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**Explanatory Report by the Directors drawn up in accordance with article 125-ter, first paragraph, of the Consolidated Law on Finance, on point 4 of the agenda for the sole call of the ordinary General Shareholders' Meeting of SAES Getters S.p.A., at the offices in Milano, piazza Castello 13, on 20 April 2021 at 10.30 a.m.**

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## **Appointment of the Board of Statutory Auditors for the financial years 2021-2023 and determination of the remuneration for the standing auditors**

Dear Shareholders,

With approval of the financial statements for the financial year ended as at 31 December 2020, the term of office of the Board of Statutory Auditors appointed by the General Shareholders' Meeting of 24 April 2018 comes to an end, and we therefore ask you, (i) to appoint, in accordance with article 22 of the Articles of Association of the Company, for the three-year period 2021-2023, three Standing Auditors (including the Chairman of the Board) and two Alternate Auditors, and (ii) to determine the remuneration of the Standing Auditors.

To that end, and in accordance with article 125-ter, first paragraph of Italian Legislative Decree 58/1998 (hereinafter also referred to as the "Consolidated Law on Finance"), we would like to inform you of the following.

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1. With reference to the above, in accordance with the above-mentioned article 22 of the Articles of Association, the Board of Statutory Auditors comprises three Standing Auditors and two Alternate Auditors - who can be re-elected - and who will remain in office for three financial years (with the term ending on the date of the General Meeting called for the approval of the financial statements for the final financial year of the term of office). The Statutory Auditors shall be appointed using a slate system and with methods such to ensure compliance with the gender balance requirements in accordance with article 148, paragraph 1-bis of the Consolidated Law on Finance (as amended by Law 160 of 27 December 2019, known as the Budget Law). More specifically, in accordance with the above-mentioned article, and article 22 of the Articles of Association, at least two fifths of the standing members of the Board of Statutory Auditors will have to belong to the less represented gender, rounding down to the lower number if it is not a whole number.

In accordance with article 22 of the Articles of Association, the members of the Board of Statutory Auditors will have to comply with the requirements of integrity and professional competence, as provided for under article 148, paragraph 4 of the Consolidated Law on Finance, and more specifically, the requirements pursuant to Italian Ministerial Decree 162 of 30 March 2000 (*"Regulation containing the rules for establishing the professional competence and integrity requirements of the Board of Statutory Auditors of Listed Companies to be issued on the basis of article 148 of Italian Legislative Decree 58 of 24 February 1998"*). With specific regard to the requirements for professional competence - for the purposes of article 1, paragraph 2, letters b) and c) of the above-mentioned Ministerial Regulation and in accordance with article 22 of the Articles of Association of the Company, activities related to those of the company are considered to be all the activities that can be related to the corporate purpose as set out under article 7 of the Articles of Association, and in any case, activities relating to the metalworking and mechanical engineering sector, the manufacture and sale of equipment, products and materials mentioned by the above-mentioned article 7, and scientific and industrial research. Skills in the area of commercial law, tax law, corporate economics and company finances are considered to be equally related to the area of activities of the Company.

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Any persons who do not meet the requirements provided under the law and the other applicable provisions, or anyone who exceeds the limits of the accumulation of positions of administration and control as established by Consob in accordance with article 148-bis, paragraph 1 of the Consolidated Law on Finance may not be appointed to act as Statutory Auditors, and if they have been elected, will lose their offices. Additionally, each candidate may enrol in only one list, under penalty of ineligibility.

In accordance with article 22 of the Articles of Association, a Shareholder may not submit nor vote for more than one list (even if it is through intermediaries or trust companies). Shareholders that are part of the same group, and Shareholders who entered into a shareholders' agreement concerning the shares of the Company (the existence of which the Company is unaware to the present date) cannot submit or vote for more than one list (even if it is through intermediaries or trust companies). In view of the above, Shareholders who, with reference to the shares registered in their account on the day the lists are filed at the Company offices, alone or together with other presenting Shareholders, own shares in the share capital of at least 4.5% of the shares with voting rights at the General Meeting, as established by CONSOB pursuant to Executive Order no. 44 of 29 January 2021, are entitled to submit a list for the appointment of members of the Board of Statutory Auditors.

