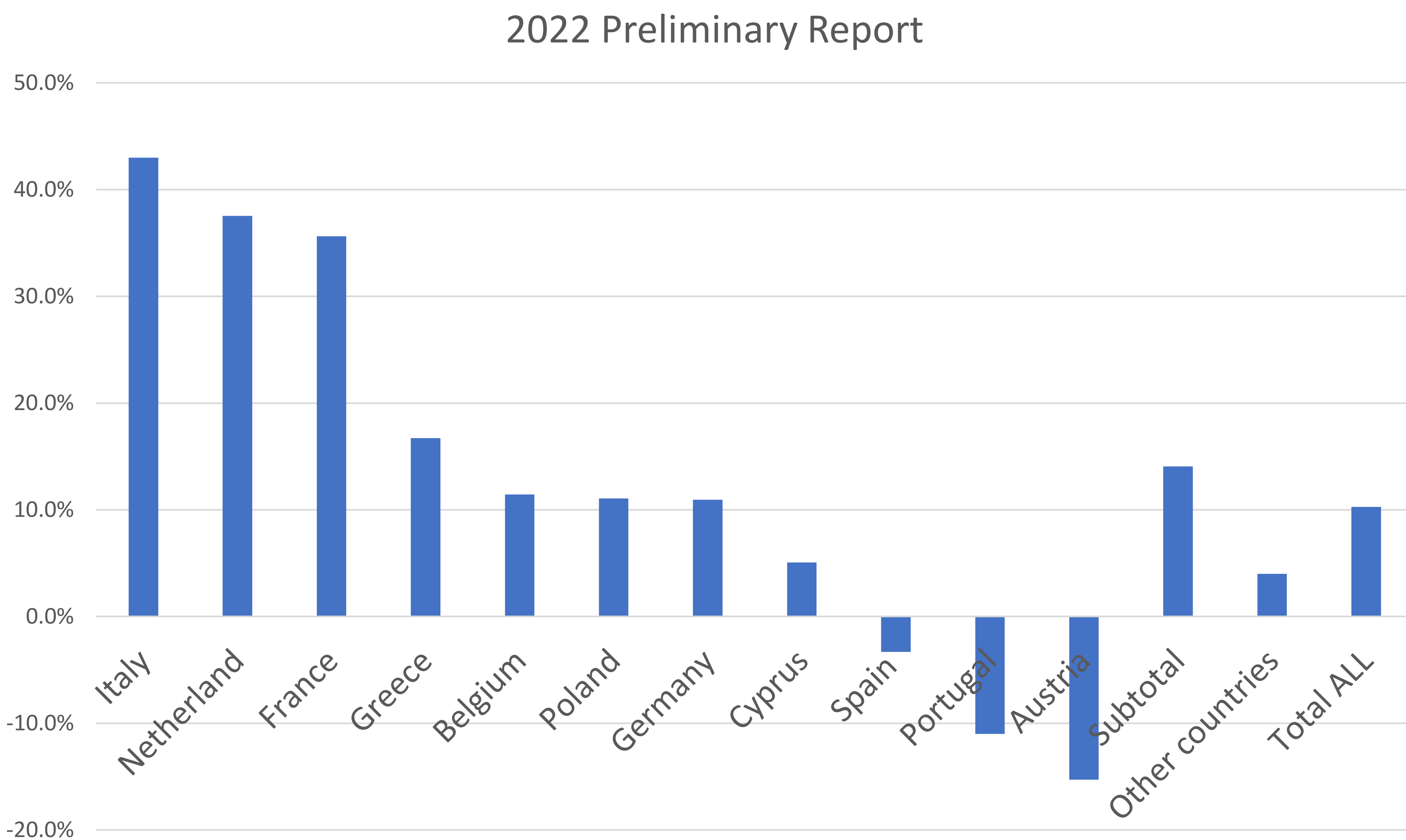
Key EU market developments

Trends and Industry's positioning

SHE General Assembly - June 30th 2023

Solar Thermal Market



Country reports:
policy and market

Market developments in 2022

- Relevant growth around 10%
- Higher demand due to phasing out of gas
- German government continues to unilateraly promote HP
- New record for SDH (18700 m2)

