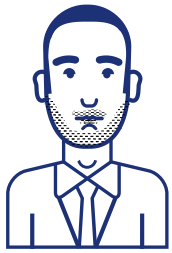
Sustainability Report 2022

FLUORSID

The team behind the achievements



Lior Metzinger,
Chief Executive Officer
FLUORSID SPA

Integrity

Ambition

Perseverance

A production model based on the circular economy, the attention to the needs of our community, and the desire to be a training opportunity for the region are the pillars of our mission.

For FLUORSID, the year 2022 was one of strategic planning and, once again, growth. We are proud of our achievements, which have emerged from the deep-rooted values that the company has been able to cultivate and entrench, and from the excellent skills of its employees, enabling us to live up to our role as a world leader in the production and sale of inorganic fluorinated products.

It is people and their ideas that make the difference. This has always been the case at FLUORSID and, at all levels, participation and a natural propensity for change and evolution remain the secret of our success. Observing the company on a daily basis, I realise that our greatest asset is the dedication shown by a team capable of putting professionalism, a sense of belonging and an inclusive spirit first.

Our way of being and doing also represents added value in our relations with stakeholders. For some time we have been acting on the market as a leader in our sector and our commitment has been to maintain and increase the excellence of our work by offering products and services that are increasingly sustainable and innovative in technological, economic and social terms. A production model based on the circular economy, attention to the needs of our community, and the desire to be a training opportunity for the territory also constitute the pillars of our mission, the guarantee of business continuity.

With a sense of responsibility, we accepted the challenge of being both the engine and the connective system of our heterogeneous production chain. A chain that requires, at the pace of these times, a great capacity to adapt. Our best inspirations, today, are therefore channelled towards objectives that will see us at the forefront in the coming years: improving the efficiency of our production, increasing environmental sustainability, being a point of reference for the communities in which we operate.

Responsibilities that are part of our DNA and which we honour with integrity, ambition and perseverance. Motivated by these steadfast principles, we carry on with undiminished confidence and perpetual passion. Because FLUORSID has a history that tells us who we are and guides us on our path, but also a clear vision of what we should be in order to build, together, a future that is equal to the challenges that await us.

Index.

The team behind the achievements 03

Research and sustainability 06

1.

FLUORSID in short

1. Who we are 09
1.1. Values, Mission and Vision 13
1.2. FLUORSID's products 15
1.3. The FLUORSID's plants 18
1.4. The governance 23
1.5. Key Group Policies 26

2.

Corporate Social Responsibility

2. Our contribution to sustainable chemistry 29
2.1. Stakeholder engagement 30
2.2. Materiality Analysis 34
2.3. Contribution to sustainable development goals 37
2.4. Economic value generated and distributed 40

3.

The natural environment

3. Reducing environmental impact is our mission 43
3.1. Use of raw materials 44
3.2. By-products and the circular economy 46
3.3. Energy consumption 48
3.4. Atmospheric emissions 50
3.5. Water resource management 52
3.6. Waste management 54
3.7. Preserving biodiversity 56

4.

Our collaborators

4. Our people's commitment 59
4.1. Our staff 61
4.2. Talent management 64
4.3. Diversity and Equal opportunity 66
4.4. Remuneration policies 67
4.5. Internal communication and trasparency 68
4.6. Care for workers 69
Attachments 72

5.

FLUORSID in the territory

5. The relationship with the territory 77
5.1. Our suppliers 90

Reading Guide and GRI Content Index

Methodological Note 94

Research and sustainability

Luca Pala,
Chief Research
& Development Officer
FLUORSID SPA

Life

Respect

Transformation

FLUORSID's vocation is intimately linked to scientific research and a vision that has solid ethical and cultural roots.

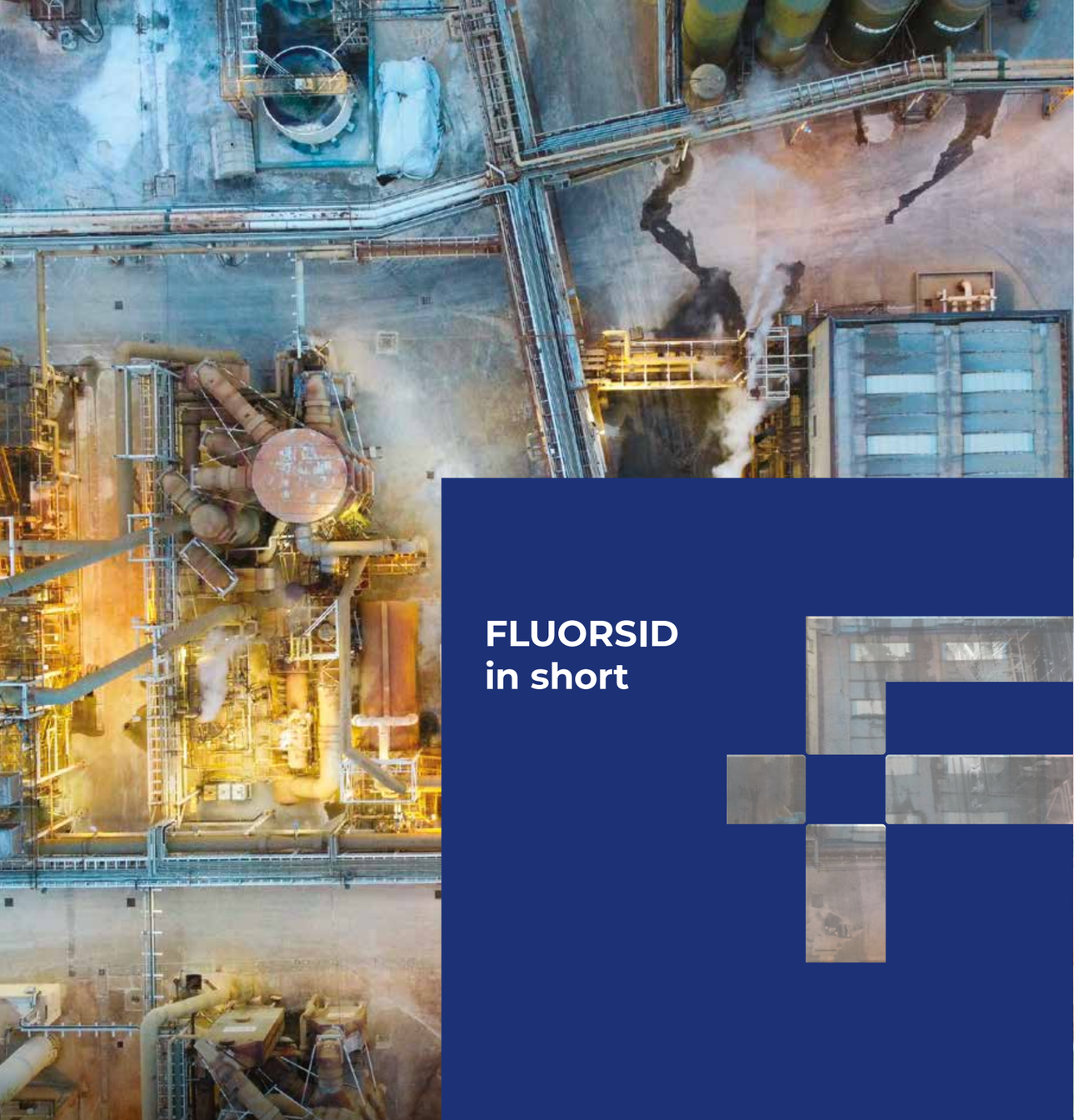
FLUORSID's long history is highly demonstrative of the company's ability to cross epochs and industrial and cultural frontiers in anticipation of technological progress aimed at developing innovative and sustainable products. Thanks to a pioneering spirit preserved and passed on through the succession of generations, the company's present is, in fact, a dimension in constant transformation, naturally leaning towards the future and improvement.

There are several circular economy projects that FLUORSID has been working on in recent years. The company has been working for some time on process and resource optimization, managing, on the one hand, to make itself self-sufficient in terms of production and energy consumption and, on the other, to seek innovative solutions to make the most of Calcium Sulfate Anhydrous, a material derived from the processing of Fluorite that has given rise to GYPSOS, a by-product at the center of several of FLUORSID's research lines and destined to find application in construction and cement production, as demonstrated recently through the R. I.U.S.A. and the creation of Gypsos Milled, an efficient and environmentally sustainable product now widely used in the production of self-levelling screeds.

Among the most important achievements of FLUORSID's R&D team, however, I must mention BIOAERMEC, a material also made through the processing of GYPSOS. It is a highly high-performing and sustainable manufactured product in terms of cost and levels of thermal and acoustic insulation, resistant to fire and mechanical stress, achieved, moreover, with significant CO_2 savings. This achievement, which we have arrived at thanks to the PoC program and the collaboration with ENEA, is the result of a great and ambitious teamwork lavished to anticipate the needs of the market, thus confirming FLUORSID in the leading role in the challenges of Carbon Neutrality.

As described, FLUORSID's vocation is intimately linked to scientific research and a vision fuelled by solid ethical and cultural roots. These are the reasons why, driven by a persevering ambition, the company aims to continue investing in improving the efficiency of its circular economy, under the banner of an industrial pragmatism that can benefit the daily life of our society.

Clarifiers for treating water discharged from the plant.



FLUORSID in short

1.

Who we are

2-1, 2-2, 2-6 GRI

FLUORSID is a chemical company founded in Italy in 1969, a world leader in the production and sale of inorganic fluorinated derivatives, controlled by FLUORSID GROUP S.r.l. The Company, through its various plants, mines and offices located in Italy, Norway, the United Kingdom, Switzerland, Germany and Bahrain, is an integral part of the fluorine production cycle.

The main operating companies controlled by FLUORSID S.p.A. include FLUORSID I.C.I.B. S.r.l., which produces hydrofluoric acid and calcium sulfate in Treviglio, FLUORSID BRITISH FLUORSPAR LIMITED, a mining company that extracts and markets, mainly fluorspar, FLUORSID NORALF AS which produces aluminium fluoride and anhydrite. These companies correspond to the perimeter of the qualitative and quantitative data and information reporting within this document.

In particular, the Group is specialized in the extraction of fluorspar and the production and sale of fluoroderivatives and nonferrous metals, mainly destined for the primary aluminium, special steel and construction markets.

By managing all phases of the production process, FLUORSID guarantees customers constant supply and support, with maximum quality and efficiency, together with integrated services related to marketing and market dynamics management.

FLUORSID also operates in a variety of sectors such as cement and construction in general through its production of gypsum and anhydrite.

In its over 50-year history, the Company has steadily developed thanks to the ongoing strengthening of in-house know-how, research-driven technological developments and, last but not least, the combination of continuous investment and targeted acquisitions. This has enabled the Company to consolidate its market position and maintain high standards of quality and efficiency in the production and delivery of its products and services.

Where we are

Headquarters:
Milan, Italy

Chemicals:
Italy (Cagliari, Treviglio)
Norway (Odda)
United Kingdom (Derbyshire)

Metals:
Switzerland (Lausanne, Zurich)

Logistics:
Bahrein (Manama)

Production Capacity

Aluminium fluoride
150,000
t/year

Synthetic cryolite
5,000
t/year

Sulphuric acid
320,000
t/year

H — F

Hydrofluoric acid
10,000
t/year

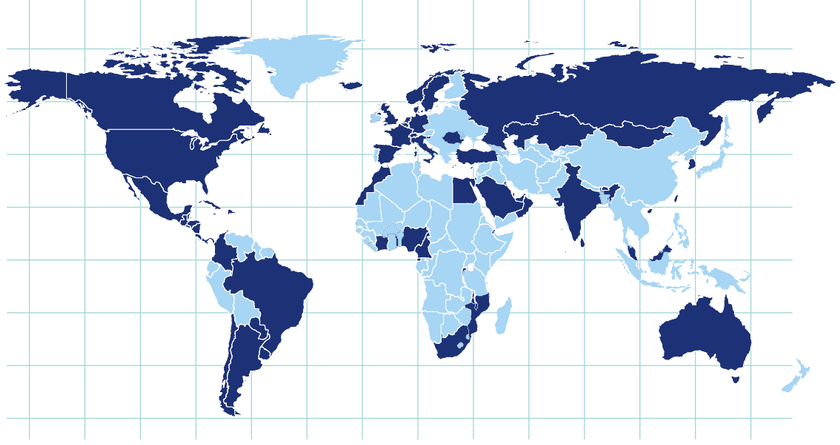
F — Ca — F

Synthetic calcium fluoride
30,000
t/year

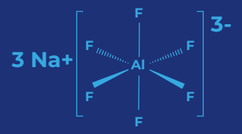
Distribution network

FLUORSID does business worldwide, but its plants, offices and mines are strategically located in several EMEA countries

Countries served



History



1972

Start of production of synthetic cryolite and aluminium fluoride by wet process

2002

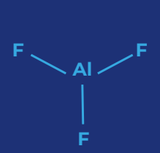
Construction of the sulphuric acid, steam and power plant

2009

Acquisition of a strategic stake in ICIB srl, Italy's leading producer of hydrogen fluoride (HF) in 40% solution

2012

Incorporation of British Fluorspar Limited (BFL) with the acquisition of the assets and processes of the fluorspar mine in Derbyshire



2016

Incorporation of Noralf AS and acquisition from Boliden SA of the aluminium fluoride production business in Odda

2019

Rebranding of subsidiaries under the FLUORSID parent company name

1988

Start-up of the first fluidised bed reactor for the production of aluminium fluoride

2008

The production site is integrated with the fourth reactor, a 2-bed fluid reactor for the production of aluminium

2012

Construction of the fifth fluoride production reactor, also with double fluidised bed

2013

Duplication of sulphuric acid, steam and electricity capacity

2018

Establishment of Alkeemia SpA and acquisition of the Solvay plant in Porto Marghera

2021

Alkeemia SpA and the 50% stake in CF carbons are sold to a fund managed by Blantyre Capital

1.1. Values, Mission and Vision

2-23 GRI

FLUORSID's pursuit of ambitious business goals, primarily those related to promoting energy efficiency and sustainable development, is mostly possible thanks to the experience gained over more than a 50-year history. A history rooted in innovation, research, and investments aimed at growing internal competencies and creating **sustainable value.**
Its growth strategy aims, in fact, at the creation of solid and sustainable value from an economic and financial, social and environmental perspective, built on the trust of all stakeholders and based on the values embodied in the Code of Ethics.

The values on which FLUORSID bases its foundations are Integrity, Ambition and Perseverance,

three main pillars that guide decisions at all levels and are constantly considered the starting point for every strategy and business plan. Management constantly takes them into account when imagining and building the vision of the future, through a process that speaks of Life, Respect and, above all, Transformation.

These are important principles, which define spot on the complexities of a company with more than half a century of activity: the people, the many stories, the passion with which it operates at all levels, and that concept of "transforming," which is so pervasive and transversal that it manages to touch, all at once, chemistry, various activities, and the combination of evolution and innovation that FLUORSID strongly wants to achieve as it looks towards the opportunities of the future.

From the beginning, FLUORSID has always focused on environmental and social sustainability, recognizing the importance of safety and environmental protection in conducting business and corporate activities. The Company has developed a sustainability-oriented strategy and it has clearly and transparently identified the corporate values on which it bases its activities in order to achieve success and development. FLUORSID requires all its employees and all those who cooperate with the Company to respect the rules and principles that are recognized as indispensable for the proper functioning, reliability, reputation and image of the Company itself.

FLUORSID's **Mission** is to ensure high quality levels of its products and services to its customers through constant research and development of production systems and technologies. At the same time, FLUORSID carries out its activities with the utmost attention to quality, safety and environmental aspects in order to ensure long-term sustainability.

The Company bases its **Vision** on excellence in serving its customers with the aim of creating value for shareholders and all stakeholders by maintaining and developing relationships inspired by the principles of integrity, loyalty and transparency, impartiality, and respect for the laws and regulations in force in the countries where it operates.
These core values provide a competitive advantage for the Company, they represent a further evidence of FLUORSID's strong commitment to sustainability and business ethics, and they contribute to its long-term success.

Integrity

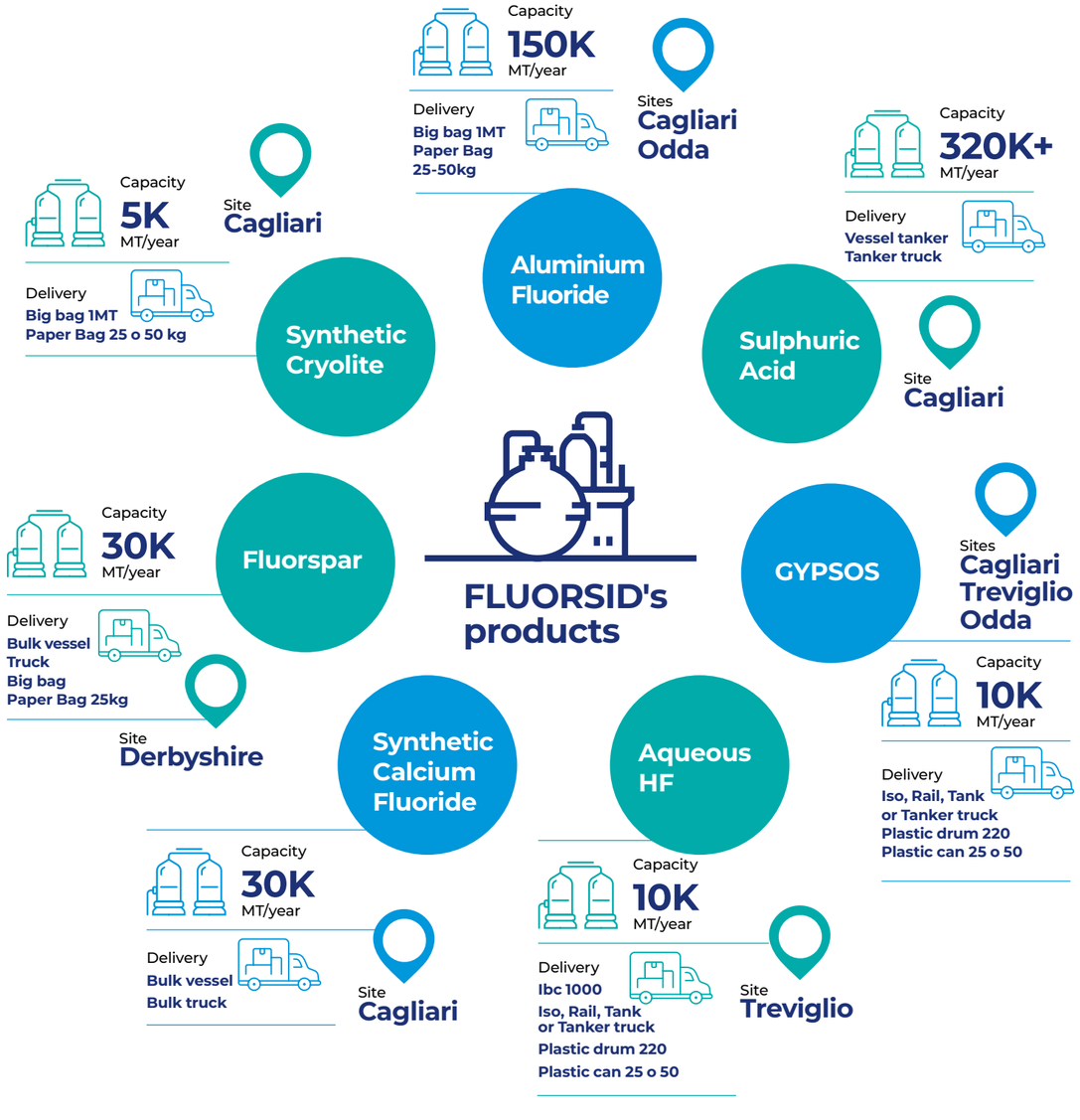
Respect as a top priority. For people, for the enviromment and in the way we operate in all contexts.

Ambition

The will to leave a mark. To build something valuable and important, but above all to "make a difference" in what we do. At every level.

Perseverance

From the very beginning. That "never give up" is a value passed on to us directly from the founder and it still remains clear to everyone. Every day.



1.2. FLUORSID's products

2-6 GRI

Throughout the Group's activities, the focus is on product quality and high environmental compliance.

FLUORSID distributes its products worldwide and across all latitudes through a top-quality network of partners ranging from primary aluminium and cement producers, industries such as petrochemicals, construction, fertilizers, to many others.

