligned with its financial reporting. The information presented in this document relates to fiscal year 2026 (from 1st April 2025 to 31st March 2026), referred to in the text as "fiscal year 2026" or "FYE2026".

Throughout this document, the name Nippon Sanso Italia is used for brevity to refer to all the Italian companies of the group.

Publications
Current edition:
Sustainability Report 2026, with data relating to the fiscal year from 1st April 2025 to 31st March 2026.
Previous edition:
Sustainability Report 2025, with data relating to the fiscal year from 1st April 2024 to 31st March 2025.

For further information
Attn: Sustainability Officer, Nippon Sanso Italia - Via Benigno Crespi, 19 - 20159 Milan - info.italy@eu.nipponsanso.com

Chapter 1

Who we are

Nippon Sanso Italia is part of Nippon Sanso Euro-Holding S.L.U., a company controlled by the multinational Nippon Sanso Holdings Corporation (together referred to as the "Group"). In the Italian market, the company positions itself as a strategic partner for the supply of technical, food, medical, pure, specialty, electronic and refrigerant gases. Thanks to a versatile technology portfolio, the company meets the needs of numerous sectors, offering both high-efficiency supply systems and solutions tailored to each customer, as well as dedicated services for both industrial and medical customers.

Its responsibility towards its people, its customers and the areas in which it operates is reflected in an ongoing dedication to safety, environmental protection and sustainability. Recognised worldwide as "The Gas Professionals", all the companies of the Group share the same mission: to improve people's quality of life through innovative technological applications related to the use of gases.

Our philosophy

Proactive. Innovative. Collaborative.
Making life better through gas technology.
The Gas Professionals.

Our vision

Our goal is to create social value through innovative gas solutions that increase industrial productivity, enhance human wellbeing and contribute to a more sustainable future.



Our priorities

01

People excellence

Diversity, inclusion, talent, reviews & development, community engagement.

02

Safety

Operational discipline.

03

Compliance

Knowing and living the Code of Conduct.

04

Sustainable development

Meeting the needs of the present without compromising the future.

05

Customer focus

Customer partnerships through innovative applications & operational excellence.

06

Financial results

The result of our excellence in the previous points.

Letter to Stakeholders

Dear readers,

when we talk about sustainability, we are talking first and foremost about the choices we make every day. Choices that concern the way we work, the value we create for our customers, the attention we devote to people and the responsibility with which we look to the future.

For Nippon Sanso Italia, sustainability is not simply a set of objectives to be achieved or results to be measured. It is the way we choose to do business: with responsibility, transparency and attention towards people, the environment and the communities in which we operate. It is a vision that guides our decisions and that allows us to create value over the long term, maintaining a balance between economic growth, social progress and the protection of natural resources.

It is in this spirit that we present the seventh edition of our Sustainability Report. While forming part of a strategy and of objectives shared at European level, the document recounts Nippon Sanso Italia's own journey and represents a fundamental instrument of dialogue and accountability towards all the stakeholders who place their trust in our organisation every day. Building relationships that are transparent, collaborative and geared towards the creation of shared value continues to be one of the pillars of the way we operate. Over the course of the year we have continued to invest in safety, innovation and sustainable development, consolidating our presence across the country and strengthening the contribution we offer to customers on their paths of growth and transformation.

The 2025-2026 fiscal year also marked an important milestone in our history. From 1st April 2026, Nippon Gases Italia adopted the name Nippon Sanso Italia, completing the process of alignment with the global identity of the Group led by the Japanese parent company Nippon Sanso Holdings Corporation. This change reinforces our sense of belonging to an international organisation that shares a common vision, shared values and a strong orientation towards innovation and sustainability. At the same time, our commitment to customers, our closeness to the areas in which we operate and the attention we have always devoted to people remain unchanged.

It is people who are at the heart of our organisation. In every plant, in every office and in every activity we carry out, it is people who make the difference. It is their skills, but also their passion, their sense of responsibility and their ability to work together,

that make our growth journey possible. In a constantly evolving context, characterised by new technological, environmental and social challenges, we continue to believe that our principal assets are the courage to be bold and the commitment of our people. This is why we invest constantly in professional growth, skills development, safety and wellbeing, promoting an inclusive environment in which everyone can express their potential and contribute to collective success. Valuing diversity, shared growth and the strengthening of trust are central elements of our approach to sustainable development.

In parallel, we continue to embed the principles of sustainability into our strategies and business processes. Innovation is a fundamental tool for improving the efficiency of our activities, reducing environmental impacts and supporting our customers towards a low-emission future. Our commitment translates into a journey of continuous improvement aimed at an increasingly responsible use of resources, at greater energy efficiency and at reducing the environmental footprint of our activities.

In an increasingly complex economic and social context, we believe that the role of a company is not only to generate results, but to contribute to the sustainable development of the areas in which it operates, to foster innovation and to create opportunities for future generations. It is a responsibility that we feel deeply and that inspires our strategic, industrial and social choices.

On the governance front, too, we are pressing ahead with determination in strengthening a corporate culture founded on integrity, transparency and responsibility. Integrity guides the way we operate and represents a principle that extends beyond the boundaries of the organisation. This is why we promote constant dialogue with customers, suppliers and partners, encouraging the spread of sustainable practices along the entire value chain. We believe that sustainability is a shared responsibility and that the contribution of every player is essential in generating a positive and lasting impact.

At the same time, we continue to value collaboration with local suppliers, helping to strengthen the resilience and the proximity of our supply chain. This choice allows us not only to consolidate relationships of trust with the local area, but also to improve operational efficiency, optimise response times and reduce the impacts associated with logistics and transport.

Attention to ESG matters is an integral part of our strategic vision and continues to be developed within a structured path that looks

to the long term and to future challenges, in continuity with the sustainability objectives defined at Group level.

I firmly believe that no milestone can be reached alone. The results we present in this Report are the fruit of the shared commitment of employees, customers, suppliers, partners and local communities. Collaboration, dialogue and the ability to work together are the factors that allow us to address change, innovate and build solid and lasting relationships.

I would like to thank all the people who contribute every day to the growth of Nippon Sanso Italia and who share this journey with us. The trust you show us is a constant stimulus to improve and to pursue our objectives with determination.

For us, sustainability is not a milestone to be reached, but a path to be built day after day. A path made of responsibility, innovation and trust in people.



In a rapidly changing world, we continue to believe that the most authentic progress is that which places people at the centre, creates value for society and leaves future generations more opportunities than those we received. It is with this conviction that we look to the future with ambition, pragmatism and a sense of responsibility, aware that the most important challenges and the most significant results are achieved together.

Eduina Marino
President & CEO

1.1 Nippon Sanso: who we are

Identity and legal form

Nippon Sanso Italia S.r.l. is a limited liability company with its registered office at Via Benigno Crespi 19, 20159 Milan. The company is subject to the direction and coordination of Nippon Sanso Euro-Holding S.L.U., based at Calle Orense 11, Madrid (Spain), and has a share capital of EUR 30,000,000, wholly held by the European parent company.

The share capital of Nippon Sanso Euro-Holding S.L.U. is in turn wholly held by **Nippon Sanso Holdings Corporation (NSHD)**, headquartered at 1-3-26 Koyama, Shinagawa-ku, Tokyo, Japan. NSHD is a company listed on the Tokyo Stock Exchange, 50.6% of whose capital is held by Mitsubishi Chemical Group Corporation, which is also listed on the Tokyo Stock Exchange.

Effective 1st April 2026, the company adopted the name **Nippon Sanso Italia S.r.l.**, replacing its previous name Nippon Gases Italia S.r.l. The change of name involves all the Group companies operating in Italy and is part of the process of alignment with the brand of the Japanese parent company.

An Italian history within the global Group

The origins of Nippon Sanso Italia date back to **1920**, the year in which Guglielmo Rivoira founded in Turin the company bearing his name, operating in the **production and distribution of industrial gases**. The company’s history is intertwined with the key periods of Italian industrial development: from the economic boom of the 1960s to the nationalisation of the 1970s. In 2018, Rivoira became part of **Nippon Gases Europe, the group created through the acquisition of Praxair’s European operations**, launching a major growth plan in the country. In 2020, Nippon Sanso Holdings Corporation was established as the holding company bringing together the Group’s main operating companies worldwide.

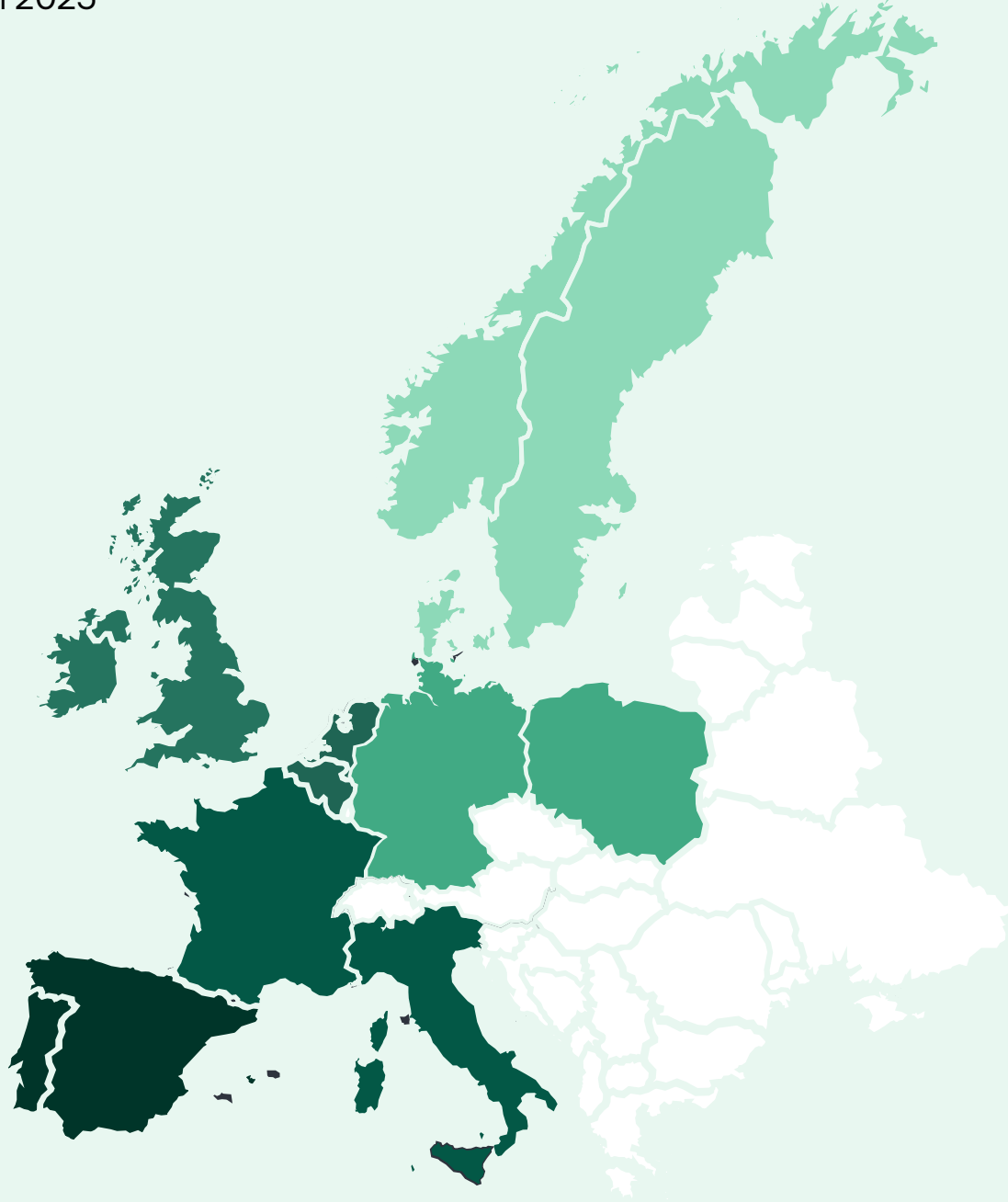
The **Nippon Sanso Holdings Corporation Group** is **Japan’s leading industrial gas manufacturer** and one of the five largest suppliers worldwide. With over 20,000 employees and a presence in more than 30 countries and regions, the Group supplies essential products and services to numerous sectors: steel, chemical, energy, electronics, automotive, food and healthcare.

Our guiding principles

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

Within the European structure (**Nippon Sanso Euro-Holding**), from fiscal year 2025 the Group has been reorganised into geographical areas. Italy is part of the Central Southern Region, together with France.

From 1st April 2025

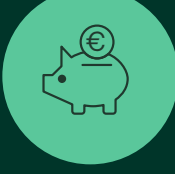




14
Countries



Over
4,000
Employees
throughout Europe
31% of whom are women



€2 billion
Turnover in FYE2026



Over
150,000
Customers

Over
620,000
Patients



Central Southern

- Italy
- France



South Western

- Spain
- Portugal



Central Eastern

- Germany
- Poland



Northern

- Belgium
- Netherlands
- Luxembourg
- Sweden
- Denmark
- Norway



Atlantic Islands

- United Kingdom
- Ireland



Onsite Advanced Systems

- Europe

Sector and activities

Nippon Sanso Italia produces, sells and distributes **industrial, food, medical, pure, specialty, electronic and refrigerant gases**, in cryogenic and compressed form, including high-purity technical gases, complementing its products with plant solutions and technical services for the safe, efficient and sustainable use of gases. In the medical segment, the offering extends to personal services: through the Homecare Operational Center, the company provides home oxygen therapy (OTD) and home ventilation therapy (VTD) services, with nursing and technical assistance directly at the patient’s home, alongside the storage and distribution of foods for enteral nutrition and the related medical devices.

The identity and vision of Nippon Sanso Italia

The identity of Nippon Sanso Italia is founded on a philosophy summed up in three words: **proactive, innovative, collaborative**. The Group’s mission is to **improve quality of life through the technological applications of gases**, with the aim of creating social value through innovative solutions that increase industrial productivity and welfare, contributing to a more sustainable future. This vision combines the values rooted in Japanese work culture with the Italian entrepreneurial tradition. Four values guide every activity: **safety**, as an essential condition for operating, shared with all employees; **compliance**, defined as the ethics and legality underlying every choice; **sustainability**, as a concrete commitment to safeguarding the climate and natural resources and respecting future generations; and **diversity and inclusion**, as strategic levers for creating a working environment that is open to differences and able to achieve shared goals. The Group’s top priorities are people excellence, safety, compliance, environmental sustainability, customer focus and financial results.

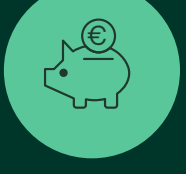




821
Employees



300
Agencies and resellers



580 M €
Of revenue in fiscal year 2026



Over 100
Years of history



Over 20,000
Customers



14 Bulk production plants
16 Filling centers





1
Headquarter



22
Sales offices



2
Pipelines



7
Storehouses



16
Filling centers



2
Specialty Gas production plants



6
Air Separation Unit



5 CO₂ production plants
(of which 1 under construction)



3
Hydrogen production plants
(HyCO)

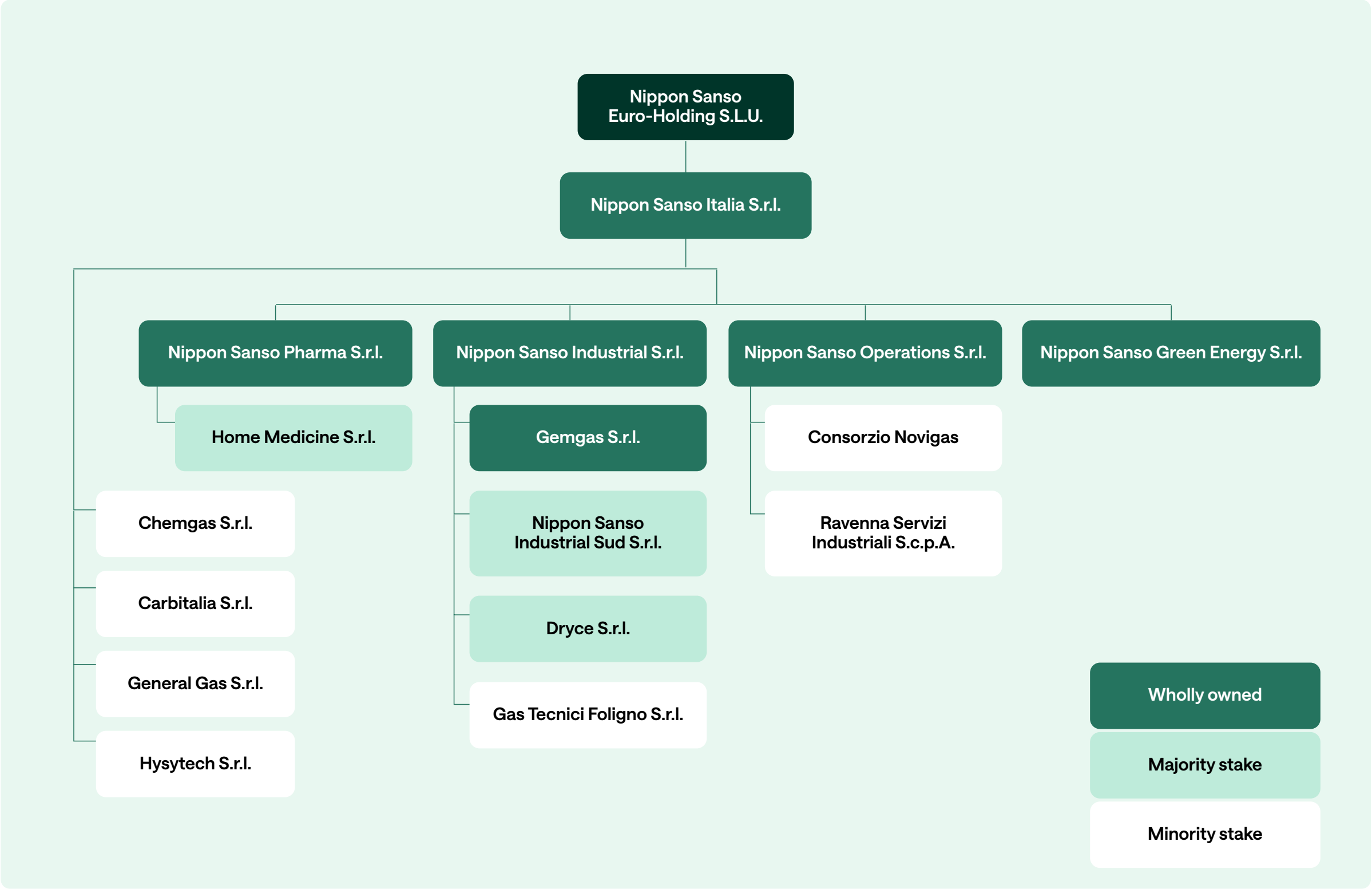
1.2 Nippon Sanso Italia and the value chain

GRI 2-6 Corporate structure

As of 31st March 2026, the following changes occurred in the corporate scope compared with the previous financial year:

- on 1st April 2026, the company adopted the name Nippon Sanso Italia S.r.l., replacing its previous name Nippon Gases Italia S.r.l.;
- Nippon Gases Parma Hub was merged into Nippon Sanso Operations S.r.l.

The organisation chart of the structure is shown below:



The Group’s companies

Nippon Sanso Industrial S.r.l. is a leader in **industrial gases**. Specialising in **compressed, cryogenic, technical, food, pure, specialty and electronic gases**, as well as **refrigerant** gases for industrial sectors, it develops technologies, applications and services dedicated to their safe and efficient use. It includes the joint venture Nippon Sanso Industrial Sud S.r.l.

Nippon Sanso Operations S.r.l. produces **cryogenic liquid gases** from air separation, CO₂ and H₂, and specialises in optimising **distribution** through rigorous cost control and the continuous refinement of operational processes.

Nippon Sanso Green Energy S.r.l. operates in the production and distribution of energy carriers from **biogenic and renewable sources**, such as Biomethane, Bio-LNG and Biohydrogen. Its scope of activity also includes the production, capture and storage of Carbon Dioxide and its use as a precursor for e-fuels and e-chemicals.

Nippon Sanso Pharma S.r.l. produces and distributes **medical gases** through two divisions: Hospitalcare, in the hospital environment,

and Homecare, in the home environment. It provides oxygen therapy, ventilation therapy, medical air and mixtures for therapeutic and diagnostic use. Specifically, it produces and markets Oxygen, Nitrous Oxide, Nitrogen, Carbon Dioxide, medical air and gas mixtures, liquid and gaseous Oxygen delivered to the home, mechanical ventilation and, since 2024, an enteral nutrition service. At the end of March 2024, the company also obtained **CE certifications** in accordance with the Medical Device Regulation (EU) 745/2017 for medical gas distribution systems classified as medical devices. In FYE2026 it achieved **ISO 50001** certification for energy management.

Home Medicine S.r.l. is a joint venture between Nippon Sanso Pharma S.r.l. and Aqua S.r.l., specialising in the provision and organisation of integrated home care services combined with telemedicine services.

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. It has developed the ThermoKube® and ThermoBlock® systems, which ensure the preservation of vaccines for up to 10 days.



The value chain

Nippon Sanso Italia's value chain describes the integrated set of the Group's strategic activities and operational processes. It provides an overview of how the company generates value at every single stage, from production through to final distribution to the customer.

The supply and distribution chain is structured extensively across the entire national territory to cover the whole product life cycle. This integrated network comprises:

- **primary production:** management of production plants;
- **packaging:** cylinder filling centres and operations;
- **storage and logistics:** advanced infrastructure comprising depots and distribution systems;
- **sales network:** widespread presence through commercial offices, agencies and partner resellers.

The main production (known as **Bulk**) is managed through three types of specialised plants:

- **Air Separation Units (ASU):** used for air fractionation;
- **CO₂ plants:** dedicated to the production of Carbon Dioxide;
- **HyCO plants:** specific to Hydrogen generation.

For supply, the company adopts tailored solutions based on the customer's location. Industries located near production sites are connected through a **pipeline** for the constant delivery of large volumes. For distant customers requiring large quantities of gas, the Group offers on-site solutions: the design, construction, installation and management of gas production systems, as well as the on-site recovery and purification of CO₂. Alternatively, storage tanks are installed directly at customers' production units and periodically replenished with product in liquid form.

Compressed gases (technical, food, medical, high-purity specialty and refrigerant gases) are managed at the secondary production centres located across the country, where the gases are produced, filled into cylinders and distributed. Sales are managed through direct networks, agencies and authorised resellers. To optimise logistics, Nippon Sanso is extending the use of 300-bar cylinder packs throughout Italy, which provide 45% more content than the traditional 200-bar containers. The commercial offering also includes a wide range of process gases, such as Acetylene, Ammonia, Chlorine, Hydrochloric Acid and semiconductor.

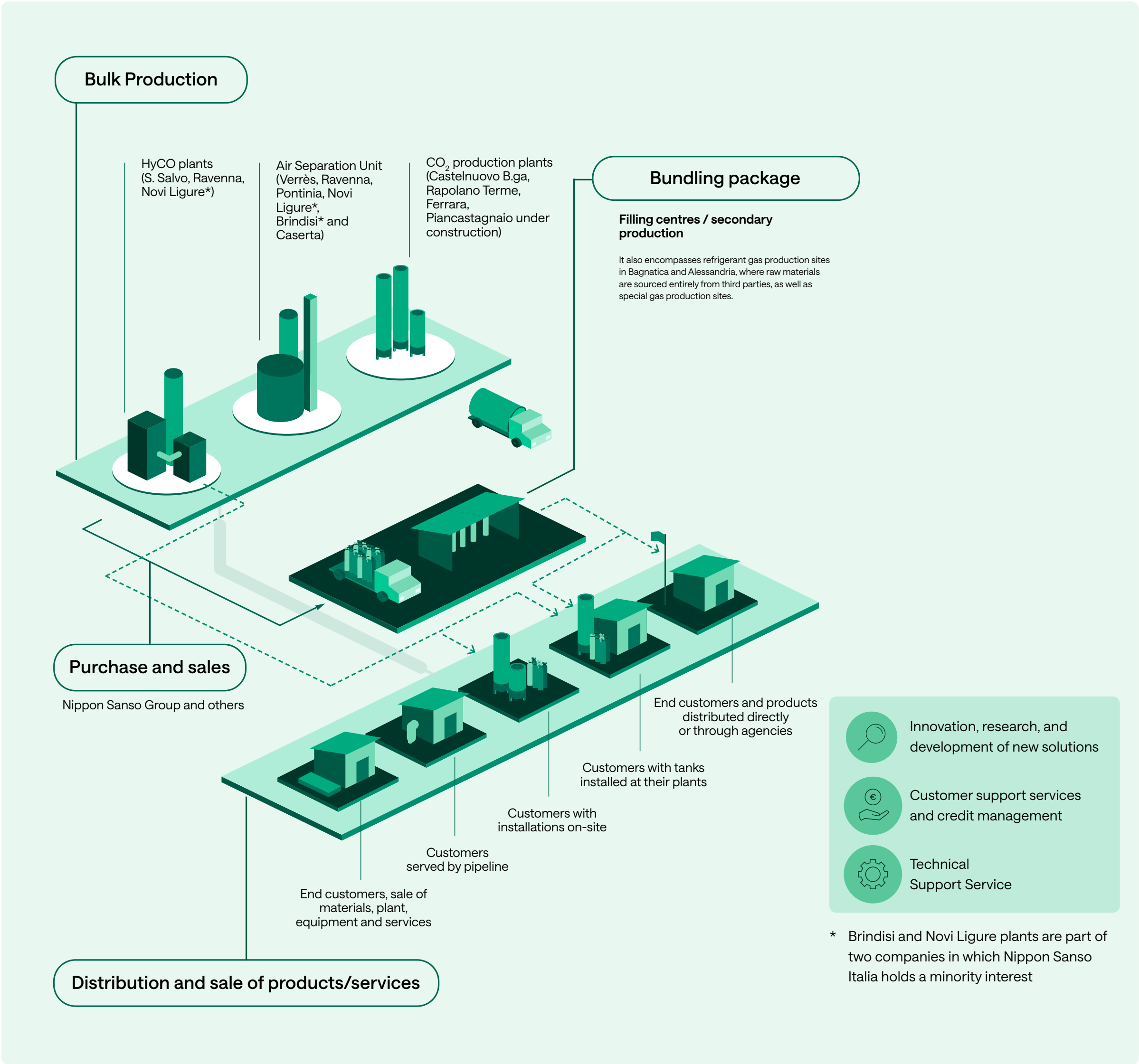
Overseeing all operations, the Group provides comprehensive support through specialised teams. The **Technical Service** handles the installation, maintenance and management of industrial and medical plants throughout their entire life cycle. Field management and container handling are entrusted to the **Gas Management operators**, active in both the industrial and hospital segments. Finally, operational continuity is overseen by the **ROC team** (Remote Operational Center), which carries out the remote monitoring and management of on-site plants through a **24/7** service.

The Group serves a **diverse range of customers, companies and patients** in the industrial and healthcare segments, operating in key sectors such as:

- manufacturing, metallurgical and steel;
- chemical and energy;
- food (Food & Beverage);
- healthcare, medical and home care;
- electronics;
- aerospace and automotive;
- construction and environmental.

Nippon Sanso Italia promotes a transparent business model, cultivating solid relationships with external partners and stakeholders, in particular with customers, suppliers, industry associations and governmental and regulatory authorities.

With regard to its commitment to sustainability, the company relies on **collaborations with third-party bodies to carry out ESG audits**.



1.2.1 Third-party engagement initiatives

Nippon Sanso confirms its commitment to external initiatives by involving third-party agencies that are relevant to stakeholders, in order to assess its sustainability strategy and provide visibility to stakeholders themselves.

EcoVadis

Nippon Sanso earned the platinum medal in the EcoVadis sustainability ranking for the third consecutive year, with an overall score of 94/100. This achievement places the company among the top 1% in its industry

worldwide United Nation Global Compact (UNGC) Nippon Sanso has been active participant in the network since joining as an affiliate of Nippon Sanso Holdings.

United Nation Global Compact (UNGC)

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Responsible Care

Nippon Sanso participates in the Responsible Care programme led by CEFIC, the International Organisation of the National Chemical Associations. Under the umbrella of Nippon Sanso and the Global Charter signed by the President, Nippon Sanso benefits from coordination and commitment to fulfilling the six Responsible Care pillars.

