

**CONSOLIDATED
NON-FINANCIAL
STATEMENT**

—
SAES Getters S.p.A.
—

2021
—



making
innovation
happen,
together

saes



saes

CONSOLIDATED NON-FINANCIAL STATEMENT

PURSUANT TO ITALIAN LEGISLATIVE DECREE 254 OF 30 DECEMBER 2016

2021

Table of contents

Letter to the Stakeholders.....	6
Methodological note.....	7
The SAES Group, a constantly evolving story	11
1. Group business management	17
1.1 Governance and Organisation	18
1.2 Opportunities and risks	24
1.3 Stakeholders of the Group and materiality analysis	27
2. Economic performance and business development	32
2.1 Communication with the financial community	34
2.2 Generated and distributed economic value	36
2.3 EU taxonomy (EU Reg. 2020/852 and related Delegated Regulations).....	37
2.4 The supply chain of the SAES Group.....	39
3. Technology at the service of innovation.....	43
3.1 Customers and markets served	45
3.2 Innovation, research and development	51
4. The people of the SAES Group	55
4.1 Our people	56
4.2 Resource development and talent management	60
4.3 Company welfare	64
4.4 Health and safety of employees	65
4.5 Diversity and non-discrimination	67
5. Our commitment to the environment	69
5.1 Management of environmental impacts.....	71
5.2 Energy consumption	72
5.3 Emissions into the atmosphere	73
5.4 Water consumption	76
5.5 Management of waste and water discharges.....	77
Attachments.....	80
GRI Content Index.....	102
Independent Auditors' Report on the	116

Letter to the Stakeholders

Dear Stakeholders,

2021 marked the return of the Group's performance to pre-pandemic levels, despite the worsening of the euro-dollar exchange rate.

The return to normality of the hospital system mainly in the USA, and the resumption of elective therapies have allowed a strong recovery of the medical sector

In 2021 we were committed to developing a new Group innovation model increasingly oriented towards "open innovation", especially highlighting the world of innovative start-ups. This includes investments in the EUREKA! fund, Rapitag GmbH and Cambridge Mechatronics Limited, which will be complemented by an incubator within the corporate R&D department, aimed at developing long-term partnerships with select start-ups. Lastly, I would like to mention the creation of a new department in SAES, the Design House, which focuses on the development of highly innovative products. It should be launched on the market during the next financial year, thanks also to the adoption of "design-thinking" methodologies able to make the most of the know-how and technologies available in the R&D area.

In continuity with 2020, the Parent Company has shown its interest, among others, in the issue of Diversity & Inclusion and has continued to raise awareness on issues relating to non-discrimination and equal opportunities by dedicating space to internal information initiatives for all Group companies through dedicated articles published in SaesInTouch on the company intranet.

Awareness-raising on these issues will continue in 2022.

There were different responses to the emergency linked to COVID 19 during the year; in the first half with Agile Working on a voluntary basis according to the legislation in force, while in the second half of the year remote working was applied.

The Group's commitment to preparing the Sustainability Plan in the coming months is confirmed.

Thank you all, we are grateful for the support you continue to give us.

Mr. Massimo della Porta

Chairman

Methodological note

SAES Getters S.p.A. falls within the scope of application of Italian Legislative Decree 254 of 30 December 2016, in implementation of Directive 2014/95/EU, which requires the annual preparation of a Non-Financial Statement aimed at ensuring understanding of the company's business, its performance, results and impact, covering environmental, social, personnel and human rights issues and the fight against active and passive corruption. Therefore, this document represents the Consolidated Non-Financial Statement (also “Non-Financial Statement” or “NFS”) related to the companies belonging to the group consisting of SAES Getters S.p.A. and its subsidiaries (hereinafter also referred to as the “SAES Group” or the “Group”), describing their main results in terms of sustainability performance achieved during 2021 (from 1 January to 31 December).

The figures relating to the previous financial year are shown for comparative purposes so as to facilitate the evaluation of the business performance. Restatements of previously published comparative data are clearly indicated. Also, to provide a correct view of the Group’s performance and ensure the reliability of the data, the use of estimates was limited as much as possible. Where estimates were used, they were based on the best available methodologies and suitably indicated. Finally, some totals shown in the tables included in this document may not add up due to rounding.

As envisaged by Article 5 of Italian Legislative Decree 254/16, this document constitutes a separate report marked with a specific wording in order to refer it to the Consolidated Non-Financial Statement required by law.

This NFS has been prepared in accordance with the “Global Reporting Initiative Sustainability Reporting Standards” defined in 2016 and subsequent versions by the Global Reporting Initiative (GRI), according to the “in accordance - Core” option. Furthermore, where appropriate, the European Commission Guidelines, “Guidelines on non-financial reporting” were also taken into account.

The content to be reported was selected while taking into account the information considered relevant for the Group and its stakeholders, through a materiality analysis process described in the paragraph “1.3 Stakeholders of the Group and materiality analysis”.

SAES Getters S.p.A., in relation to the requirements arising from Italian Legislative Decree 254/2016, is also obliged to include in this document, starting with documents issued after 1 January 2022, the disclosure required by the regulations relating to the so-called "EU Taxonomy" (EU Regulation 2020/852 and its Delegated Regulations) in relation to the environmentally sustainable activities carried out by the Group.

Pursuant to Article 10 of EU Delegated Regulation 2021/2178 of 6 July 2021, this disclosure for the financial year 2021 concerns the proportion, compared to the total, of the Group's turnover, investments and operating costs related to activities eligible for the Taxonomy with reference to the objectives of climate change mitigation and adaptation, as covered by the annexes to EU Delegated Regulation 2021/2139 of 4 June 2021, as well as certain qualitative information.

See the section "EU Taxonomy (EU Regulation 2020/852 and its Delegated Regulations)" for this information. It should also be noted that the limited review of this NFS carried out by the auditing firm Deloitte & Touche S.p.A. does not extend to such disclosure.

The reporting and drafting activities of this document transversely involved all the functions present in the areas in which the Group operates, which were coordinated centrally by the Consolidated Department.

The reporting of non-financial information and the publication of the Non-Financial Statement is annual.

SCOPE

The scope of the figures and economic and financial information is the same as that of the Group's Consolidated Financial Report. With regard to the qualitative information and quantitative data relating to social and environmental aspects, the companies consolidated on a line-by-line basis in the SAES Group Consolidated Financial Statements are included in the reporting scope¹. In particular, qualitative information and quantitative data on environmental and health and safety topics include Group companies that manage production sites; on the other hand, companies with only commercial offices are excluded as they are not considered relevant to ensure the understanding of the Group's business and the impact it has.

With reference to the company Memry GmbH, it should be noted that on 22 July 2021 the liquidation process (which began at the end of the financial year 2017) was completed with the cancellation of the company from the Company Register. It should also be noted that on 7 July 2021, the acquisition of 100% of Strumenti Scientifici Cinel S.r.l., a leading player in the vacuum components sector, was finalised and therefore included in the reporting scope for the period 7 July 2021 - 31 December 2021. Finally, on 31 March 2021 the incorporation of a branch of SAES Coated Films S.p.A. was finalised and on 1 June 2021 the German Branch of SAES Getters S.p.A. was finalised, both located in Freiburg (Germany) and included in the reporting scope.

This Non-Financial Statement was approved by the Board of Directors of SAES Getters S.p.A. on 14 March 2022; it is also subject to a limited audit ("*limited assurance engagement*" according to the criteria indicated by the ISAE 3000 Revised standard) by the independent auditors Deloitte & Touche S.p.A. that, at the end of the work carried out, issued a specific report on the conformity of the information provided in the Consolidated Non-Financial Statement prepared by SAES Getters S.p.A. pursuant to Italian Legislative Decree 254/16.

As part of the path of continuous improvement in relation to sustainability issues, the following table shows the current progress of the activities that the Group has developed during 2021.

- **Fight against active and passive corruption:**

For some time now, the fight against active and passive corruption has been monitored by the Organisational, Management and Control Model adopted by SAES Getters S.p.A. pursuant to Italian

¹ For the list of line-by-line consolidated companies, see the paragraph "Scope of Consolidation" in the Explanatory Notes to the Consolidated Financial Statements of SAES Getters S.p.A. for the year ended 31 December 2021.

Legislative Decree 231/01. SAES Getters S.p.A. prepared and adopted, as of April 2019, a Group Anti-Corruption Code and a Code of Business Conduct aimed at strengthening and confirming the commitment undertaken by the same in the prevention of illegal practices and the promotion of a corporate culture based on the reference best practices. During 2021 SAES Getters S.p.A. provided through refresher courses relating to the 231 Model on the online platforms, following the training plan defined last year.

SAES Coated Films S.p.A. adopted the 231 Model in 2021. This model was formally approved by the March 2022 Board of Directors meeting related to the approval of the draft budget. During the same Board meeting, the SB will also be appointed.

- **Sustainability Risk Management:**

The Group has a special ERM (Enterprise Risk Management) process developed on the basis of the COSO ERM framework. Its objectives also include an identification of the main risks associated with material aspects of sustainability for the Group, as represented at the beginning of the chapters of this document. The activity is carried out with the support of the Risk Owners involved in the process, who for their sensitivity and understanding of the processes, business and daily operations can provide feedback to help Management in making corporate decisions.

- **Sustainability Plan**

The Company is called upon to no longer pursue only “the priority objective of creating value for shareholders in the medium to long term”, but also ESG (Environmental, Social and Governance) objectives, which refer to environmental, social and governance factors that contribute to determining the risk and return profile of the Group, seeking to create an integrated approach that benefits corporate responsibility and maximises shareholder value. To this end, the Group's Top Management initially met on 20 November 2020 in order to start the preliminary activities aimed at preparing a sustainability plan, including the identification of the main strategic areas, which will form the basis for defining the medium-long term objectives and the related responsibilities. In 2021, the Group's Top Management confirmed its commitment to preparing such a Plan by the end of 2022 in order to integrate sustainability within the corporate strategy with the aim of identifying medium-long term objectives and related responsibilities.

Contacts:

Emanuela Foglia

Investor Relations Manager

Tel. +39 02 93178 273

E-mail: investor_relations@saes-group.com

The SAES Group, a constantly evolving story

THE SAES GROUP AT A GLANCE



190,198 (thousands of Euro) of Consolidated Net Turnover

11,704 (thousands of Euro) used in R&D equal to 6% of turnover



6 ISO 9001 certified companies

1 ISO 14001 certified company

The SAES Group invents, produces and markets new families and new compounds of “functional” materials with unique characteristics, which are used in various sectors, such as:

- **consumer electronics;**
- **home automation;**
- **automotive;**
- **medical;**
- **renewable energies and thermal insulation;**
- **particle accelerators;**
- **flexible packaging.**

The Group's expertise in special metallurgy and **materials science**, resulting in the R&D department's continuous development of innovative and radical ideas, has allowed us, over more than 70 years, to grow in numerous hi-tech business segments and to achieve important milestones, including a corporate culture that enables excellence in R&D and in the production of technological products.

WHAT IS MATERIALS SCIENCE?

Materials science is the discipline that studies and invents new molecules and defines new production protocols that can be applied in various supply chains and products. Materials science is a sector that is changing and improving the world around us and will help change it even further in the future.

Non-Financial Statement of the SAES Group

The Group is divided into five Business Units that also include basic research projects or those under development, aimed at diversification into innovative businesses² while the activities of the Group Research Labs pursue the radical development of new materials and innovative technologies.

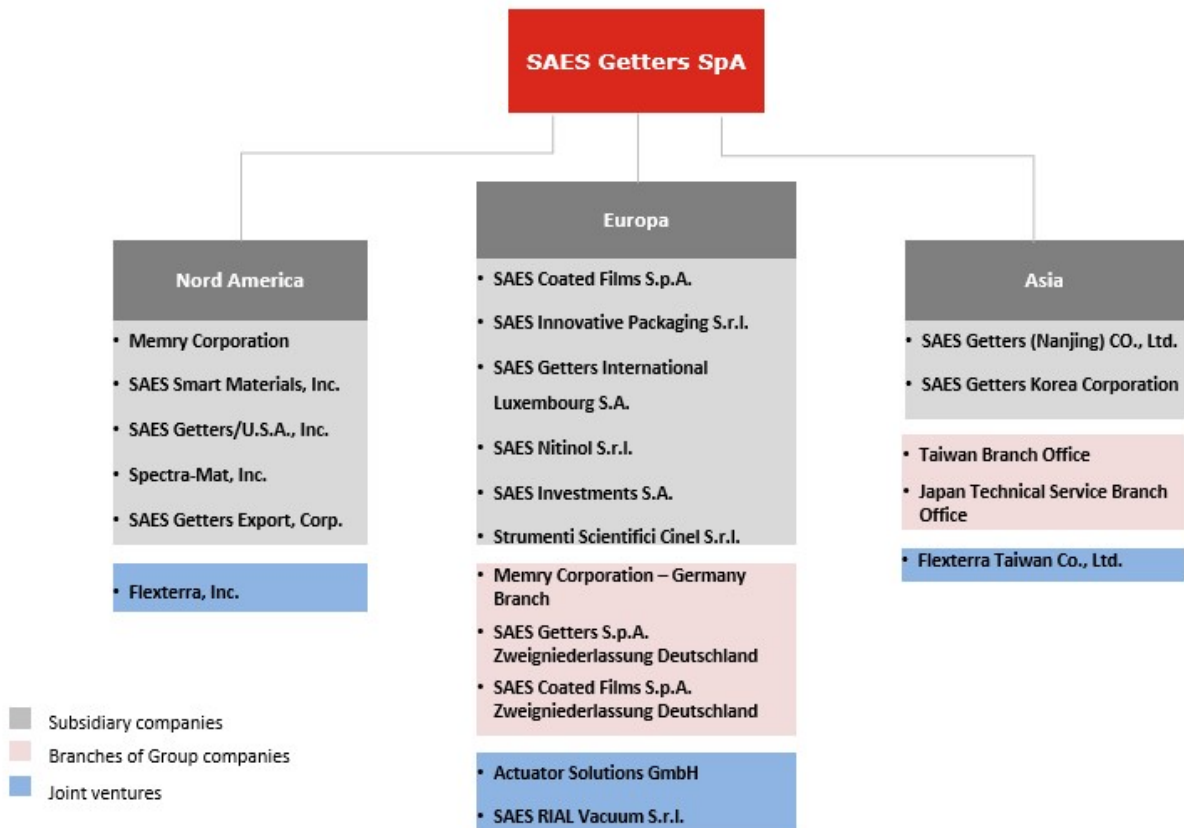
The structure is shown below:



² For a description of the businesses and their economic and financial data, please refer to the other sections of the 2021 Annual Financial Report.