For FLUORSID, the product, on its most innovation-oriented level, is strongly linked to the company's purpose, where customer satisfaction is the focus of its activities by offering durable, high quality products alongside an emphasis on sustainability and responsibility in the Group's actions.
In this chapter, the Group intends to provide a breakdown of its products by listing their capacity, how they are distributed in the market, and in which plant they are produced.

Aluminium fluoride

Aluminium fluoride (AlF_3) is a white free-flowing powder, mainly used as an additive in the production of primary aluminium metal. The addition of aluminium fluoride to the raw materials used in the aluminium smelting process reduces the temperature and improves the conductivity of the molten bath, reducing the electric power consumption. FLUORSID produces high-density aluminium fluoride through the "dry process", according to the following reactions:

1. Dry acid grade fluorspar (CaF_2) reacts with sulphuric acid (H_2SO_4) in externally heated rotary kilns, generating gaseous hydrogen fluoride (HF) and calcium sulphate ($CaSO_4$);

2. The gaseous HF reacts with dry aluminium hydrate Al (OH)3 in fluidised bed reactors to produce high-density aluminium fluoride.

FLUORSID has a total capacity of approx. 150,000 MT/year of aluminium fluoride, at two sites: Cagliari, with 110,000 MT/year; Odda, with 40,000 MT/year. Aluminium fluoride is available in bulk (truck silos or cargo ships) or packaged in 1 MT large bags, 1.5 MT large bags, 15, 25 or 50 kg on pallets.

Synthetic Cryolite

Cryolite (Na_3AlF_6) is an important raw material for primary aluminium smelting.

It is used as a flux agent to dissolve alumina in the electrolytic metal extraction process. Cryolite is also consumed in the abrasive, ceramic and glass industries.
FLUORSID produces granular cryolite by the reaction between hydrofluoric acid in aqueous solution (HF) and aluminum hydrate (Al(OH)3). The resulting hexafluoroaluminic acid (H3AlF6) is then converted into the corresponding trisodium salt (Na3AlF6) by ion exchange reaction with a sodium chloride solution. After a solid-liquid separation, the wet cryolite is calcined in a direct-contact rotary kiln. The final product is in the form of pale pink granules. Ground cryolite is obtained from granular cryolite after appropriate grinding.
FLUORSID's Cryolite plant has a production capacity of 5,000 MT/year. Synthetic Cryolite is available in 1 MT big bags or 25, 50 kg paper bags on pallets.

Sulphuric acid

Sulphuric acid (H_2SO_4) is a strong, colourless liquid mineral acid. It is an important industrial product, widely used in oil refining, water treatment, uranium processing, inorganic acids production, metallurgical, fertilisers, pulp and paper industries.

FLUORSID consumes sulphuric acid for the production of hydrogen fluoride (HF) and produces it from molten sulphur according to the "Double Contact Double Absorption" process in two parallel plants. The reactions are highly exothermic, allowing the co-production of steam and electricity power.
The plants are designed and built with the best available techniques with a total production capacity of 320,000 MT/year. The energy recovered from these plants allows FLUORSID to be self-sufficient in terms of steam and electric power requirements and to sell both to third parties. Energy production exceeds 11MW.

The production of sulphuric acid that exceeds internal consumption is sold at a concentration between 98% and 99.5% and is delivered by tank truck or sent by pipeline to a jetty, where vessel tankers are loaded.

Fluorspar

Acid grade fluorspar (CaF_2 - 97%) is the key raw material for the production of hydrogen fluoride, fluorocarbons, fluoropolymers and inorganic fluorides.
FLUORSID produces acid grade fluorspar at its subsidiary FLUORSID British Fluorspar Ltd, where lead concentrates, barytes and aggregates are also produced. The site is well positioned to serve customers throughout Europe enabling quick and reliable supply of the mineral products.
The operations are run within the Peak District National Park, in Derbyshire, UK, with two underground mines and processing plant, with a focus on the protection of natural resources and landscape together with the enhancement of the local community.

GYPSOS

GYPSOS is an anhydrous calcium sulphate (better known as anhydrite). It is a certified and environmentally friendly product produced by FLUORSID at its three sites in Cagliari, Treviglio and Odda.
GYPSOS is obtained by the reaction of acid grade fluorspar (CaF_2 - 97%) and sulphuric acid (H_2SO_4) during the production of Hydrogen Fluoride (HF): CaF_2 (solid) + H_2SO_4 (liquid) -> ‘2HF (gas) + $CaSO_4$ (solid).

Before being sent for further processing or storage, GYPSOS is neutralised with a small excess of lime.

Its physical and mechanical properties can be adjusted to suit specific needs, making it suitable for different applications, in building, cement and fertilizer industries.
In the building industry, it is widely used for the production of self-levelling screeds. GYPSOS Milled is also an excellent alternative to cement in many non-structural concretes and mortars, as well as in various indoor applications as plasters, blocks for fire system solutions and aerated concrete.
In the cement industry, it is used as an alternative to natural gypsum as an additive to regulate cement’s setting time.
In fertilisers’ production, on the other hand, it is an excellent raw material containing calcium and SO3 -bearing raw material. GYPSOS-based fertilisers help to improve soil structure and workability and balance the uptake of nutrients and minerals.
Gypsos is available in different forms:

GYPSOS Raw

GYPSOS Raw is neutralized anhydrous calcium sulphate which is no further processed into the milled or granular forms.

Chemical quality and purity of GYPSOS are very high and stable, thanks to the consistency and stability of the raw materials used for its production and the frequency and peculiarity of the analytical and process controls performed during the production process.

GYPSOS Raw is shipped from Cagliari (Italy) and Odda (Norway) ports by conventional vessels. For small lots to the local markets, GYPSOS RAW can also be delivered by bulk trucks.

GYPSOS Milled

GYPSOS Milled is synthetic anhydrous calcium sulphate ($CaSO_4$) obtained from the production of Hydrogen Fluoride (HF) with prime-quality raw materials only.
GYPSOS Milled is used widely in the production of self-levelling screeds, building products and blocks; it has been largely appreciated by clients seeking for eco-friendly materials, since it is produced according to the guidelines of the “Green Building Economy”.

Fluorsid’s Anhydrite fully complies with EN standards for flexural and compressive strength, is “CE marked”.
GYPSOS Milled is usually delivered by silo-trucks of about 30MT each. For smaller lots and testing purposes the product may be provided in Big Bags too.

GYPSOS Granular

GYPSOS Granular is synthetic anhydrous calcium sulphate ($CaSO_4$) pelletized with water (max 10%)

Thanks to its extremely high anhydrite content and the minimum concentration of impurities, the quantity of SO_3 per tonne of material is the highest compared to the other natural or chemical gypsums. Its use therefore allows a reduction in specific consumption of calcium sulphate based raw material used in the production of cement.

GYPSOS Granular is delivered by bulk truck to the Italian market and by conventional vessel (up to 50K MT) to the international markets.

Synthetic Calcium Fluoride

Synthetic Calcium Fluoride is obtained by the filtration of fluorine-rich process water and it is sold as a flux to the cement industry as an alternative to low grade natural fluorspar (CaF_2).

The waste waters from FLUORSID’s processes are collected and treated with limestone and lime. A fluorine-rich sludge (min 40% CaF_2) is obtained and then filtered in high-pressure membrane filters. FLUORSID has developed a proprietary patented process.
Synthetic Calcium Fluoride is delivered in bulk by vessel or truck.

Aqueous HF

Aqueous hydrofluoric acid (HF 40%) is a weak acid used in steel and glass etching, as well as many other applications.

The production of Aqueous HF is achieved through the following steps:

1. the reaction of dry acid grade fluorspar (CaF_2) with sulphuric acid (H2SO4) in externally heated rotary kilns, with production of gaseous HF and calcium sulphate ($CaSO_4$) as a by product;
2. the absorption of gaseous HF in water to produce dilute hydrofluoric acid.

FLUORSID has a capacity of about 10,000 kt/year of HF 40% at its FLUORSID Icib site in Treviglio.

HF in solution is available in bulk or packaged.

Loading ship for the transport of GYPSOS GRANULAR.

1.3. The FLUORSID's plants

2-1, 2-6 GRI

All FLUORSID fluoride plants are designed, engineered and then built with in-house know-how and technology. Their performance in terms of energy efficiency, raw material consumption, product quality and environmental impact are all of the highest standard.

Cagliari

The industrial port of Cagliari – in the centre of the Mediterranean Sea – is an ideal departure point to all destinations. Bulk and packaged shipments are carried out, by truck and by container.

Treviglio

The Treviglio plant has been the leading producer of hydrofluoric acid (HF at 38÷40% in solution) since 1949. FLUORSID acquired it in 2010, and from 2019 it took the name of FLUORSID ICIB S.r.l. With a production capacity of about 12,000 MT/Y, 90% of the national demand is covered by the Treviglio plant.

Odda

On the shore of a picturesque peninsula in the middle of a beautiful fjord, our plant of Odda has been established in 1970 and is one of the most efficient and environmentally friendly industrial sites in Europe.

Derbyshire

FLUORSID established its presence in Derbyshire in 2012 at Cavendish Mill within the Peak District National Park, with the aim of becoming a leading industrial mineral miner that supplies good quality acid grade fluorspar to the fluorochemical industry. Through mining operations, efficient logistics links are exploited with customers from all over Europe, enabling rapid and reliable supply of mineral products. The site has a production capacity of about 25,000 tons/year.

70 YEARS ICIB

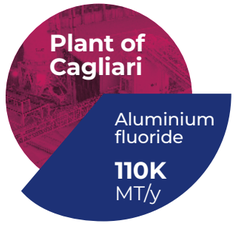
In 2022, the Treviglio plant celebrated its 70th birthday. Located in the Bergamo area, the plant has always been in a strategic location and is an ideal starting and finishing hub for numerous Italian and European destinations.
The Treviglio plant has been the leading producer of hydrofluoric acid (HF at 38÷40% in solution) since 1949. FLUORSID acquired it in 2010, and from 2019 it took the name of FLUORSID ICIB S.r.l. This takeover by FLUORSID has made ICIB the leading Italian producer of hydrofluoric acid (HF 40% in solution) with a production of about 10,000 t/year.

Dedication, a strong sense of belonging and the importance of human bonds were the foundation and driving force that enabled FLUORSID, in Treviglio, to join as a partner at first and later to take over the totality of ICIB founded by engineer Giulio Bonelli.
Industrie Chimiche Ingegner Bonelli, was founded in 1952, and 70 years after the start of that journey, which led to its growth and to its being a leader for Italy's chemical needs, the opportunity is fitting for an assessment coming at a historical moment filled with challenges and transformations on many fronts.
The strategic location in the production hub of the country has made it possible to kick-start the company from the very beginning. The smart and dynamic approach taken by the people working at FLUORSID, under the leadership of Single Administrator Laura Santacroce and Commercial Director Cesare Mercandino, enabled the company to overcome even the challenging period of the first lockdown caused by the Covid-19 pandemic.

The human element is the driving force that pushes the company and makes it an Italian excellence. FLUORSID ICIB focuses on the participation, sharing and proactivity of the individual in relation to the group, all values that are reflected in every activity carried out by the Company. This is inevitable in a Group that outlines its core values - Integrity, Ambition and Perseverance - by bringing into everything it does the participation, sharing and proactivity of the individual in relation to the group. FLUORSID ICIB's journey is a long ongoing one. To continue to make it along with valuable people is indeed something that makes one proud and stimulates constant improvement.

Tank park of the Treviglio plant.

Top view of the plant in Cagliari.



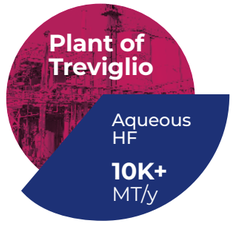
Plant of Cagliari
FLUORSID S.p.A.

It is considered the beating heart of the group when it comes to production capacity and chemical activity. In this plant, aluminium fluoride is processed in five production lines in parallel. Two of the five reactors are equipped with highly efficient double-bed technology, designed with proprietary know-how and built in 2008 and 2013, respectively.

Sulphuric acid is produced in two parallel plants, the first built in 2002 and the second, of the same capacity, in 2013. These are based on the Monsanto licence, have been designed according to the best available techniques and have been further improved, with in-house know-how, to achieve excellent performance in terms of efficiency, safety and environmental control.

The raw material for both plants is liquid sulphur from the local oil refinery. The process is highly exothermic and, thanks to very efficient heat recovery, large quantities of steam are generated and sent to two turbine generators with capacities of 5 and 7 MW. Thus, starting from a km-zero by-product, FLUORSID is self-sufficient in sulphuric acid, steam and electricity without the use of fuels, CO_2 emissions or other greenhouse gases, in line with the principles of the circular economy. The products produced at the plant are: sulphuric acid - aluminium fluoride - synthetic cryolite - synthetic calcium fluoride - anhydride (raw and ground) - gypsum pellets.

FLUORSID S.p.A. has achieved ISO 9001:2015 certification, which defines the requirements for the implementation of a quality management system within an organisation. In addition, the Cagliari plant has also obtained the Certificate of Excellence from Certiquality for its quality, safety and environmental management system.

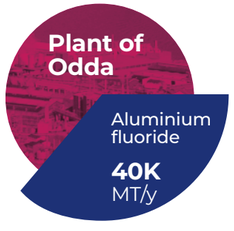


Plant of Treviglio
FLUORSID ICIB

The Treviglio plant (Bergamo area) has been Italy's leading producer of hydrofluoric acid (HF 40% solution) since 1949. Its strategic location is ideal for utilising Italy's northern ports and serving European destinations by road. Suffice it to say that almost all (over 90%) of its production of HF 40% acid and inorganic acids is shipped by tanker truck, while the rest is delivered in barrels and IBCs.

The plant also produces fluorspar and anhydruite, which are shipped via tanker trucks and big bags.

FLUORSID ICIB is certified to ISO 9001:2015. Also, the Treviglio plant, is registered in the EcoVadis portal, the world's largest provider of sustainability assessments with more than 90,000 companies evaluated



Plant of Odda
FLUORSID Noralf

On the shore of a picturesque peninsula in the middle of a beautiful fjord, the Odda plant was founded in 1970 and is one of the most efficient and environmentally friendly industrial sites in Europe. The products produced are aluminium fluoride and anhydride.

The Odda plant operates through an Integrated Management System with the aim of providing its customers with consistently high quality products and ensuring completely safe and environmentally sustainable operations.

Plant of Derbyshire
FLUORSID British Fluorspar

FLUORSID established its presence in Derbyshire in 2012 at Cavendish Mill within the Peak District National Park, with the aim of becoming a leading mining industry supplier of high quality acid grade fluorspar to the fluorine chemical industry.

Through efficient logistical links with customers throughout Europe, FLUORSID guarantees a fast and reliable supply of minerals.
To emphasise the commitment to the area in which the plant is located, all open-pit activities have been closed in 2021, significantly reducing the acoustic and visual impact.

Main production site certifications

Being aware of the importance of improving business processes through the enhancement of digital technologies and digitized data, during 2022 FLUORSID implemented a major project to digitize and proceduralize the Integrated Management System using a corporate sharepoint. This initiative represents a significant upgrade within the Company and allows to keep track of deadlines and progress of tasks. In addition, through the sharepoint it is possible to supervise work, distribute responsibilities and check the progress in the execution of scheduled tasks. Information is centralized in a single storage and distributed based on competence to the people responsible, enabling a smoother sharing and organization of activities.

Green revolution: EPD certifications

In addition to the main certifications that have distinguished FLUORSID's production sites for many years, during 2021, with a view to continuous improvement, the Group started working on obtaining the important goal of EPD (Environmental Product Declaration) certification for the Gypsum Pellets, Anhydrite and Ground Anhydrite by-products produced in the Assemini-Macchiareddu plant to underline that the Group's interest in the values of sustainability and doing business respond to new market needs and create shared value.

The EPD certification, or Environmental Product Declaration, is a document that outlines the environmental impacts associated with the production of a certain quantity of a certain product. In order to better understand the scope of obtaining this important recognition and its environmental and other implications, it is useful to explain what EPD consists of: it is a certification that describes the environmental performance linked to the Life Cycle of products or services (LCA), in accordance with the International Standards UNI EN ISO 14025:2010 and UNI EN 15804:2019, allowing the comparison of one's own performance with that of other operators. This certification therefore represents another move that highlights the Group's commitment to environmental sustainability through an objective and transparent communication of its performance concerning of products/by-products with a view to encouraging demand and supply, focusing on the mitigation of environmental impact as an added value. The EPD label thus brings a competitive advantage in terms of Green Identity (also with regard to stakeholders), allows the environmental performance of products to be monitored and improved, encourages the definition of more sustainable business strategies, and also becomes an important and credible communication and marketing tool, to the benefit of new and different possible uses of by-products in tune with the principles of the green economy. In fact, thanks to this certification, the end consumer can learn about the environmental performance of the products they are buying as validated by an accredited third party and can thus help protect the ecosystem by choosing products and services that have less impact compared to others on the market.
After obtaining EPDs for synthetic calcium fluoride (Assemini plant), the next "green" objectives that the Fluorsid group has set for the near future are to obtain EPDs for anhydrite (Fluorsid ICIB plant) and for calcium sulphate (Fluorsid Noralf plant).

1.4. The governance

2-6, 2-9, 405-1 GRI

The Group

The FLUORSID Group bases its business model on the principles of ethics, fairness and transparency. The integration of these values into the Group's activities is ensured by the existence of a well-defined governance system, which is essential to maintain clear and ethical relationships with all key stakeholders and to ensure proper monitoring of risks and opportunities along the value chain.
On the basis of the three core values and an ethical approach to business, FLUORSID is committed to efficiency and value creation while seizing opportunities in the global marketplace.

FLUORSID S.p.A. controls several companies that can be divided into two macro areas, Chemical and Metals.

The Chemicals area, which includes the companies FLUORSID ICIB, the largest Italian producer of hydrofluoric acid and related products, FLUORSID Noralf, one of the European leaders in the production of aluminium fluoride, and FLUORSID British Fluorspar, an important player in the extraction of fluorspar, barite and lead.

The Metals area, which includes FLUORSID Mimeta, the company in charge of the Group's trading activities, and Simplis Logistics, a logistics hub located in Bahrain.

The complexity of the business in which it operates has led FLUORSID to develop an organisational structure focused on process effectiveness and efficiency. These characteristics are ensured by a clear and articulated governance at different levels and by a functional organisational structure in which the Functional Departments represent the decision-making centres supporting the governing bodies.

The corporate governance structure adopted by the Group, is based on the traditional organizational model. The company has therefore decided to adopt a simplified and streamlined structure in which management is led by FLUORSID's Board of Directors (BoD), to which the BoDs of the subsidiaries also report. The BoD has decision- making and delegating power to the Managing Director of FLUORSID S.p.A.

As far as organisational reporting is concerned, the plant managers of FLUORSID S.p.A., FLUORSID ICIB, FLUORSID Noralf, and FLUORSID British Fluorspar report directly to the CEO of FLUORSID S.p.A.

Governing bodies

BOARD OF DIRECTORS

The Board of Directors, consisting of 8 members, is responsible for the ordinary and extraordinary management of FLUORSID. The Board of Directors of FLUORSID also reports to the Board of Directors of its subsidiaries. The Board of Directors is supported by the Board of Statutory Auditors and an external auditing company.

CHAIRMAN OF THE BOARD OF DIRECTORS

The Chairman is appointed by the Ordinary Shareholders' Meeting from among the directors for a period of three financial years. In addition to the powers conferred by the Board of Directors, the Chairman, and in the event of his absence or impediment, the Vice Chairman, is also responsible for the legal representation of FLUORSID before third parties and judicial bodies.