Science Based Targets Initiative (SBTi)

In November 2024, Nippon Sanso committed to updating its climate targets for greenhouse gas emissions to align with the Paris Agreement's goal of limiting temperature increase to 1.5°C above pre-industrial levels. By March 2025, these targets passed validation and were approved.

SusChem

SusChem is the European Technology Platform for Sustainable Chemistry, providing a robust framework that brings together research, development, and innovation actors from academia and industry across Europe.

Sustainability ratings

NSHD's ESG initiatives have received high scores from external sustainability rating bodies, strengthening NSHD's position on ESG matters.

Rating	Previous year	Current year
FTSE	3.7	3.4
MSCI	BBB	A
CDP	A / A-	B / A-
Ecovadis (Eur)	89 (Platinum Medal)	94 (Platinum Medal)



Sustainability is a journey that we build together every day, driven by the commitment and passion of all our people. The results achieved demonstrate the strength of a shared vision, one that is attentive to the environment and the communities in which we operate

Building on the milestones we have reached and the expertise we have developed over the years, we are ready to take on the challenges of the Next Mid-Term Plan and continue generating a positive impact while further strengthening our leadership in environmental sustainability.

Paola Amore
Sustainability and Investments Director

1.3 Our commitment to sustainability

GRI 2-22; 2-28; 2-29

Our stakeholders

A company’s long-term sustainable growth is based on its ability to build and maintain transparent, collaborative and constructive relationships with all those involved in or affected by its business activities. Fostering **open dialogue** and promoting the **sharing of common values** are fundamental pillars for generating mutual benefits and creating genuine shared value.

The actors relevant to Nippon Sanso Italia’s business activities are the same as those defined in the 2024 Sustainability Report and are classified into 7 categories. The table below sets out Nippon Sanso Italia’s relevant stakeholders.



Stakeholder category	Engagement and communication channels
Public and private customers	Nippon Sanso Italia communicates constantly with its customers by taking part in trade fairs and public events and by involving them in customer satisfaction surveys and questionnaires, administered through the Loyalty team, so as to respond in a more targeted way to their needs.
Employees	Nippon Sanso Italia maintains a direct relationship with its employees, with whom it has established frequent dialogue, supported also by the annual administration of a company survey and by the organisation of quarterly calls with the CEO. Engagement also takes place through regular participation in training and information activities using the company and Group digital platforms (WeConnect).
Patients	Nippon Sanso Italia is committed to contributing to patients’ health, an essential objective for the company, always placing their needs at the centre. This commitment translates into a patient care model aimed at ensuring an adequate quality of life and constant support throughout the therapeutic journey.
Local communities	For Nippon Sanso Italia, it is essential to preserve dialogue with the local area for a path of joint growth that integrates the sustainable development of the entire community. Nippon Sanso Italia has therefore devised numerous activities aimed at engaging the areas in which it operates, from supporting local authorities to guided plant tours in collaboration with schools and universities.
Suppliers and collaborators	In developing its products, Nippon Sanso Italia works with qualified suppliers with whom it collaborates on a daily basis, requiring of them the same level of Safety, Quality and Conduct that it demands of its own employees. To this end, suppliers and collaborators are periodically invited to take part in training sessions and structured meetings in which to share new ideas.
Authorities and control bodies	Nippon Sanso Italia considers total transparency and compliance with current regulations to be essential and is committed to establishing collaborations with local authorities to promote research and innovation initiatives.
Industry associations	Nippon Sanso Italia actively engages and collaborates with numerous industry associations, such as Assogastecnici, Federchimica and Unione Industriali, to share best practices and guidelines at national level.

The materiality analysis process

Since its first Sustainability Report, Nippon Sanso Italia has carried out a **materiality analysis** aimed at identifying the most significant ESG topics. According to the GRI standards, these material topics derive from the **impacts generated** by the Group on the **environment**, the **economy** and **people**, including impacts on their human rights. The assessment of impact materiality therefore represents a fundamental step in the Group’s sustainable development journey and reflects a continuously evolving process, progressively updated to respond to developments in the regulatory and market context. In this respect, in FYE2026 the approach adopted was revised to ensure greater alignment with the most recent regulatory guidelines and international best practices, further strengthening the methodological robustness and transparency of the results. The process followed to develop the materiality analysis was structured into the three phases described below.

Analysis of the context, the value chain and the stakeholders, incorporating a benchmark analysis carried out to update the materiality assessment in line with the main activities of the chemical sector. As part of this analysis, specific focus was placed on the topics addressed by the most widely used ESG questionnaires and ratings (EcoVadis, OECD Guidance, CDC (BII), S&P Sustainability, SASB Materiality Map, MSCI) and on the macro-trends relevant to the industrial gas sector. The main evolution of the materiality analysis process lies in the **broader and more structured engagement of stakeholders**, which made it possible to incorporate a wider range of perspectives along the value chain.

This strengthened engagement contributed to a more accurate identification and assessment of impacts, ensuring that the material topics increasingly reflect stakeholders’ expectations and priorities, as well as the Group’s actual interactions with the environment and society. The activity began with the development of a survey covering the environmental, social and governance topics that emerged from the workshop and from the preliminary analysis conducted by the Sustainability team. This survey was shared with four main categories of stakeholders:

Creating value for society through innovative solutions in the gas sector, capable of increasing industrial productivity, promoting people's wellbeing and contributing to a more sustainable future.

Top Management of the Group

Employees

Customers

Suppliers and collaborators

The analysis of the results of the impact materiality survey provided the Group with a structured, evidence-based understanding of the most significant actual and potential impacts generated across its activities and value chain. Through the consolidation and systematic interpretation of the feedback collected, it was possible to refine the prioritisation of the material topics, ensuring that the final outcomes reflect not only **internal assessments** but also the **perspectives and expectations of a wide range of stakeholders**. In line with the evolution of ESG reporting standards, stakeholder engagement is a central component of the materiality assessment process, as it allows companies to consider the **viewpoint of those interested** in or affected by business activities when **identifying and assessing impacts**. In this context, the survey results played a key role in validating the initial assumptions, highlighting potential gaps and providing a more nuanced understanding of the relevance and severity of impacts in the environmental and social dimensions. Indeed, different stakeholder groups often perceive the significance of sustainability topics differently, depending on their role, exposure and expectations; gathering these diverse perspectives is therefore essential to ensure a balanced and representative assessment. The integration of stakeholder feedback also strengthens the credibility and robustness of the analysis, turning individual perceptions into insights useful for decision-making, supporting the development of a coherent materiality matrix and the identification of strategic and reporting priorities. Overall, the analysis shows how stakeholder input



fosters a more complete and forward-looking assessment of impacts, strengthening transparency, stakeholder trust and the company’s ability to align its sustainability strategy with the topics most relevant to its ecosystem. The overall analysis of the context and stakeholders conducted in the previous phase led to the identification of a preliminary long list of impacts, classified as positive or negative, actual or potential.

Evaluation and prioritisation of the identified impacts. In accordance with the GRI standards (Global Reporting Initiative), the identified impacts were assessed by considering the variables of severity (namely the scale, scope and irremediable character of the impacts) and likelihood. Based on the previous assessment, each impact was classified as very relevant, relevant or not relevant. The materiality threshold was set above the impacts assessed as not relevant. The evaluation and prioritisation phase led to the identification of the material impacts.

Association of the material impacts with the corresponding GRI topics. Once the material impacts had been identified, they were associated with the corresponding GRI topics. This phase makes it possible to identify the qualitative and quantitative information relating to the topics on which the Group’s Sustainability Report for FYE2026 is based.

Nippon Sanso Italia’s impacts

The environmental, social and governance impacts of Nippon Sanso Italia are set out below.

Material impact	Description	Material topic
Impacts on climate change resulting from GHG emissions	Nippon Sanso Italia’s greenhouse gas (GHG) emissions contribute to climate change and are largely linked to energy consumption, production processes, transport activities and accidental gas leaks along its own operations and the value chain. The Group’s activities generate direct and indirect GHG emissions, including those associated with the processing of raw materials, the use of energy for production, logistics and the delivery of gases to customers; moreover, the management and potential leakage of refrigerant gases with a high global warming potential (GWP) can further aggravate climate-related impacts. In order to mitigate these negative impacts, the Group has structured an approach based on the standardisation and monitoring of consumption. This management strategy is put into practice through the adoption of the ISO 50001 certification (already implemented by Nippon Sanso Pharma), the periodic performance of energy audits in collaboration with ENEA and the ongoing development of solutions aimed at reducing overall energy intensity, thus making it possible to optimise operational efficiency and progressively reduce the Group’s carbon footprint.	Energy efficiency
Impacts related to energy consumption and energy intensity	Nippon Sanso Italia’s operations are highly energy-intensive, particularly in the production and distribution of industrial, medical, and refrigerant gases. These activities require significant amounts of electricity and fossil fuels, contributing to environmental impacts and greenhouse gas emissions. To mitigate this impact, the Group has adopted a decarbonization strategy implemented at the European level, based on the accurate calculation of Scope 1, 2, and 3 emissions and the definition of reduction targets formally validated by the Science Based Targets initiative (SBTi). This transition pathway is reflected in the ongoing evolution of the company’s fleet toward more sustainable mobility, through the adoption of Euro 5 and Euro 6 vehicles and the introduction of electric vehicles starting in 2025, as well as through increasingly efficient energy management practices. Today, 49.6% of the total electricity purchased is covered by Guarantees of Origin (GOs) from renewable sources, representing a 15.8% increase compared to FYE2025. The Company’s initiatives are further complemented by the circular recovery of OffGas, which is used as an alternative fuel in hydrogen production.	GHG emissions
Environmental and health impacts related to waste production and management	The waste generated by Nippon Sanso Italia’s activities, which includes packaging and complex or potentially hazardous industrial substances, can have negative impacts on the environment and human health if not properly managed. In addition to ensuring fundamental compliance with local and international regulations to prevent such risks, the Group adopts a management model geared towards the circular economy and the recovery of waste. This approach favours the maintenance and multi-year reuse of cylinders and tanks, minimising the purchase of new materials, and provides for sending most of the company’s waste for recovery or recycling. Among the virtuous solutions implemented are the donation of valves to social cooperatives and the recovery of calcium carbonate as a resource for the construction sector. Finally, to encourage responsible practices along the entire operational chain, specific indicators (KPIs) on waste management have been introduced within the performance bonuses dedicated to colleagues in the operations area.	Waste management
Damage to the health and safety of workers	Nippon Sanso Italia’s activities expose workers along the value chain to the risk of accidents, linked to manual operations, falls from height and the use of machinery, to thermal stress and to potential long-term adverse health effects due to exposure to chemical and hazardous substances. In order to mitigate these risks, the Group ensures consistent, periodically audited safety management through the adoption of the ISO 45001 certification across all Group companies. This structural commitment is closely integrated with the “Safety Excellence Journey” initiative, a programme aimed at spreading a culture of prevention that transforms safety from a mere regulatory obligation into a fully shared value. Finally, to concretely encourage responsible behaviour, specific safety KPIs and indicators have been included within the productivity and performance bonuses at every company level.	Workers’ health and safety

Material impact	Description	Material topic
Creation and consolidation of stable and attractive employment	Nippon Sanso Italia recognises the strategic value of its human capital, promoting policies aimed at fostering organisational wellbeing and supporting the growth and professional continuity of its people . This commitment takes shape, first of all, in ensuring solid contractual stability, aimed at offering a safe and serene working environment through a high proportion of permanent contracts , an almost total prevalence of full-time arrangements and the rigorous application of the reference national collective labour agreement (CCNL). At the same time, in order to promote active listening and continuous improvement, the Group periodically administers a corporate climate survey. Through this targeted questionnaire, the company constantly monitors the level of employee satisfaction and assesses the degree of clarity and sharing of the corporate vision.	Attracting and retaining employees
Human capital development and enhancement of skills	Nippon Sanso Italia actively promotes the professional growth and enhancement of its people through a model centred on continuous learning and merit . This commitment takes shape, first of all, in the presence of personalised paths and individual development plans, aimed at defining specific goals for each worker, monitoring career development and bringing out internal potential with the support of strategic tools such as the Advisory Board and the Ambassador programme. To support this journey, the company invests steadily in training , evenly balanced between the updating of technical skills (hard skills) and the development of relational and managerial skills (soft skills). Finally, to stimulate a holistic view of the organisation, the Group encourages inter-departmental knowledge sharing , offering employees concrete opportunities to explore and understand the activities and operational processes of the other corporate functions.	Employee development
Promotion of diversity, equity and inclusion in the workplace	Nippon Sanso Italia’s commitment to diversity, equity and inclusion contributes to creating a fair and inclusive working environment , in which differences of gender, ethnicity, sexual orientation and background are recognised and valued. The adoption of formal policies and initiatives, such as gender equality certifications, programmes to support female leadership and initiatives promoting the inclusion and protection of LGBTQI+ communities, fosters equal opportunities and supports the representation and development of diverse talent within the organisation.	Diversity & inclusion
Discrimination and human rights violations in the workplace	The company’s activities and value chain present a potential exposure of employees to critical situations due to unsuitable working conditions, with risks of human rights violations linked to the failure to respect working hours, inadequate remuneration or a lack of work-life balance. In order to mitigate and prevent these negative impacts, the Group promotes a corporate culture based on ethical rigour, fairness and transparency . This commitment takes shape in the annual review of the Code of Conduct by 100% of employees and suppliers, who formally confirm that they have read and understood the company’s behavioural guidelines. Moreover, to safeguard the working environment, dedicated whistleblowing channels are made available, allowing any violations or unlawful conduct to be reported promptly, always ensuring the utmost protection and complete anonymity of the whistleblower.	Human rights

Material impact	Description	Material topic
Reputational and economic damage caused by anti-competitive behaviour and non-compliance with rules and regulations	Failure to comply with the law and the occurrence of anti-competitive conduct or conduct contrary to antitrust regulations may result in serious legal sanctions, financial losses and reputational damage for Nippon Sanso Italia, undermining stakeholder trust and market positioning. To mitigate these risks and embed a solid culture of legality, the Group has implemented an effective Compliance Programme. This structural framework is based on the adoption of the 231 Model across all Group companies, widely supported by training sessions dedicated to all employees. The company’s ethical commitment is further strengthened through field initiatives such as “ Compliance Week ”, focused on raising awareness against harassment and bullying, with the obligation for each working group to draw up a thematic report and the integration of specific compliance indicators and KPIs within the company’s bonus systems.	Compliance, ethics and business integrity
Strengthening innovation and service quality through research and development	Nippon Sanso Italia’s continuous investments in research and development projects are aimed at improving technological innovation and product quality, thus increasing the performance of products and services and maximising customer satisfaction. The Group is committed to the sustainable development of its plants and processes, as well as of its customers’ applications, through continuous investments in digitalisation and research and development . In addition, initiatives such as the “Ideas for the Future” programme, which promotes the generation of ideas and collaboration among employees, support a culture of continuous improvement and collaborative innovation, with the aim of improving people’s lives through the technological applications of its gases.	Innovation, research and development
Damage to health and safety caused by the non-compliance of products and services	The failure of products and services to comply with the applicable standards may cause damage to the health and safety of customers, end users and workers downstream in the value chain. Nippon Sanso Italia’s activities include the development, production and distribution of gases and related systems which, if not compliant with industry standards or used improperly, may entail risks for users and increase the likelihood of accidents or adverse health effects . The marketing and application of gas-based solutions require strict compliance with quality and safety requirements , as non-compliant products or inadequate conditions of use may generate negative impacts on end users. The importance of product safety and innovation, reflected also in the development of new solutions such as SanShield, highlights the importance of ensuring that all products consistently meet the required health and safety standards.	Customer and community health and safety
Reputational and economic damage caused by corruption	Corruption or unethical business practices involving Nippon Sanso Italia may result in significant reputational and economic damage , including financial losses, legal sanctions and compensation costs, as well as the potential loss of stakeholder trust and key customers.	Anti-corruption
Damage caused by breaches of privacy and data protection	In the medical sector, Nippon Sanso Italia also offers home services, which involve direct access to personal data and information. Breaches of privacy and data protection, including the loss, unauthorised access or misuse of such personal and sensitive data, may result in significant reputational and economic damage for Nippon Sanso Italia. Such incidents may affect employees, customers, suppliers and other stakeholders, resulting in legal sanctions, financial penalties and loss of trust. The management of personal and business-critical information along the operations and the value chain entails exposure to data security and confidentiality risks.	Customer privacy

Nippon Sanso Italia pursues its commitment to sustainability through the "**Medium-Term Sustainability Plan.**"

Adopted at European level in 2022 and overseen by the Sustainability Committee (which includes members of the Board of Directors), the plan set the targets up to 2026 for the protection of the environment, people and local areas.

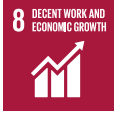
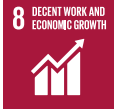
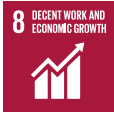
The strategy combines the parent company’s materiality matrix with 10 of the United Nations Sustainable Development Goals (SDGs). Looking ahead, however, our approach will become even more locally focused: from the Medium-Term Plan period we will begin to **report specific objectives and results at local level for Italy.**

The main targets of Nippon Sanso Europe, **also adopted by Nippon Sanso Italia**, and the progress recorded up to **31st March 2026** are illustrated below.

SDG Goals	Nippon Sanso Europe medium-term initiatives	Target	Results as of 31 st March 2026
Climate change / technology and innovation			
	Reduce GHG emissions: reduction of total CO ₂ emissions (%) in absolute value (t) compared with FYE2019	29% reduction in FYE2026; 35% reduction in FYE2031	> 40%
	Productivity projects: promote productivity generating savings in the area of Sustainability over the period FYE2022–FYE2026	50,000 ton CO ₂ eq	Over 50,000 tonnes over the last 5 years
	Carbon Neutrality: expand the products and services that enable customers to reduce their CO ₂ emissions. Contribute to increasing the reduction of customers’ greenhouse gas emissions	Contribution to greater emission reductions	Contribution to reduction > 150% of emissions
	Carbon Neutrality: production of Biomethane through anaerobic digestion of wastewater treatment sludge	Reach 8 units/year with an average production of 500 m³/h, equivalent to 281 GWh per year	Not achieved
	Carbon Neutrality: promotion of biomethane as a source for the production of green or low-carbon Hydrogen for small and medium-sized customers	Reach 6 units/year with an average production of 240 m³/h	Not achieved; first units operating in the second half of 2026
	Renewable energy: continue to promote the share of renewable energy	35% renewable energy	A renewable energy share of 39% of total purchased energy achieved



SDG Goals	Nippon Sanso Europe medium-term initiatives	Target	Results as of 31 st March 2026
Environment			
	Water: continue to reduce water consumption (vs sales) across all Nippon Sanso production plants. Reduce water consumption intensity compared with the FYE2020 baseline year	Reduce water consumption intensity vs sales by 10%	Water consumption intensity reduced by 44%
	Waste: reduction of waste disposal intensity (vs sales) compared with the FYE2020 baseline year	Reduce waste disposal intensity vs sales by 11%	Waste disposal intensity reduced by 24%
	Logistics: continue to leverage data-based technologies and improve logistics efficiency, correctly sizing tanks and cylinder packs compared with the FYE2022 baseline year	6% reduction in GHG emissions from product transport	Not achieved, due to market contraction
	ISO 45001 Environmental Management System Improving the Engagement of Operational Plants	Operating sites involved > 80%	121 certified sites achieved

SDG Goals	Nippon Sanso Europe medium-term initiatives	Target	Results as of 31 st March 2026
People			
	Diversity and inclusion: increase the female population in specialist and manager roles	30.5% women; 28.5% women in specialist and manager positions	30.9% women; 34.3% women in managerial positions
	Employee engagement: assess employee engagement. Improve the sustainable engagement index	≥ 85%	88%
	Community engagement: coordinate social and community initiatives in the areas where Nippon Sanso is present compared with the FYE2022 baseline year	Increase the number of participants, funds and number of projects by 30%	Participation increased by more than 200%
	Youth: commitment to increasing the diversity and number of positions for local young talent in the organisation	Increase the number of internships by 3% per year	Target achieved

SDG Goals	Nippon Sanso Europe medium-term initiatives	Target	Results as of 31 st March 2026
Safe operations			
	Improve the Recordable Injury Rate (RIR) per million hours worked	RIR 1.19	RIR 0.89
	Improve the Lost Time Injury (LTI) rate per million hours worked	LTI 0.54	LTI 0.74
	Preventable Product Vehicle Accident rate (Pre-PVA) per million kilometres travelled	Pre-PVAR 0.20	Pre-PVAR 0.01
	Number of instances of damage to Nippon Sanso assets	12/year	1 recorded last year
	Continue to promote information campaigns following accident analyses and audit results	One campaign per year	Target achieved
	Complete the Process Safety Roadmap	To be completed by FYE2024	Target achieved
	Strengthen the European Safety and Environment assessment programme	12 European assessments per year	18 assessments carried out
	Include training for employees and contractors on a digital platform	Complete implementation in Europe by FYE2024	Target achieved

SDG Goals	Nippon Sanso Europe medium-term initiatives	Target	Results as of 31 st March 2026
Ethics and compliance			
	Customers: strengthen and improve quality and management systems	Number of customer complaints with an economic impact greater than JPY 1 million: ≤ 5/year	1 case last year
	Customers: customer satisfaction survey	As needed	Target achieved
	Compliance: specific training	100% of employees receive compliance training	Target achieved
	Standards: participate in the development of corporate HSEQ standards	Complete the review of Nippon Sanso Europe standards	Target achieved
	Compliance: sustainable review of all potential integrity cases	100% review	Target achieved
	Procurement: incorporate environmental management and ESG (Environmental, Social and Governance) criteria with all value chain participants. To be included in supplier contracts	Suppliers covering 80% of spend must be entered into the new SRM (Supplier Relationship Management) system. New ESG clauses to be included in European contract templates	ESG criteria incorporated into the SRM process and ESG clauses included in the contract
	Procurement: improve CSR risk analysis before supplier assessments or audits	Implement the new system (iRisk) as part of the process for all safety-critical, single-source and sole suppliers	On track, based on Zycus
	Procurement: improve the supporting documentation on the coverage of sustainable procurement actions for all base suppliers and those related to the company's operations	Incorporate the new Supplier Code of Conduct into the documentation and the SRM process for selected suppliers (80% of spend)	The Supplier Code of Conduct has been incorporated into the SRM process and critical suppliers are required to accept and sign it. Accepted by more than 2,000 suppliers
	Procurement: improve reporting information on sustainable procurement topics	Incorporate suppliers' initiatives related to sustainability productivity and link them to the new SRM system	Done; more than 2,000 suppliers have accepted

As part of the NSHD group, Nippon Sanso in Europe is committed to the corporate initiatives outlined in the “Next Innovation 2030” medium-term management plan. The group has established eight non-financial programmes that are being implemented with more ambitious goals within Nippon Sanso in Europe and Nippon Sanso Italia.

01. Carbon Neutral Program I (CNP I)

NSHD aims for carbon neutrality through technological advancements by FYE2026.

NSHD Group GHG emissions targets FYE2026: -18%, FYE2031: -32% (Compared to FYE2019).

02. Carbon Neutral Program II (CNP II)

NSHD will reduce its customers' GHG emissions via environmental product offerings and applications. By FYE2026, NSHD will achieve a GHG reduction contribution exceeding the Group's own GHG emissions.

03. Zero Waste Program (ZWP)

The 3Rs approach (Reduce, Reuse, Recycle) to waste management is imperative.

04. Sustainable Water Program (SWP)

Aiming to conserve water resources through efficient utilisation throughout business activities.

05. Safety First Program (SFP)

Achieve world-class safety standards in the industrial gas industry.

Lost Time Injury Rate (LTIR)*1: ¼ 1.6 until FYE2026.

06. Quality Reliability Program (QRP)

Instil a quality-oriented culture to reform employee awareness and improve NSHD's quality and reliability by promoting automation technologies.

07. Talent Diversity Program (TDP)

The diversity of talents is crucial for the sustainable growth of the Group.

Targets:

- Female employees: 22% by FYE2026, 25% by FYE2031.
- Female Management positions: 18% by FYE2026, 22% by FYE2031.

08. Compliance Penetration Program (CPP)

Promote compliance activities by ensuring all employees are aware of and understand compliance.

Compliance training rate: 100%.



Chapter 2

Creating social value together

Nippon Sanso Italia firmly believes that an innovative, responsible and environmentally conscious business model is fundamental to building a society founded on wellbeing and equity. The Group is committed to actively anticipating the challenges of the future, guiding the sustainable development of the markets in which it operates.

Thanks to solid technical expertise and constant strategic collaboration, the company adopts cutting-edge technologies to offer efficient, durable and low-environmental-impact

solutions. In this way it is able to meet the constantly evolving demands of customers operating in the industrial and medical gas sectors.

This path is achieved by always placing the value of people and the utmost protection of workplace safety at the centre. These are absolute priorities for every operational activity, constantly guided by deep ethical principles and by compliance with a strict Code of Conduct.

2.1 Governance bodies and sustainability governance

GRI 2-9 | 2-10 | 2-11 | 2-12 | 2-13 | 2-14 | 2-18 | 405-1

As at 31 March 2026, Nippon Sanso Italia is administered by a Board of Directors composed of **four members**, all non-independent and appointed until revocation or resignation, with the possibility of re-election. The Board reflects a gender balance: **two male directors and two female directors**. In terms of age, three of the four members are over 50 years old, while one falls within the 30-50 age group. All members have more than twenty years of professional experience in the financial, legal and business sectors.

The members of the Board of Directors as at 31 March 2026 are: Eduina Marino (President and Chief Executive Officer), Pedro Mazarrasa Llosa (Director), Davis Reginato (Director) and Laura Zanotti (Director).

Since 1st April 2024, **Eduina Marino** has held the role of President and Chief Executive Officer. A graduate in Chemical Engineering with a Master's in Finance, she joined the Group 25 years ago, taking on progressively senior roles in the commercial and management areas until her appointment as General Manager of Nippon Sanso Pharma in 2020. The coexistence of the roles of President and Chief Executive Officer is provided for by the Articles of Association.

The appointment of the Board of Directors is the responsibility of the **shareholders' meeting**. The shareholders' meeting of Nippon Sanso Italia is convened by the Board of Directors at least once a year, within 120 days of the close of the financial year, for the final approval of the financial statements, as it is ultimately responsible for their approval. In cases permitted by law, the meeting may be convened within 180 days.

The President of the Board of Directors chairs the Board's meetings, guides their proceedings and, in the event of a tie, has the casting vote. Under the Articles of Association, the President is responsible for representing the company. Conflicts of interest involving the President are prevented through rules of **transparency** and **control**: directors must act in the interest of the company, decisions and minutes must be formalised, shareholders have the right to inspect and consult company documents, and the activities of the members of the administrative body are subject to the limits and checks provided for by the Articles of Association and the law.

Composition of the Board of Directors by gender	
Men	2
Women	2
Total	4

Composition of the Board of Directors by age	
Under 30	0
Between 30 and 50	1
Over 50	3
Total	4



Supervisory body and statutory audit

The supervisory body is represented by a **Sole Auditor**, whose task is to oversee the adequacy of the organisational structure, the effectiveness of the internal control system and the correct representation of management events in the administrative-accounting system. The statutory audit of the accounts is entrusted to **EY S.p.A.**, duly registered in the Register of Statutory Auditors.

Subsidiaries

The subsidiaries **Nippon Sanso Pharma S.r.l.**, **Nippon Sanso Industrial S.r.l.**, **Nippon Sanso Operations S.r.l.** and **Nippon Sanso Green Energy S.r.l.** are each administered by their own Board of Directors, with a single-member supervisory body (Sole Auditor) distinct from that of the parent company.

Supervisory Board

The main companies of the Group have adopted an **Organisation, Management and Control Model (MOGC)** pursuant to Legislative Decree 231/2001. The Supervisory Board, equipped with autonomy, independence, professionalism and continuity of action, **performs three functions**:

- Verify that conduct within the Company complies with the Model.
- Monitor its effectiveness in identifying and preventing the predicate offences.
- Promote the updating of the Model following organisational or regulatory changes.

Committees

Nippon Sanso Italia makes use of five committees with distinct functions, set out in the table below.