THE STRUCTURE OF THE SAES GROUP

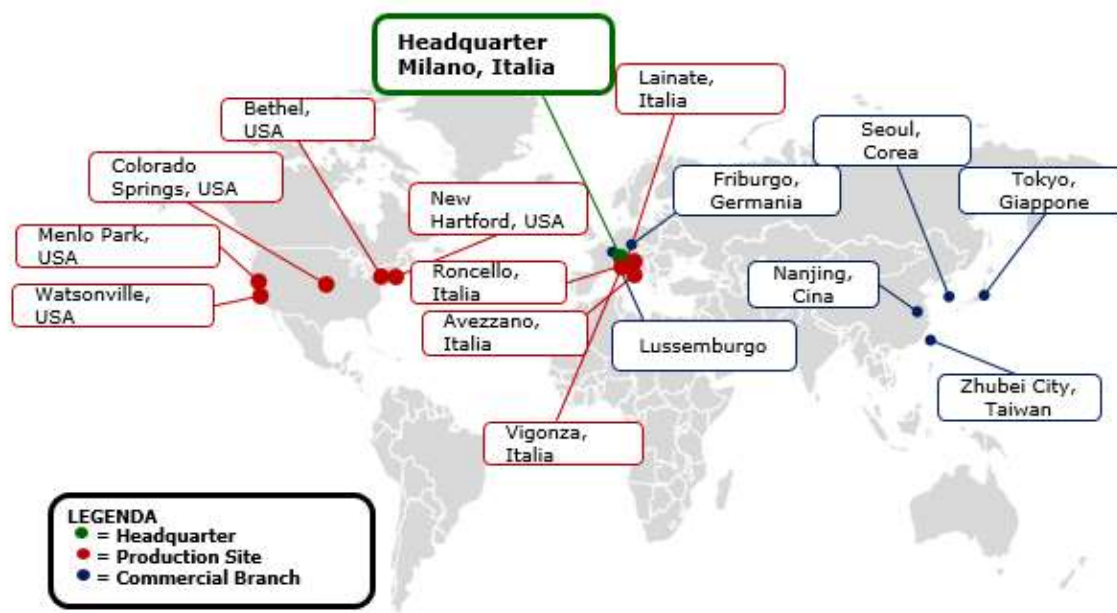
The following table shows the companies belonging to the Group as at 31/12/2021: ³



³ For a description of the individual Group companies and the related economic and financial data, please refer to the other sections of the 2021 Annual Financial Report. It should be noted that the joint ventures do not fall within the reporting boundaries of information relating to social and environmental aspects of this document.

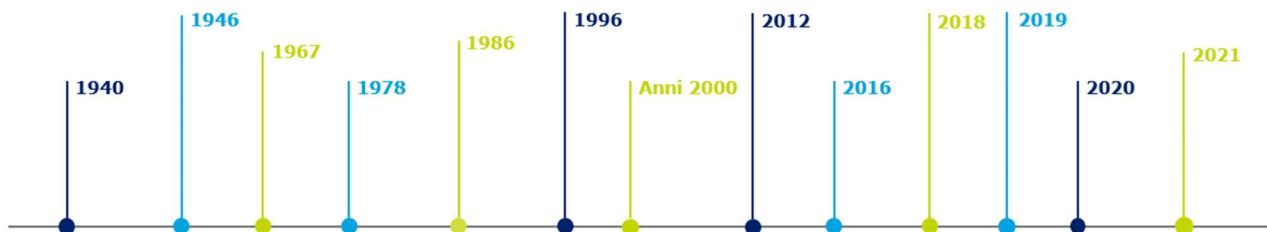
OUR PRESENCE IN THE WORLD

The SAES Group is headquartered in Lainate (Italy) and is present worldwide with both production and commercial subsidiaries in Europe, the US and Asia⁴.



⁴ The geographical offices of Group companies that do not fall within the reporting scope are excluded for the purposes of this Non-Financial Statement as described in the Methodological Note of this document, to which reference should be made.

HISTORY OF THE SAES GROUP



1940: The company S.A.E.S. (Società Apparecchi Elettrici e Scientifici) was established in Florence at the behest of the Engineer Ernesto Gabrielli.

1946: The della Porta and Canale families joined the company, in which they still currently play a leading role.

1957: S.A.E.S. patented the getter for the cathode-ray tubes of television sets, which started production on an industrial scale.

1967: New getter configurations were presented, a technology that allows the production of new products such as non-evaporable getters (NEGs) and getter pumps.

1978: After redefining the corporate structure, acquiring new companies and reaching 300 employees, S.A.E.S. became SAES Getters.

1986: SAES Getters S.p.A. was listed on the Stock Exchange.

1996: The head office of Lainate was established, currently the headquarters of the Group.

2000s: The Group's current structure was defined thanks to significant acquisitions and the expansion of new markets, which gave the Group its current structure.

2012: The SAES Group and the German company Alfmeier established a joint venture, Actuator Solutions GmbH, which produces devices based on SMA technology.

2016: SAES Getters S.p.A. created a joint venture with the Rodofil Group, SAES Rial Vacuum S.r.l., to expand its design and production of vacuum chambers.

2018: SAES Getters S.p.A. concluded the acquisition of the company Metalvuoto S.p.A., creating SAES Coated Films S.p.A., a company proposing a comprehensive and innovative offer on the flexible packaging market based on the development of active plastic films with high performance, dedicating extra attention to their biocompatibility and low environmental impact.

2018: The SAES Group sold its Californian subsidiary SAES Pure Gas Inc. and the purification business to the American company Entegris.

2019, the Ordinary Shareholders' Meeting of SAES Getters S.p.A., following the proposal of the Board of Directors, authorised a voluntary takeover bid of a maximum of 3,900,000 ordinary shares of SAES Getters (equal to 17.7% of the total shares and 26.6% of the ordinary shares). As a result of completing the takeover bid, SAES Getters holds 3,900,000 ordinary shares, equal to approximately 26.6% of the ordinary shares and approximately 17.7% of the Company's share capital.

2020: The Group invests in the EUREKA! venture capital fund, specialised and focused exclusively on high-tech investments, with a focus on sustainability principles and ESG (Environment, Governance, Society) criteria.

2021 , On 31 March 2021, the establishment of a Branch of SAES Coated Films S.p.A. in Freiburg - Germany was completed, in line with the strategy that sees the company committed to improving its presence in strategic markets, in order to boost new business opportunities.

2021, On 1 June 2021, the German Branch of SAES Getters S.p.A. was established, located in Freiburg - Germany, mainly with a scouting and promotion function, in line with the strategy that will see the Group committed to improving its presence in markets deemed crucial for future growth.

2021, on 7 July 2021, SAES Getters S.p.A. finalised the closing for the acquisition of 100% of the capital stock of Strumenti Scientifici Cinel S.r.l. (CINEL), an established international player in the sector of components and scientific instruments for particles synchrotrons and accelerators, based in the province of Padua.

1. Group business management

Material aspects	Description	Sustainability risk factors	Management Procedures (MP)
BUSINESS ETHICS, CORPORATE VALUES AND COMPLIANCE	<p>The Group's commitment to combating active and passive corruption through the application of policies, procedures and mechanisms for reporting potential irregularities or unlawful conduct and specific training activities on the subject; the subject also includes the Group's transparency in its relations with political organisations. The subject also includes the adoption of an Organisation, Management and Control Model ex 231/01 for SAES Getters S.p.A, a Code of Ethics, an Anti-Corruption Code, a Code of Business Conduct, a Supplier Code of Conduct and the adherence to national and international principles and guidelines, the compliance with the laws in force and any specific regulations (e.g. anti-trust, monopoly, anti-competitive behaviour) where the Group operates or related to its business activities.</p>	<ul style="list-style-type: none"> - Correctness and transparency in the management of relations with public and private entities, in the conduct of business activities - Compliance with regulations and laws of reference - Integrity in running the business activities 	<p>The Group also pays attention to monitoring all behaviour and negligence that, if put in place, would create the conditions constituting the risks of crime punished by the aforementioned external regulations and undertakes to provide its employees with targeted training in this area. The Group has adopted an Anti-Corruption Code, a Code of Business Conduct and a Supplier Code of Conduct at the Group level, promoted to its stakeholders in order to comply with applicable laws and regulations and to comply with relevant best practices and promote internally the values of anti-corruption. The Group pays attention to principles such as business ethics and integrity thanks to the adoption of the Code of Ethics and of the Organisational, Management and Control Model adopted by SAES Getters S.p.A. (pursuant to Italian Legislative Decree no. 231/2001).</p>

1.1 Governance and Organisation

The Board of Directors (BoD) of the SAES Group consists of ten members, including six men and four women with an average age of 63 and ranging from 81 for the oldest member to 49 for the youngest member. The composition of the BoD as at 31 December 2021 is shown in the following table:

JOB TITLE	NAME	GENDER	YEAR OF BIRTH	EXECUTIVE (E) – NON-EXECUTIVE (NE)	INDEP. CODE	INDEP. Consolidated Finance Law	AUDIT, RISK AND SUSTAINABILITY COMMITTEE ⁵	REMUNERATION AND APPOINTMENT COMMITTEE ⁶
Chairman/ CEO	Massimo della Porta	M	1960	E	-	-	-	-
Chief Executive Officer	Giulio Canale	M	1961	E	-	-	-	-
Director	Francesca Corberi	F	1968	NE				
Director	Adriano De Maio	M	1941	NE	-	X	-	M
Director	Alessandra della Porta	F	1963	NE	-	-	-	-
Director	Luigi Lorenzo della Porta	M	1954	NE	-	-	-	-
Director	Andrea Dogliotti	M	1950	NE	-	-	-	-
Director	Gaudiana Giusti	F	1962	NE	X	X	M	M
Director	Stefano Proverbio	M	1956	NE	X	X	C	
Director	Luciana Rovelli	F	1973	NE	X	X	M	C

⁵⁶ The qualifications of the directors within the Committee are indicated in these columns: “C”: chairman; “M”: member.

Directors/gender	Average age		
	30-50 years	>50 years	Total
Men	-	6	60%
Women	1	3	40%
Total	10%	90%	100%

THE COMMITTEES OF THE SAES GROUP⁷

AUDIT, RISK AND SUSTAINABILITY COMMITTEE

The Audit, Risk and Sustainability Committee is an Internal Board Committee responsible for proposing the guidelines that can reduce and mitigate risk, providing opinions to the Board of Directors on risk management and identification. The Committee is also responsible for overseeing issues related to the correct application of accounting standards and sustainability issues.

REMUNERATION AND APPOINTMENT COMMITTEE

The Remuneration and Appointment Committee is an Internal Board Committee; it is responsible for preparing the Remuneration Policy pursuant to Article 123-ter of the Consolidated Finance Act; moreover, it is the body that assesses the adequacy and correctness of the Group Remuneration Policy, identifying any proposals for change or improvement and monitoring its correct application. Finally, it issues an opinion on the professional figures required on the Board when the Board of Directors' posts are renewed with the change of mandate

COMMITTEE FOR TRANSACTIONS WITH RELATED PARTIES

The Committee for transactions with related parties is formed by directors who meet the independence requirements. It is chaired by the *Lead Independent Director*. This Committee meets whenever transactions with related parties must be assessed and submitted to the Committee for its opinion, in accordance with the SAES policy governing this issue.

ETHICS AND INTEGRITY

The SAES Group, aware of the importance of Governance in the planning of objectives and performance of both an economic and financial nature and in terms of sustainability, undertakes to achieve a correct corporate and entrepreneurial management that makes it possible to create value for stakeholders and increase investor confidence and interest. The Corporate Governance system of the Group is in line with the recommendations

⁷ For a more detailed description of the Committees of the SAES Group, please refer to the other sections of the 2021 Financial Statements, the 2021 Report on Corporate Governance and the Ownership Structure, in particular.

contained in the Code of Self-Regulation of the Listed Companies, promoted by Borsa Italiana S.p.A. The tools used are the Code of Ethics and the Organisational, Management and Control Model according to the requirements of Italian Legislative Decree 231/2001 (hereinafter also referred to as “231 Model” or “Model”).⁸ The new Corporate Governance Code was approved on 31 January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria, which the company applied during the year 2021, with disclosure in the Corporate Governance Report to be published in 2022.

The **Code of Ethics** of SAES Getters S.p.A., with which all the Group companies are required to comply, was updated in 2014 and aims to define a set of rules of behaviour that makes it possible to disseminate among employees a corporate culture aimed at legality, defining the principles of SAES business. The Code defines certain values such as: legality, fairness, transparency, impartiality, diligence and professionalism, information confidentiality, environmental protection and sustainable development and competition. Moreover, if the principles of the Code of Ethics are violated by temporary workers, suppliers, consultants and commercial partners, when required the service contract will be terminated.

THE CODE OF ETHICS AND RELATIONS WITH STAKEHOLDERS

The Code of Ethics of the SAES Group pays particular attention to the relations that the Group has with some of its key *stakeholders*, in particular:

- **it requires** relations with **customers, suppliers and temporary workers** to be transparent and non-discriminatory;
- **it commits** the Group to maintain proactive and constant collaboration in compliance with the laws and regulations in force towards the ***Public Administration, Supervisory Bodies, Trade Associations and Judicial Authorities***;
- **it protects equal opportunities in the selection of personnel.**

The **Organisational, Management and Control Model pursuant to Italian Legislative Decree 231/2001** is the document that describes the organisational model of SAES Getters S.p.A. The 231 Model, updated in 2020 (version n.13), with the latest interventions of the legislator (e.g. tax crimes, smuggling, etc.), expresses the will to:

- determine, in all parties involved, the awareness of being able to incur disciplinary consequences and/or penalties in case of violation of the Model;
- reassert that the unlawful behaviour deriving from any violations of the Model are strongly condemned by SAES Getters S.p.A.;
- allow SAES Getters S.p.A. to prevent unlawful behaviour by monitoring risk areas.

SAES Getters S.p.A., as from 2017, opted for a 231 Model structured by process and no longer by category of offence, as it was originally, and composed of a general part known as descriptive, and a special part which,

⁸ The Code of Ethics of the SAES Group (English and Italian versions) and the 231 Model of SAES Getters S.p.A. are available and can be downloaded on the website www.saesgetters.com

in turn, consists of 25 protocols. The decision to change the structure of the 231 Model was made in response to the need and desire to make the Model increasingly usable and more effective in terms of “risk analysis” and identification of “risk mitigation areas”, as well as control measures.

Thanks to the 231 Model, SAES Getters S.p.A. condemns all forms of corruption, also arranging a special Supervisory Body for this purpose with its own functions indicated in the Model. SAES Getters S.p.A. has a specific “Whistleblowing” reporting procedure and implemented an IT platform for managing reports anonymously and confidentially. It also created a specific email inbox to collect any reports. The inbox is added to the one which already exists for the Supervisory Body.

The platform can be accessed from the company web page “Reports - Whistleblowing” under the “About Us” section. Reports can refer to the scope of offences and risk areas defined in the Organisational Model pursuant to Italian Legislative Decree 231/01 as well as to incidents of fraud, corruption, or other violations of the Code of Ethics, legislation and/or all those activities that can cause damage to company assets.

COMMITMENT AGAINST CORRUPTION

The SAES Group is actively engaged in combating corruption, both public and private, as provided for by national legislation. In particular, the Group actively prevents any attempt at corruption, unlawful favours, collusive behaviour and requests for personal benefits as described in the Code of Ethics that, together with the 231 Model, are the tools for monitoring the occurrence of corruptive phenomena.

As occurred in 2020, also in 2021 the company participated in the Business Integrity Forum of Transparency International, the world's largest organisation that deals with preventing and fighting corruption. The goal is to adhere to the best practices of reference and internally promote values which contrast corruption.

The Code of Ethics refers to specific duties of behaviour, also in relation to corruptive practices, potentially present in various areas of company operations. In particular, when carrying out relations with customers and suppliers, it must be considered that gifts, contributions and entertainment expenses are allowed when of modest value and without being interpreted as aimed at obtaining improper advantages. There are also company procedures that govern relations, both institutional and commercial, with national or EU public bodies, Supervisory Authorities, public officials and public servants.