CEO

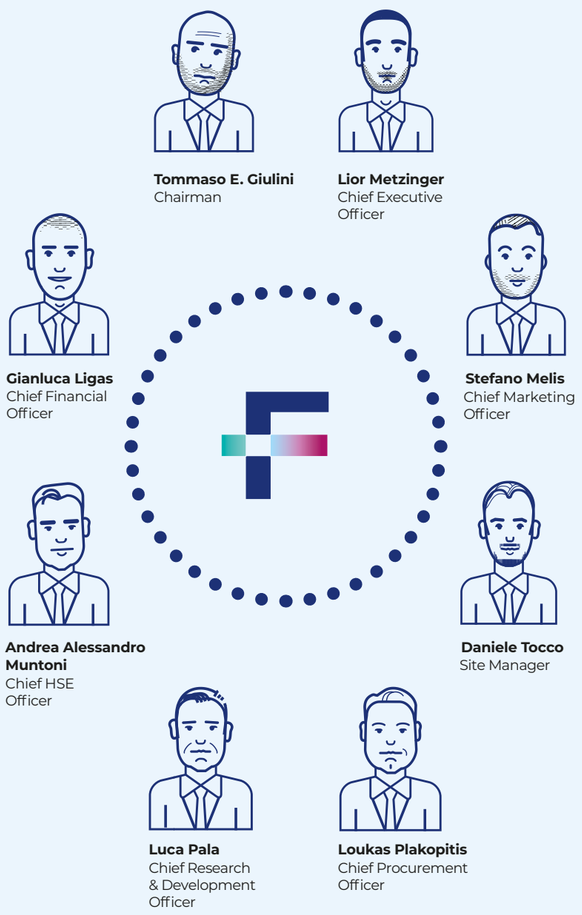
The CEO is appointed by the Ordinary Shareholders' Meeting for a period of three financial years.
In addition to the powers conferred by the Board of Directors, the CEO is vested with the legal representation of the Company before third parties and judicial bodies as indicated in the specific power of attorney deed.

BOARD OF STATUTORY AUDITORS

The Board of Statutory Auditors is FLUORSID's control body that supervises, as required by law, the proper administration of the Company, in particular the adequacy of the organisational, administrative and accounting structure adopted by the directors and its actual functioning.

STATUTORY AUDIT OF ACCOUNTS

The statutory audit of the Company's accounts is carried out by a statutory auditor or by a statutory auditing company registered in the appropriate register.



Shareholder orientation

FLUORSID's priority interest is the creation of medium to long-term value for its shareholders, implementing an industrial policy that can ensure them an adequate return on their share capital and the increase of the Company's assets through the optimisation of available resources and the increase of its competitive capacity. The Company is aware of the importance of establishing a relationship of trust with shareholders and lenders through behaviour inspired by transparency and continuous, timely and clear communication. Furthermore, the Company adopts an internal control and management system aimed at ensuring the truthfulness and correctness of corporate communications in order to prevent corporate crimes that harm the interests of shareholders.

Customer orientation

For FLUORSID customer relations are based on the values of fairness, honesty, professionalism, transparency, reliability, quality, legality and impartiality. In the provision of services, FLUORSID guarantees fair treatment between actual and potential customers. The Company imprints its relationship with customers on helpfulness, respect, courtesy and participation, and is committed to their satisfaction through the use of timely and high-quality communication tools and channels.

FLUORSID acknowledges the value of listening and dialogue, and is committed to informing customers in a complete and timely manner about the characteristics and risks of the products offered. All communications addressed to customers must be truthful, complete, correct and fair. The Company endeavours in the execution of the negotiations and commercial agreements entered into so that the excellence of performance, quality and the same level of service is pursued in all its business areas, compatible with the different territorial characteristics and local regulations.

Principles on which FLUORSID bases its relations with its partners

Integrity

FLUORSID promotes respect for the psycho-physical and cultural integrity of the individual and its valorisation as a key resource for competitiveness and success, and guarantees working conditions that respect human dignity. On the other hand, directors, auditors, managers and collaborators regulate their conduct in a professional and responsible manner and undertake to act in a correct, transparent and moral manner, avoiding misleading information and behaviour that could lead to undue advantage or potential conflict.

Loyalty and trasparency

Directors, auditors, managers and collators undertake to provide all parties with whom they have dealings with information that is complete, transparent, comprehensible and accurate, so that stakeholders are able to make autonomous decisions in full knowledge of the interests involved, the alternatives and the relevant consequences.

Legality

FLUORSID regulates its conduct in full compliance with all applicable national and international regulations, the Code of Ethics and internal rules. In no case may the pursuit of the Company's interest or advantage justify conduct in violation of and/or in breach of the applicable legal or regulatory provisions.

Impartiality and equal opportunities

Directors, auditors, managers and collaborators operate with full respect for the personal characteristics of each person, respecting diversity and repudiating any possible discrimination on the basis of age, state of health, sex, religion, race, nationality, political and cultural opinions, and personal or social condition. Finally, the Company does not take into account recommendations or suggestions from external or internal sources and ensures fairness and impartiality in compliance with legal and contractual rules.

Health, safety and environmental protection

FLUORSID carries out its business activities in a sustainable manner, ensuring that the achievement of industrial objectives in the short term does not compromise its own, the territory's and its stakeholders' future ability to pursue long-term economic, social, environmental and institutional objectives.

1.5. Key Group Policies

2-23, 2-25, 3-3, 205-3, 206-1 GRI

FLUORSID has adopted a **Code of Ethics**. The Code, which is addressed both to the corporate bodies and their members, as well as to employees, consultants and any other stakeholder, aims to identify in a transparent manner the set of values by which the company inspires its business model. For FLUORSID, compliance with the principles enshrined in the Code of Ethics is essential for the achievement of success and development, and for the proper functioning, reliability and reputation of the Company.
FLUORSID is against child and forced labour and adopts a firm approach of absolute prohibition against any form of corruption: with the aim of consolidating the principles of the Code of Ethics and the Organisation, Management and Control Model, and in order to avoid any unlawful act or crime, FLUORSID has adopted an **Anti-Corruption Policy**. FLUORSID's commitment to the continuous improvement of its performance in the field of health and safety in the workplace and environmental protection is made explicit through the principles disseminated in the **Quality, Safety and Environment Policy**. In this regard, please refer to the chapters on these material issues.

During fiscal year 2022, as in the previous ones reported, there were no incidents of active or passive corruption involving FLUORSID directors or employees.

During the reporting period, there was no incident and/or initiation of proceedings or legal action against FLUORSID regarding violation of free competition, monopolistic practices, antitrust.

Anti-corruption policy

The culture of legality is at the basis of FLUORSID's way of doing business, and it is for this reason that the necessary compliance with current legislation and the need to ensure conditions of fairness and transparency in the conduct of business and company activities to protect its position and image and the work of its employees is continuously affirmed.

The Anti-Corruption Policy adopted by FLUORSID contributes to general compliance with laws and international good practice. In order to concretely implement the culture of legality and to prevent and combat corruption, the Company has strengthened its system of controls by adopting an Organisation, Management and Control Model pursuant to Legislative Decree 231/2001, and by equipping itself with a Management System for the Prevention of Corruption that complies with the UNI ISO 37001:2016 Standard.

Each person carrying out activities on behalf of the Company is required to read and understand the contents of the Prevention of Corruption Policy and to behave in accordance with its provisions. The Company involves top management in the prevention of corruption, makes it the promoter of a culture in which corruption is not acceptable, and requires it to make a strong and visible commitment to supervise compliance with anti-corruption measures, ethics, internal controls and the implementation of measures deemed appropriate for the prevention, identification and reporting of potential violations.

Code of Ethics, Organisation, Management and Control Model, Related Parties

The Legislative Decree of June 8, 2001, No. 231 (D.lgs. 231/2001) introduced the principle of the administrative liability of legal entities and companies for certain offences committed in the interest of the Company, by all those who work in the name of or on behalf of the organization itself or who have collaborative relationships with the organization. In 2009 FLUORSID S.p.A.adopted an Organisation, Management and Control Model (further referred simply as the "Model"). This Model was amended in 2012, following the company reorganisation, new legal provisions and the subsequent inclusion of new offences in Legislative Decree 231/2001.

Model 231 is part of FLUORSID's broader corporate policy, and defines an organic and structured system of guidelines, operating procedures, and specific control measures, so that correct and linear conduct is adopted, in order to prevent the risk of committing the offenses contemplated in the Decree. Also, the Model led to the approval of a Code of Ethics that defines the general reference principles and values to which the conduct of employees, directors, collaborators, customers and suppliers and, in general, of all those who come into contact with the Company should conform.

The Model establishes the provisions of a dedicated mailbox to enable all those who become aware of information related to the commission of crimes or actions that do not comply with the behavioral norms set by the Code of Ethics, to report to the Supervisory Board.

The Supervisory Board examines the reports received and takes the necessary follow-up measures, always ensuring the protection of the reporter from any kind of retaliation, in line with the regulatory requirements.

Visit to the production units in Assemini.

Corporate Social Responsibility

2.

Our contribution to sustainable chemistry

The Group's commitment to sustainable success reflects its focus on environmental, social and governance issues and is based on a long-term vision that takes into account the interests of its stakeholders and the impact of its activities on the environment and society. This approach is increasingly relevant for businesses today, as they are called to face complex challenges and adopt sustainable practices to ensure a better future for all. Protecting the environment, preserving people, and complying with the principles of transparency and integrity are commitments taken by the Group, aimed at promoting trusting relationships with its stakeholders.

Reducing emissions and waste are goals that FLUORSID pursues in all its activities, and that runs through an integrated policy of pollution prevention and control in order to promote energy efficiency and sustainable development, without neglecting efforts to increase the reliability of plants and the prevention of accidents and injuries.
"Despite increasingly strict quality requirements," – explains Luca Pala, Laboratory and R&D Director – FLUORSID is able to balance production demands with maintaining high safety standards to protect people and the environment".

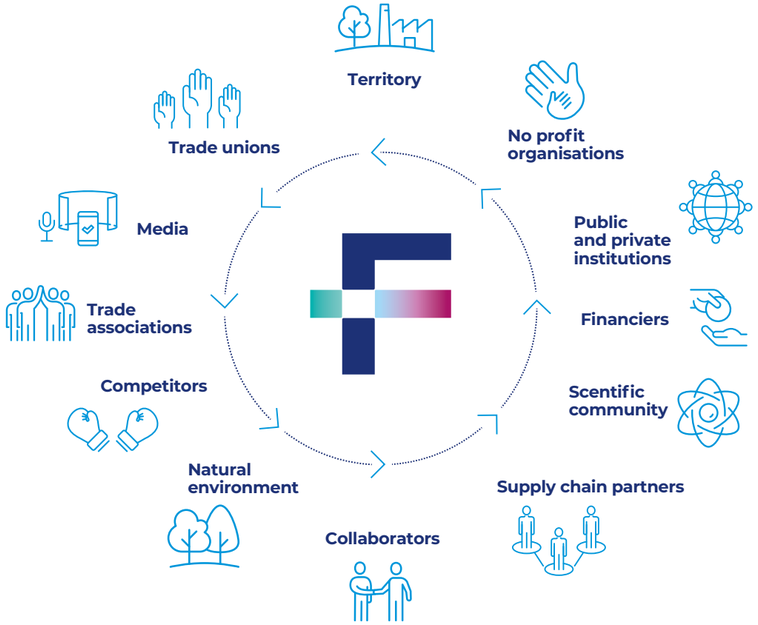
To build a better world for everybody by practicing chemistry with and for its partners, to manage the entire supply chain as a global player, to create mutual value by looking at environmental, economic and social sustainability are the pillars that guide FLUORSID with all stakeholders.

2.1 Stakeholder engagement

2-29, 3-1 GRI

In carrying out its activities, FLUORSID considers the interests and expectations of all its key stakeholders, with the aim of developing strong and lasting relationships, creating long-term value. For this reason, the Group is committed to maintaining an ongoing and transparent dialogue with stakeholders, engaging proactively with all people and entities with which it interfaces. The Group's goal is to understand their priorities and expectations and contribute to the creation of sustainable value in the countries in which it operates.
FLUORSID has always involved its stakeholders rigorously, listening to them with attention to better understand their needs and expectations so that these can be integrated into its strategies and decisions. Developing trusting relationships enables the Group to build stable partnerships, promote positive and beneficial interactions, and create a positive impact in the areas in which it operates.
Careful management of stakeholders interests starts with a structured activity of identifying key stakeholders, with whom to promote initiatives for periodic confrontation. To this end, the Group has carried out a series of internal surveys with the corporate structures responsible for interfacing with stakeholders on a daily basis and has constructed the following map of the most relevant stakeholders for the Group according to the criteria of the AA1000 Stakeholder Engagement Standard.

Involvement, consultation, and constructive dialogue with stakeholders are key elements for the Group in the pursuit of sustainable success. FLUORSID recognizes stakeholders not only as individuals who have a pivotal role for enabling the accomplishment of business objectives, but also, most importantly, as the main receivers, direct or indirect, of the value created through its activities.
In the following table, the stakeholder categories interacting with the Group are described.



	Stakeholder category	Description
	Territory	Local communities where FLUORSID operates and is present, i.e. local governments, schools, citizens and civil society.
	No profit organizations	Non-governmental organisations committed to socially useful purposes such as environmental associations.
	Public and private institutions	Authorities that at national and international level regulate the chemical sector, oversee the safety of the chemical industry, public health and environmental protection, promote research and manage major global emergencies.
	Financiers	Individuals who contribute financially to the development of FLUORSID.
	Scientific Community	Scientific chemical societies, universities, scientific foundations and research centres involved in the development of the chemical industry.
	Supply chain partners	Suppliers, distributors, customers.
	Collaborators	FLUORSID staff of all functions and roles.
	Natural environment	Natural context within which FLUORSID's activities find their origin, purpose and limit.
	Competitors	Direct category competitors (fluorine value chain), direct chemical industry competitors and indirect competitors.
	Trade Associations	National and international, public and private associations, organisations, which aim to represent the chemical sector.
	Media	Social networks, blogs and digital information websites, local, national and international press and television, chemical trade press.
	Trade Unions	Bodies representing the social parties.

During 2022, stakeholder engagement activities reflected the Group's commitment. Work continued on the multi-subject communication campaign that focuses on a very important concept "Life is chemistry. Chemistry is life". This is a journey undertaken by the marketing and communication department during 2021, and it received great feedback, which is why it has continued into the reporting period. One of the main objectives of this campaign is to strengthen the brand by ensuring a continuity of communication that puts chemistry at the heart of everyday activities.
FLUORSID thus wants to speak to an ever-widening audience, seeking to tell its brand promise of "Life, Respect and Transformation since 1969", as a sort of ubiquitous virtual business card, strongly linked to its values and unquestionably distinctive in its target markets. The journey of "LIFE," the corporate House Organ, constantly encounters the milestones of our existence, of what FLUORSID is and represents. For the past year, the magazine has been a new place where people can meet, tell their stories, get to know each other and learn more in detail about what is being accomplished together.

Besides this campaign, in continuation of what was done in 2021, the formal establishment of the CSR department continued, a further sign of the Group's focus on sustainability and social issues.

FLUORSID is active in communicating and informing its stakeholders through multiple channels, foremost among which is the institutional website www.fluorsid.com – where press releases and updates on past and current initiatives are available.

An important initiative that deserves a mention - among the several undertaken during the year - is the participation for the second year in a row at Ecomondo, the reference event in Italy for technological and industrial innovation related to sustainability. At the XXVth edition of Ecomondo, held in Rimini last November, 1,400 national and international brands, companies, organizations and institutions took part as exhibitors, all promoting the best technologies in the field of green economy.

FLUORSID participated to show the features of GYPSOS, a highly sustainable anhydrous calcium sulfate produced through a circular economy process that embodies the Company's ongoing commitment to pursuing a sustainable industry model through innovation and technology. Produced in Italy in the Cagliari and Treviglio (BG) plants and in Norway in the Odda Plant, GYPSOS can replace natural gypsum by significantly reducing the carbon consumption and emissions required by the normal mining process. In the construction industry, it can be used for the production of self-levelling screeds, it is an excellent alternative to cement in many non-structural concretes and mortars, as well as in various interior applications such as plasters, blocks for fire protection system solutions, and aerated concrete. In the cement industry, it is used as an alternative to natural gypsum as an additive to regulate the setting time of cement.
The consistent presence at Ecomondo allowed FLUORSID to get in touch not only with customers it already served, but also possible new ones, suppliers and companies interested in forming bonds and exchanging views on the most current issues inherent to sustainable growth and development of the industrial world on social, economic and technological levels.

In addition, during the reporting period, FLUORSID took part in TMS 2022, the regular U.S. event held in Anaheim, California, in which engineers, scientists, business leaders, and other professionals in the minerals, metals, and materials sectors shared wide-ranging and interdisciplinary technical knowledge. In these days, besides the multiple "talks," the private meetings organized by stakeholders to strengthen existing relationships or build new ones are crucial, a very important aspect after a long period in which meeting in person was complicated if not impossible.

Sales Director, Cesare Mercandino, interviewed by GreenTV (page 32).

FLUORSID presents GYPSOS with an expo stand at Ecomondo.

2.2 Materiality Analysis

3-1, 3-2 GRI

In sustainability reporting, the materiality analysis is the process used by organizations to identify and validate the most relevant issues by prioritizing them, and it is the foundation for a company's strategic planning, risk management and annual reporting.

FLUORSID, in line with the requirements of the new edition of the reporting standard "GRI Standards 2021," has updated its materiality analysis for the reporting of non-financial information for 2022, identifying material issues that reflect the Company's significant economic, environmental and social impacts and that substantially influence the evaluations and decisions of its stakeholders.

The concept of materiality is, in fact, closely related to the concept of impacts: material issues are those that represent the most significant impacts of the organization on the economy, the environment, and people, including impacts on human rights. More specifically, the process to conduct the update of FLUORSID's materiality analysis started from a benchmark and context analysis activity that involved the identification of material issues that were explored in depth with the Company's management during one-on-one meetings.

Each material issue was associated with one or more positive and negative, current and potential impacts generated by FLUORSID's activities, defining a significant theme-impact mapping that was subjected to an evaluation process both involving the heads of business functions and the identified external stakeholders.

The assessment process led to the identification of a list of FLUORSID's material issues, defined - in line with the requirements of the GRI Standards - as those issues that may have a significant environmental, social and economic impact on the Company's strategic goals and activities or, conversely, that are significantly impacted by FLUORSID's activities, or that may significantly influence the decisions of internal and external stakeholders.

More specifically, the materiality analysis was structured in three phases.

Phase 1

A benchmark analysis on issues considered material by peers and comparables

An analysis of industry standards and guidelines aimed at identifying sustainability macrotrends in the context where the Company operates

A confrontation with the first line of management, which selected potentially relevant issues based on the company's business strategies and the main ESG risks and impacts to which the company is exposed, and also mapped the relevant stakeholder categories for the Company according to the criteria of the AA1000 standard.

In the second phase, more than 50 stakeholders, including FLUORSID managers and external stakeholders, were involved and given a questionnaire in order to prioritize the ESG impacts that emerged as potentially relevant from the analysis conducted in the first step. Respondents were asked to sort the themes according to their perception of the impact that the proposed theme is likely to have.
The assessment of each impact took into consideration the scale, scope and likelihood (in the case of potential impacts) and, for negative impacts, also the degree of irreversibility.

Following this, the results of the questionnaire were aggregated, and the material issues were displayed in the materiality list based on the relevance scores obtained.

Following an assessment process of the topics and the internal materiality analysis process with the company's top management, 21 impacts were identified, falling under the categories of Environment (E), Social (S) and Governance (G), which represent the input for the development of the materiality list. Among the top-priority aspects, the Group's commitment to environmental issues such as energy efficiency, waste management and efficient use of natural resources should be highlighted in the first place; in particular, it is worth mentioning the now consolidated process of producing electricity directly at the Cagliari plant, which makes the plant energy self-sufficient. Also, the creation of economic value towards all stakeholders and research, development and innovation, as evidence of the direction of growth and the introduction of new technologies and operating methods on the Group's processes and assets aimed at improving the Company's business. Another top-priority aspect is the development and engagement of the local community, in view of FLUORSID's constant focus on maintaining its ties with the area of reference and the community. Then, the attention to the quality and satisfaction of human capital through the promotion of gender diversity, the development of training programs aimed at improving the skills and competencies of all employees. Finally the Group's ongoing commitment through initiatives to protect the health and safety of its employees.

In order to display FLUORSID's contribution to the commitments of the United Nations 2030 Agenda, the following list has been associated with the Sustainable Development Goals.