The lists, signed by all those that submit them, must be lodged at the registered office of the Company at least twenty-five days prior to the date of the General Meeting convened to decide upon the appointment of the Statutory Auditors (i.e. by Friday, 26 March 2021). The validly submitted lists will then be made available to the public by 30 March 2021 (i.e., twenty-one days before the date of the General Meeting, in accordance with article 144-octies, paragraph 1 of the Issuers' Regulation adopted by Consob with decision 11971 of 14 May 1999, hereinafter also referred to as the "Issuers' Regulation") at the registered office in Lainate, Viale Italia 77, on the *internet* site of the Company ([www.saesgetters.com](http://www.saesgetters.com)) and using the storage mechanism 1Info ([www.1info.it](http://www.1info.it)). We would like to note that in accordance with article 144-sexies, paragraph 5 of the Issuers' Regulation, if, by the deadline of 25 days before the date scheduled for the sole call of the General Meeting, only

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one list has been submitted for the appointment of the Board of Statutory Auditors, or lists were only submitted by Shareholders that have connections in terms of significant influence between themselves in accordance with article 145-*quinquies* of the Issuers' Regulation, other lists can be submitted up to the third day following the date of expiry of said deadline. In that case, the above-mentioned minimum threshold of 4.5% for submission of the lists will be reduced by a half.

As noted above, the lists must contain the names of one or more candidates for the position of Standing Auditor and one or more candidates for the position of Alternate Auditor, in accordance with gender balance requirements pursuant to article 148, paragraph 1-*bis* of the Consolidated Law on Finance. To that end, in accordance with the provisions of article 22 of the Articles of Association, the lists that contain a number of candidates that is equal to or higher than three must ensure the presence of both genders, so that the candidates from the less represented gender accounts for at least two fifths of the whole, rounding down to the lower number if the result is not a whole number.

The names of the candidates shall also be marked in each section (i.e. both in the Standing Auditors section and in the Alternate Auditors section) by a progressive number and in numbers not exceeding the number of members of the Board of Statutory Auditors to be elected.

Each list must also contain, including as an annex:

- a) the information relative to the identity of the Shareholders that put them forward with an indication of their overall shareholding percentage held; the possession of this shareholding must be proven by a special certificate issued by the intermediary to be submitted also subsequent to the filing of the list, but in any case within the time limits provided for the publication of the lists by the Company;
- b) a declaration of the Shareholders other than those that hold, even jointly, a controlling or relative majority shareholding, certifying the absence of relationships involving significant influence with them as provided for by article 144-*quinquies* of the Issuers' Regulation;

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- c) an exhaustive report on the personal and professional characteristics of the candidates accompanied by the list of the management and control positions held in other companies;
- d) a declaration by the candidates certifying that non-existence of causes for ineligibility and incompatibility, as well as the possession of the requirements provided for by *pro tempore* laws and regulations in force, and their acceptance of the candidacy;
- e) any other further or different declaration, information report and/or document provided for by law and applicable regulations.

We underline the importance of attaching the information report pursuant to letter c) of the list above, for each candidate for the position as Auditor, with the list of positions of administration and control that he or she holds in other companies, making sure that it is updated to the date of the General Shareholders' Meeting, to facilitate the communication pursuant to article 2400, paragraph 4 of the Italian Civil Code, to be made at the time of appointment by the General Meeting and prior to accepting the position, subject in any case to the provisions of article 148-*bis*, paragraph 2 of the Consolidated Law on Finance.

Subject to the obligation to file the declaration pursuant to letter b) of the list noted above, in order to guarantee greater transparency in the relations between those who submit the "minority lists" and the Shareholders that hold controlling or relative majority shareholdings, in accordance with Consob Communication no. DEM/9017893 of 26 February 2009, the Shareholders who submit a "minority list" for the election of the Board of Statutory Auditors are reminded to provide the following information in said declaration:

- the description of any existing relationships, if significant, with the Shareholders that hold, including jointly, a controlling or relative majority shareholding, where they can be identified on the basis of the communications of the significant shareholdings pursuant to article 120 of the Consolidated Law on Finance or the publication of shareholder agreements pursuant to article 122 of the Consolidated Law on Finance (but, as noted, the Company is not aware of any such agreements). Alternatively, the absence of significant relationships will have to be noted;

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- the reasons why said relationships were not considered decisive to find the existence of significant influence pursuant to article 148, paragraph 2 of the Consolidated Law on Finance and article 144-*quinquies* of the Issuers' Regulation.

Lists submitted without complying with the legal and regulatory provisions and the articles of association will be understood not to have been submitted.