Update about 2023

- Large potential on large scale (over 50 project under preparation)
- Municipalities held back for lack of fundings

Market Developments in 2022

- Strong Increase in 2022
- Exports market and total production increased of over 20%
- National policies will further contribute to market growth (Climate Law, REpowerEU, Solar Energy Strategy)

Update about 2023

- Delays in the new subsidy scheme could lead to a smaller icrease
- 100M to phase out electric boiler
- Political situation unstable

Market Developments in 2022

- Strong Increase in 2022 fueled by «Superbonus» and «sales discount» (sconto in fattura)
- Awareness raised about energy efficiency and green renovation

Update about 2023

- Growth also in 2023
- «Superbonus» funds revised and extended (110% for projects approved before the end of 2022, 90% for new projects)
- Recovery Plan should be a stimulus to grow in specific areas or types of buildings (delays in the implementation)

Market developments in 2022

- Decrease in the Spanish market due to strong competitiveness of PV
- National media, government, and policy makers unilaterally pushing on PV

Update about 2023

- Stagnation
- The Recovery plan could be the key to invert the trend and restart growing
- Spanish Autonomous Regions grant subsidising up to 60% of Solar Thermal installations
- New grant for LS ST in the tertiary and industrial sector

Market Developments in 2022

- Strong Increase in the market in 2022
- Increased interest in PVT
- Clean air heating device replacement program and "*Moje Ciepło*" (My Warmth) pushing the sales
- REpowerEU implementation

Update about 2023

- First part of 2023 lower than expectations but recovery foreseen in the second part of the year
- Main subsidy programs still active
- Increased public awareness on ST

2022

- General decrease, Solarbonus hardly applied for by customers

2023

- Foreseen stabilization of the market with regional increase in some provinces
- Several large installations coming into operation

Solar Thermal Market

2022

- Subsidy grant ISDE pushing small and large scale
- Explosive growth reaching +37.5%

2023

- Increased focus on the heating transition giving a strong increase in the Dutch market

Solar Thermal Market

2022

- Subsidy schemes boosted both residential and large scale installations
- Rise in Energy Prices increasing the demand of RES solutions
- Renewed interest in Solar Heat

2023

- New legislations and existing schemes will boost further deployment of ST solutions

Solar Thermal Market

2022

- VAT reduction had a good impact with a strong growth of ST
- Legislation not very favourable to ST deployment

2023

- Change in EPB legislation and increase of % of renewable energy obligation will probably bring a small decrease in sales

Solar Thermal Market

2022

- New construction pushing forward deployment of ST
- Increase in cost of materials counterbalance the increase and result in a general decrease of the market

2023

- Price increase harming the market, end users need to cut on the investment
- Situation not clear yet

Solar Thermal Market

2022

- New support scheme for Energy Upgrade pushing further sales
- Obligation on all new building to have 25% RES
- More than 90% of houses use DHW
- Some delays due to shortage or raw materials