Material Topics 2022 and SDGs

	Material topic	Impacts	GRI Topic Standards	SDGs
E	**Environmental**			
1	**Energy efficiency and renewable energies**	· Self-production of electric power through steam reuse and re-introduced into the grid to third parties · Energy consumption of Group plants · Fuel consumption of transportation means	302 Energy	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION
2	**Waste management**	· Dispersion of hazardous waste · Waste generated from Group's operations · Non-recyclable waste sent to landfills	306 Waste	6 CLEAN WATER AND SANITATION
3	**Climate Change and emissions**	· Emissions of other pollutants (e.g., NOx, SOx, Powders) · Scope 1 emissions (from fossil fuel combustion systems for plant operation) and Scope 2 emissions (e.g., office electricity)	305 Emissions	7 AFFORDABLE AND CLEAN ENERGY, 13 CLIMATE ACTION

	Material topic	Impacts	GRI Topic Standards	SDGs
4	**Water resource management**	· Potential discharge of hazardous substances into water	303 Water and effluents	
5	**Efficient use of natural resources**	· Development and use of by-products to promote a circular approach in the chemical sector	301 Materials	
6	**Biodiversity and ecosystems**	· Effects on biodiversity caused by Group's activities (e.g., soil pollution, loss of biodiversity) · Potential air/water/noise pollution due to activities in the surrounding area	304 Biodiversity	
S	**Social**			
7	**Local community development and engagement**	· New job creation/employment impact across the supply chain	413 Local communities	
8	**Management of human capital**	· Improvement of employee skills and competencies through training plans/programs · Wealth creation and value distribution to employees by providing adequate wages	401 Employment 404 Training and education 405 Diversity and equal opportunities 406 Non discrimination	
9	**Quality and client satisfaction**	· Improved quality of service offered by customers through compliance with contract conditions, timelines, and customer expectations	416 Customer health and safety	
10	**Occupational Health and Safety**	· Healthy and safe workplace that facilitates an ideal mental and physical state for all employees through the promotion of dedicated initiatives · Potential workplace injuries, near misses or other impacts on employee health and safety	403 Occupational health and safety	
G	**Governance**			
11	**R&D and Innovation**	· Introduction of new technologies/operational procedures into Group processes and assets		
12	**Sustainable economic value**	· Value distribution to stakeholders	201 Economic performance	

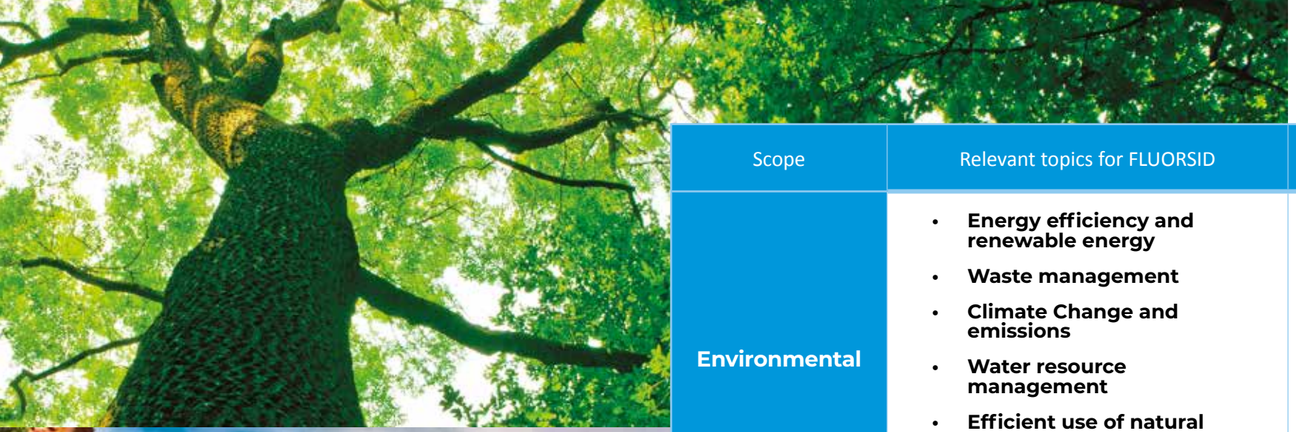
2.3 Contribution to sustainable development goals

2-23, 3-3 GRI

The global strategy for sustainable development is embodied in the ambitious United Nations Plan: **the 2030 Agenda for Sustainable Development**. The document, signed in September 2015 by 193 countries, including Italy, aims to guide the world towards the achievement of 17 goals (the Sustainable Development Goals - SDGs) to be reached by 2030, which are divided into 169 targets and more than 240 indicators. The 2030 Agenda is not just a document that sets out 17 goals to be achieved for a sustainable future: it is a global challenge that involves the entire population. Reducing poverty and inequality, promoting responsible consumption and production are just some of the targets that society and individual citizens must try to solve in order to become responsible: cities, territories, schools, teachers, students. Everyone is involved in trying to define new strategies for sustainable development through a path that is as conscious and participatory as possible.

Some of the challenges posed by the 2030 Agenda are closely linked to the chemical industry, which is strongly connected to scientific development and therefore constantly looking for innovative solutions to the obstacles to sustainable development. In the common imagination, the chemical industry can often be associated with negative impacts on the environment: but if the commitment and efforts of the chemical industry in recent years have led to tangible results in terms of reduced environmental impact (less greenhouse gas emissions, less water consumption, less energy consumption), the focus on social aspects has been a driving force for the growth of the entire sector, with human resources claiming a central role in many sustainable development projects.

In a context in which sustainability issues are becoming a predominant part of business management, FLUORSID has initiated a process of integrating the 2030 Agenda into the company's operations, articulated in an initial analysis and understanding of the SDGs in order to assess their convergence with the strategic objectives of the business and in the implementation of first concrete actions to contribute to the achievement of some of the goals.



Scope	Relevant topics for FLUORSID	Our commitment and activities	Relevant SDGs
Environmental	• **Energy efficiency and renewable energy** • **Waste management** • **Climate Change and emissions** • **Water resource management** • **Efficient use of natural resources** • **Biodiversity and ecosystems**	FLUORSID is constantly committed to monitoring and reducing environmental impacts and has obtained the ISO 14001 certification for its management systems at several plants. The Group is particularly active in research and development aimed at innovating production processes, conducted both internally and in collaboration with external entities. The Group's commitment is reflected in the reduction of waste, the effort to self-produce energy, the minimisation of emissions, the efficient management of by-products and the attention the company pays to the biodiversity of the places where its production facilities are located. Among the activities undertaken by the Group are: · Lifestyle Cycle Assessment to obtain the Environmental Product Declaration · INNCED project with the aim of making innovative panels for the building industry from a by product of the chemical industry · ZERO FRONT LOADER project that will reduce the dispersion of dusty material into the environment · R.I.U.S.A. project with the aim of using synthetic anhydrite as a binder in the lower layers of road sub-bases	6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 12 RESPONSIBLE CONSUMPTION AND PRODUCTION 13 CLIMATE ACTION
Social	• **Local community development and engagement** • **Management of human capital** • **Quality and client satisfaction** • **Occupational health and safety**	Care and attention towards all its employees has always been a fundamental element for the Group. Innovation can only be supported by well-prepared workers, which is why the FLUORSID Academy was created for technical training, as well as funding for a PhD at the University of Cagliari. Health and safety protection is a prerequisite for the Group, which has obtained ISO 45001 certification for its management systems at several plants. Aware that it operates in a sector where the workforce is predominantly male, the Group is committed to ensuring fair treatment and various diversity management actions in the offices, while also relying on a modern working environment that is attentive to everyone's needs. The corporate welfare has always played a major role. The Company is committed to maintaining a strong relationship with the local community through a number of initiatives including: · Project with CREA UniCa, which supports the design, planning, management and communication of local, national and international projects aimed at the economic, innovative and entrepreneurial development of the territory · Collaboration with the Giulini Foundation · Support for a micro project in the Gerrei area · Support for the Juvenile Penitentiary Institute · Collaborations with local sporting realities	3 GOOD HEALTH AND WELL BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 10 REDUCED INEQUALITIES
Governance	• **R&D and innovation** • **Sustainable economic value**	The Group's strategy is based on a solid financial and asset structure: without economic sustainability it is not possible to ensure the resilience of the company. FLUORSID has always been committed to customer satisfaction by applying the highest professional and ethical standards in the performance of its activities. The Group's focus, especially in recent years, has been on launching innovative projects and collaborations with universities (such as the one with the University of Cagliari on research into the use of calcium sulphate), accompanied by a significant commitment to internal training	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 12 RESPONSIBLE CONSUMPTION AND PRODUCTION

2.4 Economic value generated and distributed

3-3, 201-1

For FLUORSID, sustainability and value creation are strongly interconnected concepts that are therefore measured in terms of Value Added produced and distributed. Operating, contributing to the growth of the relevant economic, social and environmental context, in fact, enables the creation of prosperity and wealth for both the Group and its stakeholders.
The international scenario in 2022 was marked by the jump in energy prices, which moderately receded at the end of the year, undermining global production activity, albeit with varying intensity in the various geographical areas. Uncertainty about the continuation of the conflict in Ukraine and the general rise in interest rates weighed on the outlook for investment spending.

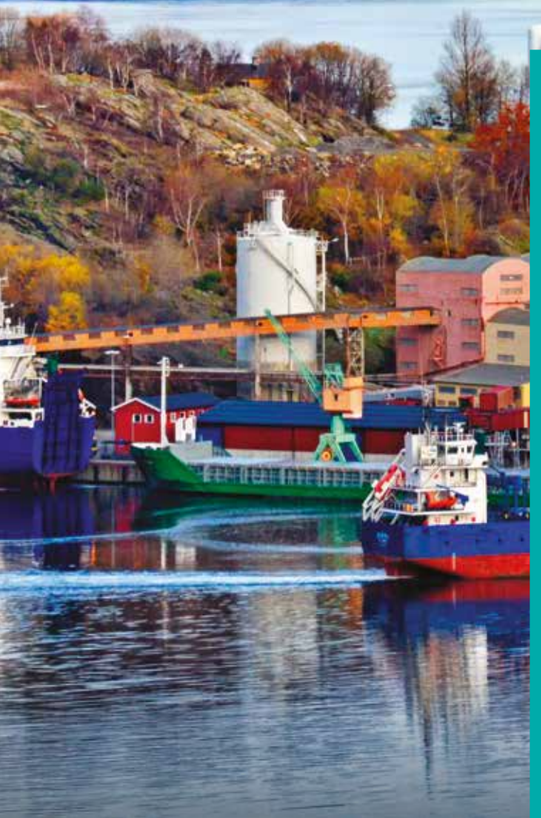
Despite this context, referred to as the "Polycrisis," all Group companies have been able to deal resiliently and proactively with the generalized global crisis situation that has complicated relations with some historical partners and required higher levels of efficiency in production, to cope mainly with inflationary pressures on major goods and services.

Analyzing the main economic-financial indicators, a turnover of more than € 565 Mln was found in 2022. The following depiction shows how the value created by the Group is then distributed among FLUORSID's various stakeholders.

Economic value generated*	2022
1) REVENUE FROM SALES AND SERVICES	**565.63**
2) CHENGES IN INVENTORIES OF WORK IN PROGRESS, SEMI-FINISHED AND FINISHED PRODUCTS	**12.06**
4) INCREASE IN FIXED ASSETS FOR INTERNAL WORK	**0.64**
TOTALE OTHER INCOME AND REVENUES	**57.69**
TOTAL PARTICIPATION INCOME	**4.60**
TOTAL OTHER FINANCIAL INCOME	**1.52**
TOTAL REVALUATIONS	**11.58**
TOTAL DEVALUATIONS	**0.47**
17-BIS) EXCHANGE RATE GAINS AND LOSSES	**6.70**
11) CHANGES IN INVENTORIES OF MPS, SUBSIDIARES, CONSUMABLES AND GOODS	**-10.94**
12) RISK PROVISION	**0.00**
14) MISCELLANEOUS OPERATING EXPENSES	**10.79**
TOTAL GROSS ECONOMIC VALUE GENERATED	**660.09**
TOTAL AMORTIZATION AND DEPRECIATION	**31.15**
TOTAL NET ECONOMIC VALUE GENERATED	**628.95**

Distributed economic value**	2022
OF WHICH TO SUPPLIERS	**513.81**
6) FOR MP, SUBSIDIARES, CONSUMABLES AND GOODS	**428.71**
7) FOR SERVICES	**82.17**
8) FOR THE USE OF THIRD PARTIES	**2.94**
OF WHICH TO EMPLOYEES	**57.64**
TOTAL FOR STAFF	**57.64**
OF WHICH TO FINANCIERS	**10.64**
TOTAL INTEREST AND OTHER FINANCIAL CHARGES	**19.64**
OF WHICH TO THE COMMUNITY	**4.36**
TOTAL CURRENT, DEFERRED AND PREPAID INCOME TAXES FOR THE YEAR	**4.36**
OF WHICH TO SHAREHOLDER	**0.00**
TOTAL ECONOMIC VALUE DISTRIBUTED	**586.46**
ECONOMIC VALUE RETAINED	**42.49**

* Reclassified Profit and Loss Account and Representation of Economic Value Generated (figures in € Mln)
** Distributed Economic Value (figures in € Mln)



The natural environment

3.

Reducing environmental impact is our mission

1,131,065 GJ
Energy consumption 2022

65,547
Emissions tCO_{2eq}

ISO 14001
Certification for the Cagliari, Treviglio and Odda plants

FLUORSID proves its commitment to promoting environmental and energy protection on a daily basis by working on solutions to ensure renewable energy sources and energy efficiency to develop the products and services offered within its business. The Group is constantly committed to monitoring and minimising environmental impacts through significant investments.
The commitment to the environment is mainly embodied in actions to reduce waste, energy efficiency, monitoring of emissions and attention to the impact the company may have on the biodiversity of the places where its production facilities are concentrated.

Environmental Management System

The Group's commitment to the energy transition process goes hand in hand with a continuous focus on its environmental impact performance, with the aim of minimising the current or potential negative impacts of its production activities. The Company has, in fact, adopted a specific Environmental Management System that aims to allow the control of every aspect related to environmental impacts and to promote the continuous improvement of performance, also through a Risk Based approach. Currently, this management system is certified ISO 14001:2015 by a third party for the Cagliari (FLUORSID S.p.A.), Treviglio (FLUORSID ICIB Srl) and Odda (FLUORSID Noralf) plants, and it will expire in 2026.

Recognizing environmental protection as essential to the quality of life and sustainable development, the Group is firmly committed to reconciling the demands of economic development and value creation while also respecting and protecting the environment. This vision is reflected in the adoption of measures and practices that actively promote environmental protection while ensuring responsible and sustainable business development.

3.1 Use of raw materials

3-3, 301-1 GRI

The production process involves the procurement of multiple materials, components and equipment. Among the raw materials, the most significant quantities are Fluorite, Sulphuric acid and Hydrated alumina. In addition to these, the Group makes use of big bags, paper sacks, stretch film, PE cap, flap and foil, belts, cartons and wooden pallets, etc.

In particular, the most significant use is mineral acids such as sulphuric acid, used for 266 thousand tonnes (accounting for about 34% of the total) and Fluorite used for about 219 thousand tonnes, accounting for 28% of the total. In general, there is a downward trend in raw material consumption compared to 2021, mainly dictated by production trends.

Wherever possible, FLUORSID has always encouraged solutions aimed at reusing these materials in its relations with its suppliers, with a view to the transition towards a circular economy. The most important aspect in the selection of raw materials is the quality level of supplies. Through stringent supplier evaluation, FLUORSID promotes transparency and compliance with environmental and social standards. It also actively collaborates with its suppliers to foster innovation and seek for more sustainable alternatives. This sustainability commitment to sourcing raw materials is embedded in the company's vision to reduce environmental impact and promote a responsible supply chain. In the selection of raw materials, therefore, the most relevant aspect concerns the choice of suppliers since the quality level of supplies depends on them.

MATERIALS CONSUMED DURING THE YEAR

Type of material (ton)	2021	2022
Fluorite	233,917	219,627
Hydrated alumina	149,846	143,745
Sulphuric acid	275,000	266,324
Oleum	15,981	14,747
Liquid sulphur	94,518	92,413
Calcium hydroxide	16,521	9,824
Calcium oxide	9,990	9,219
Sodium chloride	11,422	5,413
Calcium carbonate	3,703	7,402
Caustic soda 30%	305	389
Total	**811,203**	**769,103**

The data does not include British Fluorspar: the Company, given its exclusively mining activity, does not record significant consumption of raw materials purchased and consumed as is the case for the other Group operations.

Project ZERO FRONT LOADER

The first part of the ZERO FRONT LOADER project, which consists of the construction of two new, fully adjacent warehouses, with a capacity of 35K T for fuorite and 15,000 for aluminum hydrate, was completed in 2021.
The main objectives of the project, which started in 2019, include increasing the storage capacity of the warehouses, saving money by using our own warehouses and reducing the environmental impact. Thanks to the direct management of the warehouses, in fact, the Group has been able to implement a series of state-of-the-art technical measures that result in a lower environmental impact. These include, for example, the replacement of the mechanical shovels with an automated system, which will not only allow greater efficiency in the material picking phase, but also a lower release of material to the outside. Furthermore, with the construction of the new shed, there will be the possibility of storing much more material than was actually stored a short time ago.
The project sees a second part, still in the implementation phase, which foresees the exact same function, but for by-products. In particular, two by-products will be affected by this type of system: gypsum pellets and anhydrite as such.

Storage and recovery of raw materials.

3.2 By-products and the circular economy

3-3 GRI

Among the main areas of action identified by the European Commission to pursue the energy transition, great importance is given to the circular economy, understood as a production and consumption model capable of extending the life cycle of products through efficiency and waste prevention, reuse, collection and recycling activities. In recent years, more and more companies from different industrial sectors are approaching these issues, interpreting the concept of sustainability through a transition from linear business to an increasingly circular way of producing.

Essential for circularity to work is the very close relationship between the producer of the by-product and the end user. What matters is not only the certainty of reuse but also that both parties are aware of the management of all ministerial and regulatory criteria and guidelines so that the material is not considered a waste. The certainty of reuse must also be in terms of timing. FLUORSID always specifies the timing of use, because the producer's responsibility does not end once the product is sold but continues even after that. The monitoring of the actors involved in the process cannot end before its finalization; the widespread organization of the system is crucial to combat illicit trafficking.

FLUORSID has integrated the concept of circularity into its sustainability strategy through the proper management of the **by-products** that originate from its production cycle, trying to keep them as much as possible in the economic system instead. According to Legislative Decree 152/06 as amended, a by-product must meet all the following general requirements:

a) the substance or object originates from a production process, of which it is an integral part, and whose primary purpose is not the production of that substance or object;
b) it is certain that the substance or object will be used, in the same or a subsequent production or use process, by the producer or a third party;
c) the substance or object can be used directly without any further processing other than normal industrial practice;
d) the further use is legal, i.e. the substance or object fulfils, for the specific use, all relevant product and health and environmental protection requirements and will not lead to overall adverse environmental or human health impacts.

FLUORSID's main activity is the production and sale of inorganic fluorine derivatives, which are used in the aluminium industry. The main end products are aluminium fluoride and synthetic cryolite, which are mainly used as electrolytic bath components in aluminium production. Hydrofluoric acid (HF) is a reaction intermediate required for the production of cryolite and aluminium fluoride. The production of hydrofluoric acid requires fluorspar (CaF_2) and sulphuric acid (H_2SO_4) as raw materials, according to the following chemical reaction:

$$CaF_2+HsSO_4 \text{ thermic energy} \rightarrow 2HF+CaSO_4$$

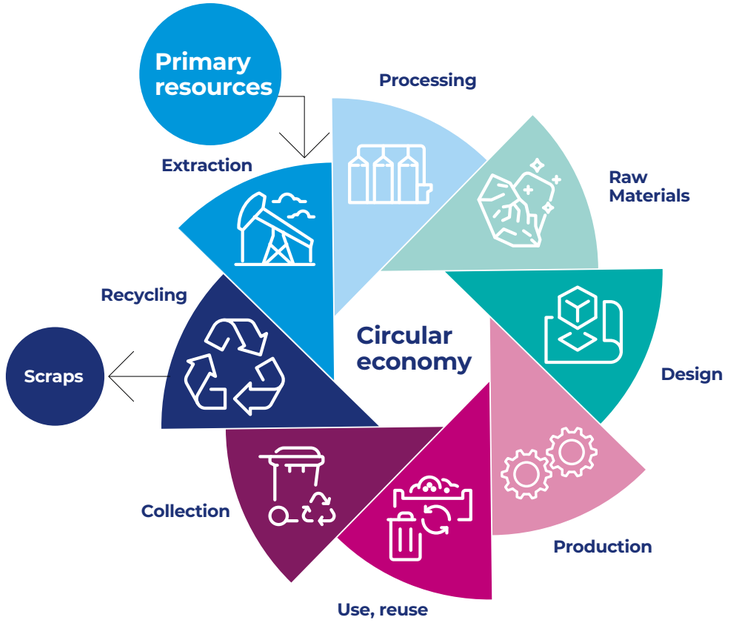
The reaction between fluorspar (CaF_2) and sulphuric acid (H_2SO_4) gives rise to hydrofluoric acid (HF) and the production residue calcium sulphate ($CaSO_4$).