THE INTEGRATED APPROACH OF THE SAES GROUP: QUALITY, ENVIRONMENT, SAFETY & ETHICS

The SAES Group aims to achieve technological excellence in full compliance with economic, social, environmental and ethical sustainability. The Group is constantly committed to improving its production and management processes by adopting responsible management that combines quality and efficiency in business development with attention to its employees and the environment. Currently, there are six companies of the

Group with **ISO 9001 Certification**⁹, **two production sites of the Group**¹⁰ with **ISO 14001** certification and **four production sites**¹¹ with sector-specific certifications.

SAES has adopted a “Group Integrated Policy for quality, environment, safety and ethics” (hereinafter referred to as the “Group Integrated Policy”). Each subsidiary derives its own local policy from the “Group Integrated Policy”.

The “Group Integrated Policy” is illustrated below:

in order to guarantee continuous progress and maintain its leadership in the field of vacuum technology for scientific and industrial applications, *dryers* polymer composites, special metallurgy and materials science, as well as reaffirm its total loyalty to its traditional “*core values*”, the SAES Group is committed to implementing an Integrated Quality, Environment, Safety and Ethics Management System based on compliance with the following principles:

- consider a fundamental element of the Group's global strategy to be the constant commitment to research and development of innovative products with a high technological content, through the adoption of modern and well-structured methods, so as to be able to satisfy and anticipate customer expectations and needs, guaranteeing respect for the environment and safety in use;
- concentrate its efforts on profitable businesses through actions aimed at improving economic results and maximising profits, also through the introduction of diversified products;
- combine the scientific knowledge and technical skills available within the SAES Group with those acquired through collaboration with external customers and centres of excellence, with the aim of developing “*enabling*” products capable of promptly and effectively meeting the demands of a market in constant development;
- adopt the most advanced international regulations and standards on quality, environment and safety, by simultaneously promoting the application and dissemination among all Group companies of a corporate culture that respects human rights and ethical principles;
- constantly enhance and promote the professional and human growth of all Group employees, involving them, informing them regularly about company objectives and programmes and ensuring safe and peaceful working conditions;
- develop a corporate culture oriented towards continuous improvement, achieved through structured processes, whose performance is constantly monitored by indicators able to measure efficiency and effectiveness in a timely manner.

CORPORATE SOCIAL RESPONSIBILITY AND HUMAN RIGHTS

The Group has the following policies on human rights and corporate social responsibility:

⁹ The ISO 9001 certified Group companies are: SAES Getters S.p.A., SAES Coated Films S.p.A., Memry Corp., SAES Smart Materials, Inc., SAES Getters USA, Inc., Strumenti Scientifici Cinel S.r.l.

¹⁰ SAES Getters S.p.A. is ISO 14001 certified for the plants of Lainate and Avezzano.

¹¹ SAES Getters S.p.A. is IATF 16949 certified for the plants of Lainate and Avezzano; Memry Corp. is ISO 13485 certified for the plants of Bethel (CT) and Menlo Park (CA); for further details, see Chapter 3, “Technology at the service of innovation”.

- **Anti-Corruption Code:** this policy promotes compliance with ethical standards and full compliance with national and international regulations on the prevention of corruption in all its forms, as well as the integrity, transparency and fairness in carrying out its work. The Code is applied in all Group companies and effectively integrates the Group's compliance system and, with reference to Italy, the current Organisational, Management and Control 231 Model pursuant to Italian Legislative Decree no. 231 of 8 June 2001 adopted by SAES. The document was approved in 2019.
- **Code of Business Conduct:** this policy regulates the conduct of employees, directors and temporary workers of the Company and Group companies in managing business (relationships with customers, conflicts of interest, sponsorships, etc.) and outlines the minimum standards that the Group's suppliers must comply with in carrying out negotiations and managing contracts with the Group companies. The document was approved in 2019.
- **HR Global Policy:** this policy defines the fundamental principles to which the Group aspires to favour an optimal workplace and professional growth within all Group companies, in respect of human rights and the enhancement of diversity. In particular, the document sets out the principles to be followed relating to: i) shared responsibilities, ii) child labour, iii) equality and non-discrimination, iv) forced labour, v) workers' health and safety, vi) salaries, vii) rewarding, viii) work hours, ix) training, x) performance monitoring and staff development. The document was approved in 2019.
- **Conflict Minerals:** Based on the Conflict Minerals and Cobalt procurement policy, updated during 2020, in order to add Cobalt within the perimeter of monitoring the procurement methods of these materials, and that our suppliers, including established ones, are required to periodically provide information on the source of materials supplied to SAES through internationally recognised formats. In case of lack of response, even after reminder, the supply is interrupted.
- **Supplier Code of Conduct:** this policy has the aim of expressing the values that inspire the Group in the behavioural principles that should guide the action of suppliers themselves in the context of their business, with particular reference to the protection of human rights and respect for the environment. The document was approved in the course of 2019.

1.2 Opportunities and risks

THE CONTEXT OF REFERENCE

Sustainability issues, such as the fight against climate change, environmental protection and the adoption of policies for the development and sustainable management of material resources, have become increasingly interesting for institutions and organisations around the world in recent years. In particular, in 2015 the 21st United Nations Framework Convention on Climate Change (known as COP21) focused on regulating greenhouse gas emissions and was ratified in 2016. The climate agreement represents an important step forward in defining a global strategy to combat climate change and the increase in the temperature of the Planet Earth. In 2015, the United Nations adopted a new policy for the dissemination of sustainable development issues: the *Sustainable Development Goals* (17 SDGs). The 17 goals, valid for the period from 2015 to 2030, involve the public and private sector in ensuring the achievement of common objectives, such as peace, security, justice, social inclusion and environmental responsibility. In 2016, by means of Italian Law Decree no. 256, the Italian legal system adopted European Directive 2014/95 - Barnier on “*Non-Financial Statement*”, which requires public-interest companies that meet certain criteria to provide, starting from 2017, information on the management of social and environmental issues. Therefore, organisations are increasingly called upon to carefully assess the development of specific scenarios and the new challenges that



these present, in order to be able to seize opportunities and manage the risks involved. The SAES Group operates in a dynamic environment in continuous development, both in terms of market trends and in terms of complexity and high technological content of the sector in which it operates. It is essential for the Group to properly manage and control the risks to which it is exposed during its business activities so as to ensure stability and balance

over time and maintain lasting relations with its stakeholders.

The risk-aware management is carried out through the progressive implementation of a system that makes it possible to identify, assess and, where possible, mitigate and monitor business risks according to a precautionary approach.

In order to correctly define its risk profile, the SAES Group has adopted an *Enterprise Risk Assessment* process since 2012, defining and updating a risk catalogue; this operation was carried out following the requirements of the COSO *Framework* international standard.

The method for assessing the identified risks follows the COSO ERM *framework* and involves all the identified *Risk Owners*. The Group's objective is to ensure that the ERM strategy becomes an integral part of the assessment of decision-making processes in business planning.

IMPACTS ARISING FROM THE CORONAVIRUS HEALTH EMERGENCY

In agreement with the Competent Doctor, in 2021 Company Management continued with the prevention and protection measures already defined in 2020 in order to combat and contain the Covid 19 epidemic, thereby ensuring adequate levels of protection to the people working in the SAES group as well as production continuity.

The anti-contagion operating methods defined according to the logic of maximum precaution have been described for Italian companies in the "Regulatory Protocol for limiting the spread of COVID-19" which has been kept constantly updated (last revision April 2021) on the basis of the evolution of the Regulations and Directives issued by the Ministry of Health.

During 2021, in addition to the actions already defined in 2020 (distancing through the reorganisation of spaces, distribution and use of PPE, increased sanitation of environments, agile working, medical advice service), further controls were added to facility access procedures, including:

- Green Pass requirement for access to the company canteen since 23 August;
- Green Pass monitoring on a widespread daily basis for workers' and suppliers' access to workplaces since 15 October.

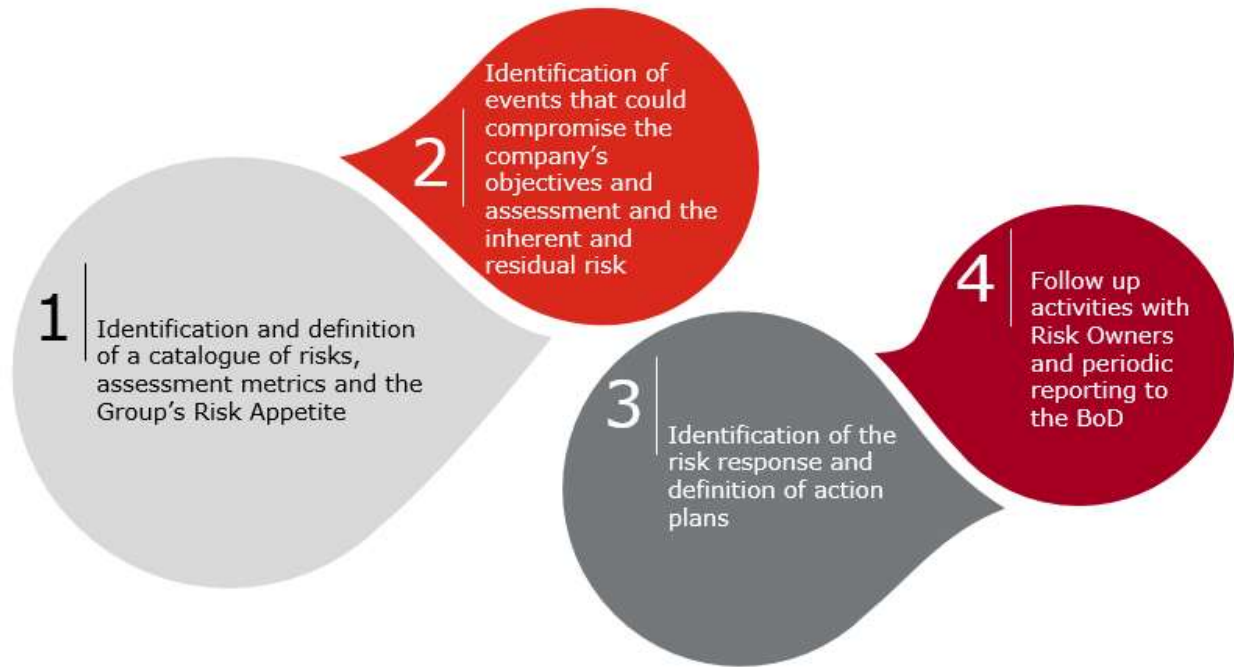
The management expenses related to the Covid-19 epidemic in 2021 amounted to approximately Euro 350,000 for SAES Getters S.p.A.

The Group companies have also followed specific protocols in line with the directives of the Parent Company and local governments.

RUSSIAN-UKRAINIAN CONFLICT

Regarding the Russia-Ukraine conflict, it should be noted that the Group's direct exposure in Russia, Ukraine and Belarus is marginal. Turnover in 2021, concentrated in Russia alone, was immaterial. Forecasts for 2022, drawn up before the crisis, also confirm the irrelevance of these markets. Moreover, the Group has no suppliers from these countries. However, the unpredictable dynamics of geopolitical, military and economic developments in the crisis, combined with the complex interdependencies between global economies and supply chains, do not allow the Group to provide firm estimates of the impacts of the crisis.

THE RISK MANAGEMENT MODEL OF THE SAES GROUP



For further information on the main risk factors for the sustainability of the SAES Group and related management methods, please refer to the tables at the beginning of each chapter of this document.

1.3 Stakeholders of the Group and materiality analysis

The SAES Group recognises the importance and the need to create a transparent, two-way and constructive dialogue concerning sustainability with its customers, suppliers, shareholders, employees and all those involved in the life of the organisation. The correct approach to sustainability is one of the Group's fundamental objectives, both from a strategic point of view and in relation to the subjects with whom it interacts.

The Group pursues its interests with a view to sustainable development and environmental protection, striving for a continuous balance among economic initiatives, safety of operations from a corporate point of view and prevention of environmental risks. With this in mind, the Group decided to undertake a process that integrates into its business the assessment of all positive and negative events, through a constructive dialogue with its stakeholders.

The materiality analysis process is aimed at identifying the areas of greatest interest also for the purpose of developing the company business and creating value for stakeholders, with a view to long-term sustainability. On the basis of material or relevant aspects, priority indicators through which to monitor and communicate the Group's sustainability performance were identified.

STAKEHOLDER IDENTIFICATION

The Group implemented a process for mapping, identifying and prioritising the main categories of stakeholders, both internal and external, which has made it possible to define the Group's stakeholder map, by also identifying the level of dependence and influence on the Group.

THE MAP OF THE STAKEHOLDERS OF THE SAES GROUP



MAIN TOOLS FOR DIALOGUE WITH THE STAKEHOLDERS OF THE SAES GROUP

Stakeholder	Main dialog Tools
	<ul style="list-style-type: none"> • Corporate Intranet • Organizational Communications • Information articles about Values / Products / people ("SAES in touch")
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Social network • Industry events and fairs • Online / web advertising, printed in industry magazines, product brochure • Phone / email / meeting / conferences
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Telephone contacts / via email / meeting / conferences
	<ul style="list-style-type: none"> • Financial reports • on-demand information • compulsory communications
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Seminars and Seminars • Scientific Communities • Social networks • Telephone/email contacts / meeting / conferences
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Press releases • Shareholders' Meeting Of Shareholders • Presentations Financial results • Financial Reports • Meetings with the financial community
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Social networks • Telephone contacts / via email / meeting / conferences
	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Telephone contacts / via email / meeting / conferences

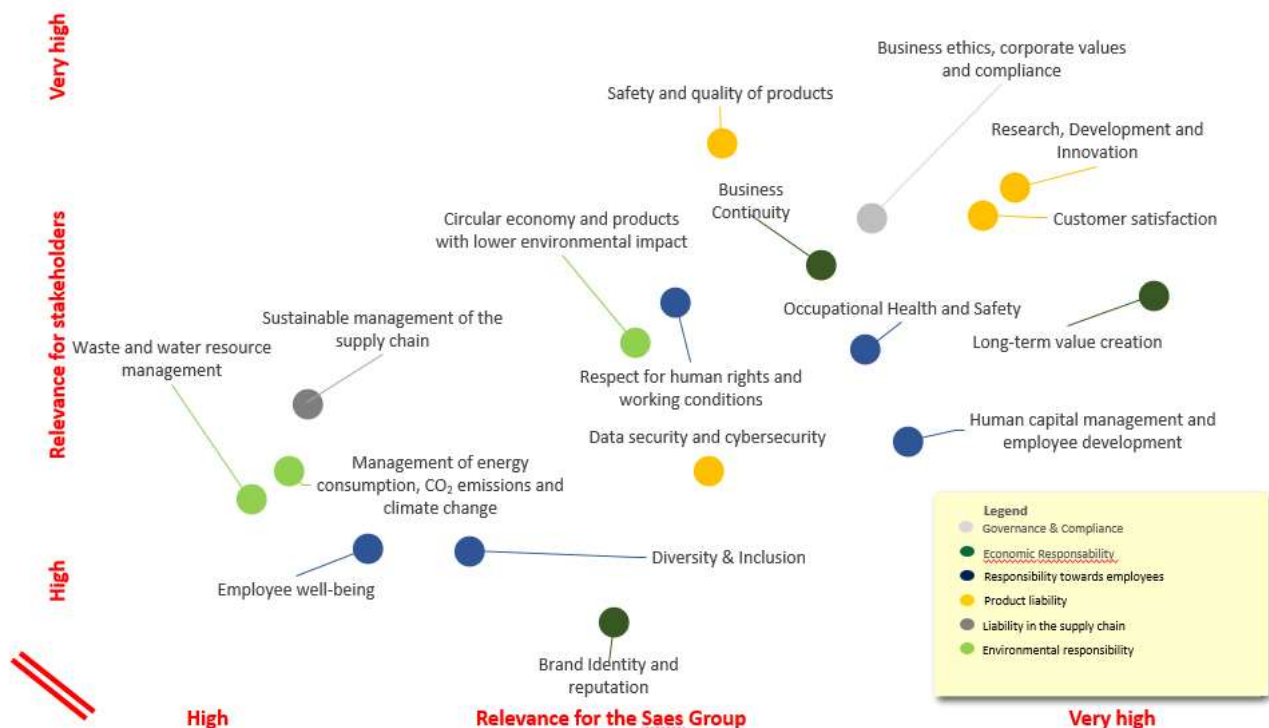
MATERIALITY ANALYSIS

An evaluation process of relevant issues was carried out for the first time in 2017 through a materiality analysis performed internally by the management. This analysis helped to identify the significant aspects in the economic, social and environmental impacts for the Group and its stakeholders. In fact, these issues reflect the main impacts generated by the Group and its activities and are aspects which can potentially influence the feedback of its stakeholders.