Management Committee Meets on a monthly basis or at the request of the Chief Executive Officer. It analyses the Group's overall performance, identifies deviations from strategic objectives and defines corrective actions and improvement plans.	Operating Committee The cross-functional body responsible for ensuring the coordination and effectiveness of operational decisions relevant to the Nippon Sanso Italia Group. The Committee meets on a periodic basis and, where necessary, at the request of the Chief Executive Officer, with the aim of analysing the main operational, technical and organisational issues that may have a significant impact on the business. In particular, the Committee is responsible for: – examining operational initiatives and projects with impacts on safety, quality, regulatory compliance and economic performance; – ensuring alignment between the different company functions, fostering an integrated, multidisciplinary approach to decision-making; – assessing operational risks and critical issues, identifying the most appropriate corrective actions; – setting operational priorities, in line with strategic objectives and technical-economic constraints; – monitoring the progress of relevant initiatives and the implementation status of decisions taken. The Operating Committee supports the Chief Executive Officer in the decision-making process, helping to ensure a balance between operational efficiency, risk management, sustainability and compliance. The Committee's composition reflects the company's main areas of expertise and includes the heads of the Engineering, Safety, Quality, Capex, Legal and PAG Production functions, ensuring a complete and integrated assessment of the issues addressed.
SA8000 Social Performance Team Made up of a balanced representation of workers' representatives and management representatives, it monitors compliance with the social responsibility management system under the SA8000:2014 standard; it assesses the risks connected with governance and social responsibility issues, identifying actions to be implemented to foster non-discrimination, transparency in governance and the organisation's sustainable development.	
Innovation Committee Established in FYE2024, it coordinates and approves innovation initiatives and related projects.	
Streamlining Committee Collects and analyses reports on procedures and processes, identifies critical issues and proposes corrective measures.	
Gender Equality Steering Committee Ensures compliance with the management system for gender equality under the UNI/PdR 125:2022 standard; it oversees the inclusiveness of the working environment and serves as an additional point of reference for all employees.	



Oversight of impacts and stakeholder engagement

The Board of Directors of Nippon Sanso Italia plays an active role in the development, approval and updating of the sustainability strategy, values and corporate objectives, which find expression in the Group's Code of Conduct. The Board **assesses** the organisation's **economic, environmental and social performance at least once a year**, together with the relevant **risks and opportunities**, including the management of impacts on the economy, the environment and people. The results of these processes feed into strategic decisions and improvement plans.

Stakeholder engagement in support of these processes takes place through channels differentiated by category: with **customers** through trade fairs, industry events, satisfaction surveys and questionnaires; with **employees** through training activities, internal communication and digital company and Group platforms; with **local communities** through initiatives in the areas where the company operates, support for local authorities and guided plant visits for schools and universities; with **suppliers and collaborators** through dedicated training sessions and structured meetings; with **local authorities and industry associations** through collaborations and dialogue on best practices and guidelines. In general, the **company website** and **social media pages** are valid tools for interacting with all of the stakeholders mentioned.

The management of business risk follows European Risk Management guidance. Risks are assessed on an impact scale from 1 to 5.

Risks are mapped into four main categories:

- External environment;
- Business strategy;
- Business processes;
- Business support (including the compliance and IT areas).

The Board's role in sustainability reporting

The Board of Directors of Nippon Sanso Italia is responsible for reviewing and approving the information reported in the Sustainability Report, including verifying the correct identification of material topics. The document is prepared with the support of the Sustainability function and with the contribution of the representatives of the individual company areas; the Board ensures its final oversight prior to publication.

2.1.1 Nippon Sanso Italia's sustainability governance

At European level, sustainability performance is analysed within the Sustainability Committee of Nippon Sanso Euro-Holding, composed of the European Management and including some members of the Board of Directors of Nippon Sanso Italia. The Committee is responsible for defining and monitoring the objectives of the Medium-Term Sustainability Plan FYE2022-FYE2026, meeting on a quarterly basis. During this period, in addition to verifying the milestones achieved, the new plan for the FYE2027-FYE2030 period was defined.

These sessions are complemented by equally quarterly meetings, coordinated by the European Management, addressed to all the Vice Presidents and Chief Executive Officers of the Group's different regions.

The sustainability governance document system is structured on two levels: the policies and procedures of the European parent company, including the Code of Conduct, the Group's thematic policies and those developed locally in the Legal, Administration, Finance and Taxes, HSE and Quality areas. The Group's main policies are published on the company website, accessible externally in keeping with the principle of transparency adopted by the Group.

The commitments adopted are disseminated through five channels:

- **e-mail** communications to all subsidiaries;
- publications on the company **intranet**;
- presentations at **onboarding** for new hires;
- dedicated **training sessions** on individual policies;
- periodic recertification of the **Code of Conduct with integrated training**.

The development of Directors' skills on sustainability matters is overseen by the **Sustainability Committee** through **periodic update initiatives**. The quarterly European meetings, attended by all Board members, constitute a structured opportunity to deepen understanding of company performance and regulatory developments.

2.1.2 Corporate integrity tools and management systems

GRI 2-15 | 2-16 | 2-17 | 2-23 | 2-24 | 2-25 | 2-26 | 2-27 | 3-3 anti-corruption | 205-1 | 205-2 | 205-3 | 3-3 business ethics and compliance | 206-1 | 3-3 privacy and data protection | 418-1

The principles of compliance and responsible corporate conduct under which Nippon Sanso Italia operates are formalised in the **Code of Conduct of the Nippon Sanso Europe Group**. This document is a binding strategic and values-based guide, not only for all employees, but also for suppliers and external stakeholders.

The principles of corporate compliance under which Nippon Sanso Italia operates are:

- 1 All compliance violations can be prevented.
- 2 Compliance is a direct responsibility of line management.
- 3 Every employee is responsible for their own ethical conduct.
- 4 Commitment to compliance generates compliance.
- 5 Ethical conduct is an essential condition of employment.

At the operational level, the company promotes a culture of responsibility that is widespread and measurable through **structured training and awareness paths**.

In particular, Nippon Sanso’s commitment to high ethical standards and responsible conduct underpins the Group’s values. To constantly promote a culture of compliance, the Group runs various initiatives, including the **annual recertification process for 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 FYE2026, recertification was completed by 100% of the employees of the Group companies. Alongside this, **mandatory compliance training** is delivered during onboarding, successfully completed by 100% of new hires during the reporting period. Overall, in addition to the above, **21 compliance-related courses** were also delivered.

To ensure ongoing oversight over time, the Group provides for a **biennial training programme** on specific compliance modules for most employees, alternating each year with the organisation of “Compliance Week”, an initiative that promotes awareness of compliance topics, fostering a practical approach. In the year under review, the European Compliance Week was held from 26 to 30th January 2026, and was entirely dedicated to the principle of **“integrity and respect in the workplace”**, further strengthening the sharing of the company’s ethical values.

During the meetings held during that week, every employee was encouraged to reflect on the topic, reaffirming their commitment to act ethically and honestly. In preparation for Compliance Week, articles on topics forming part of the meeting programme were published on the intranet platform and made accessible to all employees. 604 Nippon Sanso employees took part in Compliance Week, and 116 meetings were held, during which the topic was addressed and discussed. To guarantee the effectiveness and transparency of these processes, the company’s management systems, certified in the areas of HSE (Health, Safety and Environment), Quality, anti-corruption, gender equality and information security, are subject to rigorous and constant **periodic audits**. In line with the guidance and strategy defined at European level by



the Group, Nippon Sanso Italia adopts an **approach to tax matters** based on **ethics** and the utmost **transparency**. The management of these matters is closely coordinated with the dedicated tax team, ensuring both full compliance with local laws and strong collaboration with the competent tax authorities. Continuing to follow these European-level directives, the company is committed to maintaining **constant alignment with its customers and suppliers**, a practice essential to ensuring the absolute correctness and accuracy of taxes on commercial transactions. Finally, with regard to cross-border activities as well, corporate conduct rigorously adheres to OECD guidelines on transfer pricing, faithfully applying the Arm’s Length principle.

The commitment to responsible conduct ultimately extends to the

entire value chain. In the procurement phase, the integration of sustainability principles takes place through a **dedicated supplier qualification portal**, which requires the completion of specific assessment questionnaires on HSE, compliance and quality matters, as well as adherence to the Nippon Sanso Europe Supplier Code of Conduct and the signing of a letter of integrity. In addition, anti-corruption clauses and clauses relating to Legislative Decree 231/2001 are systematically included in contracts and general purchasing conditions. In parallel, towards customers, Nippon Sanso Italia makes formal commitments linked to the highest quality and safety standards, adheres to internationally significant initiatives such as **Responsible Care** and the UN **Global Compact**, and incorporates specific compliance clauses into its contracts and general sales conditions.

Nippon Sanso is also committed to ensuring fair competition at every level of production, distribution and sales. The Group believes that new business opportunities can only be obtained by rigorously complying with all antitrust rules and regulations. In addition, the Group provides all target employees with the Antitrust and Fair Competition Policy, containing clear instructions and guidelines aimed at raising employees’ awareness of conduct consistent with anti-competitive principles and preventing any violations. Nippon Sanso’s strategic choices are determined solely on the basis of public information and the estimates derived from it.

Similarly, with regard to the import/export of products, the Group follows all applicable regulations as well as internal procedures, and carries out checks on the profiles of the business partners responsible for import and export operations. In this regard, during the fiscal year Nippon Sanso Italia adopted the new **Export Compliance and International Sanctions Policy**, aimed at providing all employees with guidelines and instructions for operating in compliance with applicable import and export regulations and international sanctions legislation, in all relevant company activities.

Nippon Sanso also complies with the GDPR (General Data Protection Regulation), Regulation (EU) 2016/679 of the European Parliament and of the Council of 27th April 2016, to ensure the protection of all personal data used in the course of its business activities. In addition, Nippon Sanso Italia makes use of internal policies and procedures that translate into adequate security measures to prevent the destruction, loss or damage of the information in its possession.

Model 231 and Supervisory Board

Nippon Sanso Italia has adopted an **Organisation, Management and Control Model (MOGC)** pursuant to Legislative Decree 231/2001 on the administrative liability of entities. The MOGC is aimed at preventing offences 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 the company’s integrity and accountability. The MOGC of Nippon Sanso Italia identifies:

- the sensitive activities in relation to the predicate offences;
- the control standards in relation to the sensitive activities and processes identified;
- the methods for managing financial resources so as to prevent the commission of offences;
- the information flows to and from the Supervisory Board;
- the functions and powers of the Supervisory Board;
- the structure of the disciplinary system;
- the internal reporting system pursuant to Legislative Decree No. 24/2023 (the so-called Whistleblowing Decree);
- the methods of communicating and disseminating the MOGC within the Company and to third parties.

Nippon Sanso Industrial, Nippon Sanso Pharma, Nippon Sanso Operations, Nippon Sanso Industrial Sud and Home Medicine have also each adopted an organisational model aligned with that of Nippon Sanso Italia, each structured according to the specific risks of their different business activities. With regard to the internal reporting system pursuant to Legislative Decree 24/2023, Nippon

Sanso Italia has adopted a whistleblowing procedure valid for all Group companies, which allows employees and third parties to report, including anonymously, potential violations of the Code of Conduct, European and national legislation, and the MOGC. Reports may be submitted through various channels, always ensuring confidentiality and protection from any retaliation. The management of reports is entrusted to a dedicated committee, chaired by the Chief Compliance Officer and the HR Director of Nippon Sanso Europe, who ensure thorough investigations and appropriate responses. Violations of the Code, or failure to report them, may result in disciplinary action. In addition, specific reporting procedures are in place under the SA8000 certifications (Ethics and Social Responsibility), obtained by Nippon Sanso Pharma and Home Medicine, and under the UNI ISO 37001 certification for Nippon Sanso Pharma.

Reporting of critical issues

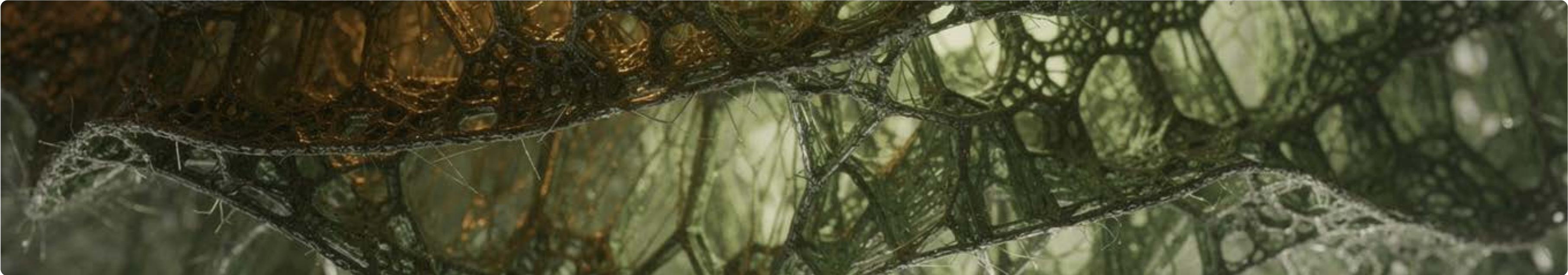
Critical issues, understood as concerns about potential negative impacts on stakeholders, are communicated to the Board of Directors through internal information flows, periodic reporting, the quality management system and the Compliance Review Board. No significant critical issues were referred to the highest governance body during the reporting period. The handling of customer complaints is entrusted to the Quality & Regulatory service through a dedicated management system. The overall effectiveness of this control system is confirmed by the positive results of quantitative monitoring for FYE2026. Thanks to the application of corporate integrity standards, it should be noted that over the past three years in Italy no reports have been received that led to the confirmation of violations of the Code of

Conduct. During the current fiscal year, in any case, no episodes of non-compliance with laws and regulations on ethics, corruption or antitrust matters, public legal proceedings relating to corruption or antitrust issues, or complaints of human rights violations or discrimination were recorded.

Confirmed episodes of corruption	0
Episodes of corruption for which employees were dismissed or disciplined	0
Episodes of corruption involving external partners	0
Public legal cases	0

Privacy and data protection

The protection of personal data and company information is managed through a structured information security governance system, based on dedicated policies, procedures and controls. The approach adopted aims to ensure the confidentiality, integrity and availability of information, while promoting awareness and accountability among people with regard to the secure management of data. In FYE2026 no significant incidents relating to information security and data protection were recorded.



Complaints received from third parties and substantiated by the organisation	0
Complaints received from regulatory bodies	0
Total number of identified leaks, thefts or losses of customer data	0

Certified management systems

Nippon Sanso Italia has obtained and maintained an integrated system of certifications in its main management areas. The table below summarises those in force in FYE2026.

Area	Standard	Certified entity
Quality	UNI EN ISO 9001:2015	Nippon Sanso Italia Nippon Sanso Industrial Nippon Sanso Industrial Sud Nippon Sanso Pharma Nippon Sanso Operations Home Medicine
	UNI CEI EN ISO/IEC 17025:2018	Chivasso (TO) laboratory
	Labelling certification pursuant to Directive 2014/68/EU (PED) for pressure equipment	Chivasso (TO) site
Medical Devices Quality	Labelling certification pursuant to Directive 2010/35/EU (TPED) and the ADR regulations in force for transportable pressure equipment	Anagni (FR), Chivasso (TO), Messina, Terni, Pescara, Melito (NA), Settimo Torinese (TO)
	UNI CEI EN ISO 13485:2021	Nippon Sanso Industrial Nippon Sanso Pharma Nippon Sanso Operations
	Labelling certification pursuant to Regulation (EU) 2017/745 for medical device systems and pursuant to Directive 93/42/EEC for medical device gases	Nippon Sanso Pharma
Food Safety	UNI EN ISO 22000:2018	Nippon Sanso Industrial Nippon Sanso Operations
	Certificate FSSC 22000	Anagni (FR), Chivasso (TO), Castelnuovo Berardenga (SI), Ferrara, Ravenna, Rapolano Terme (SI), Verres (AO), Caserta (CE), Pontinia (LT)
	Kosher Certificate	Castelnuovo Berardenga (SI), Rapolano Terme (SI), Ferrara
Social & Governance	UNI/PdR 125:2022	Nippon Sanso Industrial Nippon Sanso Pharma Home Medicine
	ISO 30415:2021	Nippon Sanso Pharma
	SA 8000:2015	Nippon Sanso Pharma Home Medicine
Anti-bribery	UNI ISO 37001:2025	Nippon Sanso Pharma
Environment	UNI EN ISO 14001:2015	Nippon Sanso Industrial Nippon Sanso Pharma Nippon Sanso Operations
	EMAS Regulation	Chivasso (TO), Novara
Energy	ISO 50001:2018	Melito (NA)
Safety	UNI EN ISO 45001:2023	Nippon Sanso Italia Nippon Sanso Industrial Nippon Sanso Pharma Nippon Sanso Operations Home Medicine
Information Security	ISO IEC 27001:2022	Nippon Sanso Italia Nippon Sanso Industrial Nippon Sanso Industrial Sud Nippon Sanso Pharma Nippon Sanso Operations Home Medicine

The certification system covers quality, safety, environment, energy, social responsibility, gender equality and information security. FYE2026 saw Nippon Sanso Pharma obtain its first **ISO 50001** certification for energy management. Maintaining the certifications requires periodic cycles of internal and third-party audits at all the Group's sites and functions involved. In FYE2026 a total of 147 audits took place.

FYE2026	Total Quality and other certification audits (excluding HSE)
Control bodies	11
Customers	17
Certification bodies	57
Internal	27
Suppliers	35
Total	147

“Quality and sustainability share the same objective: creating long-term value. An effective quality management system goes beyond ensuring compliance; it fosters a culture of continuous improvement, accountability, and attention to all stakeholders.

These are the foundations on which we build an organization capable of addressing future challenges with strength, resilience, and a clear vision for the future.”

Carla Garella
Quality & Regulatory Manager



2.2 The value we generate

GRI 201-1 | 3-3 management and distribution of value

In the financial year closed on 31 March 2026, Nippon Sanso Italia generated an economic value of almost EUR 580 million, up by around 5% compared with the previous financial year. 72.6% of this value, up 5.9% on the previous year, was distributed mainly in the form of services and raw materials and staff remuneration, while the remaining share was retained and reinvested to support the continuity and development of the business.

“Sustainability is not an objective separate from economic performance: it is the way we build value over time. Investing in people, in innovation, in safety and in the areas where we operate means strengthening the company's solidity and generating shared value and lasting benefits for all our stakeholders.”

Luca Corengia
Finance Director



Chapter 3

Together towards a low-emission world

Achieving carbon neutrality by 2050 is a shared goal that requires swift and coordinated action by the whole of society. In this journey, companies operating in the industrial gas sector play a key role, as they are able to provide practical and innovative solutions. Nippon Sanso is fully aware of this responsibility and firmly reaffirms its commitment to innovation and sustainable development.

The company's attention to the environment goes well beyond simply reducing its own direct impact. The Group is actively committed to building a more sustainable future by working closely with customers, suppliers, local communities and all of its partners. Through research and the use of advanced technologies, the company fosters the spread of a low-emission economy. This vision translates both into the optimisation of internal activities and into concrete support provided to customers, with the shared goal of shaping a future built on ever-greater decarbonisation.

3.1 Innovation for the benefit of the environment

GRI 3-3 innovation, research and development

Nippon Sanso Italia manages innovation as a strategic lever for industrial competitiveness, sustainability and value creation over the medium-to-long term. **The company's innovative projects are in fact the direct result of collaborations established with the external ecosystem, combined with and enhanced by internal expertise.** In this journey, all company departments are involved from the earliest stages in defining needs, analysing market trends and selecting initiatives, ensuring constant alignment between strategy, operations and customer needs. This commitment, essential to respond to the needs of a constantly evolving market, translates into **ongoing investment** in the **development of cutting-edge technologies** and **processes**. The continuous improvement journey is further fuelled by strong synergy and an uninterrupted exchange of know-how with Nippon Sanso Europe and the Japanese parent company. The management model is supported by a dedicated internal procedure and a structured **Innovation Governance** system that clearly defines objectives, policies and priorities, optimising resources, roles and responsibilities. The coordination and approval of specific initiatives and projects is entrusted to the **Innovation Committee**, which represents the decision-making hub of this structure.

To ensure maximum company-wide engagement, this organisational model is disseminated internally through dedicated **training sessions**, thereby encouraging individual initiative and the development of solutions aimed at increasing operational efficiency. The entire approach to innovation is structured along six main strands, equally divided into strategic components, which establish:

● The purpose	Why
● The areas of focus	Where
● The intensity of effort	How Much
● The organisational model	Who
● The processes	How
● The external partners to collaborate with	With whom

Building on this solid governance framework, an **action plan** has been developed to outline the strategy and short- and medium-term objectives, supported by a **concrete operating plan**. In this context, during the year, the Innovation team was able to develop and complete numerous projects, most of which focused on defining and implementing improved management of the Group's operational processes.

Among these, several concrete trials emerged with operational and environmental benefits, including: a system of **smart cameras** installed on **tankers** for the safe monitoring of unloading operations at customer sites; a new cooling system still in the prototype and testing phase; and a system for detecting drivers' attention levels to reduce driving risks.

On the front of open innovation and technology scouting, Nippon Sanso Italia has strengthened its commitment through various strategic initiatives across the country. The company took part in **Open Innovation Campania**, promoting challenges focused on CO₂ reuse and on the development of new-generation lightweight materials for cylinders. As a **partner company** of the **“Chimica Verde Lombardia per un futuro sostenibile”** open innovation initiative, promoted by Regione Lombardia, Federated Innovation and Cariplo Factory, it contributed to **defining the challenges** and to **evaluating and selecting the winning start-ups**.

The awards concerned projects on low environmental and health-impact ingredients and products, industrial decarbonisation, circular economy for materials and chemical products, digitalisation and automation for R&D and production, innovative high-impact materials, and technologies for water management and reuse.

Internal innovation is promoted through the **Ideas 4 the Future** entrepreneurship programme, open to all employees and structured into phases of collection, selection, incubation and validation of ideas: in the two editions held so far it has involved more than **100 employees** organised into teams, with the support of the Innovation Team, the Business Units and the Innovation Committee, and it makes use of the internal Innovation Garage platform.

In terms of innovation culture, dedicated **training programmes** involved more than **300 employees** during the year, and **10 Innovation Champions** were identified as innovation representatives within their respective functional areas.

To make the management of innovation structured and measurable, in 2026 Nippon Sanso Italia shared with the organisation an **innovation KPI framework structured on three levels**:

- **strategic KPIs**: measure the value generated for the business, such as annual cost savings, investments in open innovation and the number of ideas proposed by the different company areas;

- **managerial KPIs**: measure how well the innovation process works, from the collection of new ideas through to the launch of the first practical trials, i.e. the experiments used to verify whether an idea can really work before investing in it more broadly;
- **operational KPIs**: assess the quality with which these trials are carried out and the company's ability to turn ideas into concrete projects.

The framework provides starting values and progressive targets and serves as the reference tool for top management and the Business Units.

Nippon Sanso Italia inaugurates the new Caserta plant, the first in Italy for air separation with Japanese technology

With the inauguration of the new Caserta air separation plant, Nippon Sanso Italia marked a strategic milestone in its growth plan in the country. Developed with the know-how of the parent company Nippon Sanso Holdings Corporation, it is the first site in Italy to use Japanese technology to separate air into its main components – such as Oxygen and Nitrogen – intended for the production of industrial gases. The site is part of a Group investment plan in Italy of over EUR 340 million, of which around 50 are earmarked for Caserta. Launched in 2021, at the height of the pandemic, the investment testifies to the company's confidence in the country's industrial future. Staffed by around 10 highly specialised professionals, the plant has significant storage capacity for Nitrogen, Argon and Oxygen, ensuring continuity and flexibility of supply in an area with historically lower availability than demand, in compliance with current safety regulations. Caserta produces gases essential for the pharmaceutical, medical, food and manufacturing sectors.

"This investment brings together technological innovation, operational excellence and environmental responsibility. We adopt technologies that reduce energy and natural resource consumption, providing our customers with industrial gases that help make their processes ever more efficient and sustainable. The success of this project is the result of teamwork across all company functions and represents our concrete commitment to creating value for customers, for the local area and for the transition towards a low-carbon economy."

Jesus Gallego
General Manager Nippon Sanso Operations



3.1.1 Innovation and productivity in production plants

In FYE2026, plant-level interventions aimed to reduce energy consumption, product losses and the kilometres travelled for transport, with a consequent reduction in the related emissions, with the **Chivasso** plant leading the way. On the energy front, upgrades to the heat production plant, such as improved insulation and appropriate heating optimisation, enabled a **saving of more than 10% in Natural Gas** compared with the previous year.

The **Energy Monitoring** project, which analyses the evolution of the site's electricity consumption and costs from FYE2020 to FYE2026 and monitors **nine energy-intensive utilities** in real time (cryogenic pumps, vacuum pumps, compressors and Helium extractors), provides for the first time a detailed view of consumption, useful for identifying inefficiencies and intervention priorities and for guiding asset renewal decisions; the most significant benefits are expected in the following financial year, and the project was awarded the SMAU 2025 Innovation Award.

The new internal **degreasing plant for Oxygen vaporisers**, which replaces an external service with very long delivery times, has reduced transport by around **600 km** per vaporiser and complements the annual revamping of vaporisers and the reuse and re-certification of tanks for reinstallation at customer sites, in a circular economy approach. Finally, the replacement of the Imhoff tanks has also improved the quality of discharged water.

At the **primary production plants**, several interventions were carried out to improve **energy efficiency: better management of air flows** made it possible to switch off certain auxiliary machinery that was no longer needed, while the **optimisation of purification processes** and the **improvement of the compressor cooling system** made the plants more efficient, avoiding the need to resort to less efficient backup compressors.

At the **secondary production plants**, interventions focused on **safety** and **operational efficiency**, for example with the **installation of seismic detection systems** and the **replacement of plant components** to reduce vehicle movements, in addition to energy efficiency measures and the insourcing of certain maintenance activities previously entrusted to external suppliers.

In the same area, new internal testing centres equipped with **Insight Inspection** technology were activated (including at Settimo Torinese and Pescara), adding to those already operational. The **washing of**

tanks with a capacity of over 20,000 litres **using drones** has also begun, entrusted to an authorised external company and carried out with drones weighing less than 250 grams, which reduces reliance on aerial platforms and eliminates work at height, improving operator safety. In January 2026, Nippon Sanso Pharma obtained **ISO 50001** certification for its energy management system, which underpins its energy monitoring activities.



3.1.2 Solutions towards a carbon-neutral world

Nippon Sanso Italia contributes to the Group's Carbon Neutrality strategy by developing and promoting low-carbon technologies that reduce its customers' emissions. At local level, a **team dedicated to Carbon Neutrality initiatives** works on **Hydrogen-based** solutions, on advanced combustion technologies such as oxy-combustion, which reduce fossil fuel consumption in energy-intensive industrial processes, and on CO₂ capture and reuse solutions. Through the supply of low-carbon industrial gases, technologies and services, the company acts as an enabler of its customers' energy transition.

Among the year's main initiatives, the completion of the **DevH2EAF** project stands out, focused on the use of hydrogen in electric arc furnaces for the steel sector: the project achieved its expected results, validating a new burner capable of operating on hydrogen/natural gas blends up to 100% hydrogen, and possible "spin-off" developments related to blending natural gas and hydrogen at low percentages are now being assessed. In parallel, Nippon Sanso Italia took part in the European **MET4H2** project for the development of new standards for gas network monitoring and hydrogen traceability.

The **HEHS** (High Efficiency Hydrogen Storage) project, which aimed to develop and scale up a hydrogen storage technology based on clathrate hydrates, ended in of June. **HVGM** (Hydrogen Valley Giammoro Messina) is instead continuing; it was launched in Sicily to produce and store renewable hydrogen in a disused industrial area, thereby contributing to the redevelopment of the area and the enhancement of existing production facilities.

Since March 2024, the European **H2AL** project, funded by the Horizon Europe programme and dedicated to the decarbonisation of the secondary aluminium industry through the progressive replacement of fossil fuels with hydrogen, has also been under way. Nippon Sanso Italia takes part in the international consortium with its expertise in advanced oxy-combustion, to develop a hydrogen combustion system for tower melting furnaces.

MET4H2: Nippon Sanso Italia and the role of metrology in the transition to sustainable hydrogen

The transition to hydrogen from renewable sources requires a solid metrological infrastructure along the entire supply chain. This is the objective of the European project MET4H2, dedicated to developing new measurement standards to monitor the integrity of gas networks and to precisely calibrate sensors for hydrogen quality, ensuring metrologically traceable results.