Calcium sulphate is a by-product that FLUORSID handles in full compliance with applicable European and Italian laws and regulations. The by-product calcium sulphate is placed on the Italian and international market in three different (physical) forms, each of which corresponds - according to the management philosophy adopted by the Company - to a specific by-product:

- anhydrite as is
- ground anhydrite, which derives from anhydrite as is through a mechanical treatment to reduce its size
- gypsum pellets, which occur in spherical balls of various diameters (~2-3 cm) obtained by a hydration process of the anhydrite as is performed in a turntable granulator

Ground anhydrite is mainly used in construction and agriculture. In construction, it is only used in internal applications due to its hydroscopic characteristics. It is an additive in screeds, mortars, blocks and autoclaved aerated concrete. The main market is undoubtedly that of self-levelling screeds. In Italy, unlike abroad, screeds are mainly cement-based and the percentages of anhydrite use are low. Outside Italy, on the other hand, either because of a different building culture or because of climatic differences, self-levelling screeds have been ground anhydrite-based for 30 years. Another commercially relevant outlet for ground anhydrite is the manufacturers of NPK nitrogen fertiliser.

The main market for gypsum pellets is the cement industry, where it is used as a setting retarder. It is added during the grinding of clinker and is therefore used by both full-cycle cement plants and grinding centres. Italian cement production in recent years has been around 20 million tonnes and it is likely that this will be the trend in the near future, in the absence of strong economic stimuli. The percentage of gypsum use is between 3.5% and 5% per tonne of cement: annual consumption is a maximum of 1 million tonnes. This quantity is divided between gypsum pellets, natural gypsum, present everywhere and with the majority of deposits in northern Italy, and desulphogypsum, with the main producers in Liguria, Lazio and Apulia.



There is also a system in operation at the Cagliari plant that enables the transformation of fluorinated waters from the production of synthetic cryolite into the by-product **synthetic calcium fluoride**, which is used in cement works to replace natural fluorspar.

FLUORSID, aware of the positive environmental implications that can derive from the proper management and valorisation of its by-products (calcium sulphate and synthetic calcium fluoride) has decided, in the wake of the new Minimum Environmental Criteria (CAM) issued by the Ministry to encourage the use of by-products for the production of goods for the Public Administration (PA), to start a virtuous path towards the Environmental Product Declaration (EPD).

3.3 Energy consumption

3-3, 302-1, 302-3 GRI

The Company constantly monitors its environmental performance, assessing the direct and indirect impacts of its business activities. The energy requirements for the implementation of the latter require the Group to carefully manage resources and plan efficiency initiatives in order to reduce its polluting emissions. FLUORSID is not a particularly energy-intensive organisation, in line with businesses in the industry: comparing energy consumption to the value of production, FLUORSID estimates an index of approximately 2.0 GJ per k€ turnover.

During 2022, FLUORSID's most widely used energy sources continue to be nonrenewable fuels, particularly BTZ and natural gas. In this last year, a 5.6% reduction in total energy consumption was observed. More specifically, due to the increase in prices caused by the outbreak of war in Ukraine, the greatest reduction was registered for natural gas, whose use decreased by 31%. Logically, the decline in the use of natural gas has sparked the need to cover the remaining demand with other energy sources, which is the reason behind the dramatic increase in diesel fuel. Also decreasing from the previous year was the use of BTZ, which fell by 8%. As for electricity, there was no significant change in consumption from the previous year, while the share of self-produced energy increased by 11%. Overall, therefore, the category of energy sources that has experienced the greatest reduction is nonrenewable fuels, whose consumption was reduced by 10.7%.

ENERGY CONSUMPTION (IN GJ)[2]

Energy Consumption	2021	2022
Non-renewable fuel	**920,489**	**821,606**
Natural gas	258,105	178,246
BTZ	658,454	605,612
Diesel	1,662	35,759
GPL	2,268	1,990
Purchased electrical energy	**66,494**	**71,356**
of which purchased from non-renewable sources	30,090	44,550
of which purchased from renewable sources	28,404	26,806
Self-generated electrical energy	**233,339**	**259,537**
of which used on site	204,420	238,104
of which fed back into the network	28,919	21,434
Total consumption	**1,191,403**	**1,131,065**

2. The following conversion factors were used for the conversion in Giga Joul:
   - Natural gas, diesel, petrol and GPL: DEFRA UK / Sheet Fuel properties, Greenhouse gas reporting: conversion factors 2022 - GOV.UK (www.gov.uk)
   - Electrical energy: Enea, appendice (enea.it)

In particular, energy vectors purchased from third parties include electricity from the grid, natural gas, BTZ fuel oil, LPG and diesel fuel, while self-production refers to the vectors of electricity and thermal energy in the form of steam.
The Company has internal energy conversion facilities in its main production processes. In fact, the energy recovered from exothermic reactions in the process is used for the production of electricity and thermal energy.

Top view of the sulphuric acid plant.

For the Cagliari plant, **self-generation**, when fully operational, **covers almost all electricity consumption and the entire thermal energy requirement**. In detail, there is a high-efficiency cogeneration plant consisting of a multi-stage turbine that, fed with the high-pressure steam produced in the sulphuric acid production process, generates electricity to cover internal needs, while the surplus is sold to the grid. In addition to electricity, medium and low-pressure steam is also spewed from the turbine to cover the plant's internal steam requirements.

The Noralf plant, on the other hand, covers its energy needs with electricity exclusively from renewable sources.

Making the infrastructure efficient, while increasingly reducing the impact on the environment to materialize what is FLUORSID's constant and priority commitment in the direction of sustainability. Also for this reason, one of the objectives pursued on a daily basis involves the self-production of electricity in order to meet its needs. A real pillar on which the circularity built into the Group's sustainability strategy rests.

3.4 Atmospheric emissions

3-3, 305-1, 305-2, 305-4, 305-7 GRI

Increasingly reducing environmental impact and making infrastructure more efficient have been major objectives for FLUORSID for years. With the aim of improving the performance and reliability of the emission abatement systems, it was therefore deemed appropriate to group the E2/ E9, E3, E27/E28 and E10 emission points into a single centralised stack and to equip the latter with an additional pollutant abatement system, which is the Dynawave from MECS®.
The issue of atmospheric emissions is linked to that of energy: according to the latest Chemical Industry in Italy Report 2021-2022, the chemical industry has a minimal impact on greenhouse gas emissions in Italy, accounting for only 2.9% of total emissions[3], so the company's contribution to the national emissions scenario should be seen in this context.
Total emissions (Scope 1 and Scope 2 market based) for 2022 amount to 65,547 tonnes CO_2eq. **At the Odda plant, FLUORSID Noralf purchased approximately 26,806 GJ of electricity from renewable sources in 2022, thus avoiding emissions of 3,740 tonnes of CO_{2e}.**

Thanks to reductions in non-renewable fuel consumption and enhancement of efficiency in production processes, in 2022 FLUORSID reduced its Scope 1 emissions by 3.3% and its overall emissions (Scope 1 and Scope 2 Market Based) by 1.7%.

EMISSIONS OF CO_2

Emissions of CO_2 (tCO_2e)[4]	2021	2022
SCOPE 1	**62,438**	**60,365**
SCOPE 2 (Market Based)	**4,235**	**5,182**
SCOPE 2 (Location Based)	**3,122**	**3,047**

SCOPE 1

Greenhouse gas emissions generated directly by FLUORSID from fossil fuel combustion plants for plant operations.

SCOPE 2

Indirect greenhouse gas emissions from the generation of electrical energy purchased by FLUORSID.

Market Based
reflects the average intensity of emissions from electricity that the organisation has purposely chosen. It can be calculated with the default emission factors representing the residual mix, i.e. unmonitored and unclaimed energy and emissions.

Location Based
reflects the average intensity of emissions from total national electricity production.

Night view of the Odda plant.

Particularly interesting is the figure for CO_2 emissions to generate one euro of turnover: the value recorded by FLUORSID in 2022 is approximately 116 tCO_2/M€, whereas among Federchimica member companies, values are even 1.9 times higher[5].

The production cycle involves the emission of dust and gases, specific to each phase, which are conveyed to the plants' chimneys. For the purpose of assessing specific air emissions, data calculated from the measured values of pollutants and flow at the smokestacks are used.

The pollutants emitted from the site's chimneys relate to emissions of nitrogen oxides (NOX), sulphur oxides (SOX) and particulate matter.

In addition, the production process inevitably involves the emission of standard categories of atmospheric agents. The Company is constantly striving to control and reduce atmospheric emissions of these agents.

The Cagliari and Treviglio plants are subject to Integrated Environmental Authorisation (AIA), with which they comply with the principles of Pollution Prevention and Control imposed 2010/75/EU). Atmospheric emissions of climate altering gases are therefore exclusively governed in accordance with the limits set by the regulatory prescriptions in force in the countries where FLUORSID operates.

OTHER GAS EMISSIONS

Other gas emissions (in tonnes/year)	2021	2022
NOx	**56.69**	**59.36**
SOx	**211.94**	**192.74**
Powders	**10.83**	**10.69**
Other standard atmospheric emission categories	**0.20**	**0.11**

3. Federchimica. Report on the Chemical Industry in Italy 2021-2022, 2022
4. The following emission factors were used for the calculation of emissions:
   Natural gas: Ministero Ambiente Italia – National Parameters EU ETS - Italia: News (minambiente.it).;
   Fuels and other emission sources: DEFRA UK - Greenhouse gas reporting: conversion factors 2022 - GOV.UK (www.gov.uk)
   Scope2 - Market-Based: European Residual Mixes 2020 (aib-net.org)
   Scope2 – Location-Based: Italia, https://www.isprambiente.gov.it/files2023/pubblicazioni/rapporti/r386-2023.pdf, Table 2.7 p. 146. UK, Greenhouse gas reporting: conversion factors 2023 - GOV.UK (www.gov.uk). Norway, European Residual Mixes 2020 (aib-net.org)
5. Figure obtained, both for FLUORSID and for a sample of Federchimica member organisations, by relating CO_2 emissions to the atmosphere (Scope 1 + Scope 2 market based) to turnover. (Source: 26th annual Responsible Care report).

3.5 Water resource management

3-3, 303-3, 303-4 GRI

The chemical industry is highly committed to the efficient management of water resources. According to the latest Chemical Industry Report in Italy 2021-2022[6] by Federchimica, water is mainly used by chemical companies for plant cooling (91 %) and the remaining part for production processes, products and site cleaning. The main source of procurement is the sea (81.4%), which, together with water from rivers (8.1% of the total), is used specifically for plant cooling; this use has a limited environmental impact because the part of the water that does not evaporate during the cooling process is reused or possibly returned to water bodies. Specific water withdrawals (i.e., calculated on an equal production basis), decreased by 21.4% compared to 2005. For fresh water, the decrease was as high as 46.2%, tangible evidence of the attention of chemical companies to preserving the planet's water resources.
For FLUORSID, water is a very valuable asset for the environment and the economy, aware that it is one of the main resources for the production cycle, is part of the 53% of chemical companies[7] that have taken actions for safeguarding and saving water resource.
The Group's water procurement decreased slightly by 1.54% during 2022, remaining in line with the previous year's withdrawals. There was an equal reduction of 2.5% on both groundwater withdrawals and third-party supply, while marine water withdrawals remained the same.

In 2022, the Group's water consumption amounted to 6,212,539 m3. The Company is committed to adopting specific improvement measures for the efficient management of this resource to minimise the impact caused by water withdrawal.
The Italian plants are under an integrated environmental authorisation regime, which means that water discharges are managed in compliance with the environmental regulations in force, although FLUORSID always sets limits higher than mere regulatory compliance in its management of natural resources.

In line with the data on withdrawals, water discharges appear to be about the same as last year, showing stability in production processes and water resource consumption.

WATER WITHDRAWAL PER SOURCE[8]

Water supply (m^3 x 10^3)	2021	2022
Groundwater	**682**	**665**
of which from fresh water (≤1,000 mg / L total dissolved solids)	682	665
of which from other water (>1,000 mg / l total dissolved solids)	0	0
Seawater	**2,453**	**0**
of which from fresh water (≤1,000 mg / L total dissolved solids)	0	0
of which from other water (>1,000 mg / l total dissolved solids)	2,453	0
Supply from third parties	**3,175**	**1,335**
of which from fresh water (≤1,000 mg / L total dissolved solids)	1,460	1,335
of which from other water (>1,000 mg / l total dissolved solids)	1,716	0
Total	**6,310**	**2,000**
of which from fresh water (≤1,000 mg / L total dissolved solids)	2,142	2,000
of which from other water (>1,000 mg / l total dissolved solids)	4,169	0

WATER DISCHARGES

	Water discharges (m^3 x 10^3)	2021	2022
Water discharges by destination	**Groundwater**	**0**	**0**
	Seawater	**2,453**	**2,453**
	Surface water	**521**	**490**
	Third-party water sources	**2,972**	**3,014**
	of which sent to other organisations	1,250	1,250
Total water discharges		**5,946**	**5,957**
Water discharges by type of water	Fresh water (≤1,000 mg/l total dissolved solids)	521	490
	Other water (>1,000 mg/l total dissolved solids)	5,425	5,467

6. Chemical Industry Report in Italy 2021-2022, Federchimica Confindustria, https://www.federchimica.it/docs/default-source/materiali-assemblea-2022/1-pubblicazioni/rapporto-annuale_2021-2022_navigabile.pdf?sfvrsn=52234c93_2
7. Chemical Industry Report in Italy 2021-2022, Federchimica Confindustria, pag. 19.
8. The figures in the following paragraph do not include British Fluorspar: the Company, due to its exclusively mining activity, does not record significant volumes of waste as is the case for the other Group companies.

3.6 Waste management

3-3, 306-3, 306-4, 306-5 GRI

The Group's primary waste can be divided into two categories: from administrative activities and from production activities. Waste from office activities, which can be assimilated to urban waste, has a standard and ordinary management, the rules of which are defined by the local municipality. Waste from production activities is managed through national regulations and corporate standards. The organization's efforts and energies are focused on this last category of waste so that production activities have the least possible impact on the environment.

The waste generated by production comes mainly from maintenance activities, and for this waste the company has always favoured disposal, recovery and recycling of materials used in industrial processes. In Italy, hazardous and non-hazardous waste disposal activities are managed in accordance with Legislative Decree 152/06, which provides for specific recovery, recycling and treatment of waste in respect of environmental quality and human health in the environment for the benefit of ecology.

DESTINATION OF HAZARDOUS AND NON-HAZARDOUS WASTE

Destinazione (ton)	2021	2022
Waste sent for disposal	**4,585**	**3,266**
Incineration	**7**	**1**
Hazardous	0	0
Non-hazardous	7	1
Landfill	**3,608**	**2,890**
Hazardous	14	0
Non-hazardous	3,594	2.890
Other Disposal Operations	**970**	**375**
Hazardous	447	120
Non-hazardous	523	255
Waste sent for recovery	**6,637**	**6,637**
Treatment and sorting plants or stockpiling	**6,170**	**1,722**
Hazardous	43	15
Non-hazardous	6,127	1,707
Reuse	**12**	**3**
Hazardous	12	3
Non-hazardous	0	0
Recycling	**455**	**446**
Hazardous	0	0
Non-hazardous	455	446
Total	**11,222**	**5,437**

9. The figures in the following paragraph do not include British Fluorspar: the company, due to its exclusively mining activity, does not record significant volumes of waste as is the case for the other Group companies.

In 2022, FLUORSID produced approximately 5,437 tonnes of waste, of which 30 tonnes were classified as hazardous waste compared to 5,407 tonnes of non-hazardous waste. The significant decrease in waste during 2022 is mainly due to the end of demolition activities of parts of the plant as part of the ZERO FRONT LOADER project.

The ratio of waste production to generate one euro of turnover, for 2022, is around 10 t/M€. As already mentioned, the value was affected by the increase in waste due to demolition related to the ZERO FRONT LOADER project.

Sampling operation of GYPSOS GRANULAR.

Delivery by ship of GYPSOS GRANULAR.

3.7 Preserving biodiversity

3-3, 304-1 GRI

Protecting the natural heritage at its disposal is an ethical imperative for FLUORSID, so much so that the Company has always been committed to actions capable of generating the least possible environmental impact, both to protect biodiversity and the landscape.

FLUORSID's sensitivity to the environment is also evident in the scrupulous attention paid to accidental spills that could alter the biodiversity of the surrounding environment.
In particular, the Company boasts related precautionary measures, such as, for example, those aimed at controlling spills that could irreparably alter the environment, testifying to its care for the natural environment.

In 2022, there were no significant negative impacts in terms of loss of numbers of IUCN Red List species and national conservation list species from the Group's activities.

Plant of Cagliari

The plant in the Macchiareddu Industrial Zone (CA) is located approximately 4 km (as the crow flies) from the Santa Gilla Lagoon. The vegetation of the lagoon is of great naturalistic importance because it is indispensable for ensuring the maintenance of biodiversity, especially with regard to fauna.
The Santa Gilla pond and the nearby Molentargius pond are among the most important European stopover stations in the migration of the Pink Flamingo (Phoenicopterus roseus). The list of species present in the pond is rather long, considering both nesting species and those that frequent the pond without nesting.

Plant of di Treviglio

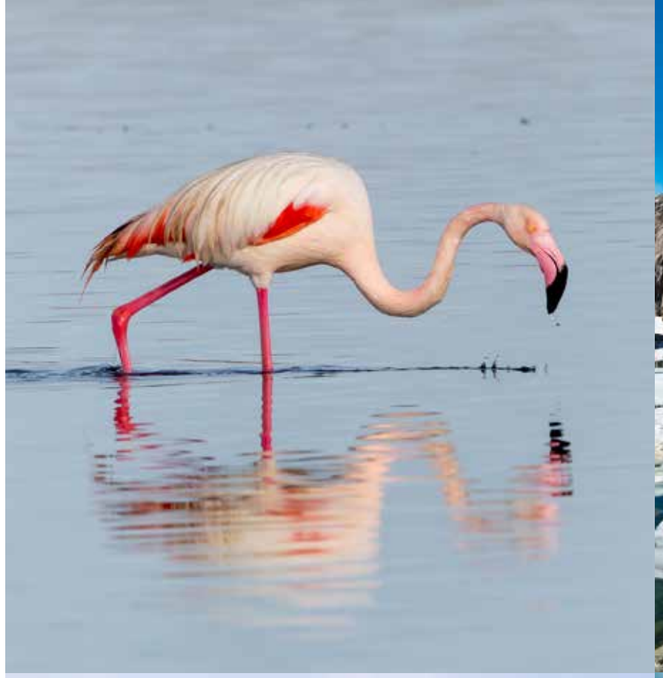
The plant is located about 10 km from the ZPS Fontanile Brancaleone, a regional partial biological nature reserve covering an area of about 100 hectares. The reserve is characterised by the presence of invertebrate fauna of great scientific interest, in particular the Niphargus stigocharis italicus and Niphargus transitivus dissonus, amphipod crustaceans of the phreatic environment, which represent a true rarity to be protected. In the fountain, spring water flows from the confluence of numerous heads.

Plant of di Odda

The plant is located, as the crow flies, adjacent to the Folgefonna National Park. This park is classified as an IUCN Category II: wilderness area in its size and its main objective is to protect functioning ecosystems.

Plant of di Derbyshire

The plant is located within a vast area (about 1,440 km²) that constitutes the Peak District National Park, where other mines are also located, as the area has been involved in mining activities since medieval times, which intensified in the 16th century. Today, activities are conducted with the utmost respect for local regulations and are aimed at not interfering with the park's flora and fauna. To underline the commitment to the area, all open-pit activities were closed in 2021, reducing both the visual and acoustic impact within the national park.



The natural landscape that surrounds the FLUORSID establishments.

Our collaborators

4.