An update of the materiality matrix was made during 2021. This process included an update of the benchmark and sector analysis through which the material issues being evaluated were defined. The Top Management of the SAES Group was involved and expressed its views during a sustainability workshop. The updating process also extended the stakeholder engagement activities, which involved the first five Top Customers of each Division as a representative sample of customers this year.

The assessments relating to the relevance of the issues for the Group, expressed by *Top Management*, and those relating to the stakeholders, inclusive of the assessments expressed by the strategic customers expressed through the questionnaire answers, were then updated. The evaluations expressed by the Board of Directors and Board of Statutory Auditors were also included in the matrix updating process. Finally, the updated materiality matrix was discussed at the 20 January 2022 Board meeting, which concurrently approved the results below:

THE MATERIALITY ANALYSIS OF THE SAES GROUP



The updating process highlighted some changes compared to the 2020 matrix. Compared to 2020, the SAES Group has increased its relevance for the topics "Waste and water management" and "Diversity & Inclusion", while the topics "Customer satisfaction" and "Responsible supply chain management" have increased their relevance for stakeholders.

2. Economic performance and business development

Material aspects	Description	Sustainability risk factors	Management Procedures (MP)
LONG-TERM VALUE CREATION	Economic and financial performance of the Group, financial stability, protection of profitability and generated economic value; creation of value in the short, medium and long term also thanks to the efficient management of tangible and intangible assets (e.g. patents, production technologies, specific know-how) and information, through appropriate data management methods.	<ul style="list-style-type: none"> - Enhancement of company assets - Compliance with local laws and regulations - Achievement of growth targets defined by the Management - Negative impacts of the Group's operating and commercial strategies and organisation on the management of tax burdens: suboptimal geographical distribution of financial results may cause impacts on corporate tax costs -Risks linked to rising inflation rates (increased costs for raw materials, personnel, logistics, energy, etc.), with an impact on business margins -Availability, usability and traceability of information and data through appropriate information systems 	<p>The Group is committed to managing its business activities responsibly by achieving sustainable profitability and growth targets, in order to generate long-term economic value that can be distributed among all stakeholders. The Group is strongly committed to ensuring transparent business management that complies with the relevant regulations, including taxation. To this end, the Group has adopted specific internal procedures, as well as tools such as the Code of Ethics, the Anti-Corruption Code and the Organisational, Management and Control Model in accordance with the requirements of Italian Legislative Decree 231/2001. The Group already has business continuity procedures in place which cover the main areas of greatest risk envisaged by climate change, in order to manage any possibility of a significant meteorological event that could potentially lead to a period of unavailability of buildings and assets.</p> <p>Regarding the inflation risk, as far as the most competitive markets are concerned, SAES tries to mitigate the adverse effect of inflation through initiatives aimed at optimizing production and procurement strategies, as well as through the implementation of energy saving projects. In the less competitive markets, in agreement with the customers, SAES adopts policies of periodical revision of the price lists, also through the indexation to reference parameters commonly accepted by the market.</p> <p>Evaluation and adoption of appropriate information systems in order to have timely usability, traceability of information and data.</p>
Sustainable management of the supply chain	Responsible management of procurement processes throughout the Group's supply chain; assessment and screening of suppliers on the basis of social and environmental performance, and promotion of behaviour and social responsibilities that encourage suppliers to adopt sustainable behaviour.	<ul style="list-style-type: none"> - Availability of raw materials - Quality of supplies and financial stability of suppliers - Evaluating and screening suppliers based on social and environmental criteria 	<p>The Group develops correct, clear and transparent relations with all its suppliers based on compliance with principles of quality and cost-effectiveness in choosing them and favouring suppliers belonging to countries and communities in which it operates.</p>

<p>BRAND IDENTITY AND REPUTATION</p>	<p>Promoting the perception of the brand in order to strengthen its reputation among stakeholders also in relation to sustainability issues</p>	<ul style="list-style-type: none"> - Attractiveness in recruiting new staff - Impact on performance, customer/supplier relationships, etc. - Access to funding - Changes in stakeholder perception of the brand and/or excessive brand exposure that may threaten product demand and growth capacity. 	<p>The Group is committed to implementing concrete actions to consolidate its reputation, reporting cyclically on the pursuit of ESG objectives and its ability to innovate to meet customer needs.</p>
<p>RESPECT FOR HUMAN RIGHTS AND WORKING CONDITIONS</p>	<p>Management of activities, also along the value chain (suppliers and customers), which present significant risks in the field of human rights (forced labour, child labour, freedom of association and collective bargaining, discrimination at work) and any actions undertaken (e.g. training plans on issues related to Human Rights, Codes of Business Conduct and auditing activities).</p>	<ul style="list-style-type: none"> - Respect for human rights by employees, suppliers, customers and partners 	<p>The Group supports universal human principles such as: human rights and labour rights, committing itself to their integration into its business strategy and to their observance throughout the entire value chain. The Group has therefore equipped itself with the following tools:</p> <ul style="list-style-type: none"> - Supplier Code of Conduct, which has the aim of expressing the values that inspire the Group in the behavioural principles that should guide the action of suppliers themselves in the context of their business, with particular reference to the protection of human rights and respect for the environment; - specific policy on the aspect of “Conflict Minerals”; - HR Global Policy, which defines the fundamental principles to which the Group aspires to favour an optimal workplace and professional growth within all Group companies, in respect of human rights and the enhancement of diversity.
<p>BUSINESS CONTINUITY</p>	<p>Promotion of plans, actions, protocols to ensure continuity of core business operations in relation to any crises that may interrupt business activities.</p>	<p>Interruption of production and/or Group activities due to external or internal events and/or inadequate recovery plans</p>	<p>The Group has a business procedure continuity that defines the response actions in case of unavailability of resources, business infrastructure and supply chain. With particular reference to the Covid-19 pandemic and potential limitations arising from the continuation of the same, it should be noted that the Group defines policies for the stocking of warehouses and dual suppliers aimed at guaranteeing continuity of production even in cases of disruption of the supply chain, has set up smart working projects that guarantee staff and sales personnel the continuity of remote activities. With regard to the continuity of IT systems, in order to strengthen the current IT infrastructure, the Company has provided for the implementation of specific disaster recovery procedures, aimed at defining roles, responsibilities and operating methods for the management of risk events that could potentially impact on the functioning of corporate IT systems.</p>

HIGHLIGHTS



Revenues equal to Euro 190.2 million, in up 12.7% from Euro 168.7 million FY 2020

Consolidated gross profit of Euro 81.3 million (42.8% on sales) compared to Euro 70.1 million (41.6% on sales) in FY 2020

Operating income of Euro 22.6 million, compared to 16.2 in FY 2020



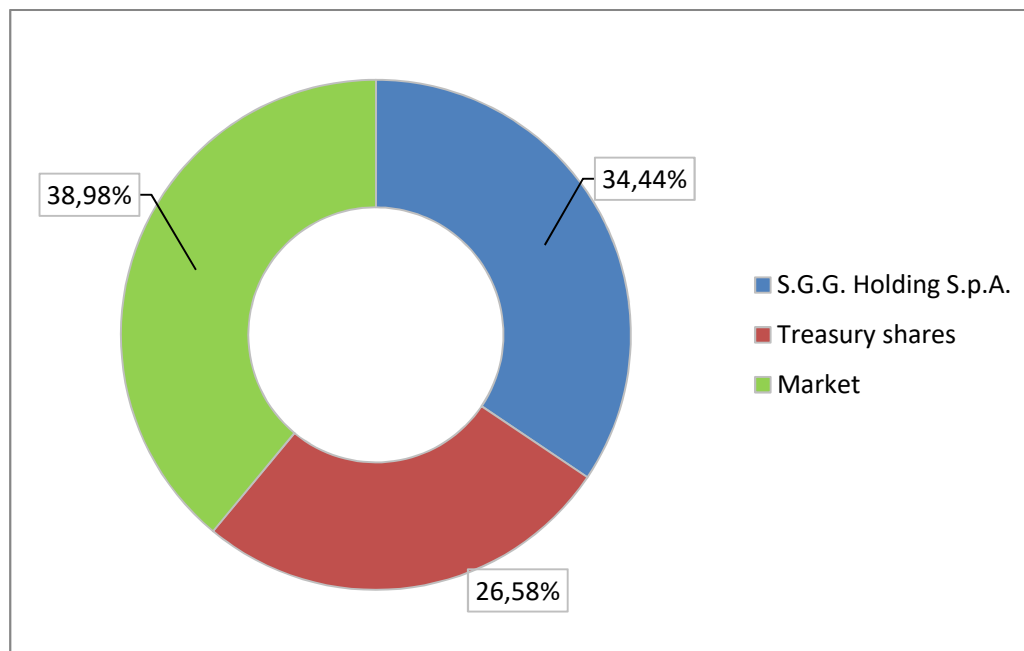
Consolidated EBITDA of Euro 35.9 million (18.9% on sales) compared to Euro 27.2 million (16.1 % on sales) in FY 2020

The net financial position as of December 31, 2021 amounts to Euro 74.8 million. Group's financial position is solid, enabling it to continue to operate in its core businesses and pursue its operating strategies.

2.1 Communication with the financial community

The share capital of SAES Getters S.p.A. as at 31 December 2021 amounted to Euro 12,220,000, consisting of 22,049,969 shares, of which 14,671,350 ordinary shares and 7,378,619 savings shares, with an implicit par value of Euro 0.5542 each. The shareholding structure is represented below, with regard to the ordinary shares with voting power in the shareholders' meeting.

SHAREHOLDING STRUCTURE OF THE SAES GROUP AS AT 31 DECEMBER 2021



At 31 December 2021, the majority shareholder is S.G.G. Holding S.p.A., which holds a 34.44% share of the ordinary shares while the majority of the ordinary shares (38.98%) are free-floating shares on the market. As at 31 December 2021, the shareholder S.G.G. Holding S.p.A. holds 51.15% of the voting rights (percentage

calculated considering both the increase in voting rights accrued by 5,018,486 ordinary shares held by S.G.G. Holding S.p.A., and the voting rights of treasury shares held by SAES Getters S.p.A.).

TAX COMPLIANCE

The Group is strongly committed to guaranteeing transparent business management that complies with the relevant regulations, including tax regulations, in line with its corporate values. To this end, the Group has adopted specific internal procedures, as well as tools such as the Code of Ethics, the Anti-Corruption Code and the Organisational, Management and Control Model in accordance with the requirements of Italian Legislative Decree 231/2001.

Within the SAES Group, the responsibility for the correct management of local and international taxation lies with the Group CFO, who avails himself of the support of tax consultants, both with regard to the performance of ordinary tax obligations, such as the calculation of taxes for the period and the preparation of tax returns, and with regard to advice on extraordinary tax issues, in order to ensure compliance with all tax obligations and fulfilments required by local and international tax regulations.

The Group CFO also coordinates the activities of the administrative/CFO managers of the subsidiaries, who in turn manage tax-related issues in line with the directives adopted by the Parent Company, and with the support of local specialists involved for this purpose.

The Group's tax management has always been based on principles of honesty and transparency with regard to the Financial Administrations of the countries in which it operates. Therefore, while keeping the tax burden under constant observation, the Group manages its tax planning in a transparent manner and always in compliance with the tax regulations in force. Precisely in compliance with this principle of transparency, should there be any uncertainty regarding the correct tax treatment of certain items in the financial statements, the Group avails itself of the option granted by almost all tax laws to consult the tax authorities in advance, in order to obtain prior confirmation of the correctness of its actions.

Finally, in order to maintain a transparent relationship with its stakeholders, the Group schedules a Q&A session during the shareholders' meeting, which may also cover these issues.

INVESTOR RELATIONS

The creation of value for shareholders also requires transparent and fair relations with the financial community, which for the Group is an important element in the process of business management and development.

Meetings and conference calls were organised during the Financial Year 2021 (primarily digital, due to the restrictions imposed by the Covid-19 pandemic) for the purpose of providing periodic financial-economic information.

In the year 2021 the company attended the Virtual STAR Conference 2021 – Spring Edition and Virtual STAR Conference – Fall Edition, both organised online by Borsa Italiana S.p.A., on 25 March 2021 and 13 October 2021 respectively. For this financial year, the Euronext STAR Conference 2022 is scheduled for Wednesday,

23 March 2022 with physical attendance, unless the evolution of the public health scenario does not allow safely carrying out the conference in person.

Also in the year 2021, the company also attended the Mid & Small Virtual Spring Event on 15 May 2021, promoted by VirgilioLab S.r.l. and sponsored by Banca Akros.

As confirmation of the transparency and importance that the Group gives to external communications, 18 press releases were issued during the year in addition to regular financial reporting and presentations. Presentations to the financial community, corporate documents, press releases and all information concerning the Group are available on the Investor Relations section of the website: www.saesgetters.com, both in Italian and English. Shareholders' Meeting documents, the Code of Ethics and the contacts of analysts following the stock are also available.

BRAND IDENTITY AND REPUTATION

The perception and activities aimed at strengthening the Brand have and will be increasingly important for the Group.