Nippon Sanso Italia has participated in the project as an official partner since its early stages (October 2022), providing know-how and infrastructure. A significant experimental campaign took place at the San Salvo plant, with the collaboration of the National Institute of Metrological Research (INRiM), the National Physical Laboratory (NPL) and the Technical University of Denmark (DTU); field coordination was handled by the Chivasso Laboratory with the support of the San Salvo plant staff.

The analysis of the hydrogen produced by the Steam Methane Reforming (SMR) plant laid the foundations for the future production of certified reference materials (CRM) and for the definition of operating protocols geared towards safety, quality and metrological traceability. The project gained recognition at European level, with the publication of the article "Metrology for the hydrogen supply chain" in the European Union's Horizon Magazine: a confirmation of the value of collaboration between industry and research for a more sustainable energy future.

"The transition towards an economy based on Hydrogen from renewable sources is a strategic challenge that requires skills, collaboration and cutting-edge technological infrastructure. Ensuring accurate and traceable measurements along the entire supply chain is a fundamental element in guaranteeing quality, safety and reliability. Through the MET4H2 project, Nippon Sanso Italia confirms its commitment to making its skills, technologies and industrial know-how available in order to contribute to the development of shared standards and support the growth of a Hydrogen supply chain."

Davis Reginato
General Manager Nippon Sanso Industrial

Nippon Sanso Industrial is a partner in the European H2AL project: innovation and Hydrogen for a more sustainable aluminium industry

Launched in March 2024, H2AL is a European project dedicated to the decarbonisation of the secondary aluminium industry - obtained from the recovery of foundry scrap – through the progressive replacement of fossil fuels with hydrogen. Funded by the Horizon Europe programme with almost EUR 6 million out of a total budget of 7, the initiative brings together an international consortium of companies, research centres and institutions; Nippon Sanso Industrial takes part by providing its expertise in advanced oxy-combustion.

The technical objective is to develop a hydrogen combustion system for tower melting furnaces, currently fed with cold air and characterised by high emissions. For the first time, the combination of Hydrogen and Oxygen is being tested in a furnace of this type, using a burner technology of Japanese origin – already adapted to the glass and steel sectors – developed and supplied by the company, which specialises in the safe storage and supply of H₂ and O₂.

The path is structured into three phases: “blank” testing on pilot plants in Germany, tests at specialised research centres in Spain and industrial application at Fonderie 2A in Santena (Turin), where a furnace will be adapted to integrate the new technology and verify its performance and compatibility with refractory materials. The technical know-how of Ivan Vaiani, with the engineering support of Giorgia Taramino and Federico Nastro, will be decisive in the application and optimisation of the system.

The consortium includes, among others, Blu Energy Revolution (coordinator), the ULB – Université libre de Bruxelles, GWI, Tecnalia, Fraunhofer, GHI, EKW and the European Aluminium association.

The project was presented in Japan during a bilateral meeting promoted by the Italian government, which was also attended by Taiyo Nippon Sanso, part of Nippon Sanso Holdings Corporation, with ammonia applications for carbon neutrality. The first technical trials produced positive results; the decisive verification is expected with the industrial tests.

For Nippon Sanso Industrial, H2AL confirms the role of industrial gases as an enabling factor in the transition towards low-emission processes.

"We are proud to have been selected by the European Commission's Innovation Radar as a Key Innovator within this project. This recognition confirms the value of the work carried out by our teams and Nippon Sanso Industrial's ability to contribute to the development of innovative technologies in the service of decarbonising industrial processes. Collaboration with partners of excellence at European level allows us to combine skills, experience and know-how to address one of the most important challenges for the future of industry: the transition towards more efficient, low-emission production models."

Davis Reginato
General Manager Nippon Sanso Industrial



3.1.3 Innovations and services in industrial gas applications

Through its competence centre serving the food, manufacturing and Additive Manufacturing sectors, Nippon Sanso Italia supports customers with training, inspections, testing, certifications and technical consultancy. In FYE2026, the **Foodsense Leak Detection** system, which identifies micro-leaks of gas in line, reducing packaging waste, was extended to the wine sector for the inspection of wine bottles. The **HappyDrink** service for the sustainable carbonation of beverages reached almost 400 sparkling-water dispensers, with the opening of new units reducing transport and single-use plastic.

In industrial gas applications, conversions of customers from tanks to on-site plants continued, relevant both in terms of sustainability and of turnover through the reduction of transport. The **Cylinder Care** programme was launched with the aim of **optimising company assets**, reinforcing the reuse approach. New areas of application include the **supply of liquid Nitrogen** for Italy's second quantum computer, installed at Cineca in Bologna. This support is based on the CryoService service, which uses a dedicated mini-tanker for the safe refilling of the computer's tank by qualified operators.

In water treatment and industrial processes there was strong growth in the sustainable applications of gases. These include **ozonolysis** (used to reduce and break down sludge), **pH control** (dedicated to the controlled neutralisation of process and discharge water using CO₂), **emission recovery systems** (dedicated to the recovery of volatile organic compounds - VOCs) and **Endogreen™** technology, developed for generating controlled atmospheres in heat treatments. These are low-environmental-impact solutions that make it possible to replace or drastically reduce the use of traditional chemical substances, as well as fuels.

With the Ministerial Decrees of 14th April 2025, **SanShield®** and its bulk version **SanShield® Geo** became the first Carbon Dioxide-based plant protection products authorised in Italy. Aimed at professionals in the agri-food sector, these products make it possible to disinfest stored foodstuffs without leaving residues, **extending their shelf life and preservation**. This is a solution fully compatible with organic farming, positioning itself as an eco-friendly alternative to traditional toxic gases such as phosphine.

3.1.4 Refrigeration and air-conditioning solutions

In the refrigeration sector, Nippon Sanso Italia promotes **low-GWP (Global Warming Potential)** gases, in particular **HFOs**, and **recovery and regeneration services for spent refrigerants**. Commercial and training activity aimed at customers, manufacturers and maintenance technicians to increase the adoption of lower-GWP refrigerants is the main driver of the reduction in customers' emissions.

The CO₂ emissions avoided thanks to the replacement of high-GWP refrigerants with new refrigerants are higher than Nippon Sanso Italia's overall emissions, considering Scope 1, 2 and 3. The **Ecostar** and **easyEcostar** services ensure the recovery and regeneration of gases in compliance with the F-gas Regulation (EU) 2024/573, with a share of recovered gas regenerated and put back on the market.

“In the refrigerants sector we have both the responsibility and the opportunity to contribute to the ecological transition. For us, sustainability means developing solutions that reduce environmental impact and promote a more efficient and circular use of resources. We believe that innovation and responsibility must go hand in hand: every choice geared towards reducing waste and recovering resources is a concrete step towards a more sustainable future.”

Marco Lorusso
Business Refrigerants Director

3.1.5 Solutions offered in the medical field

Nippon Sanso Pharma **supports** the ecological and digital transition of healthcare facilities with services that reduce waste, consumption and emissions.

The **SGM - Site Gas Management** service ensures the direct management of medical gases, optimising stocks and supplies. In FYE2026, the revamping of primary plants, the centralised liquid Nitrogen cryobanks and tank resizing, which reduce product losses, transport and consumption, were complemented by the development of the **first portable cryopreservation system**, which reduces time and space requirements.

The **maintenance** and annual **regeneration** of the **cells of Noxtec devices** for Nitric Oxide therapies were insourced by trained technicians, avoiding shipment to Spain, where the production site is located.

The **replacement** of **mineral oil** with **synthetic oil** in hospital plant pumps was completed, where technically possible, reaching around 80% of installations.

At the **Policlinico Gemelli** hospital in Rome, the **upgrade of the medical gas plant** was completed, made necessary by the expansion of the inpatient and specialist care departments. A **50,000-litre liquid Oxygen tank** was installed, the largest ever supplied to a hospital facility, backed up by two further reserve and emergency sources with cryogenic tanks.

The **“Viaggia con noi”** (“Travel with us”) service, which ensures continuity of supply of therapeutic gases and assistance to patients travelling away from home, served more than 1,000 patients in the month of August alone. Among the projects launched, **“Air Bloom”** involves the use of tanks coated with an innovative product capable of **absorbing air pollutants**.



The system for collecting maintenance data on medical gas distribution plants has also been improved, now allowing an analysis of failures by component and type in support of more targeted maintenance.

On the patient services front, Nippon Sanso Pharma has expanded its range of solutions that improve service quality and planning efficiency, including:



A **Nutrition service** using temperature-controlled vehicles



The **digitalisation of the relationship with patients**, with the introduction of a switchboard that recognises the caller and quickly routes the request to the most appropriate operator, ensuring direct and prompt assistance



The automatic **sending of SMS** messages on delivery status



A **Speed CRM** system, successfully tested during FYE2026 and to be activated in the first months of the next fiscal year, to automate the exchange of information between operators and patients

Healthcare and innovation: completion of the upgrade works on the medical gas plant at the Gemelli Polyclinic in Rome

In May 2025, Nippon Sanso Pharma completed the upgrade works on the primary medical gas plant of the Gemelli Polyclinic in Rome, with the installation of a 50,000-litre liquid Oxygen tank – the largest ever supplied to a hospital facility. The bond between Nippon Sanso Pharma and the Gemelli Polyclinic in Rome has lasted for several years and represents a virtuous case of two centres of excellence walking side by side. The intervention responds to the increased need for medical gases resulting from the opening of new inpatient and specialist care wards.



Given the size of the equipment, the exceptional transport took place during the night between 14th and 15th May, in complete safety, so as not to interfere with city traffic and hospital activity.

The new plant has two additional cryogenic back-up and emergency sources and is permanently staffed by four company operators.

The project involved, across functions, the Engineering, Bulk Distribution, Compliance and Safety Backoffice functions.

“It was a great team effort that once again shows the strength and hallmark of Nippon Sanso.”

Giuseppe Greco
Technical Service Manager

The initiative is part of Nippon Sanso Pharma’s broader commitment in support of healthcare: from hospital supplies to the cryo-preservation of cells and tissues, through to home care.

“Everything was carried out with the utmost safety, and the client expressed great appreciation and satisfaction. For my part, I can only thank the entire Technical Service team who managed the delicate logistical operations, and in general, everyone who took part in the project, which was led on the commercial side by Renato Manzo and on the technical side by Flavio Ghirotti.”

Michele Giovagnoni
Hospitalcare Business Manager

3.1.6 The importance of logistics for sustainability

The planning and control of distribution remain a central lever for environmental sustainability. In FYE2026, projects to improve distribution performance and the related KPIs (e.g. kg of product distributed per km travelled) continued, including:



The optimisation of routes

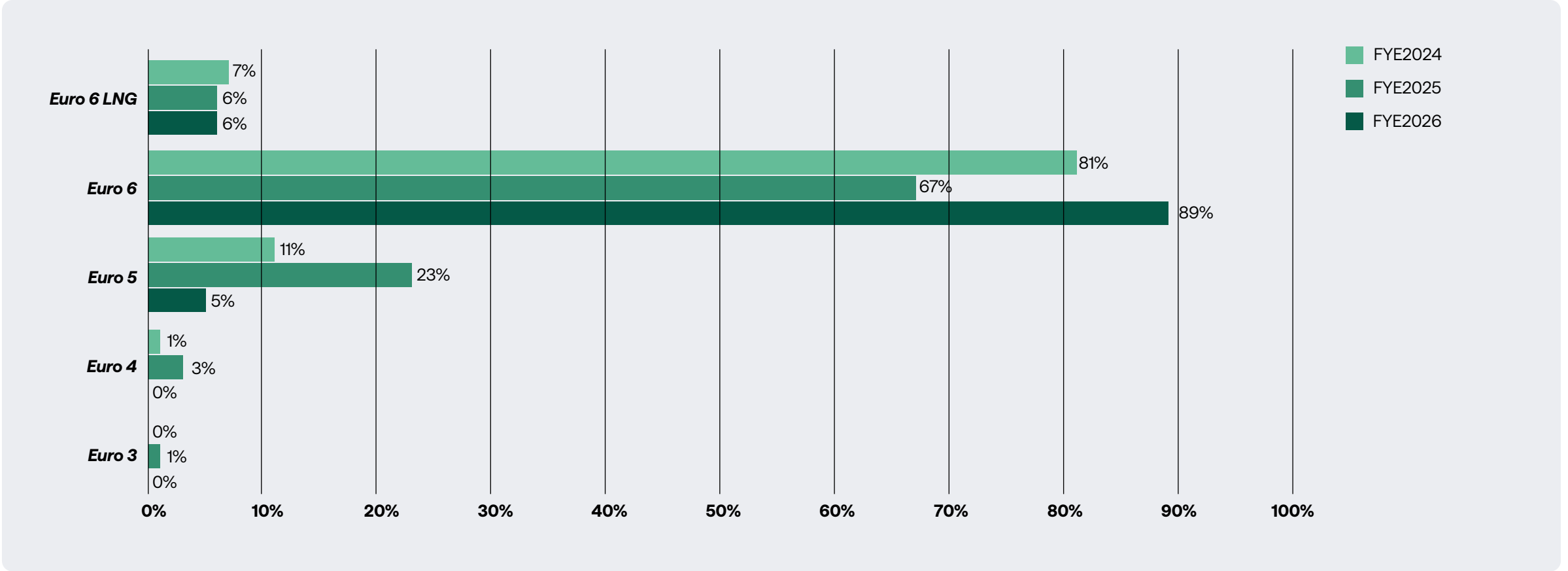


Greater use of rail transport and the purchase of a rail tank car for the supply of products from abroad

In home therapy, route optimisation produced a **saving of 9.8% in diesel consumption** per container delivered compared with the previous year, and the fleet continues to use an electric vehicle, particularly effective in urban centres.

On the vehicle front, a **new swap body** was introduced in Bulk distribution, moving from Euro 5 to Euro 6 engines and with **greater load capacity, reducing the number of trips** for the same volumes delivered; a **new tanker** for Oxygen with **greater load capacity** was also purchased. The insourcing of maintenance activities, in particular for tanker vacuum systems, makes greater use of the internal workshops in Chivasso and Terni, limiting vehicle movements.

The **digitalisation of paper delivery notes** at distribution centres also continued, with the aim of eliminating around 100,000 documents per year.



Acquisition of the “technical and industrial gases” business unit of AGN Energia

During 2025, Nippon Sanso Italia took a further step in its path of growth and consolidation in the national market through the acquisition of the business unit dedicated to the marketing of technical and industrial gases of AGN Energia S.p.A., an operation completed on 27th October 2025 through Nippon Sanso Industrial S.r.l.

The operation represents an important strategic initiative that strengthens the Group's presence in North-East Italy, an area of great relevance for the national manufacturing fabric. The integration of the business unit makes it possible to broaden territorial coverage, increase proximity to customers and make the commercial and distribution network even more widespread, ensuring faster response times and a service increasingly close to the needs of businesses. "Strengthening our presence in the Northeast is a strategic choice that brings us even closer to our customers and to the industrial districts in which they operate. Geographical proximity is a fundamental element of our service model: it allows us to better understand the needs of businesses, guarantee greater responsiveness and build solid, lasting relationships. This acquisition fits fully within our growth strategy, aimed at consolidating our presence in the local area and creating value through an increasingly efficient network that is close to the

market.” states Davis Reginato, General Manager Nippon Sanso Industrial.

For AGN Energia, the disposal is part of a path of focusing on its strategic activities – LPG and LNG, electricity and natural gas, production from renewable sources and energy efficiency solutions – while for Nippon Sanso Italia it represents an opportunity for growth consistent with the strategy of sustainable development and the strengthening of its presence in the local area. With the completion of the acquisition, Nippon Sanso Industrial took over the contractual relationships relating to the acquired business unit, ensuring operational continuity and a management of the transition based on the utmost transparency and collaboration with customers, business partners and stakeholders.

The operation confirms Nippon Sanso Italia's commitment to creating value through targeted investments that strengthen the company's competitiveness and, at the same time, foster greater closeness to customers - a fundamental element in building long-term relationships, supporting the development of local industrial players and contributing to the sustainable growth of the local area.

3.2 Management of environmental aspects

GRI 3-3 climate change and greenhouse gas emissions | 3-3 energy efficiency | 3-3 water consumption | 3-3 waste | 302-1 | 305-1 | 305-2 | 305-3 | 305-4 | 303-1 | 303-2 | 303-3 | 303-4 | 303-5 | 306-1 | 306-2 | 306-3

3.2.1 The strategic approach to environmental issues

Nippon Sanso Italia manages environmental aspects through an **Environmental Management System** based on the **ISO 14001** standard and on an **integrated health, safety, environment and security policy**, geared towards continuous improvement and the **Responsible Care** programme. Environmental policies aim to prevent pollution, reduce waste, promote eco-efficiency and resource conservation, and design and manage plants in a safe and environmentally sound manner. The system is completed by a **Risk Management Policy**, which defines the framework for identifying and assessing risks, and by European coordination of the HSE system.

The main environmental effects are linked to the **consumption of energy resources** at production plants and the related greenhouse gas emissions, to the **consumption of water resources and to waste management**. The Group companies adopt management systems certified to the main international health, safety and environment standards: ISO 14001 certification is implemented at the main sites, EMAS registration is active at the Chivasso and Novara plants, and in FYE2026 ISO 50001 certification for the energy management system, obtained by Nippon Sanso Pharma, was added.

Company	ISO 45001	ISO 14001	ISO 50001	EMAS
Nippon Sanso Italia S.r.l.	X			
Nippon Sanso Industrial S.r.l.	X	X		X
Nippon Sanso Pharma S.r.l.	X	X	X	X
Nippon Sanso Operations S.r.l.	X	X		

Nippon Sanso Italia periodically carries out **energy audits of its sites**, submitted to **ENEA**: the audit analyses the plants' energy consumption and flows, identifies priority efficiency measures and provides the technical parameters used in reporting consumption. The results guide energy efficiency projects and are integrated with the ISO 50001 energy management system and with the consumption monitoring activities launched at the plants.



3.2.2 Energy consumption and GHG emissions

GRI 3-3 climate change and greenhouse gas emissions | 3-3 energy efficiency | 302-1 | 305-1 | 305-2 | 305-3 | 305-4

In FYE2026, Nippon Sanso Italia's energy consumption is mainly attributable to the Natural Gas and electricity used at production plants and, to a lesser extent, to the other fuels used in processes. The following table shows Nippon Sanso Italia's energy consumption over the last three years.

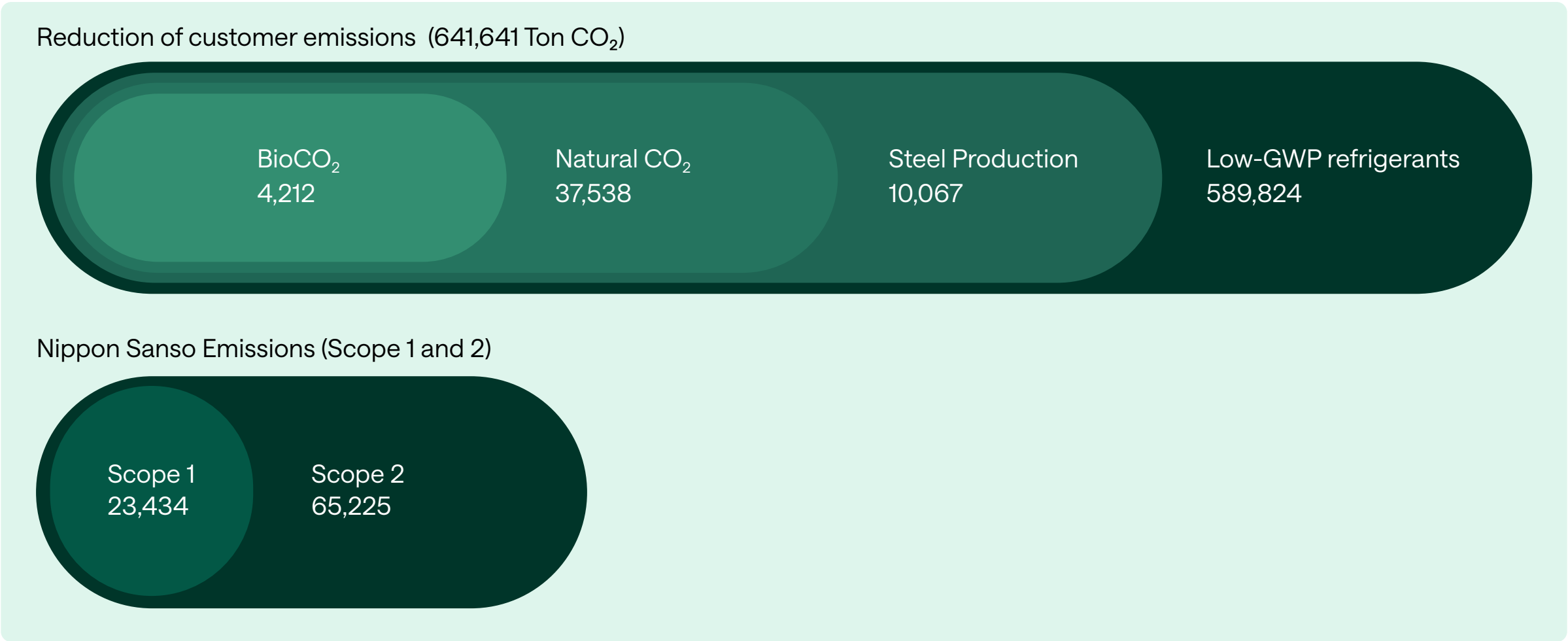
Energy source type (GJ)	FYE2024	FYE2025	FYE2026
Thermal energy consumption from non-renewable sources ¹	507,036.4	509,209.2	410,732.6
Steam	12,765.5	10,281.9	4,600.8
Electricity purchased	906,036.2	918,743.5	1,052,129.7
of which from renewable sources	40%	49%	50%
Total energy consumption	1,425,838.1	1,438,234.7	1,467,463.2

¹ The "Consumption of thermal energy from non-renewable sources" category includes consumption from the following sources: natural gas, diesel, fuel gas, off-gas (SHU), and gasoline. Beginning with FYE2025, gasoline and diesel consumption associated with the company fleet has been accounted for under Scope 3 emissions.

Compared with FYE2025, **Natural Gas** consumption fell by around 20%, **diesel** by 10% and **Fuel Gas** by 38%, while **SHU Off-Gas** recovered as an alternative fuel grew by 73%. In FYE2026, **steam** consumption halved (-55%). Total energy consumption was 1,467,463 GJ, a slight increase compared with the previous year (+2%), also due to the start-up of the new primary production plant in Caserta.

Of the total electricity purchased during the year, about **50%** is covered by **Guarantees of Origin (GOs)**, certifying its origin from renewable energy sources. Compared with FYE2025, electricity from renewable sources increased by +15.8% in terms of GJ purchased.





Nippon Sanso Italia monitors the impact of its activities on climate change every year by calculating its greenhouse gas emissions. As in previous years, the following are reported: direct emissions (**Scope 1**), generated by owned or controlled sources; indirect emissions linked to the consumption of electricity, heat and steam (**Scope 2**); and those relating to upstream and downstream activities in the value chain (**Scope 3**).



Scope 1 and Scope 2 emissions (ton CO ₂ eq)	FYE2024	FYE2025	FYE2026
Scope 1 emissions	29,648.0	29,548.6	23,433.9
Scope 2 – market-based	69,628.1	65,610.0	65,225.4
Scope 2 – location-based	n.a.	80,412.0	75,168.8
Total Scope 1 + Scope 2 (market-based)	99,276.1	95,158.6	88,659.3

Direct emissions (**Scope 1**) decreased by around **21%** compared with FYE2025, mainly due to lower Fuel Gas consumption (-38%), lower Natural Gas consumption (-20%) and the sharp reduction in refrigerant gas leaks (-85%), which benefited from the installation of recovery units at the filling site. Conversely, SHU Off-Gas emissions recorded a significant increase (+73%).

Indirect **Scope 2 market-based** emissions remained practically unchanged, while **location-based** emissions fell by 6%. Overall, Scope 1 and Scope 2 (market-based) emissions decreased by around 7% from FYE2025 to FYE2026.

Scope 3 emissions (ton CO ₂ eq)	FYE2024	FYE2025	FYE2026
Upstream (Categories 1-8)	147,655	181,758	150,709
Cat. 1 – Purchased goods and services	117,260	106,709	76,116
Cat. 2 – Capital goods	23,544	22,066	18,316
Cat. 3 – Fuel- and energy-related activities	6,841	28,584	31,076
Cat. 4 – Upstream transportation and distribution	n.a.	22,215 ²	22,804
Cat. 5 – Waste generated in operations	10	3	2
Cat. 6 – Business travel	n.a.	2,182	2,263
Cat. 7 – Employee commuting	n.a.	n.a.	131
Downstream (Categories 9-15)	274,443	280,719	248,825
Cat. 9 – Downstream transportation and distribution	15,723	n.a.	n.a.
Cat. 11 – Use of sold products	248,851	271,811	227,093
Cat. 13 – Downstream leased assets	9,869	8,907	9,694
Cat. 15 – Investments	n.a.	n.a.	12,038
Total Scope 3 emissions	422,098	462,477	399,534

² It should be noted that the FYE25 data for Category 4 have been revised in this report compared with those disclosed in the previous edition. The figures presented in the current edition reflect the reclassification of Category 9 emissions into Category 4.

Scope 3 emissions decreased by around **14%** compared with FYE2025. The **upstream component fell by 21%**, mainly due to the reduction in purchased goods and services.

The **downstream** component recorded an **11%** decrease. This decline is attributable, firstly, to a reclassification of Category 9, whereby the entire supply chain directly managed by Nippon Sanso Italia is now considered under Category 4. Secondly, the decrease reflects a reduction in emissions from the use of products sold: around 32% of the CO₂ in fact comes from **biogenic and geothermal sources**, which **do not contribute to the calculation of Scope 3 emissions**.

The reduction targets referred to below are those of the **Medium-Term Sustainability Plan FYE2022-FYE2026**, approved in January 2022 by the Nippon Sanso Sustainability Committee. This plan defines the aims, governance and processes for identifying initiatives, and is aligned with NSHD’s strategic plan, structured at European level and adopted by all Group entities (including Nippon Sanso Italia). To coordinate activities in line with the United Nations Sustainable Development Goals (SDGs), **five key areas of action** have been identified:

- Climate Change and Innovation and Technology
- Environment
- People
- Operational Safety
- Ethics and Compliance

Nippon Sanso Italia is demonstrating that it is fully in line with the commitments made, exceeding several of them. With regard to the climate change and innovation and technology area, in FYE2026 **Scope 1 and Scope 2 emissions were reduced by 39% compared with the FYE2019 baseline** (against a target of -29%), the **share of renewable energy** exceeded the minimum target of 35%, reaching almost 50%, and **productivity projects** made it possible to avoid more than 15,000 tonnes of cumulative CO₂ over the four-year period, exceeding the target set. The company’s contribution to reducing its customers’ emissions, through low-carbon technologies, **was significantly greater than the emissions generated by the company itself**.



3.2.3 Waste management

Nippon Sanso Italia’s sites are characterised by **standardised production processes that generate waste flows** that are **largely constant** and repeatable over time, both qualitatively (CER codes) and quantitatively. Any discrepancies in historical data can arise solely from extraordinary maintenance activities or depending on the responsiveness and availability of landfills. Within this context, **waste from maintenance activities** carried out at customer sites is transported by the Technical Service to Nippon Sanso sites, which manage the waste through a third-party carrier.

For all other types of waste, management interfaces with local **intermediaries** or **disposal operators** qualified by geographical area, selected following a rigorous check of ministerial authorisations and formalised through a purchase order. The company pursues the strategic goal of **limiting final disposal in landfill** (D codes), encouraging the **assignment of waste to authorised plants** that guarantee availability for recovery, and progressively **phasing out** sites that apply mere disposal.