Our people's commitment

240 employees

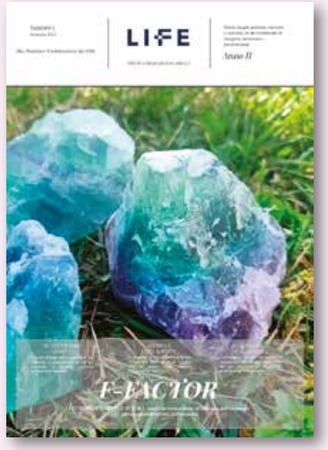
Average RAL approx. **42,000 €**

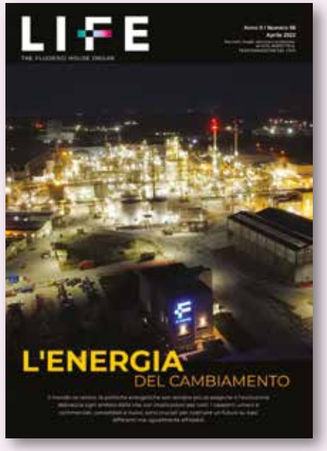
Over **3,800** hours of training

99% permanent contratcts

Developing the skills of its employees, investing in their training in order to improve their knowledge is a fundamental need for FLUORSID, since the chemical sector is a complex one and the technical and professional skills required are extremely high. Enhancing everyone's strengths, being able to identify potential, developing and listening is what makes FLUORSID a cohesive group, in every area striving for its core values. The collaboration between people of different nationalities, histories and cultures creates the magic that leads to present and future results. Just as in a chemical reaction, the coming together of different elements in our world generates new products. Interaction and confrontation between diverse and distant experiences help strengthen the organization.
People are, therefore, an important asset for creating value and improving company performance. For all these reasons, the Company is committed to enhancing the value of its employees, not only by promoting their development and professional growth, but also by favouring their work-life balance.
Following up on 2021, the House Organ, called LIFE, shared on a quarterly basis with stakeholders and employees, became increasingly important during the reporting period. This tool connects the various realities of the Group, telling in even greater detail what is being accomplished through the work of every individual. Initiatives, products, awards, philosophies, events, facts: elements that make up and strengthen what FLUORSID is, wants to be and will be. A world leader thanks to its roots firmly rooted in principles such as Integrity, Ambition and Perseverance, the starting points for every strategy and decision at the various levels, in a process that speaks of Life, Respect and Transformation. Over half a century of FLUORSID means an enormous heritage of contributions, of individual and collective stories. The story that needs to be told and the project that needs to be represented, so that the march will be constant and bursting, even at a time in history when everyone is required to have additional resilience and courage

FLUORSID's future depends necessarily on its projects and the people who carry them out. For this reason, the Group welcomes new members in a variety of company departments to enhance and leverage their expertise and experience.
In accordance with its values, FLUORSID





promotes a working environment based on respect, teamwork and commitment. Resource management, from the selection process, is a priority for the Group with the ultimate goal of ensuring that everyone can reach their full potential.

Collaboration and fair employment

FLUORSID acknowledges the central role of collaborators and undertakes to maintain relations with them based on loyalty and mutual respect, avoiding any form of discrimination. The Company also undertakes to select the best profiles following meritocratic logic and objective assessments, and to hire them with a regular employment contract in compliance with the regulations in force and the principles of the Civil Code and the Workers' Statute. Irregular recruitment and activities that may favour the illegal entry into the territory of the State of illegal immigrants are prohibited. FLUORSID demands that in relations with its collaborators, internal and external, no one is put in a state of subjection by means of violence, threats, deception, abuse of authority, exploitation of a situation of physical or psychic inferiority.

The Company expressly forbids and sanctions any mobbing activity. In particular:
- any form of moral or sexual violence and/or psychological persecution aimed at causing offence to the personality, dignity and psycho-physical integrity of collaborators, as well as endangering their employment or degrading the work environment;
- the distribution, dissemination or possession within the company of pornographic material or virtual images using images of minors

4.1. Our staff

2-7, 3-3, 401-1 GRI

FLUORSID considers its employees vital for the company's success. The competency of the resources is a key value to help the Group achieve its goals. People are an asset to be preserved and valued for operational excellence and performance in various projects.

The HR function plays a strategic role in guiding people who, with their characteristics, bring an extremely important asset for themselves and for others. A job, ours, projected towards business development but also aimed at combining personal aspirations and corporate projects to achieve goals.

The Group's commitment is heading in the same direction as the industry in which it operates. In fact, over the years, there has been a significant shift in the chemical industry sector, traditionally dominated by men, with an increase in the presence of women even in previously unthinkable areas. In this process, the strive for excellence is based on skills, which are not gender distinct but depend on hard work and dedication.

FLUORSID is a company that, while proudly anchored to its solid past and history, is driven by a strong drive towards the future. This presupposes a desire to change, experiment, research and not to stop. And to do this, once again, the key role is that of people above all other factors. Our openness to schools and universities goes in this direction, because we are convinced that in order to look ahead, it is necessary to experiment with new paths. Experience yes, but also and above all intuition, imagination, and the desire to go one step further by those starting out in the world of work. Years pass, objectives, scenarios, technologies change. But at the centre there are and always will be people.

The actual workforce as of 31 December 2022 numbered 240 employees, located among the different plants. The employment level, as summarised in the table below, is found to be stable compared to the previous year.

As in the previous year, in 2022 the Company's workforce is mainly concentrated in Italy (67%) where the FLUORSID S.p.A. and I.C.I.B. S.r.l. production plants are located, a portion (22%) is employed in the UK, where the FLUORSID British plant is located, and the remaining portion (11%) is employed in Norway, where the FLUORSID Noralf plant is located.

A reflection of the importance given by the Group to maintaining stable and lasting employment relationships, about 99% of employees is hired under permanent contract: **this figure is higher than the national statistics for the chemical industry, which record a value of 95%**[1]. Regarding the type of employment, the majority of employees have a full-time contract (94%), although part-time policies are allowed for some positions.

During 2022, 32 people joined the Group (a slight increase compared to last the 25 from last year), recording an incoming rate of around 13%. Demonstrating FLUORSID's renewed commitment to focusing on human capital as a distinctive element for the Group's lasting growth, when considering new entrants, about 69% is employees between the ages of 30 and 50, mainly due to the nature of the very complex industry in which it operates.

On the other hand, there were 30 exits during the year, registering an outgoing turnover rate, i.e., the ratio between the number of exits and the total number of employees as of 31 December, of around 13%. Notably, among the 30 exits that occurred during the year, about 50% concerned the FLUORSID British plant.

To ensure long-term success and competitiveness, the ongoing upgrading of skills and personal growth of employees are essential for the sustainable development of the company.
For this purpose, with the aim of leveraging the skills of employees and enabling new professional opportunities, the Group has focused on an internal mobility program during 2022. In fact, an internal job posting portal has been created allowing the HR function to open positions dedicated to current employees, with the objective of offering employees the chance to follow their aspirations also by changing roles. The result has been very positive: not only the new position has been filled in a remarkably short period of time, but more importantly, it has created an internal mobility within the company beneficial for the growth of the individual personally and professionally.

1. Federchimica, Responsible Care - 28th Annual Report 2022

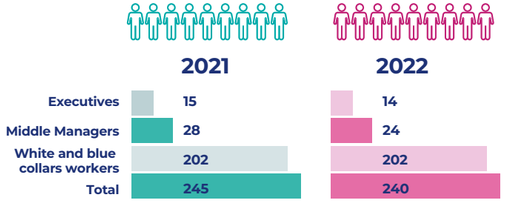
FLUORSID employees

Employees by type of contract and gender

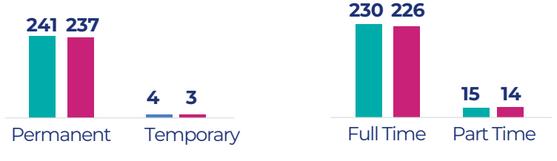
Type of contract	2021 Men	2021 Women	2021 Total	2022 Men	2022 Women	2022 Total
Permanent	210	31	241	207	30	237
Temporary	4	0	4	2	1	3
Total	214	31	245	209	31	240

Type of employment	2021 Men	2021 Women	2021 Total	2022 Men	2022 Women	2022 Total
Full time	200	30	230	58	3	61
Part time	14	1	15	0	0	0
Total	214	31	245	58	3	61

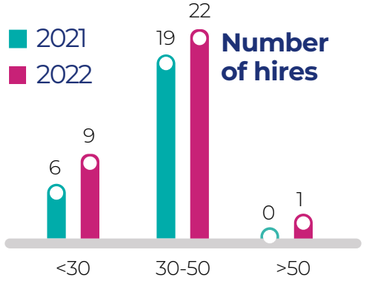
Employees



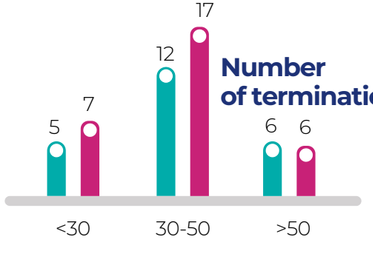
Type of contract



Number of hires



Number of terminations



Number and rate of new hires

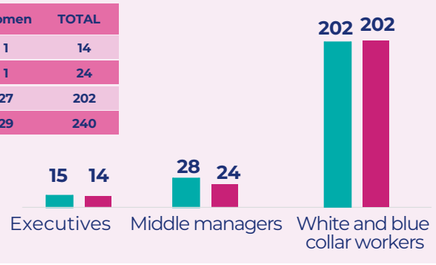
	2021 <30 years	2021 30-50 years	2021 >50 years	2021 TOTAL	2021 RATE	2022 <30 years	2022 30-50 years	2022 >50 years	2022 TOTAL	2022 RATE
Men	4	16	0	20	0.09	9	18	1	28	0.13
Women	2	3	0	5	0.6	0	4	0	4	0.12
Total	6	19	0	25	0.10	9	22	1	32	0.13
Rate	0.20	0.15	0.0%	0.10		0.39	0.15	0.01	0.13	

Number and rate of terminations

	2021 <30 years	2021 30-50 years	2021 >50 years	2021 TOTAL	2021 RATE	2022 <30 years	2022 30-50 years	2022 >50 years	2022 TOTAL	2022 RATE
Men	5	11	6	22	0.10	6	12	6	24	0.11
Women	0	1	0	1	0.03	1	5	0	6	0.19
Total	5	12	6	23	0.9	7	17	6	30	0.12
Rate	0.17	0.09	0.08	0.09		0.30	0.12	0.07	0.12	

Employees by professional category and gender

Professional category	AS OF 31 DECEMBER 2021 Men	Women	TOTAL	AS OF 31 DECEMBER 2022 Men	Women	TOTAL
Executives	14	1	15	13	1	14
Middle managers	26	2	28	23	1	24
White and blue collar workers	174	28	202	175	27	202
Total	214	31	245	211	29	240



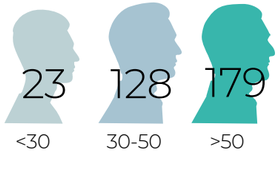
Training hours by professional category

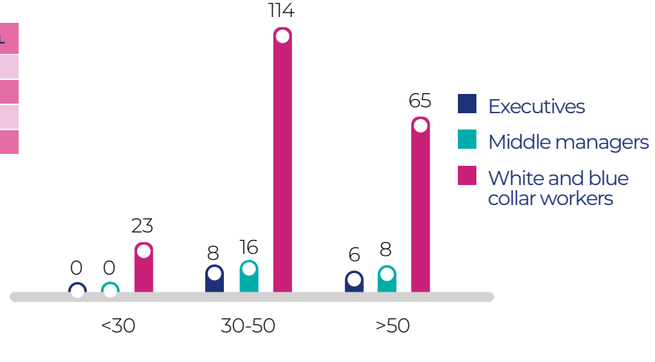
	AS OF 31 DECEMBER 2021 Hours M	Avg. hours/M	Hours F	Avg. hours/M	Total Hours	Avg. hours	AS OF 31 DECEMBER 2022 Hours M	Avg. hours/M	Hours F	Avg. hours/M	Total Hours	Avg. hours
Executives	89	6.4	20	20.0	109	7.3	92	7.1	0	0.0	92	6.6
Middle managers	280	10.8	32	15.8	312	11.1	263	11.4	0	0.0	263	11.0
White and blue collar workers	1,953	11.2	314	11.2	2,267	11.2	3,226	18.4	227	8.4	3,453	17.1
Total	2,322	10.9	365	11.8	2,687	11.0	3,581	17.0	227	7.8	3,808	15.9

Data for 2021 training hours do not include legal entity FLUORSID ICIB..

Employees by professional category and age group

Professional category	AS OF 31 DECEMBER 2021 <30 years	30-50 years	>50 years	TOTAL	AS OF 31 DECEMBER 2022 <30 years	30-50 years	>50 years	TOTAL
Executives	0	6	9	15	0	8	6	14
Middle managers	0	19	9	28	0	16	8	24
White and blue collar workers	29	110	63	202	23	114	65	202
Total	29	135	81	245	23	138	79	240





4.2. Talent management

3-3, 404-1, 404-3 GRI

Training and skill upgrading are essential to a company's success and competitiveness, just as the growth of each individual is crucial to ensure sustainable, long-term business development. For this reason, FLUORSID strives every day to develop the skills, competencies and attitudes of its employees, offering opportunities for professional growth and development to everyone.

For this purpose, to ensure proper human resources management, the Company has adopted policies and procedures regarding the onboarding of new people or employee growth and training paths. At FLUORSID, each individual is valued purely for the added value they provide: growth opportunities are reserved for all employees equally, based on results, experience and skills, which are the exclusive parameters that ultimately determine pay levels as well.
The culture of ongoing improvement is also established with career paths through which each employee acquires new skills and can take advantage of new opportunities for both individual and corporate growth. In this context, the Company has defined a process aimed at:

- organising and providing specific training and refresher training programmes for all staff, both current and newly recruited;
- training personnel for general and specific emergency tasks and keeping them up-to-date, including through the use of drills and simulations;
- keeping up-to-date records of the personnel involved and the qualification levels achieved.

In order to provide its people with high quality training, during 2022 the Group invested more than 3,800 hours in training activities (on average around 16 hours of training per capita), mainly handed out for the categories of White and Blue Collar Workers (about 91%), 7% for Middle Management and the remaining 2% for Executives. Constant learning is part of the company's culture, which encourages all employees to constantly improve their knowledge and skills through a development model that combines learning in the form of on-the-job training and theory-based training (classroom or virtual). The areas on which most attention was focused are:

- **Quality, Safety and Environment;**
- **specific technical training for specialised professions.**

The Group's commitment to training activities on Quality, Safety and the Environment has continued throughout the year, in compliance with the relevant legal regulations that continue to demand more and more attention on the subject of Occupational Health and Safety. Specific technical training has continued to be provided thanks to the Academy, created in 2019.
Also, FLUORSID has always had a strong interest in the university world, with which it collaborates by offering training internships and thesis, so that it can attract talented young people and foster the placement of recent graduates.
Following what was done in 2021, also during the reporting period, the collaboration with the CREA of the University of Cagliari was renewed, testifying to our great attention in training all employees.

A major project that marked 2022 was the "Worker's License". This intiative was promoted and carried out by the HR department with the aim of linking achievements with the demands of the role held in the Company. In particular, starting from the job description, which outlines the duties, responsibilities and specialized technical knowledge of the position held, an evaluation system is generated based on the competencies and general criteria of the company's management system. The aim of all this is to enhance and incentivize the acquisition of personal skills, including those that are transversal to the role, which increase the employee's cultural and professional background. Also included in the evaluation are all actions outside the role that are deemed worthy of recognition by the company.

The challenging goal is to stimulate a cultural change. Moving FLUORSID more and more toward a human resource management based on the stimulation of proactiveness, while leaving tools of mere control as residual.

Filling phase of a dewar with liquid nitrogen used in nitrogen physisorption analysis.

4.3. Diversity and Equal opportunity

3-3, 405-1 GRI

FLUORSID aims at ensuring increased and improved cultural and gender inclusion. Equality, inclusion and diversity are an integral part of the corporate culture and values, as well as a determining factor for the growth model and way of doing business. The Group promotes at all levels a work environment that fosters sense of belonging among people and encourages them to actively participate in the life and success of the company. FLUORSID believes in the added value provided by collaboration, teamwork, and the sharing of experience and expertise.
The work environment guarantees respect, including in the recruitment process, for the personality and dignity of each individual. The Group does not tolerate discrimination and abuse of any kind, based, for example, on race, religious belief, political and union affiliation, language, sex, sexual orientation, age and disability. In particular, in relations with colleagues, each resource must behave according to principles of fairness and civility, in a spirit of full cooperation. Confirming this commitment and in continuity with the previous year, in 2022 the presence of women in the total workforce as of 31 December was stable at around 12% of the total, belonging for the most part to white and blue collar workers, with the exception of 1 woman belonging to the Executives category and 1 woman belonging to the Middle Managers category. The number of male employees in 2022 was 211, equal to 89% of the total.

With reference to the breakdown by professional category, there are no significant changes in 2022. In fact, in continuity with the previous year, about 84% of employees are part of the white and blue collar category, while the remaining employees, 6% and 10%, are concentrated in the categories of Executives and Middle Managers, respectively.

The total workforce represents a fair mix of young talents with a solid scientific background, to whom FLUORSID has always been ready to offer the opportunity to emerge in the world of chemistry, and people with proven expertise and technical depth, considering that experience is essential in a highly specialised sector such as chemistry. As proof of this, the breakdown **of employees by age group reflects the national average in the chemical sector, with a concentration of personnel in the 30-50 age group of around 58%.**

4.4. Remuneration policies

3-3, 405-2 GRI

The remuneration system is differentiated on the basis of the professional category to which one belongs, and, in addition to a fixed remuneration component, also includes incentive systems linked to individual and company objectives.

The members of the Board of Directors are remunerated with a fixed annual fee, the amount of which is commensurate with the commitment required of them; this amount is increased for Directors holding special offices or participating in Committees established within the Board. The remuneration of Executive Directors is determined according to the best practices followed for similar positions by companies in the same sector. **In 2022 the average salary paid to its employees, regardless of their position in the company, was just over € 42,000[2].**

Welfare

The offer of welfare services for the "wellbeing" of Group employees has been enhanced and made more articulated over time. Following up on what was done in the previous year, also in 2022, employees were given the option to choose and allocate all or part of the accrued participation bonus to corporate welfare services such as, for example, reimbursement of school fees, reimbursement of school textbooks, reimbursement of care services for elderly or dependent family members. In addition, employees have the option of depositing the bonus in the supplementary pension fund.

2. Figure calculated as the ratio between the sum of the salaries paid to all employees and the total number of employees

4.5. Internal communication and trasparency

3-3 GRI

Enhancing corporate resources through effective internal communication has always been an added value for the Group. Sharing of values, strategy and goals fostered by internal communication is essential to involve, inspire and promote people's participation.

The capillary distribution of communiqués and organisational communications determines a continuity in communication flows from Management to all personnel. In line with this, and in line with past years, meetings of various kinds are organised throughout the year in order to create a climate of sharing and cooperation between colleagues that allows the integration and comparison of knowledge and professional skills, with a view to improving the quality of performance.

The above is flanked by periodical publications on the company website and on Group's House Organ and the distribution of the Sustainability Report.
Periodic meetings at each production site provide an opportunity to discuss the company's results and to share perspectives.

Trade union relations

The relations with the trade unions has also been maintained, during 2022, on a level of constructive cooperation that has allowed for good relations in the management of industrial relations. The percentage of employees covered by a collective agreement is 100% for Italian companies and over 90% for foreign companies.

Local control panel of the steam turbine.

4.6. Care for workers

2-23, 3-3, 403-9, 403-10 GRI

FLUORSID confirms its outmost commitment to prevention activities in the field of Health and Safety at Work as cornerstones and inalienable values.

For this reason, the Group is committed to promoting a culture of prevention and health protection consistent with what is required, in particular, within the framework of Legislative Decree 81/08, as amended and supplemented, ensuring constant analysis and risk assessment activities, as well as monitoring of company performance impacting on aspects of health and safety in the workplace.
In compliance with the obligations laid down in the relevant legislation, the company ensures the implementation of the investments that the Employers of each production plant assess as necessary to ensure safe and responsible production management and a safe environment for workers. These investments are proposed at the beginning of each year, following the assessments carried out by the Heads of the Prevention and Protection Services in collaboration with the Employers and the Heads of the Technical Services. If it becomes clear that further investments are needed during the year that have not been budgeted for, they are nevertheless carried out.