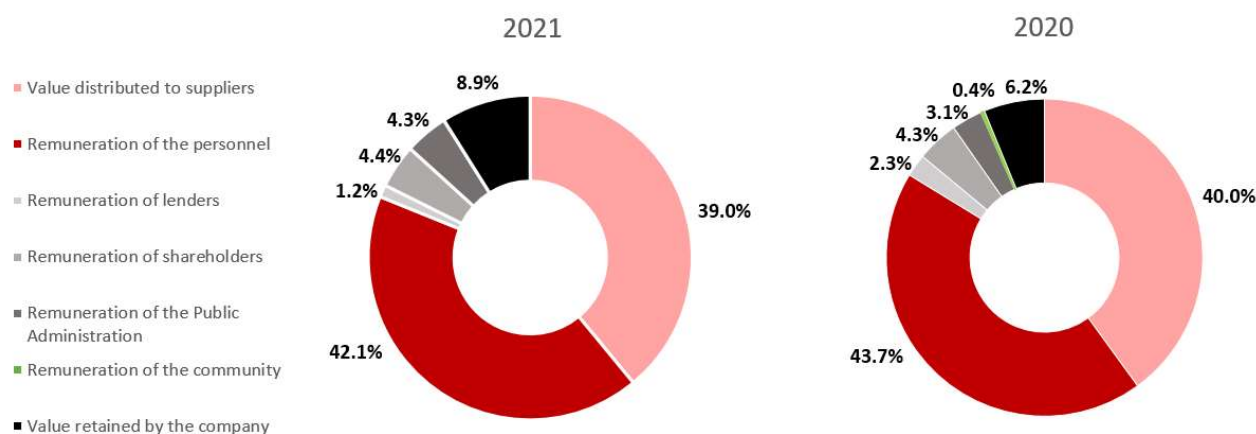
In fact, SAES's focus is growing in terms of resources dedicated to them in order to foster a greater understanding of the role of the Brand and Reputation in current and future terms by its stakeholders. This need also derives from the evolutions imposed by the market and from the necessary and ever-increasing focus on interactions with markets, customers and stakeholders, which consider issues such as sustainability - which have always been at the basis of SAES culture - topics that have and will play an increasingly central role in the Group's image.

To this end, SAES is committed to implementing concrete actions to consolidate its reputation both in the field of quality of the products manufactured and in the field of sustainability, in order to increase the attractiveness in the selection of new highly qualified personnel and to act more and more effectively in the relationships with customers and suppliers.

2.2 Generated and distributed economic value

The creation and distribution of value for its stakeholders is a constant commitment of the SAES Group. The following chart represents the wealth produced by the Group and distributed among stakeholders in the following manner: **value distributed to suppliers** (reclassified operating expenses), **remuneration of personnel** (direct remuneration consisting of wages, salaries, employee severance indemnity and indirect remuneration consisting of social security contributions), **remuneration of lenders** (interest expense), **remuneration of shareholders** (distributed dividends), **remuneration of the Public Administration** (total taxes paid). The **value retained by the SAES Group** is represented by the result for the year net of the profits distributed to the shareholders.

DISTRIBUTION OF THE VALUE GENERATED BY THE SAES GROUP¹²



The generation and distribution of the economic value created by the SAES Group are calculated on the basis of the results of the year closed at 31 December 2021. The **economic value generated** by the SAES Group in 2021, net of reclassified costs, amounted to approximately **Euro 195 million**. Most of this value is represented by the **remuneration of personnel (approximately Euro 82 million**, compared to approximately Euro 76 million in 2020), followed by the **remuneration of suppliers (approximately Euro 76 million**, slightly lower than the figure for 2020, which was around Euro 70 million). The **remuneration of the Public Administration** amounted to approximately **Euro 8 million** (up compared to 2020, equal to approximately Euro 5 million), while the **remuneration of lenders** amounted to approximately **Euro 2 million** (in decrease compared to 2020). The **value retained by the Company** was approximately **Euro 17 million** (significantly up from the 2020 figure of Euro 11 million). In 2021 the **remuneration of the shareholders** was **approximately Euro 8 million**¹³, up from the Euro 7 million of 2020, while the **Community remuneration** was Euro 27 thousand, down from 2020, a year in which donations by the Parent Company to communities were particularly significant (698 thousand euros) for the fight against the Covid-19 pandemic.

2.3 EU taxonomy (EU Reg. 2020/852 and related Delegated Regulations)

With reference to the contents of the Paris Climate Agreement of 2015 and the 17 Sustainable Development Goals of the United Nations 2030 Agenda, the European Union has decided to develop an ambitious strategic pathway leading to a transition towards more sustainable economic models. To this end, investments in sustainable assets and activities are promoted through the use of public and private resources.

¹² For the purposes of graphical representation, the non-significance of the value of the Community remuneration for 2021 implies that this item is not represented in the 2021 graph. For details, refer to the table "201-1 Schedule of distribution of economic value generated by the SAES Group" in the attachments section.

¹³ The share of the shareholder remuneration corresponds to the allocation of net profit for the year as a dividend that the Parent Company's Board of Directors will propose to the Shareholders' Meeting.

In this context, starting from the action plan on sustainable finance adopted in 2018 by the European Commission, (EU) Regulation 2020/852 (hereinafter "the Taxonomy Regulation") is part of the system which defines the criteria for determining whether an economic activity can be considered eco-sustainable and to be able to identify, consequently, the degree of eco-sustainability of an investment associated therewith. In particular, the Taxonomy Regulation classifies economic activities that can be potentially aligned with the six environmental objectives defined by the European Union:

1. **Climate change mitigation**
2. **Climate change adaptation**
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Prevention and reduction of pollution
6. Protection and restoration of biodiversity and ecosystems

The regulation has currently only defined technical screening criteria for the first two objectives, and financial and non-financial companies falling within the scope of the Regulation must respect them.

The SAES Group is therefore required to communicate the extent to which its revenues, capital expenditures (Capex) and operating expenditures (Opex) are considered "eligible" with respect to the criteria defined by the Regulation and its interpretative documents related to climate change mitigation and adaptation objectives.

In line with this request, the SAES Group has developed a process related to the NFS reporting scope, which started by examining the Taxonomy Regulation and the Delegated Acts and verifying the inclusion of its economic activity in the list of activities reported in the annexes of the Delegated Act, also in relation to the interpretative clarifications provided by the European Commission in the form of "Q&A" in December 2021 and February 2022¹⁴. Having ascertained the non-eligibility of the SAES Group's business activities in the Taxonomy, it was concluded that the share of turnover from products or services associated with business activities considered "eligible" under the criteria of the Taxonomy Regulation are estimated at zero. Subsequently, in line with Assonime's recommendations, which state that "companies operating in sectors excluded from the taxonomy may indicate the expenses for the purchase of products of other activities as aligned with the taxonomy", the share of capital expenditure (Capex) and operating expenditure (Opex) linked to processes associated with eco-sustainable economic activities was verified. Taking a conservative approach in the analysis, it was concluded that investments related to taxonomy-aligned assets for the year 2021 were also estimated at zero.

	2021 Eligible quota	2021 Non-eligible quota
Revenues	0%	100%
Capex	0%	100%
Opex	0%	100%

¹⁴ "Draft Commission notice on the interpretation of certain legal provisions of the Disclosures Delegated Act under Article 8 of EU Taxonomy Regulation on the reporting of eligible economic activities and assets", published on 2 February 2022

The information provided in this section is therefore to be considered preliminary, also in consideration of the expected publication of the reference technical regulations for the additional environmental objectives defined by Art. 9 of the Taxonomy Regulation, as well as the intervention of further evolutions in its interpretation, which could lead to substantial changes in the assessments and process of calculating the KPIs for the next reporting year.

2.4 The supply chain of the SAES Group

All procurement and distribution activities for the SAES product portfolio are based on the essential research and development activities that characterise the Group's technological offer.

Only after defining the specific technological solution for its customers does the Group procure the raw materials, semi-finished products and finished products to make the requested product and distribute it to its customers.

FROM PRODUCT RESEARCH AND DEVELOPMENT TO DELIVERY TO GROUP CUSTOMERS



To carry out its activities, the SAES Group collaborates with its suppliers to obtain the best products and essential services for maintaining high standards of excellence.

In fact, on 18 July 2019 the Board of Directors approved the SAES Group Supplier Code of Conduct.

The Group Supplier Code of Conduct has the aim of expressing the values that inspire the Group in the behavioural principles that should guide the action of the suppliers themselves in the context of their business, with particular reference to the protection of human rights and respect for the environment. This Code is intended for all the direct suppliers of the SAES Group, who, in turn, are encouraged to share it and encourage its application by their suppliers, promoting the overall sustainability of their supply chain. The aim is therefore to generate long-term economic, social and environmental value for all the stakeholders involved.

RESPONSIBLE SALES MANAGEMENT

In order to prevent and manage possible situations of risk, the Group has implemented specific rules regarding the sale of its own products with new business partners.

When acquiring a new customer, the Group has special procedures both in case of calls for tenders with Public Administration Bodies and with private individuals.

In particular, in the event that the Group interfaces with a potential distributor of products, a Due Diligence process involving reputational surveys and assessment of the counterparty's reliability based on financial, commercial and solvency information is envisaged. Moreover, the Customer Relations Management Office may request/collect and analyse specific documentation according to the type of distributor, such as, for example, to identify whether the countries that the distributor supplies are at risk of terrorism, the UIF reference lists or in the case of Italian distributors, the anti-mafia declaration.

The Group's four main categories of purchases range from raw materials and semi-finished products to support services for business activities. In particular, to confirm the strong drive for innovation, the expenditure for the protection of intellectual property - a decisive *asset* of the SAES Group - is significant.

NUMBER OF SUPPLIERS AND TOTAL EXPENDITURE BY CATEGORY OF PURCHASES

Product segment	2021		2020	
	No. of Suppliers	Value of total annual expenditure [€]	No. of Suppliers	Value of total annual expenditure [€]
1) Raw materials, semi-finished and finished products, outsourced work	702	35,258,794	559	27,249,115
2) Utilities, facilities, canteen, clothing, services, rentals, fairs, events, marketing, travels, books, printed matter	1,744	37,993,725	1,569	28,458,905
3) Consultancy	247	5,605,967	220	6,117,010
4) Patent expenses	14	985,006	10	768,024
Total	2,707	79,843,492	2,358	62,593,054

DISTRIBUTION OF SUPPLIERS BY GEOGRAPHICAL AREA¹⁵



In order to contribute to the creation of value in the local communities where the Group operates, SAES Getters focuses on the purchase of goods and services from local suppliers. In particular, **72%** of the Group's total purchases are made locally.

In particular, the entire expenditure made by the companies present in Asia is related to Asian suppliers, 84.9% of the purchases of USA companies refer to suppliers in the USA ¹⁶and finally, 64.1% of the expenditure in Europe is focused on European suppliers. In particular, 63.9% of purchases in Italy are focused on Italian suppliers.

PERCENTAGE OF EXPENDITURE CARRIED OUT ON LOCAL SUPPLIERS IN 2021 AND 2020

Geographical area	Percentage of expenditure on 2021 local suppliers	Percentage of expenditure on 2020 local suppliers
Europe	64.1%	70.5%
USA	84.9%	99.5%
Asia	100.0%	100.0%
Group	72.0%	82.8%

¹⁵ For the purposes of graphic representation, the small number of suppliers from North Africa, Australia and the Middle East implies that these geographical areas have a percentage weight of zero and are therefore not represented herein. For details, see the table in the annexes.

¹⁶ It should be noted that in the case of the geographical area USA, purchases from suppliers in Canada were considered local purchases.

COMBATING THE USE OF CONFLICT MINERALS

"Conflict minerals" refers to metals such as gold, coltan, cassiterite, wolframite, and their derivatives such as tantalum, tin, and tungsten from the Democratic Republic of Congo (DRC) or neighboring countries. These minerals are subject to international regulations, including Section 1502 of the Dodd-Frank Act, a 2010 U.S. federal law, and the European Union's Conflict Minerals Regulation, EU 2017/821, which discourage their use because their trade could fund conflicts in Central Africa, where there are serious human rights violations. The SAES Group, promoting the full protection of human rights also in its supply chain, as enshrined in the Group Conflict Mineral and Cobalt Policy, updated in 2020 in order to extend the scope of monitoring also to Cobalt purchases, in the Group Code of Ethics and in the Suppliers' Code of Conduct, does not purchase minerals directly from conflict zones and requires its suppliers to declare, through internationally recognised formats, for supplies destined for the Group, the presence and origin of metals, in order to verify their possible origin from countries at risk.

In case of lack of response, even after reminder, the supply is interrupted also on the part of consolidated suppliers.

SUPPLIERS ASKED TO COMPLETE QUESTIONNAIRES ON CONFLICT MINERALS IN 2021 AND 2020

Geographical area ¹⁷	2021			2020		
	Conflict Minerals compliant suppliers	Total suppliers ¹⁸	%	Conflict Minerals compliant suppliers	Total suppliers ¹⁹	%
Europe	3	538	0.6	4	404	1.0
USA	6	163	3.7	1	154	0.6

¹⁷ The geographical area refers to the region to which the Group company that requested its suppliers to fill in the questionnaires on conflict minerals belongs. It should be noted that, in both 2021 and 2020, the companies in the Europe geographical area that have asked their suppliers to fill in the questionnaires on conflict minerals are Italian companies.

¹⁸ and ¹⁹ It should be noted that the number of total suppliers refers to the category "Raw materials, semi-finished and finished products, external processing", of SAES Group companies based in Europe and the United States respectively.

3. Technology at the service of innovation

Material aspects	Description	Sustainability risk factors	Management Procedures (MP)
SAFETY AND QUALITY OF PRODUCTS	Production and sale of high quality products through actions aimed at improving the performance, durability and safety of the products manufactured.	<ul style="list-style-type: none"> - Compliance with specific product standards and/or standards requested by the Customer and with law regulations. 	The Group pursues the objective of continuously improving the quality and safety of its products by adopting the most advanced technological solutions.
RESEARCH, DEVELOPMENT AND INNOVATION ACTIVITIES	Research and Development activities aimed at designing products with high technological content with a special attention to innovative solutions and sustainable applications capable of generating positive externalities for the environment, society and customers; the theme includes the implementation of eco-design criteria and the use of cutting-edge technologies, patents and know-how.	<ul style="list-style-type: none"> - Adequacy of the product research and development process - Retention and attraction of talents and highly qualified personnel - Product innovation - Investments in research & development 	The Group continuously supports and implements research and innovation initiatives, paying particular attention to the hiring of highly qualified personnel.
CIRCULAR ECONOMY AND PRODUCTS WITH LOWER ENVIRONMENTAL IMPACT	The promotion of principles, practices and processes that minimise or eliminate the negative environmental impacts of products during their life cycle, operating methods that comply with the most advanced green purchasing policies, the development of packaging products that enable the reduction of plastic use, through the reduction of thickness and composting of food packaging.	<ul style="list-style-type: none"> - Compliance with existing guidelines and/or regulations (e.g., food contact and recycling/composting packaging) - Affirmation of technological alternatives with competitive characteristics - Product innovation - Research and development of new technologies with improved resource utilisation performance - Efficient use of resources by giving new life to used materials and resources - Evolution of customers' green purchasing policies 	The Group supports and implements research and innovation activities aimed at introducing materials and processes in line with the principles of the circular economy and with the guidelines of the sector. The Group, in particular the company Saes Coated Films, develops packaging that enables the extension of the shelf life of food products through the use of sustainable materials such as paper and bioplastics. The document "Guidelines for the use of safer chemicals in SAES Group products and processes" is constantly updated to include developments in the most advanced green purchasing policies of customers.