2023

- Slight increase due to the new Grant Scheme boosting deployment

Solar Thermal Market

2022

- General decrease but increase in sales in Evacuated Tube Collectors

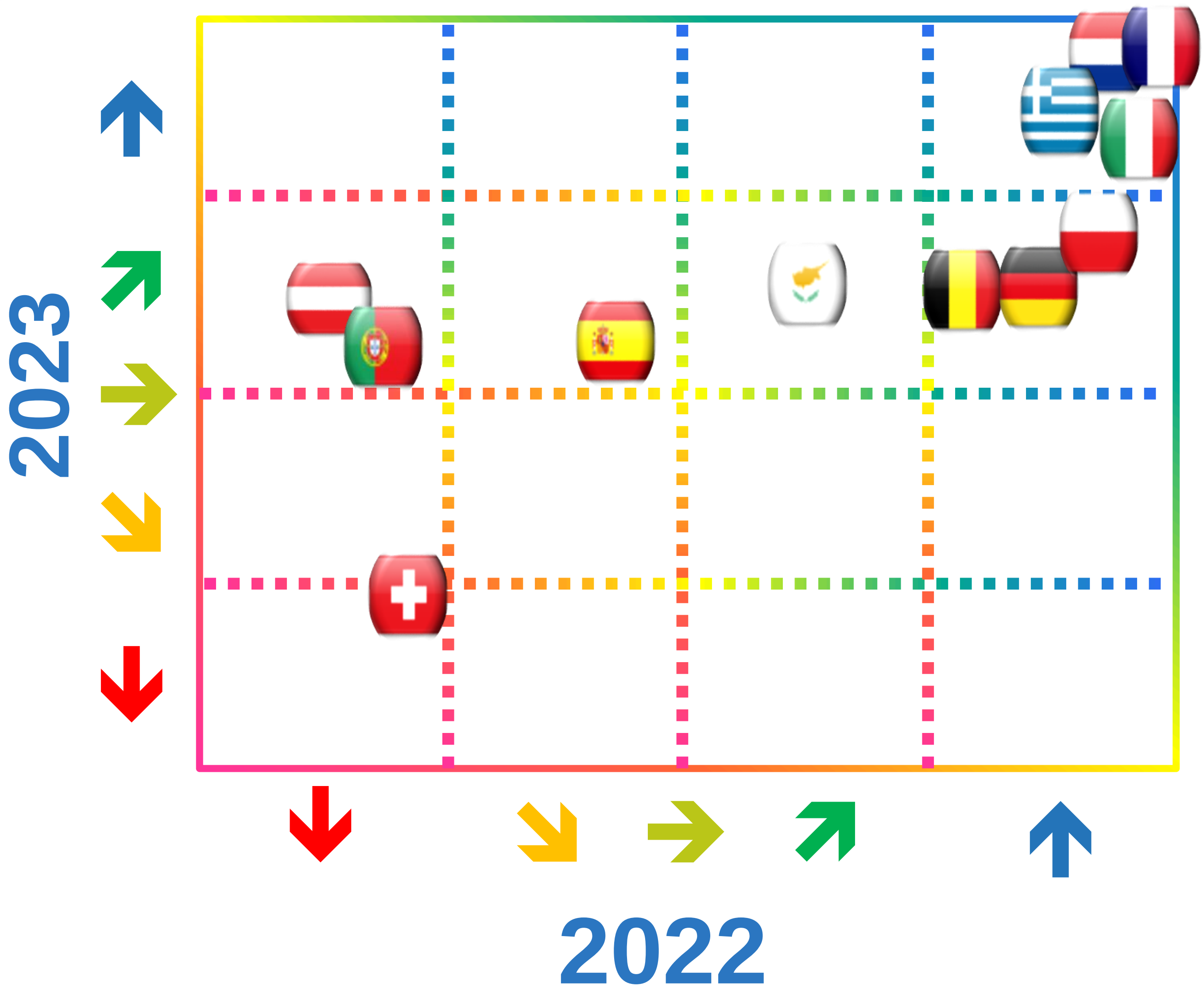
2023

- Increasing popularity of the combination PV+HP
- Insufficient subsidies for Large Scale
- Companies are pulling out of the sector

Answers based on tendencies :

↑	Over 10%
↗	+2% to +10%
→	-2% to 2%
↘	-10% to -2%
↓	Below -10%

2022/2023



Market Segments

Developments 2022 & Forecast 2023

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Solar Heat for Industrial Process (SHIP)

- Interest from utility companies
- Over 200 active systems in Europe
- Food and beverage sector is the dominant sector in terms of number of installed systems
- Horticulture new rising sector for SHIP applications (NL)

Solar District Heating (SDH)

- New biggest installation outside Denmark in the Netherlands
- Increasing trend suggests that countries with smaller installation will install progressively bigger ones (e.g., Germany, the Netherlands, Spain)
- Persistent issues with permitting

Solar Thermal in Buildings (STiB)

- Substantial growth due to favourable policy actions and general awareness of the end users
- Countries with the highest growth in %:
  - Italy
  - France
  - Netherlands
  - Greece

Photovoltaic Thermal (PVT)

- Europe continues to lead the market of PVT (in particular France and Germany) accounting for more than 60% of the total worldwide market
- Contraction of the market in 2022 due to uncertainties and because of higher demand of PV
- Quality assurance certificates (SKN) in extension to tackle also glazed collectors

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