In addition, each plant is subject to a Safety Management System aimed at making work procedures safer and more reliable. In particular, the Cagliari (FLUORSID S.p.A.) and Treviglio (FLUORSID ICIB Srl) plants implement specific Safety Management Systems that respond to a legal obligation deriving from the fact that the two sites belong to the so-called "Seveso Directive" (more precisely, to Legislative Decree 105/2015, which is the Italian transposition of the EEC European Directive, known as the "Seveso III Directive"). In addition, the Cagliari and Odda (FLUORSID Noralf) plants are overseeing the issue through OHSAS 18001:2007 certification. The Cagliari plant also acquired an ISO 45001:2018- compliant Health and Safety Management System to ensure the protection and safety of workers, as well as to identify and mitigate risks related to daily activities.
Specifically, the prevention activities carried out by the Company concerned:

- staff training and awareness-raising on work safety issues;
- monitoring of the main indices relating to accidents at work;
- improvement interventions, where necessary, at production sites and adoption of delle Best Available Technologies (BATs);
- updating of specific risk assessment documents, where necessary, in order to keep risk assessment appropriate to changing situations at production sites;
- specific audits at sites in order to monitor the practical application of safety and environmental obligations under current legislation.

Coordination meetings on Health and Safety issues are held regularly at the Italian plants, mostly distributed locally at the various production sites. Health and Safety Committees are also held periodically throughout the year at the Norwegian and English plants.

OCCUPATIONAL HEALTH AND SAFETY INDICES

	2021			2022		
	Men	Women	**Total**	Men	Women	**Total**
Total number of recordable cases of occupational injuries	3	0	**3**	3	0	**3**
Rate of recordable cases of occupational injuries[3]	**14.09**	**0.00**	**12.22**	**11.11**	**0.00**	**9.46**
Total number of fatalities as a result of occupational injuries	0	0	**0**	0	0	**0**
Rate of fatalities as a result of occupational injuries[4]	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
Total number of occupational injuries with serious consequences[5] (excluding fatalities)	0	0	**0**	0	0	**0**
Rate of occupational injuries with serious consequences[6] (excluding fatalities)	**0.00**	**0.00**	**0.00**	**0,00**	**0.00**	**0,00**
Total number of hours worked	**212,865**	**32,669**	**245,534**	**269,908**	**47,133**	**317,041**
Days lost due to recordable cases of occupational injuries	100	0	**100**	166	0	**166**

Confirming the extreme focus on these issues and the presence of a safe and compliant workplace in all our plants, there were no work-related accidents with fatal outcomes or occupational diseases in 2022.

Occupational health and safety index figures for 2021 refer only to FLUORSID S.p.A.
Hours worked index figures refer only to FLUORSID S.p.A., FLUORSID I.C.I.B. S.r.l. and FLUORSID British

3. [Number of recordable cases of occupational injuries / [Number of hours worked] * 1.000.000
4. [Number of fatalities as a result of occupational injuries] / [Number of hours worked] * 1.000.000
5. Occupational injury that results in fatality or injury from which the worker cannot recover, does not recover, or cannot realistically be expected to recover fully by returning to the pre-accident state of health within 6 months.
6. [Number of occupational injuries with serious consequences] / [Number of hours worked] * 1.000.000

Preparation of an anhydrite sample for subsequent dust X-ray diffraction analysis.

Aerated anhydrite-based panels.

Attachments

Chapter: Our collaborators

TOTAL NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER (ITALY)

TYPE OF EMPLOYMENT CONTRACT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
PERMANENT	133	21	**154**	136	21	**157**
TEMPORARY	4	-	**4**	2	1	**3**
TOTAL	**137**	**21**	**158**	**138**	**22**	**160**

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER (ITALY)

TYPE OF EMPLOYMENT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
FULL TIME	125	21	**146**	125	21	**146**
PART TIME	12	0	**12**	10	1	**11**
TOTAL	**137**	**21**	**158**	**135**	**22**	**157**

TOTAL NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER (NORWAY)

TYPE OF EMPLOYMENT CONTRACT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
PERMANENT	21	6	**27**	21	6	**27**
TEMPORARY	-	-	**-**	-	-	**-**
TOTAL	**21**	**6**	**27**	**21**	**6**	**27**

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER (NORWAY)

TYPE OF EMPLOYMENT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
FULL TIME	21	6	**27**	21	6	**27**
PART TIME	0	0	**0**	0	0	**0**
TOTAL	**21**	**6**	**27**	**21**	**6**	**27**

TOTAL NUMBER OF EMPLOYEES BY TYPE OF CONTRACT AND GENDER (UK)

TYPE OF EMPLOYMENT CONTRACT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
PERMANENT	56	4	**60**	50	3	**53**
TEMPORARY	-	-	**-**	-	-	**-**
TOTAL	**56**	**4**	**60**	**50**	**3**	**53**

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT AND GENDER(UK)

TYPE OF EMPLOYMENT	AS AT 31/12/2021			AS AT 31/12/2022		
	M	W	**Tot.**	M	W	**Tot.**
FULL TIME	54	3	**57**	48	2	**50**
PART TIME	2	1	**3**	2	1	**3**
TOTAL	**56**	**4**	**60**	**50**	**3**	**53**

NUMBER AND RATE OF NEW HIRES (ITALY)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	2	12	1	**15**	**0.11**
WOMEN	0	4	0	**4**	**0.18**
TOTAL	**2**	**16**	**1**	**19**	**0,.2**
RATE	**0.22**	**0.14**	**0.03**	**0.12**	

NUMBER AND RATE OF NEW HIRES (NORWAY)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	2	0	0	**2**	**0.09**
WOMEN	0	0	0	**0**	**0.00**
TOTAL	**2**	**0**	**0**	**2**	**0.07**
RATE	**0.29**	**0.00**	**0.00**	**0.07**	

NUMBER AND RATE OF NEW HIRES (UK)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	5	6	0	**11**	**0.22**
WOMEN	0	0	0	**0**	**0.00**
TOTAL	**5**	**6**	**0**	**11**	**0.21**
RATE	**0.71**	**0.25**	**0.00**	**0.21**	

NUMBER AND RATE OF TERMINATIONS (ITALY)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	0	5	4	**9**	**0.07**
WOMEN	0	4	0	**4**	**0.18**
TOTAL	**0**	**9**	**4**	**13**	**0.08**
RATE	**0.00**	**0.08**	**0.10**	**0.08**	

NUMBER AND RATE OF TERMINATIONS (NORWAY)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	1	0	0	**1**	**0.05**
WOMEN	1	0	0	**1**	**0.17**
TOTAL	**2**	**0**	**0**	**2**	**0.07**
RATE	**0.28**	**0.00**	**0.00**	**0.07**	

NUMBER AND RATE OF TERMINATIONS (UK)

TYPE OF GENDER	2022				
	<30 YEARS	30-50 YEARS	>50 YEARS	TOT.	RATE
MEN	5	7	2	**14**	**0.28**
WOMEN	0	1	0	**1**	**0.33**
TOTAL	**5**	**8**	**2**	**15**	**0.28**
RATE	**0.71**	**0.33**	**0.09**	**0.28**	

Solidarity day in Sant'Elia, Cagliari.

FLUORSID in the territory

5.

The relationship with the territory

3-3 GRI

Even though technology continues to transform the world as we know it, one reality stands still: in order to create a positive and valuable impact, you must have the people, business partners, customers and local communities where you have the strongest impact as your first point of reference. In this regard, FLUORSID has always focused its sustainability strategy on preserving its ties with the territories in which it operates. The peculiarity of its business model leads the Company towards a distinctly international predisposition, without, however, leaving the places from which the entrepreneurial project started.

Commitment and proximity to communities and the environment, embody the will to promote social inclusion with the aim of generating a positive social and environmental impact in regard to and for the benefit of the territories that constitute a source of value.

Community

Under the Group's commitment to corporate social responsibility there are several projects, carried out in collaboration with partners from the academic world, with the aim of helping to educate future generations of leaders on the core issues at the heart of the Group's business model and enhancing FLUORSID's image through its digital channels, with an eye on increasing visibility among the community and improving brand awareness.

In this context lies the collaboration between FLUORSID and CREA UniCa, the University of Cagliari's Service Center for Innovation and Entrepreneurship, which supports the design, planning, management and communication of local, national and international projects aimed at the economic, innovative and entrepreneurial development of the territory.
This has become a long-established project that offers students and recent graduates, including some who are already part of the Group, to participate in custom-designed training courses as well as courses already structured through the Contamination BootCamp experience.

In 2020, the collaboration with CREA had specifically involved the professional categoryof “Executives”, providing them with targeted training to enhance skills in performance evaluation and talent management. The goal was to develop the potential of resources to enhance career plans and contribute to business results.
During 2022, the focus shifted towards young people coming from the postgraduate internships activated as part of the Digital Marketing partnership and project with four students from the Master of Science in Data Science, Business Analytics & Innovation program at the University of Cagliari.
In particular, CREA is characterized by its emphasis on topics such as organizational processes and business strategy, in accordance with various forms of training activities with one-to-one meetings and residential training days (Contamination BootCamp). The first are aimed at approaching innovation through corporate entrepreneurship processes by developing new visions, leadership skills in innovative and creative processes, and creating socioculturaI, technological and business scenarios that can support innovation. As for the Contamination Bootcamp, the goal is to foster innovation through the cooperation between universities, enterprises and startuppers. In fact, the Contamination Bootcamp training involves, 7 managers of innovative enterprises, 14 university professors/researchers, and 7 startuppers for four days of residential training. With this partnership, FLUORSID, by adopting the lean methodologies typical of emerging organizations, is able to foster innovation in a collaborative and shared way, thereby acquiring specific techniques for designing and managing innovative teams with the support of leading venture capital experts and brilliant researchers.

The Digital Marketing project, undertaken with the support of four students from the University of Cagliari, reflects FLUORSID's awareness of the dramatic evolution that has occurred over the past two decades related to the way companies communicate and interact with their audiences.
Accordingly, the Group agreed to engage in the quarterly project with the aim of enhancing the Group's image through digital channels, especially the LinkedIn page, and increasing and monitoring short- and medium-term results on a scientific basis.
The project, called "Adopt a Business," gives students the opportunity to put into practice the concepts learned through the course and it is conducted using the so-called SOSTAC method, an acronym that stands for the six basic steps for identifying an effective digital marketing strategy: Situation analysis, Objectives, Strategy, Tactics, Actions, Control."

"The project “Adotta un’impresa”, explains Professor Francesca Cabiddu, stems from the idea of creating a virtuous circle between universities and businesses. In our classes, students acquire high skills that, through projects like this one, give them the opportunity to share them with local businesses. At the same time, enterprises that accept the challenge of "adoption" offer an ideal environment for students to explore in a practical way the theoretical knowledge learned at university. FLUORSID has immediately embraced this opportunity since it has long realized that enterprise-university collaborations, can only lead to winning results where the value created falls on the entire community. Thank you FLUORSID for putting your trust in our students."

The first step that the students carried out was a SWOT analysis to identify strengths and weaknesses, opportunities and external threats, supported by the presence of FLUORSID on LinkedIn with its communication activity. The resulting percentages on engagement rate and number of shares made it possible to define three objectives regarding the strategy around this breakpoint: to highlight the university-enterprise relationship; to further improve the company's image by increasingly emphasizing the high-priority commitment to sus-

Opening remarks by research and development director during the Next Generation Chemist 2022 national conference.

tainability; to improve the visibility of the Group.
The results obtained after several weeks were remarkably positive: FLUORSID has also also found growth in this segment as already present in many other areas.

During the reporting period, FLUORSID participated as a sponsor in the congress "Next Generation Chemists 2022 - La parola ai giovani" an initiative promoted by the Italian Chemical Society (SCI) to engage young chemists and chemistry students in an event dedicated to presenting their research projects and sharing their ideas. The main goal of the event is to encourage young people's participation in research by promoting their creativity and innovation. The event, attended by more than 160 researchers active in every field of chemistry, offers participants the opportunity to present their research projects to a panel of chemical experts and interact with other young researchers and students.
For FLUORSID, Next Generation Chemists provides an opportunity to connect with young researchers and chemistry students who represent the future of scientific research, and it represents an additional way for the Company to present its research projects and activities in the field of chemistry, increasing the company's visibility and strengthening its reputation as a leader in the field.

Driven by the same principles and in the name of the values that have always distinguished the Group, during the reporting period, FLUORSID supported the work of students from the Brera Academy of Fine Arts to narrate what has been a journey of Life, Respect and Transformation since 1969. In this project, students were asked to describe the activities of FLUORSID through sculptural, pictorial and digital works, using materials such as aluminum, plaster, fluorite, as well as other raw and recyclable materials, making room for their own inspiration but looking carefully at concepts such as recycling, sustainability, and reuse.

The project involved a proper art exhibition for a wide-ranging cultural exchange, culminating in an award ceremony held by FLUORSID President Tommaso Giulini, alongside CEO Lior Metzinger.

> *"To have so many young people in front of us who are as inspired and willing to put their talents to the test is a tremendous pleasure, a thrill that comes from being able to experience firsthand how much potential there is in our country's young resources," the chairman explains. "Associating this award with my father's name, his values and the entrepreneurial work he built, represents the most wonderful thing for my family and our Group. To Professor Galli, Architect Ferreri, and every single artist at the Academy goes my gratitude for the way they were capable of giving us each in a different way an interpretation and point of view of what we do every day in our industrial activity."*

In 2022, the collaboration with the "Carlo Enrico Giulini" Foundation continued and saw an increasing contribution, testifying the importance and effectiveness of social commitment since 2014, with projects aimed at the inclusion of people and communities, and with tangible support to the various realities of the territory. This collaboration between the Group and the Foundation is the driving force of an exciting journey, aimed at supporting numerous social activities throughout southern Sardinia, but also new initiatives that will be strengthened thanks to the synergies and work of all.. Environmental sustainability, an inclusion programme, the promotion and valorisation of local products, common values that are expressed through the daily support of the territories.

The partnership between FLUORSID and the Foundation is based not only on financial support, but also in a proactive manner through the direct involvement of its resources and the entire corporate environment, with the aim of fostering full awareness of the issues involved. In this way, collaboration becomes an opportunity to actively support local communities, improving people's quality of life and contributing to the spread of positive values.

During 2022, the project of “Urban regeneration with specific objectives in the Sant’Elia neighbourhood in Cagliari” active since 2018, continued.
In particular, on May 27 there was an event that marked the final launch of "LazzaRentBike" and with it many projects related to the themes of sustainability, environmental defense and social

Works made for the "Carlo Enrico Giulini" Art Prize by students of the Brera Academy of Fine Arts.

Awarding of the Gerrei new enterprises under the "Call for ideas 2021" project.

solidarity, initiatives guided by the relentless activity of the "Carlo Enrico Giulini" Foundation within the joint work with FLUORSID in terms of Corporate Social Responsibility.
The solidarity day organized as part of "Rigenerazione Urbana" took place with enthusiasm and desire to stand up for the community and for the improvement of the environment, with the usual, beneficial participation of the social cooperative "La Carovana," along with the stakeholders working in the Sant'Elia neighborhood in Cagliari. Following the departure from the square in front of the Lazzaretto, the community space that runs through the Old Village to Sant'Elia beach was cleaned of waste, thanks to the cooperation of numerous FLUORSID employees. After that, the new bicycle rental point "LazzaRentBike," built inside the Lazzaretto, was inaugurated, aiming to restore the suburbs into the center of the city, creating new synergies between culture and nature.
This is a project promoted and curated by "Cooperativa Sant'Elia 2003," which has been involved in the supply of services related to management of the art and culture center "Il Lazzaretto" for more than 20 years, for which FLUORSID and "Carlo Enrico Giulini" Foundation have strongly participated in supporting and bringing to life. The opening of the new bicycle rental point, built inside Lazzaretto, is intended as a meeting point for two-wheeled mobility activists and aims to restore the suburbs into the center of the city, creating new synergies between culture and nature.

In addition, during 2022, the project related to the Gerrei territory was carried out through the dedicated portal (www.terreritrovate.it), a project designed to enhance the products of forgotten lands and communities.
FLUORSID, in fact, in partnership with Terre Ritrovate, is helping to address land abandonment by initiating ecologically and economically sustainable development processes.
In this regard, in the municipality of Silius, a crucial place for FLUORSID, which started its activities there in Sardinia in the 1960s, on May 26, a panel was organized between various representatives of institutions, above all the mayors of the municipalities involved in the "Terre Ritrovate" project, and the entrepreneurs who provided their expertise for the development of products, infrastructure and factors of production with a view to collective growth.
Thanks to the Memorandum of Understanding signed with FLUORSID, and together with the company itself, three new business ideas were concretely supported:

- the small dairy factory of Elisa Artitzu
- the rural feed mill of Luigi Erriu
- the hillside saffron cultivation of Davide Pinna

“We all know that FLUORSID started here to become an international player today," explains Ilaria Nardi, president of the "Carlo Enrico Giulini" Foundation. "The Foundation prioritizes in its projects the respect for the territory and its communities, pursuing this commitment with an active contribution together with those who, like FLUORSID, share this mission with us. The dialogue with "Lavoro Insieme " is fundamental for the project that looks at the Gerrei as a vast territory where we can find valuable resources to be constantly reinvigorated. In this particular historical moment and with the complexities it brings, we have rewarded some great and important initiatives. We hope this is a first building block for more to come, hoping for a progressive development in which we all want to do our part.”

Demonstrating the Group's commitment to promoting the best working conditions, during the reporting period, FLUORSID implemented a Management System in accordance with the SA8000 standard with the aim of regulating in a clear and uniform form the performance of activities following the Ethical and Social Responsibility requirements, and committing to involve the entire supply chain on these matters.
For the Group, the SA8000 management system represents the general operating framework under which the organization aims at certifying certain aspects of corporate management relating to corporate social responsibility such as respect for human rights, respect for workers' rights, protection against the exploitation of minors, and guarantees of safety and health in the workplace.

Another important field of collaboration between FLUORSID and the local communities in which it operates in the country is the world of football. For the Group, sport has always been an expression of the passion, commitment and tenacity that must be adopted in everyday life as well as in business activities.
In its ongoing growth process, FLUORSID has always been inspired by the same motivation that drives an athlete to constantly improve their performance: the determination to succeed and to enhance their talent, the love and dedication for teamwork, and the desire to take on new challenges every day with grit and tenacity.
Reconfirming its bond with this world, in 2022 FLUORSID has continued to invest in the sport that it has supported for years with great commitment and substance. In fact, the Company has had a partnership agreement with Cagliari Calcio since 2018 and with Olbia Calcio since 2017, serving as the football club's main jersey sponsor. The sharing of fundamental values such as a deep passion for work and a strong social commitment for the territory unites both FLUORSID and Olbia Calcio, so much so that in July 2018 the prestigious brand of the Assemini-based Company declared that it will remain a sponsor for another five sporting seasons. Underlying this collaboration is a real strategic plan capable of generating long-term value for both FLUORSID and Olbia, sharing the goal of trying to grow together with ambition.

In addition, during 2022, the first edition of the GYPSOS award was held, named after FLUORSID's eco-sustainable bi-product, which saw the awarding of Apulian midfielder Nunzio Lella, the leader of an outstanding season with Olbia and recently signed to Cagliari.

The cup was crafted by the 1st B students of the IPIA Amsicora Institute in Olbia who won, by committee evaluation and popular vote, the creative competition organized by the club and FLUORSID within the institute. The GYPSOS MVP project started at the beginning of the 2021-2022 football season with the aim of rewarding the best player based on the assessment of precise technical and athletic parameters, such as metabolic strength, resourcefulness, and effectiveness. These are the skills that have been tested in the course of league matches and for which the measured values have rewarded Lella, who has stood out as one of the most regular and incisive players for the White cause during a championship that culminated with Olbia's historic participation in the play-offs for Serie B.

> *"The enthusiasm of all the students who have participated in this project," said FLUORSID CMO Stefano Melis, "is contagious, a beautiful energy that complements FLUORSID and its GYPSOS, a product that we consider very important in the Group's business because it is in line with the principles of circular economy and environmental, economic and social sustainability. This award crowns a journey of months, where skills and passion have allowed us to share core values not only in sports but in general in everyone's daily life. So also in school and academic environments, which - together with the strong link with the territories where we operate - represents for us a key point of reference for building the future."*

Another major initiative during the year, involves the inauguration of the grandstand at Field 1 of the Assemini Sports Center, Cagliari Calcio's headquarters and one of the most representative places in the Group's life named after Carlo Giulini, founder of FLUORSID in 1969. The event was attended by President Tommaso Giulini, FLUORSID CEO Lior Metzinger and Cagliari Calcio's Head of Infrastructure Franco Marongiu.
Quoted below are the words of President Tommaso Giulini during the inauguration event.