Most of the company’s waste is concentrated in **processing stages**, and in particular in the **periodic testing and requalification of packaging systems** (cylinders, tankers and tanks). These **containers** are not “disposable”, but are systematically **reused** until the end of their life: when a container is discarded because it is no longer

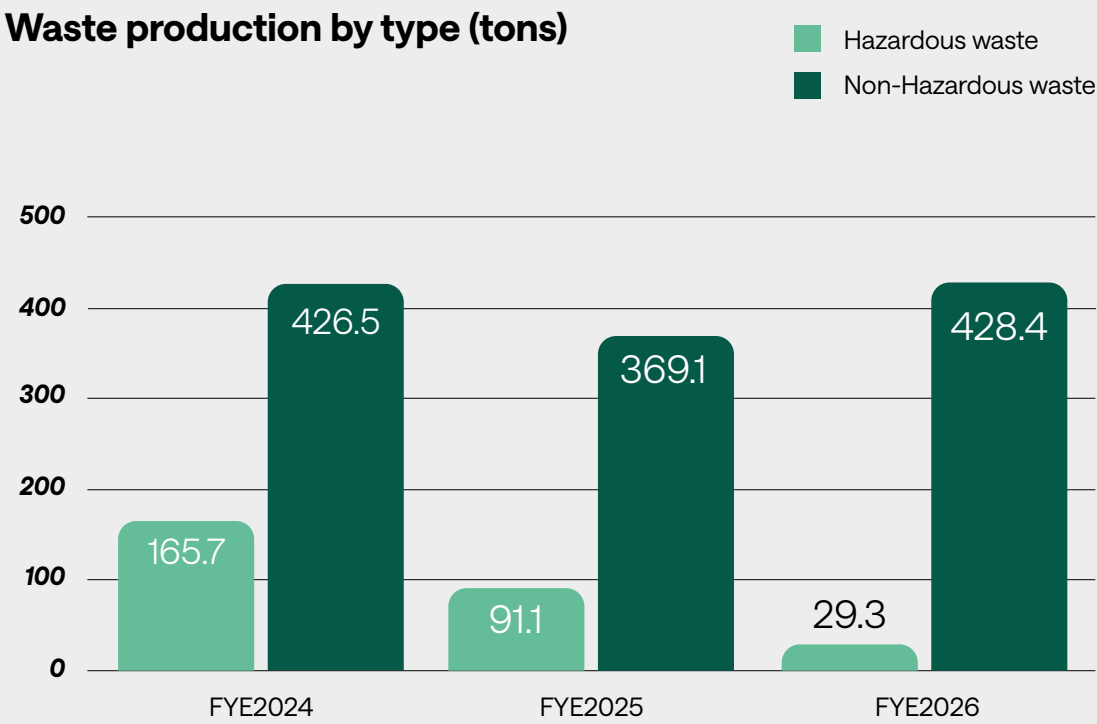
suitable for use, it generates non-hazardous metal waste together with sand from surface treatments, washing water and paint residues, positioning itself downstream in the value chain. **Other waste from day-to-day activities**, such as packaging plastic, pallet wood and paper, is entirely **directed to recovery circuits**. At the same time, to reduce indirect environmental impact, **separate collection of urban waste** has been widely introduced in offices with a high concentration of staff, and at European level programmes are under way aimed at reducing non-hazardous plastic waste linked to internal processes.

Finally, the collection and monitoring of data follow a rigorous regulatory and management process: individual production sites record waste through **dedicated management software directly connected to the RENTRI system** (the national waste tracking register). Information is recorded and reported in line with applicable regulatory requirements, ensuring continuous and up-to-date monitoring of waste flows throughout the year. This ongoing monitoring is completed every year with the **compilation and submission of the MUD (Single Environmental Declaration Form)**.

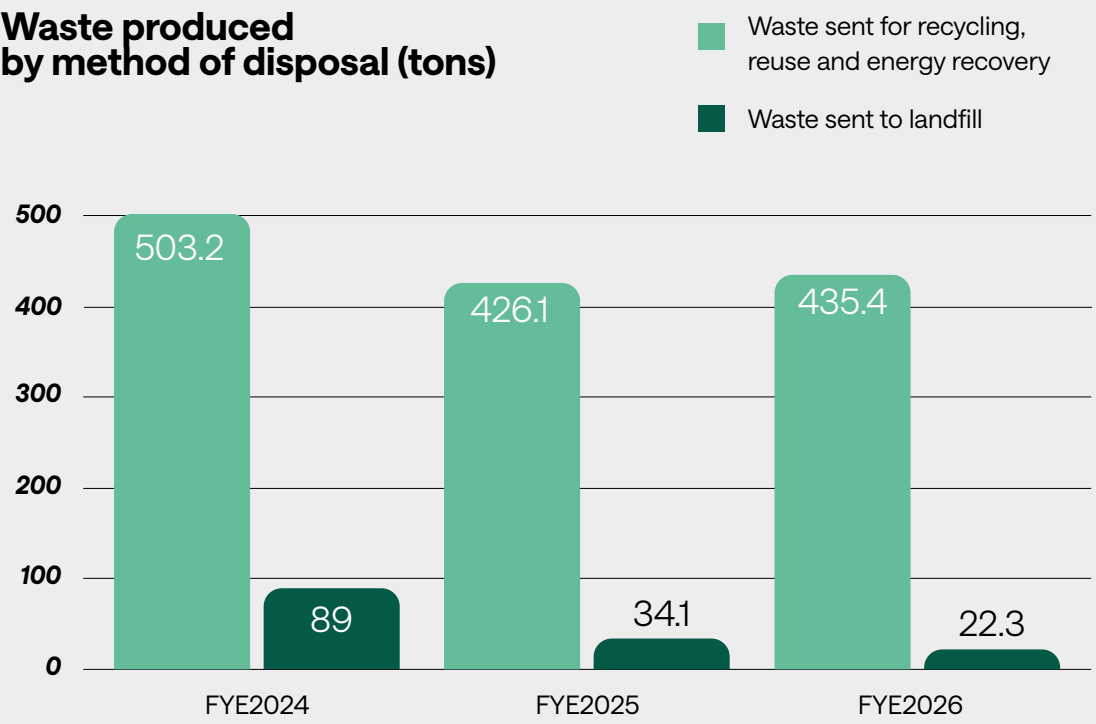
In FYE2026, total waste production was around **457.7 tonnes**, in line with the 460.1 tonnes of the previous financial year. Hazardous waste accounts for **6%** of total waste, while non-hazardous waste accounts for **94%**. Most of the waste is attributable to **iron and steel waste** (35%), **metal packaging** (19%) and **decommissioned equipment** (7%).

Total waste production remained substantially stable (**-0.5%**), while the share of hazardous waste fell from 19.8% to 6.4% of the total: the decrease is attributable to the significant reduction in containers no longer suitable for use following testing checks.

Waste production by type (tons)



Waste produced by method of disposal (tons)



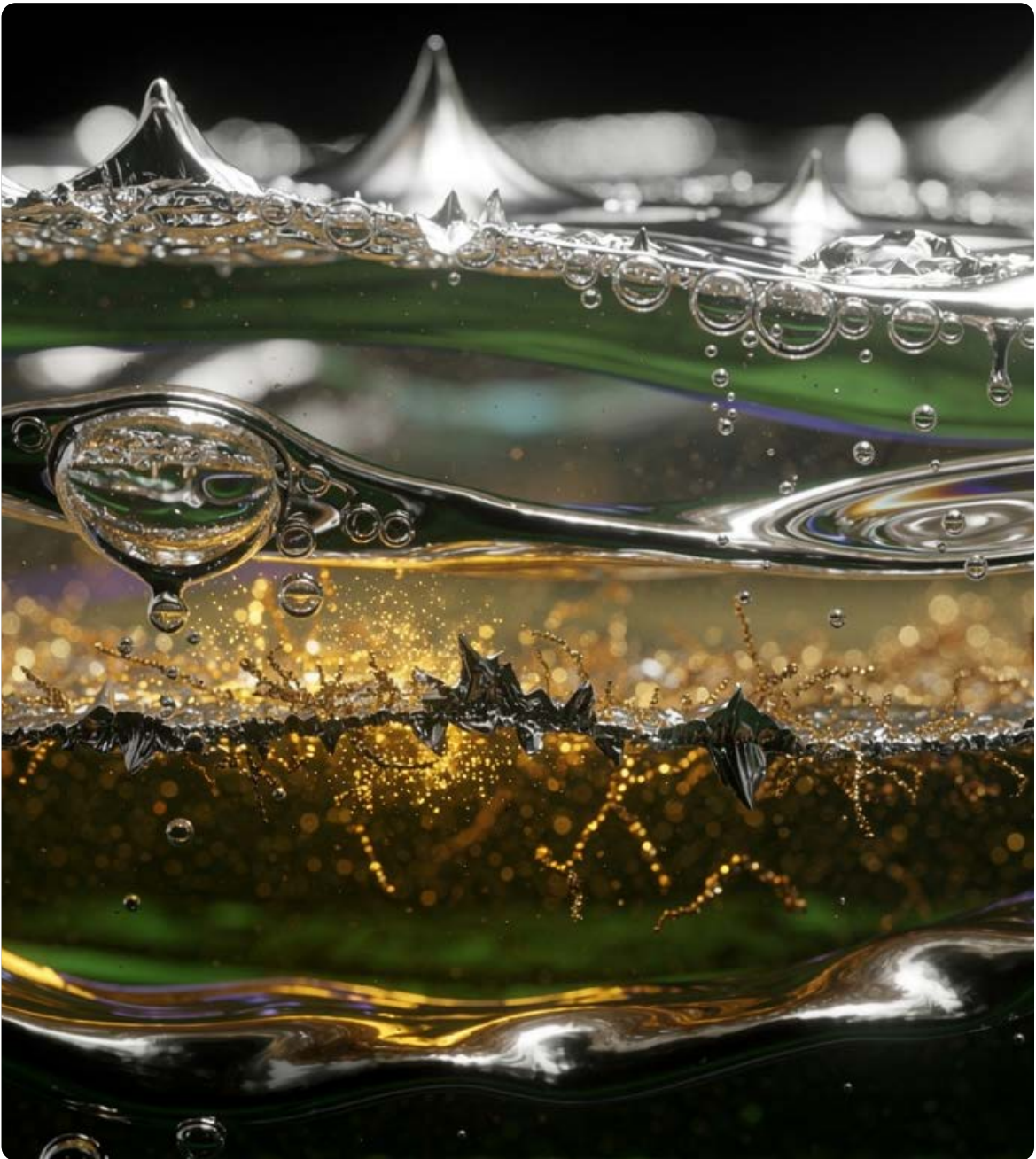
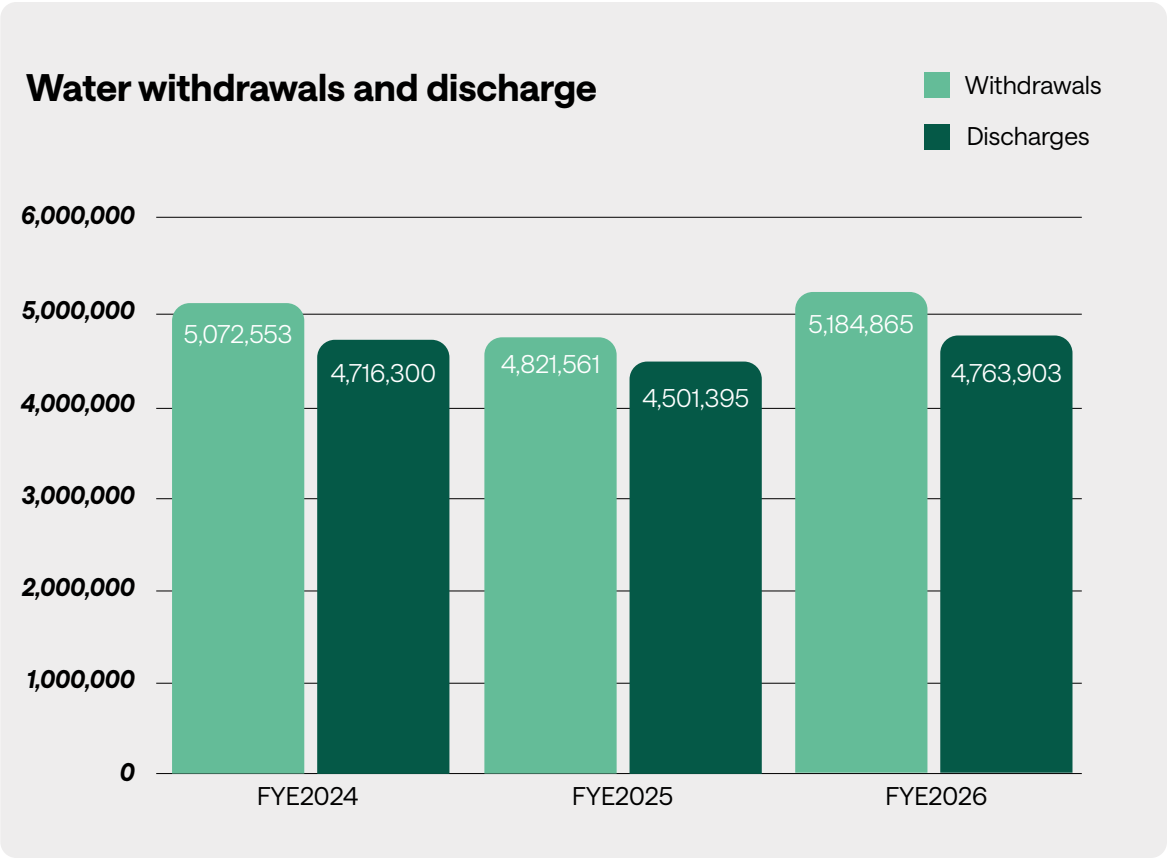
3.2.4 Water management

Nippon Sanso Italia pays particular attention to water consumption, with **diversified supply sources depending on the needs of individual plants. Primary production (Bulk) plants**, which have the highest consumption, mainly use **artesian wells** and **industrial water** supplied by consortia; **secondary production (Package) plants** and offices are mainly supplied by **municipal aqueducts**. Water is used as a utility for **cooling and cleaning equipment**, as a raw material for **Hydrogen production**, and for general services.

At most sites, water is returned unaltered; the exception is the Ravenna site, where a portion of the water used in Hydrogen production is returned in the form of steam and conveyed to other plants in the petrochemical hub for water and heat recovery. At sites equipped with **evaporative towers** and in equipment-washing activities (Chivasso), volumes are partially recirculated to reduce water impact; at Ravenna and San Salvo, industrial water drawn from the consortium is returned to **shared collection tanks** for better circular use of the resource. All discharges are authorised through **AUA** (Single Environmental Authorisation) or **AIA** (Integrated Environmental Authorisation) and monitored according to the parameters set. The medium-term plan's target is a **10% reduction** in water consumption intensity compared with the FYE2020 reference year. Nippon Sanso Italia has reduced its water consumption intensity by more than 40%, exceeding the target.

In FYE2026, Nippon Sanso Italia's total **water withdrawals** amounted to 5,184,865 m³, an increase of around 7%, mainly due to the start-up of the new Caserta ASU. Withdrawals are concentrated at the primary production (Bulk) plants, which absorb the largest share of volumes. According to the reporting, 93.2% comes from artesian wells, 5.9% of withdrawals comes from **third-party aqueducts and demineralised water**, 0.3% from the municipal aqueduct and a marginal share (0.5%) from surface water.

Water discharges amounted to 4,763,903.77 m³, of which 97.1% into surface water, 2.7% into third-party sewers and 0.2% into the municipal sewer system. Discharges into surface water increased by 5.6%, those into the municipal sewer system decreased by 41%, while those into third-party sewers increased by 21%. Between FYE2025 and FYE2026, water discharges increased by 6%.



Chapter 4

Together, we grow stronger

Nippon Sanso Italia considers its people to be its most valuable asset. Thanks to a highly qualified and experienced workforce, the company is dedicated to creating an inclusive working environment that values the uniqueness of each employee and nurtures a strong synergy with all stakeholders.

By actively promoting a culture based on equal opportunities, the Group consolidates strong and lasting relationships with customers, suppliers, shareholders and local communities, translating its corporate social responsibility into concrete actions.

Market leadership is the direct reflection of this collective commitment: it is precisely the distinctive skills, diverse perspectives and unique talent of each employee that have driven the positive results achieved in the past fiscal year.

4.1 Our human capital

GRI 2-7 | 2-8 | 2-19 | 2-20 | 2-21 | 2-30 | 401-1 | 405-1

The management of Nippon Sanso Italia’s human capital is based on a strategy defined at European level and structured around eight guiding principles.

At operational level, the **human resources** function oversees the processes of recruitment, onboarding, professional development, performance management and organisational wellbeing. The reporting scope coincides with the Italian consolidation: Nippon Sanso Italia S.r.l. and all fully consolidated subsidiaries.

Employees and non-employees

As of 31st March 2026, the workforce of Nippon Sanso Italia comprised **821 employees**³, of whom **72.4%** were **men** and **27.6% women**, in continuity with the organic growth trend of previous years. 99.3% of staff work full time; 95.9% hold a permanent contract, confirming the Group’s commitment to creating stable jobs.

³ The number of employees is based on the number of natural persons present in March 2026, excluding subsidiaries



1

Attract and engage the best talent



2

Retain employees



3

Develop and improve leadership abilities



4

Assign ambitious personal goals



5

Promote diversity



6

Encourage community engagement



7

Support direct communication



8

Promote work-life balance



During FYE2026, Nippon Sanso Italia made use of 31 agency (temporary) workers and 11 trainees⁴, for a total of 42 non-employees.

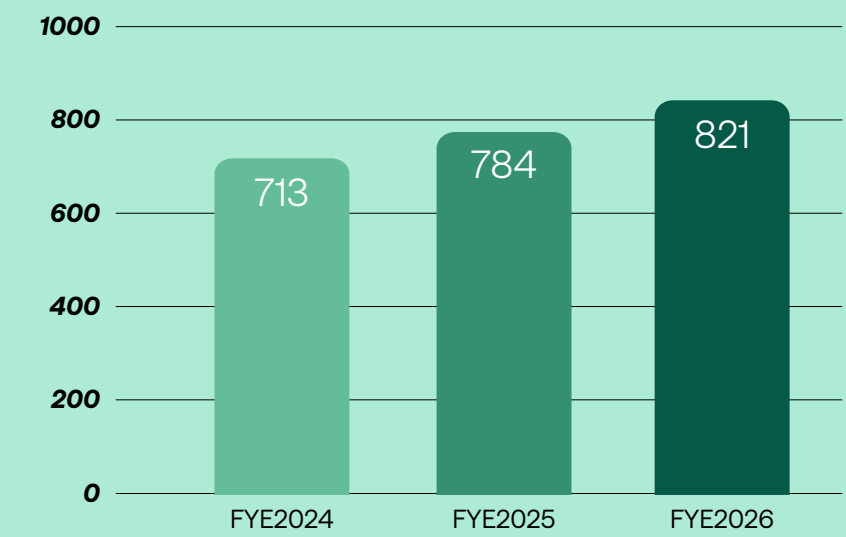
The use of this type of personnel responds to seasonal operational needs or to temporary requirements for specific skills.

Type of contract / employment	Men	Women	Total FYE2026
Permanent contract	574	213	787
Apprenticeship	7	3	10
Fixed-term contract	13	11	24
Total	594	227	821
of which full-time	593	222	815
of which part-time	1	5	6
Total	594	227	821

⁴ The calculation of non-employees relates to the natural persons present during FYE2026

The geographical distribution reflects Nippon Sanso Italia’s widespread presence across the country: the majority of employees work in Northern Italy, followed by the South and the Centre.

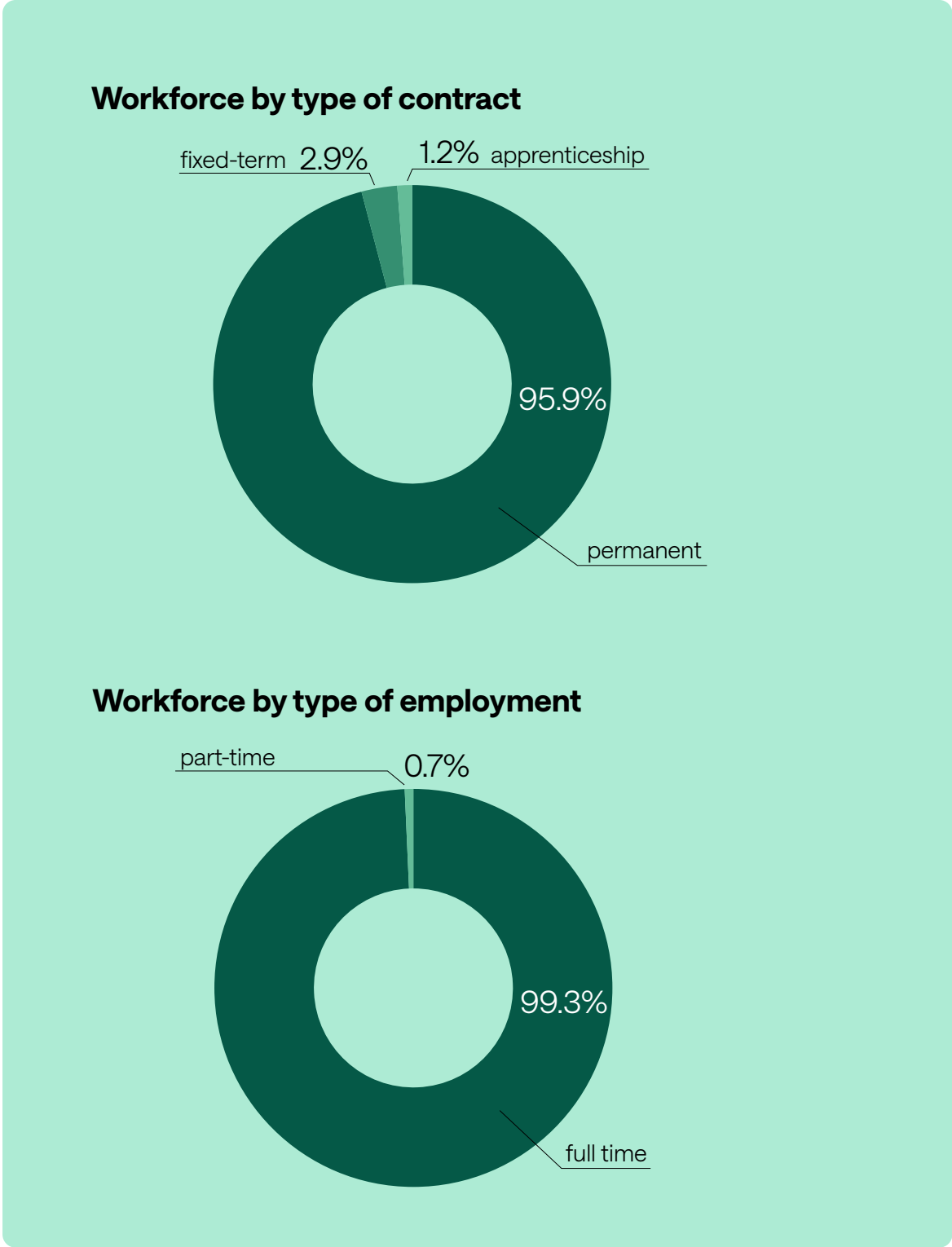
Total number of employees



The year-on-year analysis shows that from FYE2024 to FYE2025 the workforce recorded a growth rate of **+10%**. In FYE2026, the development trajectory continued, bringing the total to **821 employees**, with a further increase of 37 units (equal to +4.7% compared with the previous year).

Overall, over the three-year period analysed, the company workforce grew by **108 employees**, marking an overall workforce expansion of **15.1%** compared with the 2024 figure. This steady increase testifies to the Group’s ongoing strategic development and structural consolidation.

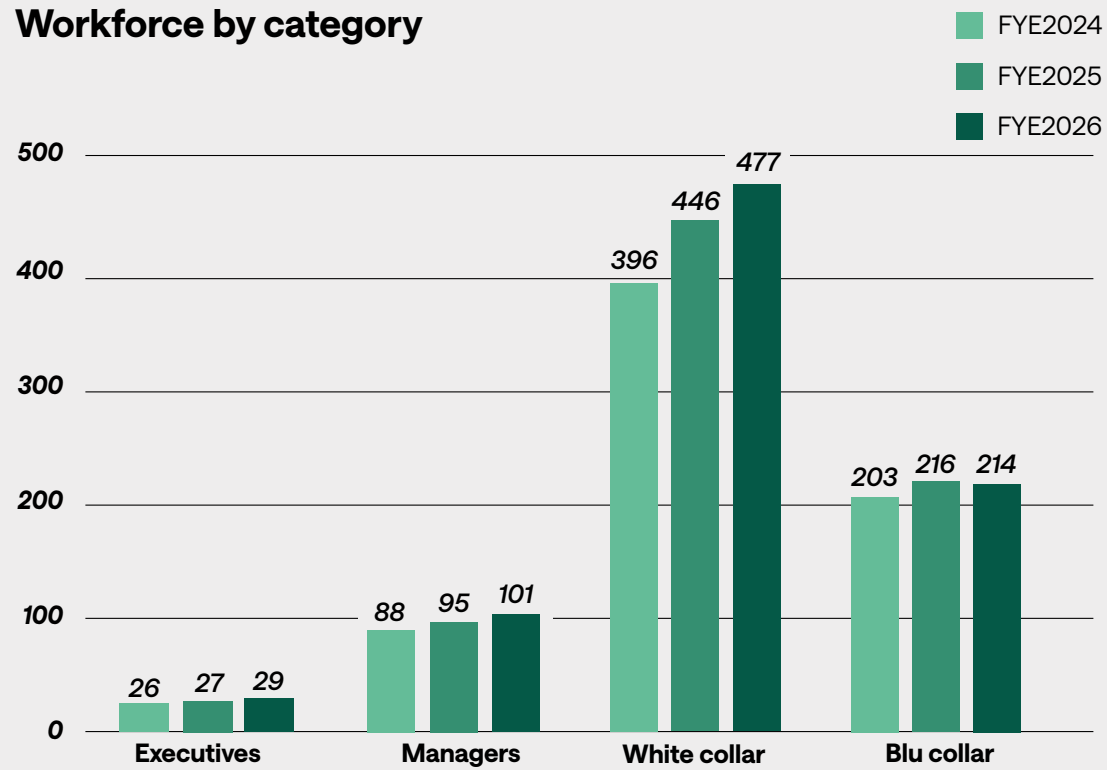




Workforce diversity by category and gender

The composition of Nippon Sanso Italia’s workforce shows a clear predominance of **white-collar employees**, accounting for **58.1%** of the total, followed by **blue-collar employees** at **26.1%**. The workforce is completed by **middle managers** and **executives**, who account for **12.3%** and **3.5%** of the total company population respectively. Compared with FYE2024 and FYE2025, the main increase is driven almost entirely by the growth in office staff (white-collar employees) and in roles of responsibility (middle managers/executives), against a substantial stability of the component most closely linked to production (blue-collar employees).

Workforce by category

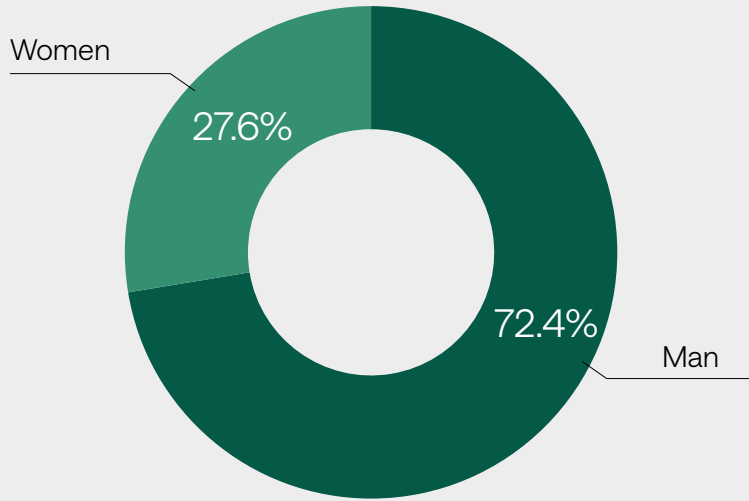


From a gender perspective, the Group employs **227 women**, corresponding to **27.6%** of the workforce. The female presence in managerial roles stands at **20.8%** among middle managers and 24.1% among executives, while it accounts for 41.5% of white-collar employees and 0.5% blue-collar employees.

Compared with FYE2025, the **female component increased** by 7.6%. This positioning reflects the Group’s commitment to a balanced representation of men and women within the organisation. Nippon Sanso Italia supports the network of women at Nippon Sanso, known as **WING**.