<p>CUSTOMER SATISFACTION</p>	<p>Monitoring of the level of customer satisfaction and implementation of a customer relation management system capable of providing indications for the development and improvement of the design, implementation and marketing of products.</p>	<ul style="list-style-type: none"> - Adequate structure of the process for obtaining customer feedback - Adoption of adequate data collection tools 	<p>The innovation in production processes is closely related to the supply of cutting-edge products. The Group monitors and collects complaints relating to any problems found by its customers, paying full attention in listening to and promptly resolving any problems.</p>
<p>DATA SECURITY AND CYBERSECURITY</p>	<p>Protection of sensitive data processed by the Group and attention to the issue of information security in business activities with particular regard to employees, customers and documents of strategic importance for business development such as: patents, know-how, research, innovative projects.</p>	<p>Failure to comply with security and privacy regulations and related intrusions into information systems that endanger information and data.</p>	<p>The Group takes all the necessary precautions to minimise the risks inherent in the services offered, implementing and adopting the best security standards and also turning its attention to the market in order to identify the appropriate tools to protect the technological structure. At the Italian level, security guidelines are formalised within a documental framework that provides methodologies and management standards aligned with quality and compliance requirements in relation to different operational areas and risk sources:</p> <ul style="list-style-type: none"> - information security (ISO/IEC 2700x); - business continuity (ISO 27031:2011 and ISO 22301:2012); - GDPR – New European Privacy Regulation;








HIGHLIGHTS

 2 13485 certified production facilities	About 300 inventions over the last 70 years
2 IATF 16949 certified production facilities	 440 registered patents in Europe, Asia and U.S.A.
	More than 200 technical articles published in journals and conference papers

3.1 Customers and markets served

Over time, the SAES Group has become a world leader in hi-tech solutions for scientific and industrial applications requiring vacuum conditions, shape memory products and functional polymeric compounds. The Group has developed a high level of know-how in the engineering of components and systems by offering a vast amount of innovative solutions to approximately 1,206 customers in 2021 in approximately 54 different countries. The Group develops and customises the functions of the materials according to the requests of its customers, such as: blue chips, start-ups, universities and research centres, using a vertical approach in production: from raw materials to the finished product, capable of meeting the specific requirements of each customer.

THE MAIN MARKETS SERVED BY THE SAES GROUP

 Healthcare	 Automotive
 Consumer Electronics	 Scientific research areas
 Advanced Packaging	 Other industrial
 Security e defense	

TECHNOLOGY IS OUR PRODUCT: SOLUTIONS FOR EVERY NEED

THE MAIN FUNCTIONS OF OUR PRODUCTS



It should be noted that thanks to the Group's business model articulated on different market segments, some sectors of the company have been able to help in the fight against the pandemic crisis, such as the getters for thermo scanners that thanks to the skills developed in micro fluidics won the order for the construction of machines for rapid tests of Covid-19.



Actuate: moving parts of different mechanical devices and equipment

Recover: return to the stored shape of a device, recovering it even after large deformations

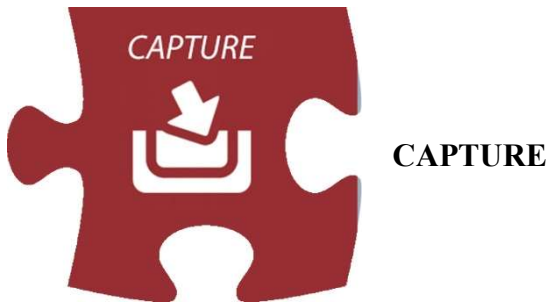
Shape Memory Alloys (SMA) are special materials that by their nature have two very special characteristics:

- the ability to return to their original shape even after considerable deformation (shape memory);
- considerable resistance to breakage under stress (super-elasticity).

Nitinol is one of the materials that presents these two characteristics and the SAES Group has been engaged for years in the development and production of this innovative alloy and the products made with it, ensuring internal control of the entire production chain: from alloy casting to finished components.

The exploitation of Nitinol's super elasticity property, together with its proven biocompatibility, is primarily used in medical applications, minimally invasive surgery and self-expanding medical devices such as aortic stents or heart valves, while shape memory is primarily used in actuators in industrial applications.

The latter can be used where closing, opening or regulating actions are required, such as in thermo valves, thermostatic actuators or dosing systems. Thanks to their compactness, silent movement and light weight, they are particularly appreciated in sectors such as automotive, home automation and consumer electronics.



Capture: absorb and capture steam and gaseous elements inside hermetically sealed devices

The getter materials of the SAES Group are able, through a chemical reaction, to capture molecules of active gases such as oxygen, carbon dioxide, nitrogen, etc. in hermetically sealed devices, thus making it possible to improve and maintain the vacuum level required inside them.

The main families of metallic getters are shown below:

- **Getter Film** – application of getter technology in small devices due to their reduced thickness and customised mouldability on different substrates. For example, the main uses are image intensifiers and photomultipliers, gyroscopes and other micro devices (MEMS -Micro Electro-Mechanical Systems).
- **Hydrogen Getter** – solutions applicable to cryogenic tanks for storage of liquid gases, vacuum insulated cryogenic tubes, small-volume dewars and hermetic storage containers for hydrogen-sensitive products.
- **Non evaporable getters (NEG)**– the dimensional constraints of the devices that need to maintain the vacuum, the special process temperature conditions, the need for capacity or rate of gas absorption at different temperatures etc. have led to the development of a variety of getter alloys and components, with different sizes and configurations, used in devices ranging from lamps, X-ray tubes, solar collectors, sensors, insulated panels and much more.



DISSIPATE

Dissipate: managing heat transfer and dissipation

Components in sintered materials allow good heat dissipation, a factor of great importance in small or very sophisticated devices. These components (cathode bases and special filaments) are used in the production of gas lasers, high brightness LEDs, microwave power amplifiers for radar transmitters, medical X-ray therapy, photovoltaics, etc.



PROTECT & SEAL

Protect and seal: apply highly innovative materials to absorb gas or seal

The SAES Group provides innovative materials and solutions for the flexible packaging of products and devices in which the management of the composition of the atmosphere in contact with the product is essential for durability and correct operation. Through a solid technological base, the Group provides advanced functional chemical composites that enable it to capture water vapour, oxygen and other harmful gases and contaminants at the right time.

These materials are used in sectors ranging from food packaging, to home & personal care, nutraceuticals, the pharmaceutical industry up to consumer electronics.



RELEASE

Release: emit, weigh out and deposit controlled quantities and qualities of metallic vapours, gases

The Group produces components and devices capable of releasing small doses of metallic vapours for specific applications. The products of this division include certain types of **getters** and **dispensers** capable of emitting, distributing and depositing precise quantities of metal or gas vapour, such as mercury, alkaline metals and oxygen.

Some products are also designed to ensure the emission of a stable, constant and controlled electron current necessary for the operation of some electronic devices.

The main applications for these products are in electronic and photonic devices, sensors and fluorescent lamps.



VACUUM

Vacuum: Obtain and maintain vacuum, high or ultra-high vacuum in a specific volume or chamber

The SAES Group pumps, based on getter materials, are able to create very high **vacuum** conditions in particle accelerators and advanced analytical equipment, where space constraints limit the adoption of vacuum technologies other than getter technologies. The most important fields of use concern analytical instrumentation, vacuum systems and particle accelerators.

Other less sophisticated products are also used in vacuum thermal insulation solutions.

3.2 Innovation, research and development

For more than 70 years, the Group's research method has been distinguished by continued success. SAES' method combines a market-pull and a technology-push approach, capturing all market needs and continuously creating value through research, thanks to the deep knowledge about customers' needs and to the important relationships with research institutes and other key players such as customers, partners and suppliers.

The technological diversification that the Group proposes, both from a production point of view and in the different sectors served, is the result of a precise strategic choice, aimed at consolidating its leadership position in the high-tech products market. In fact, 116 Group employees and temporary workers (about **11%** of the total), in line with 2020, are employed in R&D activities. In this context, the Group protects:

- the intellectual property of strategic importance;
- the selection of qualified personnel with the necessary know-how;
- the updating of design and production technologies.

The Corporate Research & Development area, in synergy with the other Companies of the Group, invests in the development of the most functional and specific technical aspects for the various subsidiaries, constantly involving the partners present at a global level. To support the strong drive for innovation, in 2021 the Group dedicated Euro 11,704 thousand to R&D activities, equal in percentage terms to approximately 6.2% of consolidated net turnover.

The results of this approach have allowed the Group to achieve significant results with more than **300 inventions** developed in about **70 years** of activity, and the average in the last five-year period is about **8-10 inventions** per year protected by the registration of patent applications.

The SAES Group's ability to innovate is also demonstrated by the number of patents that the Group has filed:

NUMBER OF PATENTS REGISTERED BY THE SAES GROUP BY GEOGRAPHICAL AREA (1999 - 2021)²⁰

Geographical Area	Number of registered patents
Europe	101
China	91
Japan	76
Korea	64
USA	108
Total	440

²⁰ The data refer to patents granted with legal status in force (i.e., patents granted but abandoned or expired are excluded).

Since the fifties, the Group has linked its commercial success to the ability to continuously innovate, developing its products according to customer requirements and courageously entering cutting-edge sectors. During its history, the SAES Group perfected a series of patents that have become real milestones for the development and identity that the Group still holds today. These include patents that contributed to the development of gas purification applications in the eighties and metal alloys dedicated to advanced applications in the nineties and, more recently, innovative pumps for Ultra High Vacuum systems.

Today, the SAES Group can count on a broad technological portfolio, developed over decades of research and know-how transfers, which actively supports a large number of high-tech applications and new products.

It should be noted, however, that the pandemic due to Covid-19 also negatively impacted the performance of some innovative activities this year, as travel and joint activities with customers, which are necessary for the introduction of innovative products on the market, were limited.

The slowdown in operating activities has, however, provided an opportunity to rethink some of the Group's strategic processes, including the process of innovation, which has always been the primary driver of growth, and to better focus on the growth strategy of certain sectors.

SAFETY AND QUALITY OF PRODUCTS

The Group carries out analyses and provides health and safety assessments of its products. All the products manufactured are labelled in accordance with current regulations. These are then in accordance with the Safety Data Sheets (SDS) issued at the head office in the language of the country of use, in compliance with the local laws of the areas of use and production, and in particular with the REACH regulation in EU. The Group also adopts a restrictive policy regarding the use of hazardous substances in its products and production processes and promotes green design (Design for Environment methodology). A careful analysis of possible safety impacts on designed and manufactured products is also carried out.

QUALITY MANAGEMENT OF PRODUCTION PROCESSES

The presence of certifications attesting the Group's commitment to implementing a quality management system is considered a fundamental element in the SAES Group strategy. With regard to the quality of its production processes, in addition to ISO 9001 certification, the Group can boast:

- **IATF 16949 Certification** for products based on shape memory alloys for the automotive sector, in the Lainate and Avezzano plants;
- **ISO 13485 Certification** for Nitinol-based products for use in medical devices at the factories of Memry Corp.

CUSTOMER CARE: MANAGING COMPLAINTS

Customer care and complaint handling are areas that the SAES Group supervises and manages on a daily basis with care. The marketing department directly manages the reports that are subsequently included in the online platform Customer Support Application: this tool makes it possible to manage all the steps of the process for checking and solving complaints. The Quality department manages the reports, carrying out analyses and issuing any technical report in case of need. During 2021, 352 complaints were handled, up 6% from 2020. There were no complaints relating to mandatory or legislative requirements and there were no reports from customers of returns from the field due to SAES products.

CIRCULAR ECONOMY AND PRODUCTS WITH LOWER ENVIRONMENTAL IMPACT

The circular economy aims to minimise waste generation and keep the value of products, materials and resources circulating. The management of materials is now responsible for more than 50% of greenhouse gas emissions²¹ and a proposed mitigation strategy at European level is the innovation and design of materials according to eco-design criteria, which take into account their entire life cycle.

In alignment with the European Strategy for Plastics in the Circular Economy, SAES Coated Films manufactures and promotes recyclable or compostable flexible packaging solutions that can replace, with equal performance, applications that, due to their inherent structural limitations, cannot be recycled with today's technologies.

Flexible packaging is inherently advantageous in terms of efficiency and light weight and can generate 45-55% less waste²² than rigid packaging. However, 20% of flexible packaging²³ in Europe today is not recyclable, because it consists of a heterogeneous and inseparable combination of different plastics, which is necessary to ensure certain mechanical and barrier properties. SAES Coated Films offers on the market innovative packaging films, which concentrate high barrier properties in very limited thicknesses, thus enabling simple and functional flexible packaging structures designed for recyclability or compostability. Thanks to the proprietary Coathink® technology, a water-based lacquer deposition system, SAES films are functionalised to protect the shelf life of food products, preserving quality and freshness and contributing to the prevention of food waste. SAES lacquers, obtained with patented and proprietary formulations, are deposited on the surface of plastics or biomaterials in very thin surface layers that, due to their nature and quantity, do not interfere with the film recycling process. Coathink® enables the possibility to redesign the packaging taking into consideration the objective to guarantee, after the end of its life cycle, the regeneration and the quality of new second raw material (intended as the result of material obtained from the recycling process): recycled plastic to be used for a second life, or compost, to be used as agricultural fertiliser.

²¹ Implementing Circular Economy Globally Makes Paris Targets Achievable” | Report by Ecofys and Circle Economy (2016)

²² Flexible Packaging Market in Europe 2018-2022” | Technavio (2018)

²³ Flexible Packaging Market Global Outlook and Forecast 2019-2024” | Arizton (2019)

DATA SECURITY AND CYBERSECURITY

IT security is of paramount importance for the proper delivery of services. The Group takes all the necessary precautions to minimise the risks inherent in the services offered, implementing and adopting the best security standards and also turning its attention to the market in order to identify the appropriate tools to protect the technological structure. At the Italian level, security guidelines are formalised within a documental framework that provides methodologies and management standards aligned with quality and compliance requirements in relation to different operational areas and risk sources:

- information security (ISO/IEC 2700x);
- business continuity (ISO 27031:2011 and ISO 22301:2012);
- GDPR – New European Privacy Regulation;

Thanks to the organisational, procedural and technological measures taken in 2021 as well, work was carried out on:

- strengthening of IT information governance through the activation of monitoring mechanisms;
- implementation of actions to strengthen the technological infrastructure and increase the overall security and resilience of information systems;
- staff training programmes on cybersecurity.

The IT security objectives aimed at mitigating the risks inherent in the confidentiality, integrity and availability of information are defined internally by the Information System department, which has the objective of continuing to build an even more solid defensive model to better face the evolution of threats and safeguard the confidentiality, integrity and availability of the company's information assets, thus raising the company's security levels.

In order to protect personal data, further security and control measures are ensured which, also in implementation of the regulatory provisions dictated by the Privacy Guarantor, allow the tracing of logs coming from network systems and equipment for the identification of anomalies and malicious events in a rapid and effective manner, allowing these to be managed before they can materialise into real security attacks that could lead to a data breach.

It should be noted that there were no substantiated privacy breach and data loss complaints during 2021, where a substantiated complaint is defined as a written notice from the Authorities or a similar public oversight body to the organisation identifying privacy violations or a complaint made to the organisation that has been found to be legitimate by the organisation.

Governance relating to the protection of privacy and information security provides for further initiatives during the year, aimed at protecting the Company's information assets and complying with international standards of data security, confidentiality, integrity and availability.