> *"We have always responded and acted as a Family, whether it was business or soccer. Perseverance, Integrity and Ambition: these are values that my father, for which this grandstand was named, would have been very proud of. This grandstand was created during the lockdown," continued Tommaso Giulini, "to give a grandstand to our Primavera team, which has been performing brilliantly for years, and to our fans: the intervention of the then Prefect Bruno Corda, who gave us the green light for starting the work despite the lockdown, was significant."*

Changing the focus on European soccer, the relationship started in 2020 between FLUORSID and Ureña Sport Club, a Venezuelan club from San Cristobàl,

Olbia Calcio.

Ureña Sport Club, San Cristobàl.

Nunzio Lella, GYPSOS MVP award winner.

has continued, consisting of social initiatives and the inclusion of the brand as the main sponsor in the game shirts for official matches.

Aiming at tackling gender disparities, the Municipality of Cagliari sponsored the "We can play futsal" project, an initiative presented to the Municipal Administration by the Mediterranea soccer 5-a-side association in collaboration with other national entities, which has multiple objectives ranging from actual sports activities to the creation and spread of pivotal messages against all forms of gender bias and violence, in favor of respect and women's empowerment. The initiative is supported by the Ceteris Women's Association, with the vital contribution of the Equal Opportunities Commission of the Sardinia Region and the Equal Opportunities Center of the Umbrian Region, and the ongoing support of FLUORSID and the "Carlo Enrico Giulini" Foundation.
This is an entirely female project, offering futsal lessons for female students, free of charge and in coordination with the teachers, thanks to qualified technicians who make themselves available during physical education hours. In addition, workshops on the topic of gender violence and equal opportunities are organized, with particular emphasis on sports, held during civic education hours, as well as speeches by sports testimonials and free participation in the activities of the Mediterranea Girls Futsal Academy.

> ***"We start from the schools," explains Corrado Melis, one of the project's driving force thanks to his commitment on the territory and relentless enthusiasm in its realization. "When you want to build something solid and lasting, something that is truly revolutionary in changing the world we live in, you cannot but start with young people, the most fertile soil where you can seed education, inclusion, integrity. The latter, not by chance, is one of the founding values of FLUORSID, which together with the "Carlo Enrico Giulini" Foundation has immediately shown enthusiasm by concretely supporting us as main partner. We want to make our contribution against stereotypes and discrimination, which unfortunately still result in violence and inaudible acts. The institutes and students were excited to be part of this adventure during school hours, from our side the goal is to do more and more and, step by step, go beyond the Sardinian, Umbrian, Piedmont and Veneto territories involving the whole national scene."***

Preparatory step for conducting the analysis suitable for determining the surface area of a sample by nitrogen physisorption technique.

The environment

During 2022, the Group has continued the initiatives to combat food waste, help avoid overloading the environment in which we live and save money.
FLUORSID, in fact, is looking to the future and is doing so by making available to its employees the possibility of purchasing quality food products that would risk being wasted (because they have aesthetic or packaging defects or are close to expiry or surplus stock) with discounts of up to 50% and shipped directly to their homes, with shipping costs covered by the company itself. To take advantage of this, just log on to the platform and create an account via a specific link, using the Company code. Purchasing these products not only helps saving money, but also makes a concrete contribution to the development of a circular and sustainable economy, thus reducing waste and improving man's impact on the environment. This initiative promotes ethical and responsible consumption, offering a saving opportunity to workers and reducing waste and food losses.

The commitment of FLUORSID and its suppliers is aligned with the Sustainable Development Goals promoted by the United Nations 2030 Agenda, which include reducing food waste and adopting sustainable practices to protect the environment.

FLUORSID's by-product management represents an international best practice,

which allows the implementation of the cardinal principles of the circular economy thanks to a virtuous system that incentivises the search for possible target companies ready to receive, at low cost, the new raw materials, establishing win-win relations and creating valuable company networks. With the aim of continuous improvement, the Company is always looking for new solutions to reuse the by-products resulting from its production process.

In this respect, numerous initiatives have been carried out over the years including:

Collaboration with the University of Cagliari with the aim of studying the use of $CaSO_4$ to build the roadbed for rural roads;

An active discussion forum with the Autonomous Region of Sardinia to study the possibility of using anhydrite as it is to fill quarries/mines that are disused or under cultivation but in need of environmental restoration;

From 2020, it has been planned the implementation of the project called INNCED, which stands for Innovation in the use of by-product from chemical processes for the manufacture of panels for the building industry, with which FLUORSID has started a collaboration with ENEA for the development of innovative panels for the building industry.
To this end in the course of 2022, FLUORSID has participated in SAIE 2022 in Bologna, an opportunity to build and strengthen relationships within the construction supply chain thanks to the key topics of an event that is now considered among the most important in the industry. The event was beneficial for FLUORSID, thanks to the presence of Luca Pala who presented the Group in all its business and commercial aspects, as well as the INNCED project on panels. The project, with a duration of one year and total funding of around EUR 180,000, a quarter of which will come from the ENEA Proof of Concept 2020 programme, employs a by-product of the industrial production cycle, 98% of which is calcium sulphate ($CaSO_4$), in the manufacture of the panels. Under study by the ENEA team of researchers is the creation of a prototype of an innovative panel intended for the building sector, according to circular economy models and characterised by resistance to fire and mechanical stress, high levels of thermal and acoustic insulation, and a low weight. These characteristics will be tested by applying the method of aeration of the mortar already patented, internationally, in laboratory and based on the combined action of brewer's yeast and hydrogen peroxide, from which reaction arises the formation of oxygen bubbles and the consequent levitation of the composite. The products currently on the market are gypsum board and/or expanded clay concrete blocks, which are lightweight, strong, and with which resistant walls can be made quickly and dry.

> *"The aim of our research is to create prototype synthetic anhydrite panels with better mechanical performance than current lightweight, low-density products. This is also by collaborating with a leading international company in the sector, such as FLUORSID, and thus making the experience and tools of applied research available to the country's production system,"*

explains Piero De Fazio, head of ENEA's Tools for Energy Applications Section. For FLUORSID, this project is an opportunity to consolidate its position as an active participant in the research and to contribute to the UN Agenda 2030 goals, which moves toward integrated security and energy efficiency interventions.
One of the most ambitious projects implemented in the course of 2021, and also continued into the reporting period, is the one called R.I.U.S.A., an acronym for Road Infrastructure Using Synthetic Anhydrite, which is in the testing phase. The aim of this project is to use Synthetic Anhydrite as a binder in various applications and in this specific case in the lower layers of road sub-bases. After extensive laboratory research, FLUORSID prepared a 100-metre long and 6-metre wide road divided into two sections, each of which consists of 4 layers built on top of the natural base. The difference between the two sections
relates to the cement-bound granular material layer: one is made using only cement (Traditional), the other using Synthetic Anhydrite together with cement (Innovative)".
The "test site" in the Sardinian FLUORSID plant is fully operational. "In this first phase, the trucks transporting the gypsum pass through, and the daily traffic is monitored and recorded by weighing the trucks, fully loaded, with the plant's scales connected to the logistics computer system. Load-bearing tests are then carried out on each individual layer using Fat FWD. In this way, thanks to the collaboration with the University of Cagliari, which has the monitoring equipment, we will have a bearing capacity profile and a clearer picture of the differences between the stretches of road built using the traditional method and the innovative one using Synthetic Anhydrite".

> *"A primary objective", explains Luca Pala, "will be to get Anhydrite included in the CAM, the minimum environmental criteria to which all public works are subject. Fundamental to this are the dialogues between FLUORSID and other industry bodies in order to assess the timing and modalities of the research. The construction of the test road took about a month, now the tests will go on for at least a year, at which point we will start to see the results, and in the meantime we will continue to collect data and monitor in order to achieve the goals we have set ourselves."*

Product quality and safety is a key issue for FLUORSID, which strives to contain and reduce environmental impacts throughout the product life cycle. In recent years, in particular, the Company has focused its efforts on water discharge management. To this end, a plant purifier was implemented at the Cagliari plant to treat wastewater before sending it to the consortium network, in order to improve the quality of surface water.

5.1 Our suppliers

2-6, 3-3, 204-1, 308-1, 414-1 GRI

FLUORSID views its suppliers as strategic partners in the pursuit of creating shared value, rather than simply as entities within the production chain.

Indeed, the Company continuously invests in the search for the best supply alternatives, focusing on the selection of suppliers capable of guaranteeing the best quality and cost-effectiveness. To this end, selection takes place through a rigorous process following principles of transparency and impartiality. Specific parameters, including the presence of anti-mafia and anti-money laundering certifications and declarations, are also evaluated to ensure maximum legality and transparency in the production chain.

The supplier selection process

Data collection
Supplier master data and technical specifications of the product or service

List of suppliers
The selected suppliers are included in an initial list of suppliers

Evaluation
Through the scorecard, each supplier is given a score

Registration In the suppliers' register
Suppliers with a score >= to 6 are entered in the FLUORSID Supplier Register

In this regard, to ensure the highest quality and transparency in the selection of suppliers, FLUORSID has developed an evaluation form that allows each supplier to be assigned a score based on the quality of the product or service provided, the economic conditions of supply and the certifications held by the supplier company.
As a result, the Group can ensure a high level of quality and transparency in the supply chain, promoting the creation of shared value with its partners.

The attributable score covers a range from 0 to 10 and only if the supplier achieves a score of at least 6 tenths is it entered in its own Supplier Register.
The procurement market is carefully monitored: the establishment of a Supplier Register allows the company to keep a history of the relational capital it develops with individual supplier companies.
A careful procurement activity is necessary and functional to the achievement of high quality standards claimed by the company. The same considerations apply with reference to the assessment of the perception of corruption in the public sector and in the politics of suppliers' countries of origin, which are of strategic importance. The complex supplier selection process has resulted in collaborative relationships with partners located throughout the world. Through stable and long-lasting relationships, FLUORSID seeks to increase the relational capital it creates to the benefit of all the territories in which it indirectly operates.

Supplier evaluation parameters

A	Product/service quality (product Product/service characteristics)	**5**	mediocre
		6	sufficient
		7	fair
		10	Excellent
B	Economic conditions, affordability	**5**	> than the market
		6	= to the market
		10	< than the market
C	Punctuality and reliability (delivery times and adherence to them, flexibility and adaptability to requirements)	**5**	Mediocre
		6	sufficient
		10	good
D	Certifications (score added to average of A, B, C)	**0.5**	quality
		0.5	environment
		0.5	safety
		0.5	MOGC 231
EVALUATION SCALE	Overall score D added to the average of A, B, C	**4**	**NOT QUALIFIED**
		5	**QUALIFIED WITH RESERVATIONS**
		10	**QUALIFIED**
OUTCOME OF THE EVALUATION			
EVALUATOR			

All selected suppliers comply with required supply procedures, which increasingly go beyond traditional international standards of production responsibility.

Indeed, supplier selection criteria include compliance with specific certifications, requiring suppliers not only to meet stringent material quality criteria but also environmental ones. The selection process ends with the evaluation of a further indicator, the (Corruption Perceptions Index, CPI). Indeed, by sourcing on the international market, the Company is subject to the risk of incurring events linked to political and economic instability in different countries, to the obvious detriment of the entire production process.

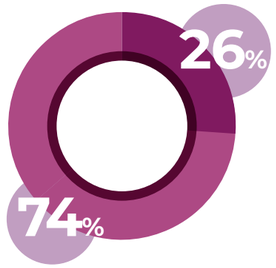
Of particular importance is the origin of purchases: wherever possible, preference is given to purchases made locally, in order to create value for the local communities where FLUORSID operates[1].

As can be seen from the graphs above, during 2022 FLUORSID is committed to purchasing products from local suppliers wherever possible, however since the main materials purchased are fluorspar and anhydrite, which are not purchased from Italy, the expenditure is mainly distributed to non-local suppliers.
To highlight the importance of establishing trusting and long-lasting relationships, Norsk Hydro, a Norwegian company that is one of the Group's top customers, visited the Cagliari offices and plant during 2022. This encounter was part of the periodic cycle of meetings that are promoted with major suppliers to make an overall assessment and establish the relevant rating score together.

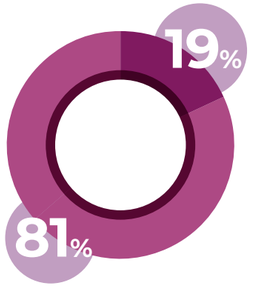
The response for FLUORSID was one of the best, with very high standards across the board and no cases of nonconformity. An opportunity to meet and get to know each other by diving into every dynamic of not only the business relationship but also the production activity.

That is why Hydro, on this occasion, usually reviews all business areas and carefully monitors the process, including compliance with safety regulations along with storage, bagging and other canonical steps. A pragmatic approach shared with FLUORSID, working together to identify any aspect where they can have an impact for continued development and solutions relevant for increasing efficiency, which will also serve as a benchmark example for other suppliers operating in the rest of the world.

Number of Suppliers



Percentage of expenditure



1. Noralf is not included in the paragraph because purchases are handled directly by FLUORSID S.p.A.

Reading Guide
and GRI Content Index

Methodological Note

The Sustainability Report 2022 (hereinafter also "Report") of FLUORSID (the "Group") is the document through which the Group aims to describe the initiatives and main results in terms of sustainability performance achieved during the year.

The Report represents the Group's commitment to establishing structured and transparent reporting to stakeholders on its environmental and social performance. It is intended to provide a description of the projects and results achieved with a view to creating value towards the community and stakeholders.

This Annual Report reports on the Group's performance, its results, and the impact it has made on issues deemed relevant, to the extent necessary to ensure an understanding of its business activities. This Report is prepared in accordance with the Sustainability Reporting Standards published by the Global Reporting Initiative - GRI ("GRI Standards"), at an "With Reference to" approach. To date, the GRI Standards are the most internationally recognized and widely used standard for non-financial reporting.

Data and information reported refer to the fiscal year January 1 - December 31, 2022, except where otherwise indicated. Where possible, comparative data referring to previous years have been reported in order to present the Group's performance trends over a longer time horizon. To provide a timely representation of performance, preference has been given to the inclusion of directly detectable and measurable qualitative-quantitative indicators, resorting only in limited cases, punctually reported, to estimates.

Reported content was selected based on the results of the materiality analysis, by which issues relevant to the economic, social and environmental impacts of FLUORSID and its Stakeholders were identified.

The scope of social and environmental related data includes FLUORSID S.p.A., FLUORSID ICIB Srl, FLUORSID Noralf AS and FLUORSID British. Economic and financial data coincide with the reporting boundary of the Group Financial Statements. Any boundary limitations are specified in the document.

During the reporting year, the Group faced no significant changes regarding its structure, ownership, or supply chain.

The periodicity of publication of the Sustainability Report is imposed at the discretion of the Board of Directors.

This Report was prepared with the technical and methodological assistance of Marsh Advisory. For any information regarding FLUORSID's Sustainability Report, the Marketing and Communications Department of FLUORSID can be contacted (info@fluorsid.com).

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
GENERAL POLICY				
GRI 2: general policy (2021)				
The organization and its reporting practices	2-1	Organizational details	Who we are; The FLUORSID's plants	
	2-2	Entities included in the organization's sustainability reporting	Who we are	
	2-3	Reporting period, frequency and contact point	Methodological Note	
	2-4	Restatements of information	Methodological Note	
Activities and workers	2-6	Activities, value chain and other business relationships	Who we are; FLUORSID's products; The FLUORSID's plants; The governance	
	2-7	Employees	Our staff	
Governance	2-9	Governance structure and composition	The governance	
	2-10	Nomination and selection of the highest governance body	The governance	
	2-11	Chair of the highest governance body	The governance	
	2-12	Role of the highest governance body in overseeing the management of impacts	The governance	
	2-13	Delegation of responsibility for managing impacts	The governance	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
Strategy, policies and practices	2-22	Statement on sustainable development strategy	Letter to stakeholders	
	2-23	Policy commitments	Values, Mission and Vision; Key Group Policies; Contribution to sustainable development goals; Care for workers	
	2-24	Embedding policy commitments	Key Group Policies	
	2-25	Processes to remediate negative impacts	Key Group Policies; Materiality analysis	
	2-26	Mechanisms for seeking advice and raising concerns	Key Group Policies	
	2-27	Compliance with laws and regulations	Key Group Policies	
Stakeholder engagement	2-29	Approach to stakeholder engagement	Stakeholder engagement	
MATERIAL TOPICS				
GRI 3: Material Topics (2021)				
Disclosure on material topics	3-1	Process to determine material topics	Stakeholder engagement; Materiality analysis	
	3-2	List of material topics	Materiality analysis	
	3-3	Management of material topics	Materiality analysis	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
ECONOMIC ASPECTS				
Economic performance				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Economic value generated and distributed	
GRI 201: Economic performance (2016)	201-1	Direct economic value generated and distributed	Economic value generated and distributed	
Procurement practices				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Our suppliers	
GRI 204: Procurement practices (2016)	204-1	Proportion of spending on local suppliers	Our suppliers	
Anti-Corruption				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Key Group Policies	
GRI 205: Anti-corruption (2016)	205-3	Confirmed incidents of corruption and actions taken	Key Group Policies	There were no established incidents of corruption in the 2022 reporting period
Anti-competitive behavior				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Key Group Policies	
GRI 206: Anti-competitive behavior (2016)	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Key Group Policies	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
ENVIRONMENTAL ASPECTS				
Materials				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Use of raw materials	
GRI 301: Materials (2016)	301-1	Materials used by weight or volume	Use of raw materials	
Energy				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Energy consumption	
GRI 302: Energy (2016)	302-1	Energy consumption within the organization	Energy consumption	
	302-3	Energy intensity	Energy consumption	
Water				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Water resource management	
GRI 303: Water and effluents (2018)	303-3	Water withdrawal	Water resource management	
	303-4	Water discharge	Water resource management	
Biodiversity				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Preserving biodiversity	
GRI 304: Biodiversity (2016)	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Preserving biodiversity	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
Emissions				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Atmospheric emissions	
GRI 305: Emissions (2016)	305-1	Direct (Scope 1) GHG emissions	Atmospheric emissions	
	305-2	Energy indirect (Scope 2) GHG emissions	Atmospheric emissions	
	305-4	GHG emissions intensity	Atmospheric emissions	
	305-7	Ossidi di azoto (NOx), ossidi di zolfo (SOx) e altre emissioni significative	Atmospheric emissions	
Waste				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Waste management	
GRI 306: Waste (2020)	306-3	Waste generated	Waste management	
	306-4	Waste diverted from disposal	Waste management	
	306-5	Waste directed to disposal	Waste management	
Supplier environmental assessment				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Our suppliers	
GRI 308: Supplier environmental assessment (2016)	308-1	New suppliers that were screened using environmental criteria	Our suppliers	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
SOCIAL ASPECTS				
Employment				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Our staff	
GRI 401: Employment (2016)	401-1	New employee hires and employee turnover	Our staff	
Occupational health and safety				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Care for workers	
GRI 403: Occupational health and safety (2018)	403-1	Occupational health and safety management system	Care for workers	
	403-2	Hazard identification, risk assessment, and incident investigation	Care for workers	
	403-3	Occupational health services	Care for workers	
	403-4	Worker participation, consultation, and communication on occupational health and safety	Care for workers	
	403-5	Worker training on occupational health and safety	Care for workers	
	403-6	Promotion of worker health	Care for workers	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Care for workers	
	403-9	Work-related injuries	Care for workers	
	403-10	Work-related ill health	Care for workers	

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
Training and education				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Talent management	
GRI 404: Training and education (2016)	404-1	Average hours of training per year per employee	Talent management	
	404-3	Percentage of employees receiving regular performance and career development reviews	Talent management	
Diversity and equal opportunity				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Diversity and Equal opportunity	
GRI 405: Diversity and equal opportunity (2016)	405-1	Diversity of governance bodies and employees	The governance; Diversity and Equal opportunity	
	405-2	Ratio of basic salary and remuneration of women to men	Remuneration policies	
Non-discrimination				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; The governance	
GRI 406: Non-discrimination (2016)	406-1	Incidents of discrimination and corrective actions taken	The governance	During the reporting period we did not become aware of any confirmed incidents of discrimination

GRI Standard	Disclosure	Description	Reference paragraph	Notes/Omissions
Local Communities				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; The relationship with the territory	
GRI 413: Local Communities (2016)	413-1	Operations with local community engagement, impact assessments, and development programs	The relationship with the territory	
Supplier social assessment				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Our suppliers	
GRI 414: Supplier social assessment (2016)	414-1	New suppliers that were screened using social criteria	Our suppliers	
OTHER INDICATORS				
Circular Economy				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; By-products and the circular economy	
R&D and innovation				
GRI 3: Material Topics (2021)	3-3	Management of material topics	Materiality analysis; Use of raw materials; The relationship with the territory	

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