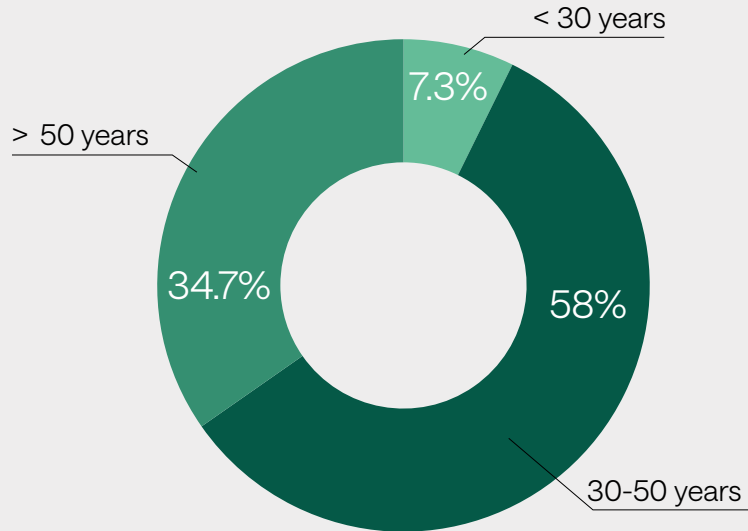
Alongside it is “**The Sponsoring Programme**”, active since FYE2023 and dedicated to female employees at levels L9–L11 with at least two years of experience: participants are paired with senior leaders who act as sponsors, offering guidance, visibility and access to new opportunities and professional networks, and take part in HR assessments, leadership training paths and workshops, also joining the WING team.

Employees by gender



In terms of age, the company population demonstrates strong solidity and experience: **58%** of employees belong to the **30–50 age group**, followed by the **over-50** segment at **34.7%**. Young people **under 30** account for **7.3%** of the workforce, distributed exclusively among the white collars and blue collars categories.

Employees by age group



Hiring and terminations

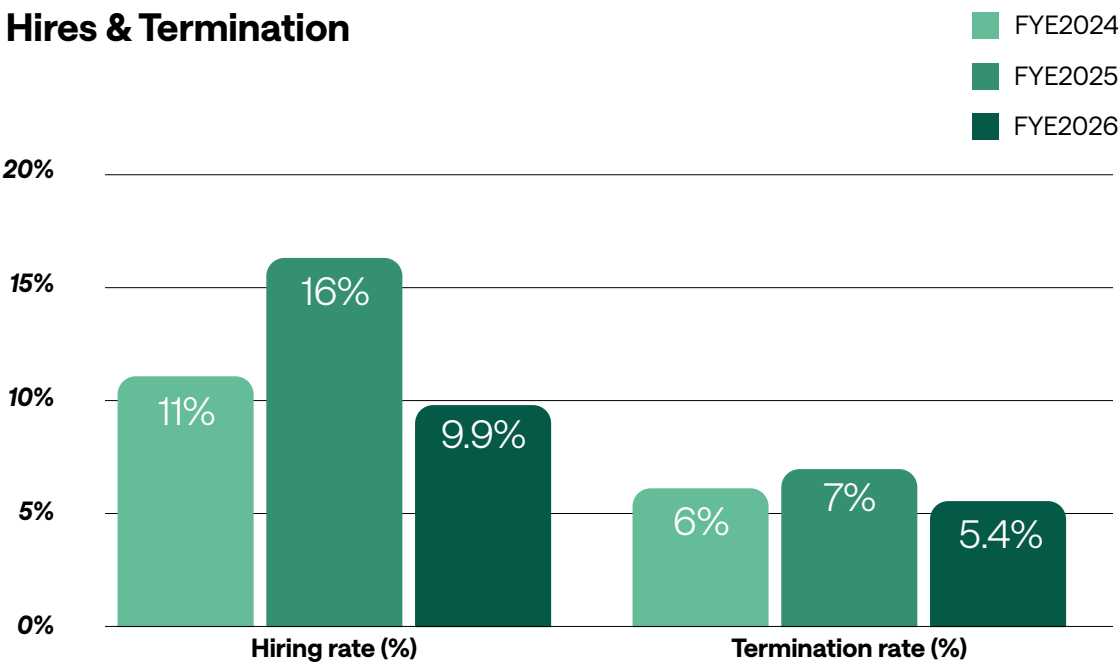
FYE2026 closed by confirming the Company’s development trajectory, characterised by management geared towards the stabilisation of the workforce and the retention of resources. During the year, **81 new hires** were made, corresponding to a hiring rate of **9.9%**⁵. This figure confirms the company’s attractiveness on the labour market and the steady inflow of new skills.

Terminations recorded, on the other hand, numbered **44**, with an exit rate of **5.4%**⁶. This is a particularly virtuous physiological value, indicative of a strong sense of belonging and of the effectiveness of the welfare policies and internal enhancement of resources.

During FYE2025, the Company implemented a strategic acceleration in hiring, welcoming 123 new employees (+16%) to effectively support operational growth and the evolution of business processes. The FYE2026 figure reflects a **physiological and planned normalisation of hiring flows**, realigning with FYE2024 volumes.

The comparison of termination rates highlights the most significant result of 2026. After the rise in turnover recorded in FYE2025, in FYE2026 the Company reached the **lowest number of departures of the three-year period** (5.4%).

Hires & Termination



⁵ The hiring rate was calculated by considering the ratio between the total number of hires and the total number of employees
⁶ The exit rate was calculated by considering the ratio between the total number of exit and the total number of employees

Remuneration policy and determination of pay

100% of Nippon Sanso Italia employees are covered by a national collective labour agreement. The CCNL applied is that of the chemical sector for all employee categories. For **senior managers and executives**, the Company defines management remuneration policies in compliance with the applicable regulations and in close alignment with the guidelines of the Group's European management.

- **Fixed pay:** established on the basis of the Executives' CCNL and reflecting the role held, the responsibilities assigned, the level of organisational complexity and professional experience. The grading and remuneration are thus aligned with the individual's organisational positioning;
- **Variable pay:** provides for an annual incentive system defined at European level. Payment is subject to the achievement of specific, measurable and formalised objectives, linked to corporate results (economic, financial or organisational), to non-financial results with a focus on environment, safety, quality, compliance and innovation and to individual performance.

With regard to severance payments, only the standard protections established by current regulations and the reference CCNL apply, without any additional or improved agreements compared with the collective rules. Finally, in terms of pension provision, there are no supplementary company pension plans in addition to those required by law or already governed by the applicable collective bargaining.

The remuneration policies aimed at the **entire company population** seek to reward merit, support purchasing power and foster organisational wellbeing.

- **Fixed pay:** determined by the assignment of the contractual grading level (Chemical CCNL) according to the duties, responsibilities and skills required by the role.
- **Variable and supplementary component:**
 - profit-sharing bonus: governed by a second-level supplementary agreement, linked to economic and organisational parameters shared and agreed with employee representatives;
 - one-off bonuses: the Company may grant, on a discretionary and non-contractual basis, variable bonuses linked to individual results, aimed at rewarding personal contribution and performance.

An integral part of the remuneration offer is a **welfare plan** that provides employees with an annual spending account for goods

and services. The tool is designed to promote work-life balance and the general wellbeing of employees.

The process of defining and approving remuneration policies is managed **internally by the relevant company functions** in coordination with the Group; no external members or consultants are involved in remuneration matters.

As confirmation of the Company's commitment to the wellbeing of its employees, all employees receive remuneration above the minimum living wage threshold.

“Employee of the Year FYE 2025” award

During the Nippon Sanso Christmas Party, held in Milan on 16th December, the winner of the “*Employee of the Year FYE 2025*” award was announced: Mario Donati, Industrial Technical Service Area Leader at Sesto Fiorentino, chosen by colleagues through a two-stage internal vote. With the company since 1987, Mario has held roles of increasing responsibility over time in technical assistance, production and the sale of medical gases, contributing to the development of the Microbulk, Starcyl and Minibulk markets and achieving Green Belt certification. In his speech, he recalled the values of collaboration, listening and respect as the foundation of shared successes.

“I am honoured that my colleagues recognised me as a good team member: success stems from shared commitment. I believe in the value of a positive environment and in the curiosity to explore new paths, involving others to grow together.”

Mario Donati
Industrial Technical Service Area Leader

In addition to the winner, recognitions were also given to the seven finalists, confirming widespread participation and commitment within the company.



Dare Dream Smile

Productivity e Collaboration Excellence



On 24th July, at the Milan headquarters and in the presence of the Management Committee, the NGI Awards FYE 2025 ceremony was held, dedicated to celebrating the people who stood out for their commitment, innovation and collaboration.

The edition adopted a new identity inspired by the motto “Dare, Dream, Smile”. The Productivity Excellence Award (“Dare”) was presented to Maurizio Sisto for the project “Dynamic PAG and Production Scheduling”, a Power BI tool for the real-time monitoring of PAG production and of the Working Stock levels of branches and depots.

The Collaboration Excellence Award (“Dream”) recognised the teams of two projects.

The first was linked to the Melito site and the OTD Campania tender, which today ensures a punctual and continuous service to thousands of patients in Campania. The second was the Energy Dome project, with the delivery of 2,600 tonnes of CO₂ over the course of a week.

The NGI Awards represent an important moment to celebrate the value of people, collaboration and the ability to face daily challenges together.



4.2 We take care of our people

GRI 3-3 (attraction and retention) | 3-3 (diversity and inclusion) | 3-3 (training and development) | 3-3 (wellbeing) | 3-3 (human rights) | 401-2 | 401-3 | 404-1 | 406-1

Nippon Sanso Italia invests in caring for its people through five integrated strategic levers: the attraction and growth of talent, the inclusion and enhancement of diversity, a structured training offer, a welfare and wellbeing system, and the safeguarding of human rights along the entire internal value chain.

Training, skills development and enhancement of potential

The talent **attraction** and **retention** strategy is structured along three lines:



Training represents for the Company a fundamental strategic lever for promoting individual wellbeing and organisational development. This commitment takes the form of advanced management and leadership development paths, such as the **GOL** (Growing Our Leadership) programme and the implementation of modules dedicated to decision-making, cognitive biases and Artificial Intelligence. These activities are complemented by systematic training programmes **on Diversity, Equity & Inclusion, compliance, ethics, social responsibility and corporate safety**, as well as ongoing **technical**, specialist, **digital and language initiatives**. Particular focus is reserved for psycho-physical wellbeing through the initiatives of the **Wellbeing Program**, combined with personalised growth paths and cross-functional projects aimed at fostering internal mobility and both vertical and transversal development, with special attention to younger resources. This entire growth ecosystem is structured around the performance management programme **PDP** (Personal Development Plan), an individual development plan that accompanies each employee along their professional path and that constitutes the objective basis of assessment for the payment of the variable, performance-related component of remuneration.

Inclusion, corporate climate and active participation

In terms of inclusion and participation, the company actively promotes a culture based on **equal opportunities, combating all forms of discrimination**, and strengthening the sense of belonging. This approach takes shape in structured initiatives such as the **Diversity & Inclusion Month** and in ongoing support for the Employee Resource Groups, including the **WING, EQUALS** and **YOUNG** groups, constantly supported by listening and strategic communication activities. In order to monitor the internal climate and promptly gather feedback and suggestions from the company population, an **Employee Engagement survey** involving the entire Group is conducted annually, while transparency and regulatory compliance are ensured by dedicated hotlines and reporting channels, in line with the whistleblowing policy, which can also be used anonymously to detect any inappropriate behaviour. The enhancement of individual contribution is expressed through the **Ideas 4 the Future** innovation programme, aimed at stimulating the active participation of employees in the evolution of the business and at seeking innovative solutions to address specific challenges (such as sustainability in hospitals or the adoption of emerging technologies). Merit and collaboration are also **recognised through dedicated awards**, including the Productivity Award, the Collaboration Award and the People Excellence Award, alongside moments of community engagement such as the traditional Christmas Lottery.

Development of young talent, onboarding and relations with the local area

The Company recognises the strategic value of the new generations and promotes a comprehensive set of initiatives aimed at fostering their **entry into the world of work** and **their professional growth**. The integration of young people is supported through structured paths of **internships, traineeships** and **apprenticeship contracts**, designed to ensure a gradual entry accompanied by coaching, mentoring and on-the-job skills transfer. Within this framework sits the **Onboarding & Induction** programme, designed to facilitate the **integration of new hires** and to **convey corporate culture and values** from the very first steps in the organisation. The company's attention also extends

to the education system through **collaborations with schools and universities** to align study paths with the skills required by the production context, also including family welfare measures such as the provision of scholarships for employees' children. Within decision-making processes, a central role is assigned to the interdisciplinary **Advisory Board**, a body composed of 14 young talents on an annual rotation, tasked with proposing innovative solutions directly to the Management Committee, stimulating a fruitful intergenerational dialogue. Supporting this structure is the network of **Ambassadors**,

company figures of established experience and authority who act as a **relational and value-based bridge between headquarters and the peripheral branches**. Finally, the dissemination of knowledge and the internal visibility of talent are supported by dedicated editorial and video formats, such as “New faces, new stories” for the integration of new hires, and the “Getting to know the organisation” feature, aimed at strengthening cross-functional collaboration and awareness of the value of the individual within the Group.

June, the “Diversity & Inclusion Month”
A month to listen, reflect and act

With the motto “All ways welcome”, Nippon Sanso Italia dedicated the month of June to the Diversity & Inclusion Month, a journey to promote a fairer, more open and inclusive culture. Through testimonies, interviews and moments of discussion, the initiative explored the many dimensions of diversity present in the company. Over the course of four weeks, the themes of cultural diversity, generational diversity, accessibility and inclusion and gender equality were explored - with the celebration of International Women in Engineering Day (INWED) - as well as support for people of the LGBTIQ+ community, valuing every experience and perspective.

Cultural diversity

Nippon Sanso Italia explored how everyone's origins influence who they are, the way they think, create and relate to others. Celebrating cultural differences meant building stronger bridges between people.

Generational diversity

The company gave space to all ages, recognising the strength that arises from dialogue between those who bring new ideas and those who offer vision and experience.

Accessibility and inclusion

The company highlighted the value of every ability and the importance of making its working environment truly accessible to all.

All love,
All ways,
Always welcome.

No matter who you love, you will always be welcome here. At Nippon Gases, we believe that being yourself is your greatest strength.

We're proud to foster a workplace where everyone can thrive by being their authentic selves.



As confirmation of the soundness of its organisational wellbeing and personnel management policies, the results of the FYE2026 financial year highlight the full achievement of all the strategic objectives set in terms of attracting and retaining resources. The Company measures the effectiveness of its lines of action through **two key performance indicators (KPIs)** focused on workforce stability, which recorded widely virtuous values during the year compared with internal targets.

The turnover rate from voluntary resignations stood at **3.4%**, positioning itself below the **4%** threshold identified as the corporate target. This result demonstrates the ability of the integrated system of welfare, flexibility and corporate climate to mitigate the risk of spontaneous departures, ensuring operational stability, reducing personnel replacement costs and safeguarding the internal wealth of skills from potential dispersion.

The second significant KPI concerns the **turnover rate of high-potential profiles** (High Potential), which in the reporting year stood at **0.36%**, against a safety target set at less than **1%**.

**“Getting to know the organisation”:
the feature that showcases people and skills**

In 2025, “Getting to know the organisation” was launched, an internal feature created through short videos dedicated to the various functions of Nippon Sanso Italia. The initiative aims to make the daily work of colleagues known, to showcase their skills and responsibilities and to strengthen mutual understanding between the different company areas. The first instalment was dedicated to the Home Care Operational Center (HOC), a strategic function for the delivery of home services of oxygen therapy, ventilation therapy and artificial nutrition. Through the testimonies of employees, it was possible to convey the value of an activity that combines organisational skills, responsibility and constant attention to patients’ needs. Composed of over 30 professionals, the HOC team coordinates assistance, planning, logistics and emergency management every day, ensuring continuity for services essential to thousands of people. In collaboration with local health authorities (ASL), technical staff and logistics partners, it guarantees prompt intervention even in the most complex situations. The testimonies gathered highlight how the value of the service goes beyond the operational aspect. For many patients, especially the most fragile, contact with the operators also represents an important point of listening and support. Empathy, team spirit and the ability to respond quickly to people’s needs are the elements that characterise the team’s work and help to generate value for the community. The initiative confirms Nippon Sanso Italia’s commitment to



promoting a participatory corporate culture and to valuing the contribution of its people.

“Behind every delivery there is a person taking care of another person.” The experience of the Home Care Operational Center shows how skills, collaboration and attention to patients’ needs are fundamental elements in offering a service that goes beyond the mere delivery of a therapy.

Diversity and inclusion

Nippon Sanso Italia actively promotes a working environment in which every person can feel **heard, respected** and **valued** in their uniqueness, starting from the premise that generational, cultural, gender or ability-related differences represent an essential resource for stimulating innovation, wellbeing and the continuous improvement of organisational performance. As fundamental confirmation of the ethical rigour applied and the soundness of this approach, no episode of discrimination occurred during the reporting period, testifying to the effectiveness of the active safeguards, such as anonymous hotlines and reporting channels jointly overseen by the HR and Legal & Compliance functions.

The **“Diversity, Inclusion and Care”** procedure formalises the Group’s approach to inclusion, career planning, work-life balance and parenthood management. The guiding principles include **respect for individual dignity**, the **fight against any form of discrimination** and the **active promotion of gender balance** at all organisational levels.

The commitment to equity is supported by structured governance and the adoption of practices fully compliant with rigorous international standards. As evidence of this virtuous path, the Group has seen its recognitions expand: during FYE2025, Nippon Sanso Industrial also obtained the **UNI/PdR 125:2022** gender equality certification, aligning with Nippon Sanso Pharma, which had achieved it in the previous financial year. The latter also stood out as the first company in the Group to formalise its commitment to **inclusion** through the **UNI ISO 30415:2021 certification**. To ensure continuous and effective compliance with these practices, a dedicated **Steering Committee for gender equality is in place**. To monitor the effectiveness of the policies implemented, the organisation defines precise performance indicators and targets; among these, a key parameter linked to the % of women hired. Nippon Sanso Italia exceeded the planned target of **35%**, reaching **38%**.

An area of excellence and strong strategic focus is the development of **female leadership** and the closing of gender gaps. Within the parent company Nippon Sanso Italia, the female presence remains solid and largely in the majority, accounting for around **61% of the total workforce**. This structural figure is enhanced by a tangible growth of women in coordination roles, up by around **3.5% in a single year**. Female leadership finds its fullest expression at the top levels of the organisation: within the Management Committee, numerous **key functions are led by women**, including Quality, Sustainability, Investment, HR and Legal & Compliance, and since 2024 the strategic leadership of the Company itself has been entrusted to a female Chief Executive Officer. Supporting this evolution are targeted sponsorship programmes and the activities of the aforementioned WING network, which promotes qualitative focus groups facilitated by external experts to map the corporate context, **break down potential organisational barriers and foster women professionals’ access** to positions of the highest responsibility.

The Company’s inclusive approach extends with equal determination to attention to accessibility and to the targeted integration of personnel belonging to **protected categories**. Operating in close alignment with current regulations, the company goes beyond the logic of mere legal compliance to focus on the real quality of onboarding and integration into work teams. Through the construction of professional paths that are sustainable over time, **ongoing coaching and mentoring activities** and the **enhancement of individual skills**, the organisation creates the ideal conditions for each resource to participate fully in company life, translating the principles of social equity into shared, everyday value.

The Nippon Sanso networks

We promote an inclusive, diversity-oriented culture, able to attract and develop talent from all over the world.



WING
Women's Community



EQUALS
LGBTIQ+ Community



YOUNG
Youth Community



CDC
Collaborative Digital Champions

Benefit e welfare

The value of Nippon Sanso Italia’s corporate welfare system lies in an articulated and strategic structure, designed to respond in a targeted way to the multiple needs of people throughout **their entire working life**. This ecosystem develops around fundamental pillars that integrate financial security, health protection, the balance between work and private life and the provision of everyday support services, consolidating wellbeing as a lever of social sustainability and enhancement of human capital.

In terms of **economic wellbeing**, the Company provides flexible tools aimed at increasing employees’ purchasing power and financial stability. One of the central elements is the annual welfare credit, provided through a dedicated portal for the purchase of **goods and services in the healthcare**, education and care fields, intended for staff covered by the Chemical CCNL with a permanent contract or a fixed-term contract of twelve months or more. In addition to this measure, there is the possibility of converting the annual profit-sharing bonus, granted to all employees, including fixed-term and agency workers with at least six months of service, into welfare solutions, benefiting from a **15%** increase borne by the company. Nippon Sanso Italia reserves a specific protection measure for new hires, through the payment of a one-off amount dedicated to supplementary pension provision. Long-term financial security is further safeguarded by access to **supplementary pension funds** and by the option to request subsidised company loans of up to two gross monthly salaries, repayable over eighteen months at the statutory interest rate, for employees with at least two years of seniority. The protection of health and safety is an essential value. With this in



mind, the Company provides **free supplementary healthcare to all employees** through the category health fund Faschim. This coverage is complemented by insurance against occupational and non-occupational accidents extended to the entire company population, as well as by supplementary medical expense policies dedicated to middle managers and executives.

The promotion of healthy lifestyles is entrusted to the **Wellbeing Program**, a structured path oriented towards physical, emotional and social wellbeing, developed through physical and digital screening campaigns, flu vaccinations and informative activities via webinars or a dedicated app. To complete personal care and mental wellbeing, a free **Psychological Support Desk** (accessible online or by telephone) is available, offering professional counselling and a listening service to deal with situations of stress, fragility or difficulty in both private and working contexts. Attention to the centrality of the person is strongly expressed in measures geared towards balancing professional and personal life, fostering equal opportunities and support for the family. **Remote working** is guaranteed for six days a month for compatible duties, extending to twelve days for parents of children under 14 and up to full flexibility in cases of temporary personal or family fragility. The Company also introduces important additional contractual protections, such as five extra days of paid leave to bring seniority of less than ten years into line with the standard twenty-five days, eight hours per year for medical visits and twenty hours for the illness of children up to fourteen years of age when the ordinary allowances are exhausted.

The **welfare policies** also include programmes for **parenthood, training paths** for **caregivers**, the topping-up to 100% of remuneration in the case of oncological conditions and an increase in leave for victims of gender-based violence. Finally, everyday working life is supported by concrete services such as tax assistance through Assocaaf, a broad package of subsidised company agreements, the Social Assistance service dedicated to welfare and legal matters, and a corporate catering model that offers free access to the internal canteen at production plants or, alternatively for branch staff, the provision of meal vouchers worth EUR 8 per day.

Finally, to support the entire people ecosystem, Nippon Sanso Italia uses **PeopleHub**, the digital platform for human resources management: through this tool, training paths are delivered, the individual development plan is managed and the main functionalities for managing the employment relationship are made available, with a view to simple and centralised access to the services dedicated to people.

Parenthood and parental leave

In FYE2026, the return-to-work rate at the end of parental leave was 100% for both men and women.

100% of the employees who returned are still on the workforce 12 months later, confirming the effectiveness of the support for parenthood and for the return to work.

Parental leave	Women	Men
Employees entitled to leave in the period	32	24
Employees who took the leave	18	7
Employees returned to work at the end of the leave	18	7
Employees still with the company 12 months after returning	18	7

New offices inaugurated at Anagni



On 19th June 2025, Nippon Sanso Italia inaugurated the new premises of the Anagni plant (Via Casilina 114), in the presence of representatives of local and regional institutions – including Mayor Daniele Natalia, the Vice-President of the Lazio Region Roberta Angelilli and Regional Councillor Daniele Maura – together with management and employees.

The company's main production site in Central-Southern Italy for the cylinder filling and supply of technical, food, specialty and medical gases, the plant – built in the 1960s under the Rivoira brand – retains a strong sense of belonging. Alongside the investments in the modernisation of the plants and the expansion of the range, there is now an intervention dedicated to people's wellbeing: new offices with a meeting room, a canteen and an area for training, also developed in collaboration with local universities.

"I would like to thank all the colleagues for their commitment and patience during the works, which allowed us to achieve a result to be proud of. A special thank-you goes to the institutions, whose support was fundamental both for the success of the project and for strengthening the bond with the local area. The passion and collaboration shown by everyone make Anagni a virtuous example of how, by joining forces, important milestones can be reached and investment in the future can continue."

Eduina Marino
President & CEO

The day ended with the ribbon-cutting, a guided tour of the plant and a convivial moment featuring typical local products, confirming the bond between the company, people and the community.

Training and professional development

The strategies and initiatives introduced to improve employees' skills and abilities are governed by a structured process aimed at ensuring the maintenance and **development of professional knowledge**, in a logic of **continuous training** and **organisational learning**. This approach is based on an accurate analysis of training needs conducted annually by the **Human Resources Department** in close collaboration with the Function Managers, integrating technical updating and professional development needs with the further initiatives established by the corporate strategic plans. In line with the integration into the Management Systems of references to Social Responsibility and Gender Equality, the identification and planning of sessions rely on the coordination of the **Social Performance Team** (for the SA8000 Standard) and the Steering Committee (for the UNI/PdR 125:2022 reference practice).

These processes respond to a cardinal principle of inclusion and equity, guaranteeing all employees the same right of **access to training events** for their enhancement and professional growth. All planned activities and the related participations are tracked within the dedicated portal, **People Hub**.

The training offer is divided into both internal and external activities. **Internal training** initiatives, co-designed and managed in synergy between the Function Managers and the Human Resources Department, saw the development of cutting-edge paths dedicated to the impact of **Artificial Intelligence** on decision-making processes, the management of cognitive biases and the promotion of a culture of innovation. In this area, targeted paths were launched, such as the course on the use of **Power BI** and the one dedicated to **Copilot**, which involved the entire company population thanks to the collaboration with an external provider.

As regards **external training**, which includes participation in courses, seminars and conferences, planning remains subject to prior approval of the contents, programmes and objectives by the relevant Function Manager. This training branch balances the development of transversal skills (soft skills), with projects aimed at strengthening leadership, team management, collaboration and a sense of belonging, with the acquisition of **technical and specialist skills** aimed at consolidating specific vertical abilities. In particular, to enhance the learning of foreign languages, the company introduced and activated a new advanced **language training platform**.

Within this area sits the **“Leadership & People Management”** path, completed in March 2026 and aimed at the company's managers to **strengthen people and team management skills** and promote a conscious, effective and engagement-oriented leadership style.

Divided into three modules, dedicated respectively to **team organisation and performance, effective communication**, and the **motivation and engagement of employees**, the path developed over nine months, alternating in-person and online sessions, for a total of eight technical sessions and three group coaching sessions, and involved 67 colleagues, mostly from middle management, divided into groups that were heterogeneous by function to encourage discussion and networking.

To ensure that the process represents a real and effective tool for the continuous improvement of the organisation and its resources, the Company adopts **specific parameters** to monitor the effectiveness of the policies and the progress made. A first fundamental parameter is the **feedback questionnaire** and the end-of-course report, managed by the Human Resources Department to map the **level of satisfaction** and identify the strengths and weaknesses of the initiatives organised, laying the foundations for subsequent improvement actions. A second key indicator is integrated into the system for assessing performance and individual development plans (**PDP**), digitalised within People Hub.