4. The people of the SAES Group

Material aspects	Description	Sustainability risk factors	Management Procedures (MP)
HUMAN CAPITAL MANAGEMENT AND EMPLOYEE DEVELOPMENT	<p>Professional growth and retention of talents; development and training activities aimed at strengthening the technical, managerial and organisational skills of employees and consolidating the professionalism required by the covered role.</p> <p>Plans and actions aimed at attracting qualified and specialised personnel with specific technical skills related to the Group's business activities.</p> <p>Development of a constructive dialogue with the trade unions.</p>	<ul style="list-style-type: none"> - Adequacy of the recruitment process - Retention and attraction of talents - Adequacy of personnel development and training plans - Adequacy of agreements and relations with trade union representatives and other labour organisations 	<p>The SAES Group is committed to defining professional growth objectives for all its employees, recognising the achieved merits and goals.</p> <p>The Group supports and encourages the carrying out of training and growth activities for all employees by encouraging the involvement and sharing of the Group's growth objectives among all employees.</p> <p>The Group is committed to establishing constructive and responsible relations with trade unions in order to develop a positive dialogue.</p> <p>The Group has adopted an HR Global Policy by which it defines the fundamental principles to which the Group aspires for the promotion of an optimal workplace and professional growth within all Group companies, in compliance with human rights and the promotion of diversity.</p>
EMPLOYEE WELL-BEING	<p>Policies, benefits (economic and non-economic), actions to improve the well-being of employees and to create a comfortable working environment that meets the requirements and expectations of employees.</p>	<ul style="list-style-type: none"> - Adequacy of welfare policies and convergence with regard to the personnel requirements and expectations 	<p>The Group is committed to reconciling the working and personal lives of its employees. The SAES Group encourages the development of policies, projects and benefits that can contribute to meeting the expectations and requirements of employees.</p>
OCCUPATIONAL HEALTH AND SAFETY	<p>Development of practices and programmes to promote safety in the workplace; promotion of specific training on health and safety of employees, monitoring and prevention of workplace injuries in order to reduce their number.</p>	<ul style="list-style-type: none"> - Compliance with regulations on health and safety at work - Protection of workers' health - Adequacy of investments and training plans in health and safety matters 	<p>The Group is committed to reducing the number of injuries by engaging itself in improving the working environment and reducing the personnel absences.</p>

<p>DIVERSITY & INCLUSION</p>	<p>Policies and programmes that aim to protect and ensure the promotion of diversity, inclusion and equal treatment within the Group.</p>	<ul style="list-style-type: none"> - Respect and promotion of diversity - Pay equity between men and women at the same professional level - The occurrence of cases of discrimination 	<p>The Group condemns all forms of discrimination, both internal and external, and is committed to ensuring that all decisions relating to its employees are considered while taking into account the skills, knowledge and work performance of each, without any differentiation based on age, gender, sexual orientation, health, race, nationality, religious beliefs and political opinions.</p>
---	---	--	--

HIGHLIGHTS



1,101 Group employees as at 31 December 2021

7 average hours of training per capita



89% of senior manager are employed in their country of origin

4.1 Our people

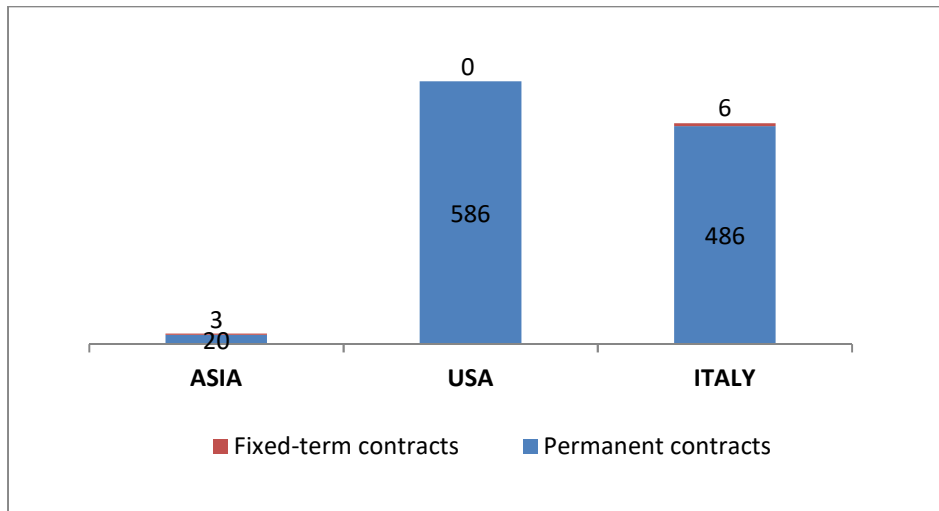
The SAES Group considers the management of its human resources to be of paramount importance as a key factor for the company's success. For this reason, the Group is active in the implementation of policies that can enhance the contribution provided by employees, developing their potential and, at the same time, the skills that can bring added value to the organisation.

As at 31 December 2021, the Group's total workforce amounted to **1,101** people, 11% increase over 2020 (995 employees). The increase in the number of employees relates, in particular, to Group companies based in the United States (+12%) and Italy (+10%, mainly due to the acquisition of the company Strumenti Scientifici Cinel)²⁴.

The Group headcount is largely concentrated in the USA (**53%**) and Italy (**45%**). The remaining portion (**2%**) is employed in the offices located in Korea, China, Taiwan and Japan, hereinafter referred to as “Asia”.

²⁴ For the purposes of data comparability, it should be noted that the figure for 2021 also includes 34 employees relating to the company Strumenti Scientifici Cinel S.r.l, which entered the reporting perimeter for the period July 1, 2021 - December 31, 2021.

DISTRIBUTION OF EMPLOYEES BY GEOGRAPHICAL AREA AS AT 31 December 2021²⁵



The SAES Group strongly believes in the professionalism of its employees. As a demonstration of the Group's desire to create strong and long-lasting professional relations, in 2021, **99.2% of the total workforce** consisted of employees with **permanent²⁶** contracts.

As at 31 December 2021, the Group employed **64 temporary workers** (mainly contract workers), up compared to 58 temporary workers in the previous year. Furthermore, to support the commitment to developing new talent, as at 31 December 2021 **four interns** were employed in **internships/ work experience projects**.

Compared to the professional categories, **59% of employees** (655) fall under the **blue collar** category, one of the key roles for achieving the high quality standards of the SAES Group's products. **White collars** on the other hand, represent approximately **31%** of employees and, finally, the category of managers, which includes key executives and managers, corresponds to approximately **9%** of the total.

²⁵ It should be noted that the employees in Italy include the employees of SAES Getters S.p.A., Strumenti Scientifici Cinel S.r.l., SAES Getters International Luxembourg, SAES Coated Films S.p.A., Saes Getters S.p.A. Zweigniederlassung Deutschland, SAES Coated Films S.p.A. Zweigniederlassung Deutschland, which therefore coincide with the employees of the geographic area Europe. It should also be noted that the employees of the geographical area USA also include the employee of Memry Corporation-Germany Branch.

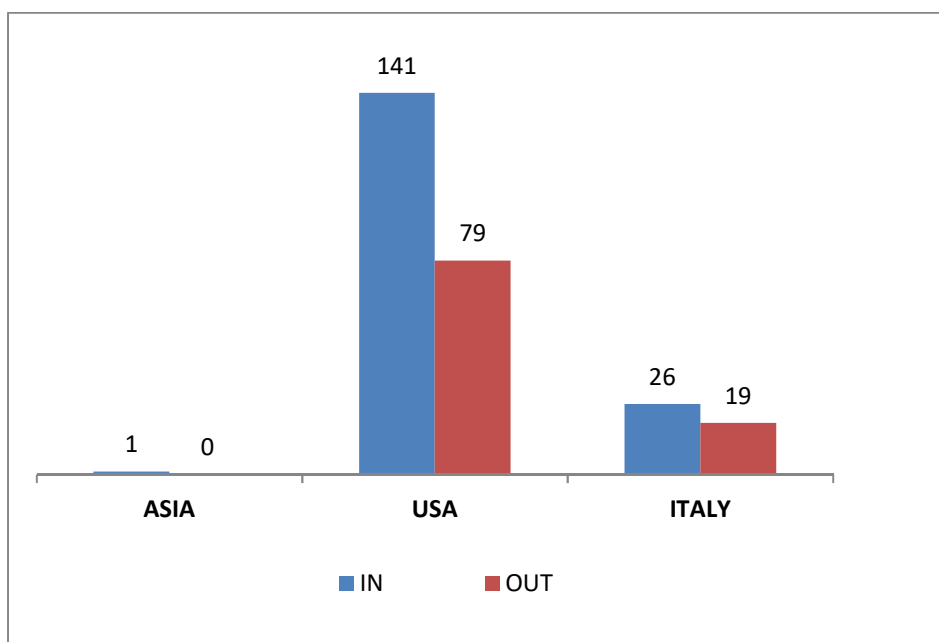
²⁶ Employees hired by SAES Getters USA, Inc. signed an at-will contract that, in the representation of the Group data, was classified as "permanent" because the contractual agreement does not establish a time limit for the employment relationship.

DISTRIBUTION OF EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

	As at 31 December 2021			As at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Managers	87	16	103	81	14	95
White Collars	226	117	343	211	107	318
Blue collars	450	205	655	403	179	582
Total	763	338	1,101	695	300	995

With regard to turnover within the Group, **168 new employees** were recruited in 2021, compared to **98 who left** the Group.

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WHO JOINED AND LEFT THE GROUP IN 2021



As a result of the hires made in 2021, the hires rate, i.e., the ratio between the number of hires and the total number of employees as at 31 December 2021, was equal to 15%, as can be seen in the following table.

HIRES AND HIRES RATE

	2021					2020				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Men	34	37	32	103	13%	38	25	16	79	11%
Women	22	26	17	65	19%	7	18	4	29	10%
Total	56	63	49	168	15%	45	43	20	108	11%
Rate	40%	13%	11%	15%		40%	9%	5%	11%	

Referring to the outgoing turnover rate, i.e., the ratio between the number of outgoing employees and the total number of employees as at 31 December, the value recorded in 2021 was 9%.

OUTGOING AND TURNOVER RATE

	2021					2020				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Men	16	24	29	69	9%	21	31	24	76	11%
Women	6	11	12	29	9%	3	13	8	24	8%
Total	22	35	41	98	9%	24	44	32	100	10%
Rate	16%	7%	9%	9%		21%	9%	8%	10%	

In all Group companies, minimum notice periods for significant operational changes in business, which could potentially have an impact on employees, comply with current laws and regulations and/or collective bargaining agreements, where applicable. As far as possible, the communications are in any case made within the envisaged times, also with better times than that which is laid down by the law, in line with the complexity of the changes to be made, in order to avoid jeopardising employee satisfaction and motivation.

4.2 Resource development and talent management

The SAES Group recognises the importance of developing and training its own resources so that they become the added value necessary to achieve a leadership position in the markets in which the Group operates. Since it is present in dynamic markets influenced by rapid technological changes, the SAES Group invests a lot of funds in research activities, which could not be carried out without the presence of highly qualified and constantly trained personnel.

The management and retention of human capital by management is therefore also guaranteed by the training activities provided for personnel development, which amounted to approximately **8,050 hours** in 2021 (6,618 in 2020), with a per capita average of approximately 7 hours, in line compared to 2020.

AVERAGE HOURS OF TRAINING PER EMPLOYEE BY GENDER AND EMPLOYMENT CATEGORY (2021)²⁷

	Men		Women		Total	
	No. of hours	Average hours	No. of hours	Average hours	No. of hours	Average hours
Managers	845	10	313	20	1,158	11
White Collars	2,725	12	1,530	13	4,255	12
Blue collars	1,976	4	661	3	2,637	4
Total	5,546	7	2,504	7	8,050	7

The importance of personnel training is certainly a milestone for the Group, in order to achieve excellence in the development and marketing of its products. In particular, technical training within the R&D Department is considered a strategic asset, because of the peculiarities and the innovation that characterise the products of the SAES Group. Also at a more general level, the Group objective is ensuring that all employees are qualified to perform their duties in order to guarantee the economic efficiency of processes, the product quality and to keep the relevant environmental and safety impacts under control.

Each department head annually identifies the specific training needs of staff on staff to achieve, maintain and improve adequate skills in the performance of assigned duties, taking into account any changes to business processes, the level of staff development, and the needs and expectations of internal and external customers.

Precisely because of this objective, despite the global health emergency situation that continued to affect the reporting year, the Group sought to give continuity to previous years in terms of training, proceeding, as in 2020, to modulate the training offer through Distance Learning with webinars and/or e-learning training.

²⁷ It should be noted that in reference to Memry Corporation and SAES Smart Materials, the training hours were estimated considering the average training for each employee.

The training activities covered topics deriving from technical-professional needs, needs linked to managerial skills as well as those relating to the health and safety of workers in line with the context created by the emergency pandemic situation.

The most significant initiatives undertaken during the year of reporting are the following:

- **Technical and compulsory training:** IATA updates, regulatory and role updates in the various departments, Privacy, Sustainable Procurement, 231 law, project management, design thinking, Mobility Manager training, Energy Management fundamentals;
- **Health and safety, quality and environmental training:** firefighting and first aid training, forklift trucks, safety training in Agile Working, high risk;
- **Language training:** English (in the Group's Italian offices);
- **Master's degree:** Executive MBA, several Master's degrees in Management for resources in Research and Development, Vacuum Technology Division and Strategic Innovation Office;
- **"Digital Booster" project** (at the Lainate and Milan sites): training began in 2020 and ended in the first half of 2021. The Parent Company's managerial staff were involved in the experimental agile work project at two specific times: D-Master - Mini Master on digital jobs (topics covered: digital business, digital marketing, advanced analytics, digital development, industry 4.0, new ways of working) and D-Mentoring, reverse mentoring of couples.

At the same time, an information/training course on basic digital issues (from Digital Business to Digital Development, from SEM and UXUI concepts to Social Media) was set up and completed in the first half of 2021, involving the office staff participating in the experimental Agile Work project.

In addition to the activities outlined above, and continuing with previous years, training for new employees was organised in all Group companies with the collaboration of each department, in compliance with national provisions and Covid-19 company policies through information, coaching and/or training sessions. The objective is also sharing company know-how with the company's youngest resources.

Furthermore, in order to respond to the increasingly predominant trend of digitalisation, the **"SAES Digital Academy" Project** was launched on an experimental basis for the Lainate/MI offices, a pilot project for the training area that involved the activation of an e-learning training platform. The aim is to provide an innovative training service that supports strengthening company performance, also thanks to the easy usability and updating of the platform itself. A training service is available in addition to typical face-to-face training (where possible) and/or webinars.

The digital platform allowed accessibility to various training contents, from compulsory training courses (e.g., GDPR, 231 organisational model) to training courses for the development/enhancement of managerial skills. This is a continuously evolving project that involves constantly monitoring platform functionality and satisfaction, as well as the enrichment of new content rather than digital themes.

Training activities relating to safety, prevention and quality, as well as technical, fiscal, legal, administrative and labour law updates, as well as training sessions for new recruits and continuing education are confirmed for 2022 as well.

Actions will also be dedicated to consolidating the professional skills and managerial abilities required by the role and therefore aimed at:

- forming a common vision on the theme of Open Innovation and on the new work procedures
- ensuring the development of technical and managerial skills, with a specific focus on issues emerging as priorities within the Divisions and in the CTIO and R&D Labs areas, SIO
- developing transversal and managerial skills through the definition and implementation of training courses on required topics such as Project Management, Team and Collaboration
- ensuring the updating of knowledge on legal issues, Intellectual Property, Economics, Automotive, Environment
- raising awareness and creating culture through Diversity & Inclusion initiatives, with the support of the associations *Valore D* and *Parks Liberi e Uguali*
- enriching and diversifying the Saes Digital Academy platform through both internal and external training initiatives aimed at ensuring the continuous improvement of professional skills.