The minority - where there are no relationships involving significant influence, even indirectly, as per article 148, paragraph 2, of Consolidated Law on Finance and article 144-*quinquies* of the Issuers' Regulation - is entitled to appoint one Standing Auditor who shall act as the Chairman of the Board, and one Alternate Auditor. The election of the Auditors by the minority Shareholders shall take place at the same time as the election of the other members of the control body, with the exception of cases of replacement, as governed by article 22 of the Articles of Association of the Company.

The election of Statutory Auditors shall therefore take place as follows: (i) two Standing Auditors and one Alternate Auditor shall be selected from the list that has obtained the highest number of votes ("Majority List"), in the order of priority they appear on the list; (ii) one Standing Auditor, who will be the Chairperson of the Board of Statutory Auditors ("Minority Auditor"), and one Alternate Auditor ("Minority Alternate Auditor") shall be selected from the list that obtained the second highest number of votes and that is not connected directly or indirectly with the Shareholders that have submitted or voted for the Majority List pursuant to the applicable provisions ("Minority List"), in the order of priority they appear on the list, in any case, all in accordance with the laws governing gender balance requirements in listed companies. If the composition of the board of statutory auditors or the category of alternate auditors that results does not meet gender balance requirements, taking account of the order in which they were listed in the respective section, the last members elected from the Majority List of the most represented gender will be replaced, in the number needed to ensure compliance with the requirements, by the first unelected candidates of the same list and the same section of the less represented gender. If there are not enough candidates of the less represented gender in the relevant section of the Majority List to make the replacement, the General Meeting will appoint the

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missing standing or alternate auditors by voting with the legal majority to ensure that the requirement is fulfilled.

If one or more lists receive the same number of votes, the one presented by Shareholders owning the highest shareholding when the list is submitted shall prevail or, subordinately, the one submitted by the highest number of Shareholders. If only one list is presented, the General Meeting will vote on this list and if it obtains the majority with respect to the voters, without taking abstentions into account, the candidates listed for these positions will be elected as Standing and Alternate Auditors, in accordance with laws on gender balance requirements in the bodies of listed companies pursuant to the above-mentioned article 148, paragraph 1-*bis* of the Consolidated Law on Finance. In this case, the Chairman of the Board of Statutory Auditors shall be the first candidate voted as Standing Auditor. If there are no lists, the Board of Statutory Auditors and the Chairman will be appointed by the General Meeting with the ordinary majorities provided for by law, in accordance with the above-mentioned laws on gender balance requirements in the bodies of listed companies.

Please refer in any case to article 22 of the Articles of Association of the Company for further details. The text of the Articles of Association is available at the registered office and on the Internet site [www.saesgetters.com](http://www.saesgetters.com) - "*Investor Relations/Corporate Governance/Articles of Association of the Company*" section.

In view of the above, please submit lists of candidates, using the methods and terms pursuant to article 22 of the Articles of Association of the Company and noted above, on the basis of which the voting will be carried out.

In accordance with article 2400, paragraph 1 of the Italian Civil Code and article 22 of the Articles of Association, the Board of Statutory Auditors, appointed in accordance with the above, will remain in office, subject to replacements, until the General Meeting called to approve the financial statements for the year ended as at 31 December 2023.

2. With reference to the annual remuneration of the Board of Statutory Auditors, in accordance with article 2402 of the Italian Civil Code and article 22 of the Articles of

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Association, it will have to be determined by the General Shareholders' Meeting upon its appointment for the entire period of the term in office. To that end, the General Shareholders' Meeting of 24 April 2018 determined the above-mentioned annual remuneration to be 40,000.00 euros (forty thousand/00) for the Chairman and 29,000.00 euros (twenty-nine thousand/00) for each of the Standing Auditors.

In view of the above, please decide upon the annual remuneration of the new Board of Statutory Auditors for the entire duration of the term of office in accordance with article 2402, Italian Civil Code and article 22 of the Articles of Association of the Company, on the basis of the proposals that may be made by the Shareholders.

3. Finally, we would like to inform the Shareholders that each point of the decisions mentioned above, and the further proposals that will be submitted for the approval of the General Shareholders' Meeting, will be put to the vote at the Meeting with separate voting in order to permit those with the right to vote (and the parties delegated by them with voting instructions) to vote separately with reference to each of the above-mentioned points (if necessary on the basis of the specific voting instructions received).

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Lainate, 11 March 2021

On behalf of the Board of Directors

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Mr. Massimo della Porta  
Chairman