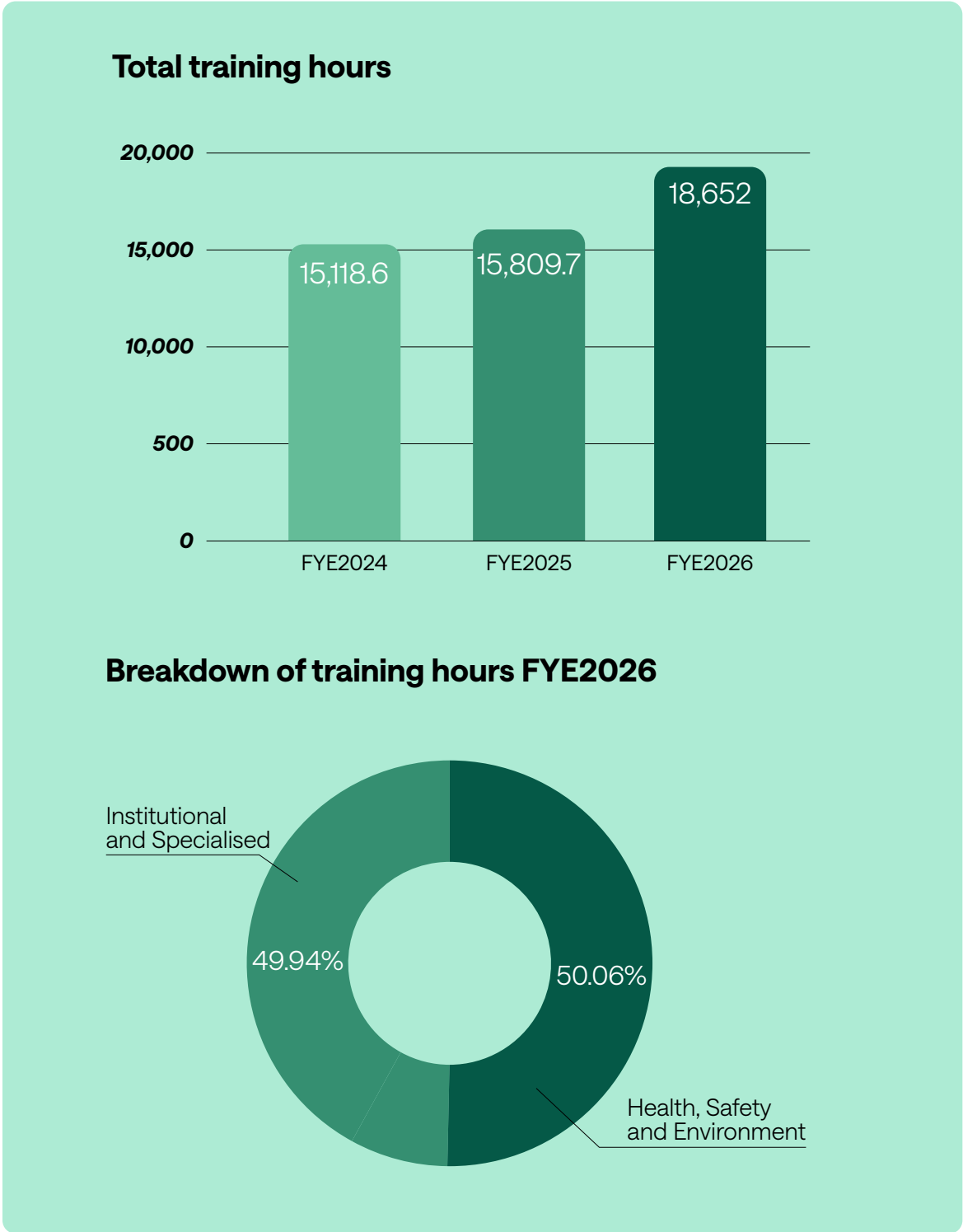
This tool makes it possible to verify precisely the consistency between the development objectives assigned by the manager and the training actually delivered, translating into the implementation of concretely effective training actions. Overall monitoring is finally supported by quantitative statistical indicators, such as the **percentage of training participants** relative to the average number of employees in the year and the **incidence of total training hours** relative to hours worked.

In FYE2026, a total of 18,652 hours of training were delivered to employees. The average per trained employee is approximately 23.3 hours per year.

The data highlight a widespread and pervasive **involvement of the company population** in training activities, with a number of trained employees that reflects the workforce structure and an hourly intensity differentiated according to the specific needs of each role.

Analysing the average hours per capita, the strategic priority assigned to the development of management and of the under-30s recently joining the company clearly emerges. Middle managers in fact record the highest training intensity of all, with as many as 38 average hours per employee, confirming the company's strong commitment to strengthening leadership and coordination skills.

Immediately afterwards come the **apprentices**, who benefit from 31 average hours per capita, a value consistent with the structured onboarding and training paths needed to support the new generations in the delicate phase of entering the production context.



Lean training at European level: success for the Six Sigma event in Anagni

From 21st to 23rd October 2025, at its Anagni site, Nippon Sanso Italia hosted an international training event organised with the Lean Six Sigma Institute and aimed at colleagues from several European sites, with the objective of strengthening skills in the management of productivity projects through the Lean Six Sigma approach.

The three days alternated training and operational discussion: from the principles of Lean Thinking and their business applications to the visit to the plant with the sharing of local best practices, through to the presentation of the improvement projects planned for the following months.

"A precious opportunity for discussion with European colleagues and to learn about the company's reality, which allowed us to involve even the most distant sites. Productivity is a journey that can be shared by everyone."

Lorenzo Ottolina
Productivity Manager Italia

The initiative represents a step towards a culture of shared and sustainable productivity, valuing the contribution of each site and promoting a common vision at European level.



Respect for human rights

The protection of human rights and the promotion of integrity represent cornerstone commitments integrated into corporate governance. This rigorous ethical framework develops through an effective synergy between the directives defined by the Group at European level and their local declinations, designed to best respond to the specific features of Nippon Sanso Italia’s operating context and applied across the board to all employees. The core of this compliance system is the **Code of Conduct**, a fundamental tool intended to guide everyday conduct, for which a mandatory **annual recertification procedure** extended to the entire company population is envisaged. To safeguard these principles, the compliance programme also provides for the delivery of a mandatory **two-year training plan** structured into specialist modules, covering antitrust, anti-corruption, personal data protection and the safeguarding of human rights, thus ensuring constant updating and a deep, widespread awareness at all organisational levels. As a further safeguard of transparency, the Company has adopted an internal institutional reporting channel, compliant with the **whistleblowing** rules, aimed at detecting and handling with the utmost confidentiality any conduct not aligned with corporate values or current regulations. Within this framework of rigorous control and responsibility sit the structured policies linked to the excellence certifications achieved over time by the Group. In particular, the company reserves deep attention to the dynamics of worker and

workplace protection, as demonstrated by the **SA8000** social responsibility certification formally held by Nippon Sanso Pharma. This ethical framework is further strengthened by the adoption of policies and lines of action developed in close compliance with the requirements of the UNI/PdR 125:2022 reference practice for gender equality and with international Diversity & Inclusion standards, outlining an organisational model that is fully inclusive, transparent and oriented towards the inviolable respect for human dignity and legality in every area of the business.

The operational safeguard mechanisms include:

- **mandatory annual recertification** of the Code of Conduct by all staff (target 100%, achieved 100%);
- **two-year compliance training** including modules on anti-corruption, antitrust, data protection and human rights (target 100%, achieved 100%);
- **compliance week and onboarding programme** with specific modules on ethics and human rights (target 100%, achieved 100%).



4.3 Health and Safety Management

GRI 3-3 | 403-1 | 403-2 | 403-3 | 403-4 | 403-5 | 403-6 | 403-7 | 403-9 | 416-2

Nippon Sanso Italia manages occupational health and safety through an integrated policy, formalised in the **Occupational Health and Safety, Environment and Security Policy** and signed by the Employer, and through a management system certified to the **UNI EN ISO 45001:2023** standard. The policy is based on an explicit principle: all injuries, accidents and environmental incidents can be prevented, and safety is a line responsibility that involves every person, from the Employer down to the individual workers. Having joined Federchimica’s Responsible Care programme, the company also adopts the **UNI-INAIL Guidelines** for safety management systems and, at sites with a certified environmental management system, the UNI EN ISO 14001:2015 standard.

The commitments undertaken cover the **prevention of injuries, accidents and occupational diseases**, the protection of the safety of workers, customers, suppliers and third parties, compliance with applicable regulations and Group standards, the integration of safety, health and environmental aspects into business processes, staff training and information, worker consultation and participation, and the periodic review of policies and management systems. The effectiveness of actions is monitored through specific HSE indicators, internal audits and a structured lessons-learned system that makes it possible to trace the root causes of events and update policies and operating procedures accordingly.

OHS management system

The occupational health and safety management system complies with the **ISO 45001** standard and covers **all business processes**, from the production, storage, distribution and marketing of technical, industrial and medical gases. The scope of the system includes the operation of air separation, compression and liquefaction plants, filling and packaging, internal handling and logistics, transport and distribution (in compliance with ADR regulations), installation and maintenance at company sites and at customers’ premises, as well as technical, commercial and administrative activities. The workplaces concerned include **production plants and facilities**, filling centres, depots and storage areas, logistics areas, workshops, customer sites, the road network and offices.

Executive Assessment Safety: the Chivasso site reaches Platinum level

On 4th November, the Chivasso plant reached the Platinum level in the Executive Assessment Safety, the safety assessment introduced at European level, which involves site visits by the Executive Team of Nippon Sanso Europe and by the Region Management. The objective is twofold: to analyse safety in depth and to give evidence of the progress made, identifying areas for improvement.

The assessment adopts a seven-level scale inspired by the world of sport: Iridium, Platinum, Gold, Silver, Bronze, Iron, Scrap. The Platinum achieved by Chivasso reflects a journey built over time by the entire group, in particular by the PAG&SPG production, safety and quality functions. The recognition was presented by Eduina Marino on the occasion of the Christmas dinner in Turin.

"It's like winning an Oscar: no site in Europe has yet reached this level."

Francesco Sciscioli
PAG Operations Director



The system oversees the **risk factors specific to the sector**, including those connected with the presence of compressed and liquefied gases (high pressure, risk of explosion), cryogenic risks, atmospheres that are hazardous due to oxygen deficiency or enrichment, load handling, the use of equipment and lifting machinery, electrical and mechanical risks, noise, chemical risk, road traffic and interference risks at customers' sites. The **Prevention and Protection Service is internal and comprises two Managers (RSPP) and five Coordinators (ASPP)**. The **HSE function** collaborates with Management and the Function Managers to plan activities, define roles and responsibilities, identify training needs and support the Purchasing Office in the qualification of contractors.

Hazard identification and risk assessment

Risk management is based on a structured process for reporting **Safety Events**, which allows all workers to report **near misses, unsafe behaviours, hazardous conditions**, plant anomalies and incident events through dedicated company tools. Each report is recorded, analysed for its causes and managed with **corrective and preventive actions** assigned to a responsible person and monitored through to closure, with full traceability. The process is governed by the specific internal procedure that defines the methods for reporting and analysing injuries, accidents and near misses and the management of non-conformities, corrective actions and preventive actions. The reporting activity is complemented by **periodic site inspections** in the most critical operational areas, carried out by qualified personnel.

The investigation of events adopts a formalised **Root Cause Analysis** system and concludes with targeted corrective actions (technical or plant modifications, updating of procedures, training interventions, review of supervision methods). Also formalised is every worker's right to stop or refuse an activity deemed unsafe, without fear of consequences or retaliation: a principle that applies to all company activities, including those carried out at customers' sites or by contractor personnel. For transport safety, the vehicles used for distribution are equipped with systems for **vehicle stability control** and **driving-style monitoring** (Mix Telematics: speed, harsh acceleration and braking, lateral acceleration, Roll Stability Support); the data are analysed periodically, with the activation of improvement plans and targeted training for drivers.

Thanks to this journey, the company's digital ecosystem is today more agile, more data-driven and fully aligned with Nippon Sanso's long-term objectives in sustainability and innovation.

Occupational medicine services

Health surveillance is ensured by the **Occupational Physician** appointed by the company and includes preventive and periodic medical examinations, examinations at the worker's request and on the occasion of a change of duties or return after prolonged absences. The health protocol is defined on the basis of the risk assessment and applied in coordination between the Occupational Physician, the HSE function and the company organisation. Examinations are planned so as to reduce the impact on activities; the worker also retains the option of requesting additional medical checks.

Worker participation and consultation

The **Workers' Safety Representative (RLS)** is the primary party involved in consultation and participation, being engaged in carrying out and reviewing the **risk assessment and in drawing up the Risk Assessment Document**. Their participation is also ensured by the **monthly safety meetings** and the **quarterly health and safety meetings**, which at the plants involve staff from the operational functions and in which every worker can raise observations and propose safety topics.

Worker training on health and safety

Health and safety training is developed jointly by the **HSE and Human Resources functions**; the plan is drawn up in compliance with Legislative Decree 81/2008, the voluntary standards adopted, the Nippon Sanso Euro-Holding guidelines and Group programmes. The activity is governed by the procedure "information, education and training on health, safety and environmental protection", supported by the "SOS Project, the observation system" procedure

for verifying effectiveness in the field, and by the procedure for forklift and pallet-truck operators.

The **main initiatives** include:

- the **training of new hires**, including the induction programme and general and specific training in accordance with the State-Regions Agreement;
- **training on the Internal Emergency Plan**, with periodic drills, and the training of emergency, firefighting and first-aid officers;
- **specific training for forklift operators** and training on the Risk of Major Accidents for sites subject to Legislative Decree 105/2015;
- operational safety programmes, including the Operational Training Program for production operators, the Disco Azzurro (Blue Disc) programme for technical-commercial roles and the 360 programme for drivers;
- **training for Managers and Supervisors** pursuant to Article 37 of Legislative Decree 81/2008;
- the **Safety Excellence Journey**, an annual programme proposed by the parent company Nippon Sanso to promote a shared safety culture, also carried out in FYE2026.

The planning and recording of training activities are managed through dedicated software on the **People Hub portal**; product safety data sheets constitute a primary source of information on hazards, while the verification of effectiveness takes place through tests and field observations within the **SOS Project** (Safety Observation System).

Promotion of worker health

Nippon Sanso Italia facilitates workers' access to health and medical services, including outside work. The second-level agreement grants 8 paid hours per year for medical visits. In terms of voluntary prevention, programmes are offered such as the metabolic check, the bone health check (densitometry check) and the annual flu vaccination campaign, organised within the company sites.

OHS risk prevention in business relationships

For activities over which it does not exercise direct control, in particular those entrusted to suppliers and contractors, Nippon Sanso Italia adopts an approach based on governance, measurement and continuous verification: contracts define roles, responsibilities and performance indicators; **periodic reporting, documentary and field audit activities and constant dialogue with partners** for continuous improvement are envisaged. The qualification of contractors and service providers operating at company sites includes the verification of health and safety requirements, with the support of the HSE function. Non-employees operating at the sites are subject to the same safety rules envisaged for internal staff, including the principle of stopping unsafe activities.

Work-related injuries

In FYE2026, Nippon Sanso Italia recorded no fatalities or injuries with serious consequences, either among employees or among non-employees. With reference to direct employees, no recordable injuries were detected. **One injury** was recorded, however, involving a non-employee, an external operator who, using an angle grinder at a company site, sustained an injury to a finger requiring three stitches; as a corrective measure, the contractor arranged for the operator to be retrained.

The training intervention was aimed at **strengthening awareness** of the specific risks connected with the **use of the angle grinder** and, more generally, of **cutting and sanding equipment**.

Indicator	Employees FYE2026	Non-employees FYE2026
Fatalities from work-related injuries	0	0
Injuries with serious consequences (excluding fatalities)	0	0
Recordable injuries	0	0
Hours worked	1,368,127	63,751
Recordable injury rate	0	0

The rate is calculated as the ratio between the number of recorded incidents and the total number of hours worked at the end of the reporting period, multiplied by 1,000,000. Subsidiaries are excluded. For the current reporting period, non-employees include interns and fixed-term workers.

The OHS monitoring system confirms the achievement of the zero target for the two most critical indicators, fatalities (FATALITY) and medical treatment cases (MTC). Still to be managed are one vehicle rollover (ROLLOVER) and one high-severity-potential vehicle accident (HSPVA), both followed by specific corrective actions. The continuous monitoring of near misses remains an integral part of the Safety Events management system.

OHS monitoring KPI	Target	Result FYE2026
FATALITY (deaths)	0	0
MTC (medical treatment cases)	0	0
LTI (lost time injuries)	0	0
ROLLOVER (vehicle rollover)	0	1
HSPVA (high-potential vehicle accident)	0	1

Health and safety of products and services

The protection of the health and safety of patients and customers is overseen by the **quality policies**, consistent with the company's context and strategic direction, and by the **Occupational Health and Safety, Environment and Security Policy**. The Group companies adopt internationally recognised management systems (UNI EN ISO 45001:2023, UNI EN ISO 14001:2015 and UNI EN ISO 9001:2015) and complement them with ongoing staff training programmes. Actions during the financial year include the implementation of Quality Observations at secondary production sites, which allow rapid checks of compliance with procedures at production sites, and the updating of the labels of fluorinated refrigerant gases in compliance with the F-gas Regulation.



Effectiveness parameter	Target	Result FYE2026
Status of certifications	Maintenance of all voluntary certifications	Achieved
Performance of audits	Internal audits carried out and passing of 2nd- and 3rd-party audits	Achieved
Training	Compliance with the planned training plans	Achieved
Time to handle non-conformities and complaints	< 30 days	Achieved
Product recalls	Zero recalls of medical products	Zero

In order to **track the progress of the set objectives** and the **effectiveness of the actions** taken to meet them, the companies hold periodic review meetings to share results and new objectives. In these meetings, the actions defined for resolving any complaints and non-conformities are shared, which may include both the delivery of training interventions and the commissioning of new tools or the implementation of new software.

In FYE2026, **no episode of non-compliance** with regulations or voluntary codes concerning the health and safety impacts of products and services occurred.

Non-compliance episodes (health and safety of products and services)	Number of episodes FYE2026
Episodes resulting in a fine or penalty	0
Episodes resulting in a warning	0
Episodes of non-compliance with voluntary codes	0

The result is based on a structured quality management system, with documented procedures governing the design, production, control and supply of products and services and including quality control, the management of deviations and non-conformities and the adoption of the related corrective and preventive actions.

4.4 Our relationships with the supply chain
GRI 3-3 | 204-1

The management of Nippon Sanso Italia's supply chain is aligned with the Group's European framework and is based on two main tools:

la **the European Procurement Policy** and the **Supplier Code of Conduct**. The Procurement Policy, issued by Nippon Sanso Euro-Holding, establishes that the selection and management of suppliers must ensure not only the best economic value and the reduction of supply risks, but also **high standards of ethical conduct, supplier diversity and environmental responsibility** along the entire value chain; the European policy is supplemented by local guidelines and procedures. The Supplier Code of Conduct is a binding requirement for starting and maintaining business relationships and requires compliance with standards on legality, anti-corruption, human rights, working conditions, health and safety, environmental protection and non-discrimination. The Code provides for **mechanisms to monitor supplier** performance and non-conformity management procedures that require the adoption of corrective actions within defined timeframes, up to the possible termination of the relationship in the event of failure to comply. The principles are applied in the **qualification and selection processes** through the systematic integration of **environmental, social and governance criteria**.

During onboarding, **new suppliers complete ESG questionnaires** on human rights, working conditions and environmental management, including a questionnaire dedicated to human rights and diversity; at the same time, an **ESG risk assessment methodology** based on the country of origin, the product category and the criticality of the supplier makes it possible to adopt a risk-based approach, calibrating the levels of control and due diligence according to the risk profile. The qualification and registration of suppliers take place through the dedicated **European Zycus platform**, which with the **I-supplier** module allows the supplier to register, enter their data and accept the Code of Conduct, and with the **iRisk** module standardises risk assessment at European level, the assignment of a score and the execution of customised surveys.

The monitoring of supplier performance is ensured by dedicated indicators, documentary and **on-site audit** activities and **digital platforms** shared at European level: non-conformities are recorded in centralised systems and managed through the **SCAR** (Supplier Corrective Action Request) / **CAP** (Corrective Action Plan) process, with root-cause analysis and corrective action plans, while a Power BI dashboard (Procurement KPI dashboard, Sustainability) provides visibility over the supply chain's sustainability indicators. Nippon Sanso Italia also promotes a **collaborative approach**, encouraging suppliers to adopt sustainable practices and to extend

the principles of responsibility to their own sub-suppliers, and values local suppliers with a view to a more resilient supply chain. Planned developments concern the extension of ESG criteria in contracts and sourcing processes, the expansion of due diligence on critical suppliers and the strengthening of **Supplier Relationship Management** systems, in order to increase the coverage of spend managed through structured processes.

Supplier non-conformity management process

A non-conformity report indicates that a product or service has not met Nippon Sanso's standards. Such standards may be defined by customers, regulatory bodies or internal procedures. All non-conformities are recorded in the European Incidents Database, which documents events at company sites or at customers' premises. To enhance the event reporting tool, the processes have been updated to include not only product or service defects but also administrative and supply chain issues. This update also makes it possible to improve other business areas and to manage the end-to-end process more effectively.

Within the event management system, non-conformities attributable to suppliers are handled in collaboration with the **procurement functions**, in order to improve the behaviour and control of the products and services received.

Supplier non-conformities are also divided into **three categories**:

- 1

Internal
If they occur within the company perimeter, before the product leaves the plant or upon receipt of the product or service
- 2

External
When they are detected at the customer's site
- 3

Safety-related
Segregated and monitored with particular attention

Sustainable procurement strategy

- **Supplier selection and evaluation:** suppliers are selected on the basis of compliance with internationally recognised standards and principles, ensuring the integration of sustainable development and business responsibility along the entire supply chain. Their sustainability performance, including ESG practices and the monitoring of any sustainability incidents, is systematically assessed
- **Sustainable sourcing**
ESG criteria are integrated into the sourcing process, favouring the selection of suppliers able to minimise negative impacts and enhance positive ones
- **Sustainability policies and training**
Comprehensive sustainability policies are adopted, accompanied by training programmes so that all procurement activities are consistent with sustainability objectives
- **Supplier engagement**
An ongoing dialogue with suppliers is maintained to promote and support sustainable practices
- **Supplier diversity**
A Supplier Diversity Awareness Survey assesses the degree of awareness and application of diversity practices by suppliers, examining the extent to which their demographic composition reflects these values
- **Circular economy practices**
Practices supporting the circular economy are actively promoted, such as resource-use efficiency, waste reduction and the minimisation of the carbon footprint.

The effectiveness of management is measured through a **set of parameters** monitored at procurement level.

During the financial year, an ESG risk assessment was carried out on a supplier located in China, and the 30 supplier audits in Italy were widely exceeded, within the framework of the 37 total audits conducted at European level and documented in the NG Suppliers Sustainability Report. At the same time, the share of spend with local suppliers recorded significant growth, standing at **82.6%** and far exceeding the 73.4% target inherited from FYE2025.

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 **equipment for production plants, medical devices and apparatus for home medical supplies**, as well as technologically advanced materials. Finally, special mention should be made of the maintenance providers who operate across functions and the Technical Service suppliers, dedicated to extraordinary interventions and installations at customers' premises.



4.5 Success stories

Collaboration with Banco Alimentare

In Italy, around 4.4 million people cannot regularly afford a complete meal every two days, while every day large quantities of food are being wasted. As part of its social commitment, and in line with the motto “Dare, Dream, Smile”, Nippon Sanso Italia decided to launch a collaboration with Banco Alimentare structured into two initiatives.

A gesture to give value to food and to people
The first initiative involved employees in a volunteering experience at the Banco Alimentare centres, supporting the activities of checking, sorting and preparing food parcels. The project initially covered five sites (Milan, Sesto Fiorentino, Pescara, Chieti and Anagni), with the hope of being the first in a series of appointments.

Food Collection in the company - Together against waste, in support of those most in need
The second initiative, on the occasion of the 13th National Day for the Prevention of Food Waste (5th February), consisted of a food collection run from 16th to 19th February in all branches. The products collected were picked up by Banco Alimentare and affiliated organisations, with a final report on the quantities donated and a certificate for the most virtuous branch - determined by the number of products donated relative to the number of employees. The Young Community made a decisive contribution to the initiative, confirming the active role of the new generations in generating value for the local area and communities.



Collaboration with Dynamo



As part of its commitment to inclusion, and in particular during the Diversity & Inclusion Month, Nippon Sanso Italia collaborated with Dynamo Camp and Dynamo Academy, organisations that for over sixteen years have offered free Recreational Therapy activities to children and young people with serious or chronic illnesses and to their families.

WEBINAR
«Different, not distant»: an open dialogue on disability
A first moment was the webinar “Different, not distant”, dedicated to disability: with the contribution of Dynamo Academy specialists, the meeting helped the company’s people to better understand the topic and the most correct and inclusive approach, in the awareness that inclusion arises from listening and dialogue.

COMPANY EVENT AT DYNAMO
«Where Dreamers Become Doers»
From 25th to 27th november 2025, colleagues from different sites, functions and generations took part in the “Where Dreamers Become Doers” training experience at the Dynamo Camp Campus in Limestre (in the Tuscan Apennines). Inspired by the motto “Dare, Dream, Smile”, the programme applied the Dynamo Method - which combines play, challenge and inclusion - to strengthen trust, collaboration and team spirit, confirming how change stems from people.

“A Hospital for a Friend”:
a day of solidarity
with the OBM Association

Even this year, Nippon Sanso Italia renewed its support for «A Hospital for a Friend”, the day dedicated to children and families organised by the OBM Association – Ospedale Buzzi Milano, held on Saturday 20th September in Piazza Città di Lombardia. In addition to the moments of entertainment, the event made it possible to raise awareness of the Association’s work, which for twentyyears has been committed to making the environment of the Vittore Buzzi Hospital more humane. The company contributed by donating helium and balloons and through the active participation of numerous colleagues in the fundraising for the hospital.

“Taking part in initiatives like this is a precious opportunity for us to reaffirm our commitment to the community and the values of solidarity that guide us. A heartfelt thank-you to the colleagues who took part with such enthusiasm.”

Alessandra Pierucci
HR & Internal Communication Director



Collaborative innovation for the healthcare of the future: the MIND project

Within MIND – Milano Innovation District, one of the leading European ecosystems dedicated to innovation, a concrete model of public-private collaboration is taking shape: Federated Innovation, which allows companies, research centres and institutions to work together to develop high-impact solutions. In this context sits the collaboration between Nippon Sanso Italia, the IRCCS Galeazzi – Sant’Ambrogio Hospital and Poste Italiane, a virtuous example of integration between industry, healthcare and services.



The project develops digital health solutions to support the patient’s care pathway, with particular attention to the pre- and post-operative phases. Remote monitoring platforms have been created, based on artificial intelligence agents for natural conversation by telephone and on the analysis of clinical and behavioural data. The solutions implemented include telemonitoring and teleassistance with voice interfaces for clinical follow-up; integration with hospital information flows to ensure continuity and traceability of data; data analytics tools to personalise care pathways; and patient engagement models to support therapeutic adherence and the prevention of complications.

The partners’ contribution is complementary: the clinical and research expertise of the Galeazzi Hospital, the infrastructural and logistics capabilities of Poste Italiane, and the technological and care know-how of Nippon Sanso. The initiative strengthens MIND’s role as a “living lab”, in which innovations are tested and validated in real-world contexts, fostering their scalability.

The result is a replicable model, extendable to other healthcare and territorial contexts, that demonstrates how collaboration between diverse players can generate concrete and sustainable solutions, contributing to the evolution of care models towards increasingly digital, integrated and patient-centred paradigms.

"The MIND project represents our idea of innovation: developing technologies that respond to concrete healthcare needs and improve the patient care pathway. I am particularly proud of the result achieved together with our partners; this project demonstrates how collaboration between complementary skills can transform complex challenges into effective, sustainable and replicable digital solutions."

Alessandro Granata
General Manager Nippon Sanso Pharma

CO₂ as a resource for the energy transition: Nippon Sanso Italia’s contribution to the Energy Dome project

The energy transition requires, in addition to the spread of renewables, technologies capable of ensuring their continuity and reliability - the intermittency of sources such as the sun represents one of the main challenges for decarbonisation. This is the context for the project by Energy Dome, an Italian company specialising in long-duration storage, which in Ottana (Sardinia) built the world’s first industrial plant based on “CO₂ Battery” technology: with a capacity of 20 MW / 200 MWh, the plant can supply energy for around 10 consecutive hours, equivalent to the needs of around 14,000 households. Nippon Sanso Industrial contributed by supplying the 2,600 tonnes of Carbon Dioxide needed for start-up. The operation required the cross-functional coordination of the Commercial, Marketing, Technical Service, Logistics, Engineering, Safety and Legal Affairs functions and complex logistics management: over 1,200 tonnes of CO₂ moved by ship and then by road, with constant technical supervision to ensure safety and quality. The technology developed by Energy Dome operates in a closed cycle and without emissions: during the storage phase, the CO₂ is compressed and liquefied, and then returned to a gaseous state

and expanded in a turbine when the grid requires energy. The use of widely available materials such as steel and Carbon Dioxide avoids recourse to critical raw materials such as lithium or rare earths. With an expected service life of around twenty years, the CO₂ Battery represents a promising solution for increasingly sustainable and resilient energy systems. For our company, the initiative confirms the role of industrial gases as an enabling factor for decarbonisation.

"Nippon Sanso Industrial played a fundamental role in the most critical phase of the project, the supply of liquid CO₂. It is our contribution to a more stable, resilient and responsible energy ecosystem: in this context, CO₂, often considered only a challenge, becomes a resource and an enabling element for the ecological transition."

Davis Reginato
General Manager Nippon Sanso Industrial



4.6 Awards

NIPPON SANSO ITALIA RECOGNISED BY ASSOGASTECNICI FOR ITS 2025 SAFETY RESULTS



During the annual meeting of Assogastecnici, Nippon Sanso Italia was recognised for the best 2025 safety result in the category with over 500,000 hours worked, the most significant in terms of size and complexity. The recognition is accompanied by 10 years without accidents achieved by the Parma site and by the Naples site of Nippon Sanso Industrial Sud. Results that reflect a shared safety culture - made up of constant attention, individual responsibility and operational discipline - and the goal of zero accidents and zero injuries.

"At Nippon Sanso Italia, safety is not just a performance indicator: it is a value that guides every decision. Operating in safe conditions, preventing accidents, promptly reporting risks and stopping any unsafe activity is a daily commitment shared at all levels, and it is what makes it possible to achieve concrete and lasting results."

Gennaro Parasileno
HSE Director

SMAU 2025: OPEN INNOVATION AND INNOVATION AWARD FOR PREDICTIVE MAINTENANCE



On 5th and 6th November, Nippon Sanso Italia took part for the second consecutive year in SMAU, one of the main Italian events dedicated to innovation and technology, with a dedicated stand and a programme of meetings. Participation allowed around 30 colleagues to engage with start-ups, experts and potential partners, in line with the company's Open Innovation strategy, geared towards developing solutions even beyond company boundaries. The talks included the workshops on "HR and the culture of innovation" and on "open innovation in the energy challenge". On the occasion of the event, the company received the SMAU Innovation Award for a project aimed at reducing energy consumption and evolving from scheduled maintenance to predictive maintenance, limiting the risk of unexpected breakdowns and the resulting production stoppages thanks to sensors and systems for monitoring actual consumption.

"Receiving this recognition is a source of great pride, as it rewards not only a technological solution, but also the teamwork, curiosity, and determination of the people who made it possible. The true value of this project lies in its ability to transform data and technology into tangible improvements in the efficiency and sustainability of our facilities. This achievement belongs to the entire team and confirms that innovation, when driven by collaboration among diverse skills and expertise, can generate real and lasting value."

Franco Marini
Competitiveness & Technical Service Director

VANVITELLI AWARD CASERTA: RECOGNITION OF LOCAL ROOTS



At the Queen's Hall of the Chamber of Deputies in Rome, the "Vanvitelli Award Caserta" conference was held. The initiative, sponsored by Confindustria and the main trade associations, rewards individuals and organisations that have stood out in the fields of the economy, industry, culture and social commitment. Among the twelve examples of excellence recognised is Nippon Sanso Italia, for its contribution to the development of the Caserta area; the award was collected by Eduina Marino, CEO of Nippon Sanso Italia. The recognition celebrates the choice of Caserta as the site of the first European air separation plant using Japanese technology: a strategic investment, now a benchmark infrastructure for the pharmaceutical, medical, food and manufacturing sectors. Alongside industrial development, the company invests in skills through a dedicated training centre and collaborations with universities and research centres.

"It is a recognition that speaks of choices made with conviction: believing in the South of Italy and in the industrial strength of this area. With the Caserta plant, we have not only brought to Italy a technology that is unique in Europe, but also given shape to an idea of the future."

Eduina Marino
President & CEO

NIPPON SANSO INDUSTRIAL AMONG ITALY’S BEST: AWARDED THE “LEGALITY AND PROFIT AWARD 2026”

Nippon Sanso Industrial received, the “Legality and Profit Award 2026”, a recognition that rewards an ethical, transparent and sustainable way of doing business. Promoted by Economy Group and the audit firm RSM, under the patronage of the Senate of the Republic and ANAC, the award is presented annually to the 100 companies selected on the basis of the highest Legality Rating and the soundness of their financial statements.

The ceremony was held in Rome, at the Senate; the parchment was collected by Maura Delaini, Legal & Compliance Manager, confirming the central role that the governance and control functions play within our organisation. The recognition is based on a structured governance and compliance system, guided by the Code of Conduct, and on attention to ESG topics as a lever for sustainable growth.

"Receiving this recognition is a source of great pride: it confirms the daily commitment to promoting a corporate culture based on integrity, transparency and respect for the rules. Legality is not just a requirement, but a value that guides every decision and builds trust, inside and outside the organisation."

Maura Delaini
Legal & Compliance Manager



“GUIDARELLO GIOVANI” AWARD: THE RAVENNA PLANT MEETS THE SCHOOLS



On 20th October, the Ravenna plant opened its doors to students from a secondary school in the province as part of the 19th edition of the “Guidarello Giovani” Award, promoted by Confindustria Romagna to foster dialogue between school and business. During the visit, the students learned about the production processes and the company’s values, which were then recounted in a reportage.

"Welcoming initiatives like this makes us proud: it was stimulating to show young people how gases, though invisible, are a constant presence in the world around us."

Sara Trombini
QHSE Assistant

Class 4F of the Nervi-Severini Art School won the edition with a video reportage dedicated to Nippon Sanso Italia, focused on the themes of sustainability and safety. The award ceremony took place on 27th November at the Teatro Alighieri.

NIPPON SANSO ITALIA CONFIRMED AS A WELFARE CHAMPION

For FYE2026 too, Nippon Sanso Italia was recognised among the 100 Welfare Champion companies as part of Welfare Index PMI, the main national observatory dedicated to corporate welfare in small and medium-sized Italian enterprises. The recognition confirms the company’s ongoing commitment to promoting a welfare model that integrates safety, health, inclusion, wellbeing and attention to the community, placing people at the centre of the sustainable growth strategy. The welfare system accompanies colleagues through the various phases of their professional and personal lives through initiatives dedicated to health, prevention, safety, work-life balance, support for parenthood, Diversity & Inclusion and economic welfare. A model that also extends beyond company boundaries thanks to volunteering initiatives and collaborations with the local area, helping to generate shared value for the community.

"This award belongs to the whole of Nippon Sanso Italia: to those who every day contribute, with competence, passion and a sense of responsibility, to building an inclusive, safe working environment that is attentive to everyone’s wellbeing. I firmly believe that the best results are achieved when people feel heard, valued and involved. That is why welfare does not simply represent a set of initiatives, but a concrete way of caring for the needs of our professional communities, inside and outside the workplace."



Being recognised as a Welfare Champion encourages us to continue along this path, with the same energy and the same ambition: to listen, innovate and grow together, always placing at the centre what truly matters - people."

Eduina Marino
President & CEO

Methodological note

This Sustainability Report presents the qualitative and quantitative information relating to the topics that are material for Nippon Sanso Italia and its main stakeholders, identified through the materiality analysis described in section “1.3 Our commitment to sustainability”. The information relates to the 2026 financial year (from 1st April 2025 to 31st March 2026) and, for comparative purposes, the data for the previous two years are also reported. The terms “FYE” or “fiscal year” indicate that the data refer to the period 01.04–31.03. Unless otherwise specified, the scope of the companies included in the Sustainability Report comprises:

- Nippon Sanso Italia S.r.l.
- Nippon Sanso Industrial S.r.l.
- Nippon Sanso Operations S.r.l.
- Nippon Sanso Green Energy S.r.l.
- Nippon Sanso Pharma S.r.l.
- Home Medicine S.r.l.
- Nippon Sanso Industrial Sud S.r.l.
- Dryce S.r.l.
- GemGas S.r.l.

The collection of performance indicators and the reporting frequency are annual. Unless otherwise specified, the information includes Nippon Sanso Italia S.r.l. and all its wholly owned subsidiaries, according to the corporate structure in force from 16th April 2021 and updated as of April 2026. The document has been prepared in accordance with the “GRI Sustainability Reporting Standards”, the most recent and widely used non-financial reporting standards defined by the Global Reporting Initiative (GRI), under the “In accordance” option, which requires the reporting of at least one GRI indicator for each material topic. The document has been drafted taking into account the reporting principles for defining content (Stakeholder Inclusiveness, Sustainability Context, Materiality and Completeness) as well as the reporting principles for defining quality (Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness) defined by the GRI Standards. For each topic reported, the description and the boundary of the topic's impact along Nippon Sanso Italia's value creation chain are set out below, specifying whether it is internal or external.

Calculation methodologies

Below are the main calculation methodologies and the sources from which the emission factors used for the performance indicators reported in this document were taken, supplementing what has already been indicated in the text.

- The calculation of Scope 1 and 2 greenhouse gas emissions was carried out using the following formula: activity data (m³ of natural gas, litres of diesel, kg of Fuel Gas, kg of OffGas Shu, kWh of electricity, etc.) multiplied by the respective emission factor. Losses of refrigerant gases (kg) multiplied by their respective GWP (Global Warming Potential) were also considered.

Scope 3 GHG emissions were calculated through the application of documented emission factors; these factors are ratios that quantify greenhouse gas emissions relative to a proxy measure of the activity considered.



- The formula applied is:
Greenhouse gas emissions = Emission factor × Activity data
- The emission factors and GWPs used to calculate GHG emissions are as follows:
 - **Scope 1 emissions:** the emission factors for fuels and the GWPs for 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:** for the calculation of emissions related to purchased steam, the “UK Government GHG Conversion Factors for Company Reporting – fuel properties” database published by the Department for Environment, Food and Rural Affairs (hereinafter also “DEFRA”) of the UK Government, updated annually, was used. For electricity purchased from the grid, emissions were calculated using two methodologies, as required by the GRI Standards:
 - for the Market-based calculation, the residual mix emission factors from the following document were used: “European residual mix” published by the Association of Issuing Bodies (AIB) in the most recent version available;
 - for the Location-based calculation, the emission factors included in the document “International comparisons” (“Confronti internazionali”) published by Terna in the most recent version available were used.
 - **Scope 3 emissions:** for the calculation of emissions, both emission parameters aligned with the parent company NSHD and emission factors available in public databases in their most recent versions were used, including the European Environment Agency (EEA), the European Industrial Gases Association (EIGA) and the “UK Government GHG Conversion Factors for Company Reporting – fuel properties” published by DEFRA.

List of associations

Italy associations	Description
ACMI	Credit manager association
AICARR	Italian Association Air conditioning, heating and refrigeration
AITA	Italian Association of additive technologies
AICEP Italian Process Energy Consumers Association	Association of Industrial Groups characterized by the use of large amounts of electricity in production processes
AIM	Italian association for metallurgy
ASCCA	Association for Environmental Contamination Research and Control
ASSOFRIGORISTI	Italian Association of refrigeration technicians
ASSOLOMBARDA	Territorial association of companies in Lombardy
Camera di commercio Giapponese	Japanese Chamber of Commerce
CIB - Consorzio Italiano Biogas	Voluntary aggregation for companies / organizations / institutions involved in biogas and biomethane from renewable sources
CTI - Comitato Termotecnico Italiano	A body federated with UNI, aims to carry out normative and unifying activities in the various fields of thermotechnics
Confindustria Dispositivi Medici	National federation among enterprises operating in the fields of Medical Devices and Biomedical Technologies
Confindustria Novara	Territorial association of companies in Novara
Confindustria Romagna	Territorial association of companies in Romagna
Confindustria Toscana	Territorial association of companies in Tuscany
Confindustria Umbria	Territorial association of companies
Confindustria Veneto	Territorial association of companies in Veneto
FEDERCHIMICA	Italian Association of Chemical Industry
Foraz - Consorzio internazionale della formazione	Consorzio internazionale della formazione: International Training Consortium
IFRF	The International Flame Research Foundation
IIS	Italian welding institute
IJBG	Italian- Japan Business Group
Unindustria Frosinone	territorial association of companies
UNIONE INDUSTRIALE	Association of Italian Manufacturing and Service Companies
UNI	Italian standards organization
UNI.TO	territorial association of companies in Turin

Appendix

Additional data for chapter
“2. Creating social value together”

GRI 405-1: Diversity in governance bodies						
Board of Directors by gender and age						
	FYE2024		FYE2025		FYE2026	
	Women	Men	Women	Men	Women	Men
< 30 years	0	0	0	0	0	0
30–50 years	0	1	0	1	0	1
> 50 years	2	2	2	1	2	1
Total	2	3	2	2	2	2



Additional data for chapter
“3. Together towards a low-emission world”

GRI 303-3, 303-4, 303-5: Water withdrawals, discharges and consumption (m³)			
	FYE2024	FYE2025	FYE2026
Withdrawals	5,072,553	4,821,561	5,184,865
Discharges	4,716,300	4,501,395	4,763,903
Consumption	356,253	320,166	420,961

GRI 303-3: Water withdrawals (m³)			
	FYE2024	FYE2025	FYE2026
Well water	4,653,522	4,479,045	4,833,334
Surface water	24,902	19,780	27,759
Municipal water supply	23,124	20,933	15,859
Third-party water supply and demineralised water	371,005	301,803	307,913
Total	5,072,553	4,821,561	5,184,865

GRI 303-4: Water discharges (m³)			
	FYE2024	FYE2025	FYE2026
Well water	–	–	–
Surface water	4,590,661	4,378,197	4,625,924
Municipal sewer	19,733	17,928	10,559
Third-party sewer and recovered steam water	105,907	105,270	127,420.77
Total	4,716,300	4,501,395	4,763,903.77

GRI 305-4: Emission intensity (ton CO ₂ eq. /revenue)	
	FYE2026
Emission intensity	0.00085

GRI 306-3: Waste generated (t)						
	FYE2024		FYE2025		FYE2026	
	Non-hazardous	Hazardous	Non-hazardous	Hazardous	Non-hazardous	Hazardous
Waste sent for recycling, reuse and energy recovery	391.5	111.7	356.6	69.5	418.3	17.1
Waste sent to landfill	35	54	12.5	21.6	10.1	12.2
Total waste	426.5	165.7	369.1	91.1	428.4	29.3

Additional data for chapter
“4. Together, we grow stronger”

GRI 2-7: Workforce by age group and employment category				
Category	< 30 years	30–50 years	> 50 years	Total
Executives	0	5	24	29
Managers	0	35	66	101
White collars	43	297	137	477
Blue collars	17	139	58	214
Total	60	476	285	821

GRI 2-7: Workforce by gender and employment category				
Category	Men	Women	Total	% Women
Executives	22	7	29	24.1%
Managers	80	21	101	20.8%
White collars	279	198	477	41.5%
Blue collars	213	1	214	0.5%
Total	594	227	821	27.6%

GRI 2-7: Workforce by age group and gender						
	FYE2024		FYE2025		FYE2026	
	Women	Men	Women	Men	Women	Men
< 30 years	10	23	18	28	17	43
30–50 years	115	286	129	311	149	327
> 50 years	56	223	64	234	61	224
Total	181	532	211	573	227	594

GRI 2-7: Workforce by contract type and gender						
	FYE2024		FYE2025		FYE2026	
	Women	Men	Women	Men	Women	Men
Apprenticeship	1	4	3	6	3	7
Permanent	173	515	187	556	213	574
Fixed-term	7	13	21	11	11	13
Total	181	532	211	573	227	594

GRI 2-7: Workforce by geographical area of origin				
Geographical area	Northern Italy	Centre	Southern Italy	Total
Permanent	504	130	153	787
Fixed-term	20	2	2	24
Apprenticeship	9	0	1	10
Total	533	132	156	821
Full-time employees	528	131	156	815
Part-time employees	5	1	0	6
Total	533	132	156	821

GRI 2-7: Workforce by employment type and gender (full-time / part-time)						
	FYE2024		FYE2025		FYE2026	
	Women	Men	Women	Men	Women	Men
Full-Time	173	531	203	572	222	593
Part-Time	8	1	8	1	5	1
Totale	181	532	211	573	227	594

GRI 2-7: Employees by professional category and age group									
	FYE2024			FYE2025			FYE2026		
	< 30 years	30–50 years	> 50 years	< 30 years	30–50 years	> 50 years	< 30 years	30–50 years	> 50 years
Executives	0	4	22	0	4	23	0	5	24
Managers	0	27	61	0	29	66	0	35	66
White collars	22	241	133	33	270	143	43	297	137
Blue collars	11	129	63	13	137	66	17	139	58
Total	33	401	279	46	440	298	60	476	285

GRI 2-7: Employees by professional category and gender						
	FYE2024		FYE2025		FYE2026	
	Women	Men	Women	Men	Women	Men
Executives	5	21	6	21	7	22
Managers	15	73	18	77	21	80
White collars	161	235	187	259	198	279
Blue collars	0	203	0	216	1	213
Total	181	532	211	573	227	594

GRI 401-1: New hires and terminations by gender and age group - FYE2024								
	Women				Men			
	Hires		Terminations		Hires		Terminations	
	Number	Rate	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	2	3%	2	4%	9	12%	9	20%

GRI 401-1: New hires and terminations by gender and age group - FYE2026								
	Women				Men			
	Hires		Terminations		Hires		Terminations	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate
< 30 years	5	6%	4	9%	22	27%	4	9%
30–50 years	24	30%	5	11%	26	32%	13	30%
> 50 years	1	1%	5	11%	3	4%	13	30%

GRI 401-1: New hires and terminations by gender and age group - FYE2025								
	Women				Men			
	Hires		Terminations		Hires		Terminations	
	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	4	3%	3	6%	7	6%	12	23%

GRI 403-9: Work-related injuries - employees			
	FYE2024	FYE2025	FYE2026
Hours worked	1,268,461	1,306,544	1,368,127
Number of injuries	2	1	0
Injury rate	1.58	0.77	0
Number of serious injuries	-	1	0
Serious injury rate	-	0.77	0
Number of fatalities	-	-	0
Fatality rate	-	-	0

GRI 403-9: Work-related injuries - non-employees			
	FYE2024	FYE2025	FYE2026
Hours worked	611,797	64,770	63,751
Number of injuries	0	0	0
Injury rate	0	0	0
Number of serious injuries	-	-	0
Serious injury rate	-	-	0
Number of fatalities	-	-	0
Fatality rate	-	-	0

GRI 404-1: Average training hours per employee by employment category		
Training by category	No. of employees trained	Average hours / employee
Executives	28	11
Managers	100	38
White collars	457	20
Blue collars	213	25
Apprentices	7	31

GRI 404-1: Average training hours per employee by gender		
Training by gender	No. of employees trained	Average hours / employee
Women	224	18
Men	581	25

GRI 204-1: Proportion of spending on local suppliers			
	FYE2024	FYE2025	FYE2026
Local (Italian) suppliers	68.4%	73.4%	82.6%



GRI content index

Statement of use	Nippon Sanso Italia has reported in accordance with the GRI Standards for the period from 1 st April 2025 to 31 st March 2026.
GRI 1 used	GRI 1 - Foundation - 2021 version
Applicable GRI Sector Standard(s)	Not applicable

GRI STANDARD / DISCLOSURE	LOCATION / OTHER SOURCE	OMITTED		
		Requirement	Reason	Explanation
GENERAL DISCLOSURES				
GRI 2 – GENERAL DISCLOSURES (2021 VERSION)				
GRI 2-1 Organizational details	1.1 Nippon Sanso: who we are			
GRI 2-2 Entities included in the organization's sustainability reporting	Methodological note			
GRI 2-3 Reporting period, frequency and contact point	Methodological note			
GRI 2-4 Restatements of information	Any minor changes are reported in dedicated footnotes			
GRI 2-5 External assurance	Independent Auditor's Report			
GRI 2-6 Activities, value chain and other business relationships	1.2 Nippon Sanso Italia and the value chain			
GRI 2-7 Employees	4.1 Our human capital - Appendix			
GRI 2-8 Workers who are not employees	4.1 Our human capital - Appendix			
GRI 2-9 Governance structure and composition	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-10 Nomination and selection of the highest governance body	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-11 Chair of the highest governance body	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-12 Role of the highest governance body in overseeing the management of impacts	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-13 Delegation of responsibility for managing impacts	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-14 Role of the highest governance body in sustainability reporting	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-15 Conflicts of interest	2.1.2 Our corporate integrity tools and management systems			
GRI 2-16 Communication of critical concerns	2.1.2 Our corporate integrity tools and management systems			

GRI STANDARD / DISCLOSURE	LOCATION / OTHER SOURCE	OMITTED		
		Requirement	Reason	Explanation
GRI 2-17 Collective knowledge of the highest governance body	2.1.2 Our corporate integrity tools and management systems			
GRI 2-18 Evaluation of the performance of the highest governance body	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 2-19 Remuneration policies	4.1 Our human capital			
GRI 2-20 Process to determine remuneration	4.1 Our human capital			
GRI 2-21 Annual total compensation ratio	Appendix	Omission	Confidentiality constraints	The Group considered the information required to calculate the indicator to be confidential and therefore did not proceed with its publication for this FYE
GRI 2-22 Statement on sustainable development strategy	Letter to Stakeholders 1.3 Our commitment to sustainability			
GRI 2-23 Policy commitments	2.1.2 Our corporate integrity tools and management systems			
GRI 2-24 Embedding policy commitments	2.1.2 Our corporate integrity tools and management systems			
GRI 2-25 Processes to remediate negative impacts	2.1.2 Our corporate integrity tools and management systems			
GRI 2-26 Mechanisms for seeking advice and raising concerns	2.1.2 Our corporate integrity tools and management systems			
GRI 2-27 Compliance with laws and regulations*	2.1.2 Our corporate integrity tools and management systems			
GRI 2-28 Membership associations	1.3 Our commitment to sustainability			
GRI 2-29 Approach to stakeholder engagement	1.3 Our commitment to sustainability			
GRI 2-30 Collective bargaining agreements	4.1 Our human capital			
MATERIAL TOPICS				
GRI 3 – MATERIAL TOPICS (2021 VERSION)				
GRI 3-1 Process to determine material topics	1.3 Our commitment to sustainability - Methodological note			
GRI 3-2 List of material topics	1.3 Our commitment to sustainability			
ANTI-CORRUPTION				

* In FYE2026 Nippon Sanso Industrial was subject to an administrative fine for events occurring in 2023 relating to a documentary non-compliance under Regulation (EC) No 1907/2006 (REACH), concerning a company subsequently acquired by Nippon Sanso Industrial. It should be noted that already in 2023, at the time of the finding, an internal analysis of the processes involved was initiated and an action plan was adopted in order to prevent the recurrence of similar non-compliances.

GRI STANDARD / DISCLOSURE	LOCATION / OTHER SOURCE	OMITTED		
		Requirement	Reason	Explanation
GRI 3-3 Management of material topics	2.1.2 Our corporate integrity tools and management systems			
GRI 205-1 Operations assessed for risks related to corruption	2.1.2 Our corporate integrity tools and management systems			
GRI 205-2 Communication and training about anti-corruption policies and procedures	2.1.2 Our corporate integrity tools and management systems			
GRI 205-3 Confirmed incidents of corruption and actions taken	2.1.2 Our corporate integrity tools and management systems			
BUSINESS ETHICS AND REGULATORY COMPLIANCE				
GRI 3-3 Management of material topics	2.1.2 Our corporate integrity tools and management systems			
GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	2.1.2 Our corporate integrity tools and management systems			
PRIVACY AND DATA PROTECTION				
GRI 3-3 Management of material topics	2.1.2 Our corporate integrity tools and management systems			
GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	2.1.2 Our corporate integrity tools and management systems			
ENERGY EFFICIENCY				
GRI 3-3 Management of material topics	3.2 Management of environmental aspects 3.2.2 Energy consumption and GHG emissions			
GRI 302-1 Energy consumption within the organization	3.2.2 Energy consumption and GHG emissions			
CLIMATE CHANGE AND GREENHOUSE GAS EMISSIONS				
GRI 3-3 Management of material topics	3.2.2 Energy consumption and GHG emissions			
GRI 305-1 Direct (Scope 1) GHG emissions	3.2.2 Energy consumption and GHG emissions			
GRI 305-2 Energy indirect (Scope 2) GHG emissions	3.2.2 Energy consumption and GHG emissions			
GRI 305-3 Other indirect (Scope 3) GHG emissions	3.2.2 Energy consumption and GHG emissions			
GRI 305-4 GHG emissions intensity	3.2.2 Energy consumption and GHG emissions - Appendix			
WASTE MANAGEMENT				
GRI 3-3 Management of material topics	3.2.3 Waste management			
GRI 306-1 Waste generation and significant waste-related impacts	3.2.3 Waste management			
GRI 306-2 Management of significant waste-related impacts	3.2.3 Waste management			

GRI STANDARD / DISCLOSURE	LOCATION / OTHER SOURCE	OMITTED		
		Requirement	Reason	Explanation
GRI 306-3 Waste generated	3.2.3 Waste management - Appendix			
ATTRACTING AND RETAINING EMPLOYEES				
GRI 3-3 Management of material topics	4.2 We take care of our people			
GRI 401-1 New employee hires and employee turnover	4.1 Our human capital - Appendix			
GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	4.2 We take care of our people			
GRI 401-3 Parental leave	4.2 We take care of our people			
EMPLOYEE WELLBEING				
GRI 3-3 Management of material topics	4.2 We take care of our people			
HUMAN RIGHTS				
GRI 3-3 Management of material topics	4.2 We take care of our people			
EMPLOYEE TRAINING AND DEVELOPMENT				
GRI 3-3 Management of material topics	4.2 We take care of our people			
GRI 404-1 Average hours of training per year per employee	4.2 We take care of our people			
DIVERSITY AND INCLUSION				
GRI 3-3 Management of material topics	4.2 We take care of our people			
GRI 405-1 Diversity of governance bodies and employees	2.1 Corporate governance bodies and the Sustainability Governance			
GRI 406-1 Incidents of discrimination and corrective actions taken	4.2 We take care of our people			
WORKERS' HEALTH AND SAFETY				
GRI 3-3 Management of material topics	4.3 Health and Safety Management			
GRI 403-1 Occupational health and safety management system	4.3 Health and Safety Management			
GRI 403-2 Hazard identification, risk assessment, and incident investigation	4.3 Health and Safety Management			
GRI 403-3 Occupational health services	4.3 Health and Safety Management			

GRI STANDARD / DISCLOSURE	LOCATION / OTHER SOURCE	OMITTED		
		Requirement	Reason	Explanation
GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	4.3 Health and Safety Management			
GRI 403-5 Worker training on occupational health and safety	4.3 Health and Safety Management			
GRI 403-6 Promotion of worker health	4.3 Health and Safety Management			
GRI 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Health and Safety Management			
GRI 403-9 Work-related injuries	4.3 Health and Safety Management			
CUSTOMER AND COMMUNITY HEALTH AND SAFETY				
GRI 3-3 Management of material topics	4.3 Health and Safety Management			
GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	4.3 Health and Safety Management			
INNOVATION, RESEARCH AND DEVELOPMENT				
GRI 3-3 Management of material topics	3.1 Innovation for the benefit of the environment			



Independent auditor's report on the Sustainability Report



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EY S.p.A.

Via Meravigli, 12

20123 Milano

Tel: +39 02 722121

Fax: +39 02 72212037

ey.com

Independent auditors’ report on the Sustainability Report

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

We have been appointed to perform a limited assurance engagement on the Sustainability Report of Nippon Sanso Italia S.r.l. and its subsidiaries (hereinafter the “Group”) for the year ended on March 31st, 2026 (hereinafter “Sustainability Report”).

Responsibilities of Directors on the Sustainability Report

The Directors of Nippon Sanso 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 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 Sanso 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.

EY S.p.A.
Sede Legale: Via Meravigli, 12 – 20123 Milano
Sede Secondaria: Via Lombardia, 31 - 00187 Roma
Capitale Sociale Euro 3.000.000,00 i.v.
Iscritta alla S.O. del Registro delle Imprese presso la C.C.I.A.A. di Milano Monza Brianza Lodi



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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.

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 evidence considered appropriate.

In particular, we have performed the following procedures:

1.

analysis of the process relating 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 Sanso 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:

1.

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.
2.

regarding the Ravenna site, which we selected based on its activity, its contribution to the performance indicators, and its location, we conducted an on-site visit during which we met with the managers and obtained sample documentation regarding the correct application of the procedures and calculation methods used for the indicators.

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, 2026 has not been prepared,



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in all material aspects, in accordance with the requirements of the GRI Standards, as described under paragraph “Methodological Note” of the Sustainability Report.

Milan, 30th July 2026

EY S.p.A.

Marco di Giorgio
(Auditor)

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

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