In addition to training initiatives, a number of **support and professional development initiatives** were carried out in 2021, including:

- a 24/7 medical assistance service (DOC24) for the entire company population and their families
- an individual coaching service for managers with responsibility and team management roles.

The Group is committed to creating a merit-based and non-discriminatory working environment that is appropriate for the development and well-being of its employees.

In 2021, **95.2%** of workers **received regular evaluations of their performance** and are given **career development opportunities**. The continuous dialogue among the resources of the SAES Group contributes to the continuous improvement of the organisation.

EMPLOYEES RECEIVING A REGULAR PERFORMANCE AND CAREER EVALUATION (2021)

	Men		Women		Total	
	Men	Men %	Women	Women %	Total	Total %
Manager	84	96,6%	16	100%	100	97,1%
White Collars	212	93,8%	108	92,3%	320	93,3%
Blue Collars	431	95,8%	197	96,1%	628	95,9%
Totale	727	95,3%	321	95%	1,048	95,2%

INCENTIVES AND REMUNERATION

In order to attract, motivate and retain the resources having the qualities and professional skills (both technical and managerial) necessary to achieve corporate objectives, the SAES Group annually approves the “Remuneration Policy” which is defined in order to align the interests of top management with those of shareholders, which, by creating a strong identification with the company, pursue the challenging goal of creating sustainable value in the medium to long term.

For the reporting year, the remuneration package of executive directors and key management (meaning those resources that cover organisational roles relating to the planning, direction and control of the Group), is composed as follows:

- a gross annual fixed component (RAL), defined taking into account different factors, such as: labour market trends, the specific nature of the business in which the SAES Group works, the benchmarks of comparable companies, the role and relative responsibilities, length of service, competences, potential and career growth prospects of individual managers;
- a variable component divided into:
 - MBO (Management by Objectives) for the executive directors, which allows evaluating the recipient's performance on an annual basis, subject to the achievement of the “adjusted EBITDA” parameter; PfS (Partnership for Success) for managers and certain employees considered strategic, with annual disbursement, achievable based on the achievement of pre-defined business/role objectives.
 - LTI Plan (Long Term Incentive Plan), a deferred disbursement designed to retain and motivate key corporate resources and consequently allow the Company to enjoy greater organisational stability over the medium/long-term (3 years), linked to specific objectives contained in the three-year strategic plan.

This scheme has been supplemented by a Strategic Remuneration Plan based on a plan linked to the Transfer of Assets and a Phantom Shares plan, aimed at remunerating management based on the value created for the shareholders, while at the same time constituting a sort of career bonus, linked to the generation of value.

Furthermore, the so-called Assets Plan has the purpose of paying the beneficiaries (executive directors, officers with strategic responsibilities, members of the Corporate Management Committee and employees participating in the Partnership for Success project) in relation to extraordinary transactions, such as the transfer of shareholding assets (patents, fixed assets, assets) of the company or a business unit if value and economic benefits are created for the Company through such transactions.

The above incentive plan seeks to retain the beneficiaries and align their performance with corporate interests. The Plan is therefore a stand-alone incentive mechanism that considers the skills, seniority and experience of each recipient as added values in guiding and supporting the achievement of excellent strategic results.

The Phantom Shares Plan is instead proposed to incentivise managers (executive directors and strategic executives) who are able to influence company results and increase the Company's capitalisation.

The Plan provides for the bonus issue of a certain number of phantom shares to each beneficiary, which give him the right to receive a cash incentive payment which is parametrised in relation to the increase in the market share price on the date on which certain predetermined events occurred (such as, for example, change of control

of the Company, resignation for just cause, reaching retirement age, death, delisting), with respect to the allocation value.

Also in this case, the principle objectives are the retention of the beneficiaries and better alignment of their performance with the interests of the shareholders and the Company.

4.3 Company welfare

With the aim of guaranteeing its employees a high degree of flexibility and the possibility of balancing work and private life, the SAES Group offers its staff several concrete initiatives to ensure good corporate welfare, such as **part-time** contracts, which were used by **21 people** in 2021, an increase on the previous year.

To confirm the support to employees in managing the work-life balance, the Group also offers, in some of its premises, the possibility of flexible working hours, both in and out.

The Group's constant commitment to guaranteeing cutting-edge policies, in terms of working conditions, made it possible to achieve a favourable internal climate and low levels of work-related stress, thus guaranteeing Group employees a quiet place to work.

Moreover, for both full-time workers and part-time or temporary workers, the SAES Group envisages a series of benefits that vary according to the specific requirements of employees working in the various countries where the Group operates. Some of the company welfare solutions proposed by the various companies are shown below:

- **life/injury insurance;**
- **company health insurance** that envisages different levels of coverage based on the role in the company and the contract applied;
- **parental leave** guaranteed on the basis of local legislation;
- **social security system to support employees:** in Italy in particular, white collars, blue collars and executives are covered both by the INPS social security system and by the supplementary scheme - COMETA (for white collars and blue collars) and PREVINDAI (for executives);
- **medical examinations**, such as annual company check-ups for key executives and regular check-ups, including annual gynaecologist visits, eye tests and flu vaccines;
- **indoor gym** to support the physical well-being of employees (temporarily unavailable due to the pandemic situation);
- **gift cards** to spend on groceries or fuel.

In addition, in 2021 the well-established *Flexible Benefits* programme continued, which provides beneficiaries with a certain amount of money to purchase a wide range of educational, welfare and/or recreation services.

In relation to the emergency pandemic situation that affected the reporting year, the Group continued, as began in 2020, to ensure support and closeness to all employees. The initiatives that have been put in place are listed below:

- where permissible by the role and availability of company IT tools, Agile Working was envisaged for the first half of the year on a voluntary basis according to current legislation, while remote working was applied in the second half in line with the COVID 19 emergency situation;
- for the Group's Italian companies, the Sportello DOC 24 ore (same service offered in 2020): a remote medical advice and assistance service available 24/7, for questions or problems related to Covid-19 and/or other health reasons for employees and their families;
- the Parent Company organised the anti-flu campaign internally, also in relation to the current Covid-19 pandemic, in order to allow its workers to participate preferentially and directly at their workplace;
- in the Group's US companies, the "Ask me" chat service was set up, through which employees could ask questions directly to the HR Department and obtain and transmit updated and timely information on the pandemic situation, both personal and work-related;
- greater space was given to internal intercompany communication via the *SAESinTouch* tool, so as to strengthen the involvement and integration of Group company employees.

4.4 Health and safety of employees

The SAES Group considers safeguarding the safety and health of its workers of primary importance and has the objective of complying not only with all the specific regulations on the matter but also of implementing an effective action aimed at prevention and continuous improvement of working conditions.

The focus of this objective is on assessing the health and safety risks associated with company activities in order to implement an effective risk prevention and management programme. These activities are carried out throughout the Group in accordance with the requirements and peculiarities of applicable local regulations.

In particular for the Italian companies, the "Risk Assessment Document" identified the appropriate prevention and protection measures and their implementation with the support of specialised figures.

The risk assessment was translated into a document containing:

- a report on risk assessment for safety and health at work that specifies the assessing methods used;
- identification of protection and prevention measures;
- personal protective equipment;
- the programme of the measures considered appropriate to ensure that safety levels are improved over time.

In addition to the "Risk Assessment Document", a detailed environmental and safety emergency management plan, which establishes and explains the rules of behaviour to be used in the event of fire, injury, spill of hazardous substances, natural disasters and machinery/plant malfunctions, has been prepared and kept constantly updated.

A key aspect in prevention is providing the workforce with training and information. For this reason, within the scope of their specific tasks and competences, every worker receives continuous and adequate information and training on safety regulations, procedures concerning first aid, firefighting, evacuation of workplaces,

The competent doctor defines, on the basis of risk assessment, the surveillance plan and carries out medical examinations and diagnostic tests aimed at verifying the state of health of workers and express the opinion of suitability for the specific task. They also carry out regular inspections of workplaces.

Based on local regulations and existing contracts, workers can join supplemental health care funds.

Finally, with regard to the prevention and mitigation of occupational health and safety impacts within business relationships, SAES asks its suppliers to commit to comply with the requirements contained in the Suppliers' Code of Conduct, which also includes a specific point on "Occupational health and safety".

During 2021, 15 workplace injuries were recorded in the Group, all of which were classified as minor, of which 13 related to employees and 2 to external collaborators. The injuries recorded were mechanical (e.g., cuts, crushing) and no serious injuries are recorded.²⁸

The employee accident rate, down 10% compared to 2020 thanks to a lower number of accidents and an increase in hours worked, remains low and linked to events with limited consequences; it is particularly low in Italian companies.

With respect to hours worked, 2021 shows an increase in hours worked by both employees (+7% compared to 2020) and contractors (+24%).²⁹

DATA RELATING TO INJURIES

	Employees		Temporary workers	
	2021	2020	2021	2020
Number of injuries				
Fatal injuries	-	-	-	-
Injuries with serious consequences (excluding deaths)	-	-	-	-
Recordable injuries	13	17	2	1
Type of injury	2021	2020	2021	2020
Mechanical	13	16	2	-
Chemical	-	1	-	-
Hours	2021	2020	2021	2020
Hours worked	1,808,537	1,696,187	146,813	118,868
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000

²⁸ It should be noted that the figures relating to accidents include all the Group companies included in the reporting boundary in which production sites are located. In addition, it should be noted that the data for the year 2021 also include the company Strumenti Scientifici Cinel S.r.l, acquired on July 7, 2021.

²⁹ The data relating to the Health and Safety of external collaborators include only the categories of Temporary Staff and Trainees and not other types of non-employee workers working at the Group's sites and/or under the Group's control, given their significance and the availability of such data over which the Group does not exercise direct control. It should also be noted that the data on hours worked by external collaborators referring to the year 2020 does not include the company SAES Smart Materials, Inc. due to the unavailability of the data.

Rate	2021	2020	2021	2020
Death rate as a result of work-related injuries	-	-	-	-
Rate of injury with serious consequences (excluding deaths)	-	-	-	-
Rate of recordable injuries	7.19	10.02	13.62	8.41

4.5 Diversity and non-discrimination

As can be found in all the adopted policies and codes, the SAES Group condemns all forms of discrimination, both internal and external, and is committed to ensuring that all decisions relating to its employees are considered while taking into account the skills, knowledge and work performance of each, without any differentiation based on age, gender, sexual orientation, health, race, nationality, religious beliefs and political opinions. In particular, the HR Global Policy approved in 2019 made the commitment of all Group companies official in relation to not implementing any kind of discriminatory behaviour towards potential employees and/or employees and facilitating the presence of employees with disabilities in the workplace and flexibility in respecting religious observances. There were no instances of discrimination during the reporting year.

The commitment promoted by the Group is also based on the decision to employ 338 women in its business activities, equal to **31%** of the total. The figure, slightly increased compared to 2020, shows the willingness of management to invest in a process of diversity, despite the characteristics of the industrial sector that has always been characterised by an accentuated male presence.

In continuity with 2020, in the year of reporting, the Parent Company demonstrated its interest in the topic of Diversity & Inclusion by renewing its membership in the associations Valore D (association of companies that for 10 years has been committed to gender balance and an inclusive culture in Italian organisations, and Parks Liberi e Uguali (an association of companies created to help companies understand and maximise the business potential linked to the development of strategies and best practices that respect diversity linked to sexual orientation and gender identity).

In 2021, the Group continued to raise awareness on issues related to non-discrimination, equal opportunities and inclusion by dedicating space to internal information initiatives for all Group companies through dedicated articles published in SaesInTouch on the company intranet. Specifically, the interview with Barbara Falcomer, General Manager of Valore D, with the article entitled "Innovating through diversity" and the interview with Giulietta Bergamaschi, Chairman of the Board of Directors of Parks Liberi e Uguali, with the article "Diversity & Inclusion, a driver of progress" both deserve mention.

The intention in 2022 is to continue raising awareness of these issues and join the initiatives of the Valore D associations as well as Parks Liberi e Uguali.

As regards the distribution of employees by age group, the personnel of the Group is also more concentrated in the age group that includes employees aged between 30 and 50 (**45%**). The other age brackets contain **42%** (over 50 years old) and **13%** (under 30 years old), respectively.

DISTRIBUTION OF EMPLOYEES BY AGE GROUP

	2021				2020			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Managers	1	40	62	103	1	39	55	95
White Collars	40	179	124	343	27	179	112	318
Blue collars	98	279	278	655	84	258	240	582
Total	139	498	464	1,101	112	476	407	995

Although it invests in the promotion of diversity and internationalisation as a strategy for cultural growth, the Group recognises the importance of a management class that is able to guarantee proper business management in line with local needs. For this reason, **89%** of **managers** are **employed in their country of origin**.³⁰

³⁰ Locally hired managers is intended as the employee's national origin.

5. Our commitment to the environment³¹

Material aspects	Description	Sustainability risk factors	Management Procedures (MP)
MANAGEMENT OF ENERGY CONSUMPTION, CO2 EMISSIONS AND CLIMATE CHANGE	Efficient energy management through actions, programmes and management systems; decrease in energy consumption from fossil fuels and promotion of the production and purchase of energy from renewable sources. Monitoring, prevention and reduction of greenhouse gas (GHG) emissions from production, logistics and business travel activities; other pollutant emissions such as: NOx, SOx and VOC.	<ul style="list-style-type: none"> - Adequacy of plants and of energy production and management technologies - Compliance with local laws and regulations - Maintenance and upgrading of plants at production sites <p>Risks resulting from the effects of climate change which may have a direct or indirect impact on the Company's operations</p>	<p>The Group is committed to complying with the current national and international environmental and product regulations in force by promoting the monitoring and reduction of energy consumption of production processes through initiatives such as assessment of life cycle cost and environmental impact of civil and industrial plants.</p> <p>The Group constantly monitors the reference environmental and product regulations, within its research projects it verifies the environmental impact of the product, adopts a Supplier Code of Conduct at Group level that also has relevance on environmental issues, measures its performance and monitors any critical areas also through compliance with the standards set out in the ISO 14001 certification, where implemented.</p> <p>The atmospheric emissions generated by the activities of the Group are monitored and limited in compliance with the relevant environmental regulations. The Group is committed to monitoring micropollutants emitted into the atmosphere and defines actions and measures to reduce greenhouse gas emissions.</p> <p>The Group enters into agreements with customers to ensure that their processes are environmentally friendly.</p>
WASTE AND WATER RESOURCE MANAGEMENT	Responsible and efficient management of water resources; definition of strategies to increase efficiency in the use of water with particular attention to possible specific uses; monitoring the quality of wastewater discharges and implementing actions to improve the chemical, physical and biological quality of discharges. Responsible management of hazardous and non-hazardous waste associated with the business of the Group;	<ul style="list-style-type: none"> - Compliance with environmental laws and regulations - Adequacy of periodic checks on wastewater discharges - Adequacy of the waste delivery, transport and disposal service and conscious management of hazardous waste 	<p>The Group develops projects and initiatives to optimise water consumption, also through initiatives that facilitate the reuse and recovery of water within production processes. Particular attention is paid to monitoring the chemical and biological quality of wastewater discharges and, where necessary, the adoption of special wastewater treatment systems in line with law provisions. The Group responsibly manages waste in full compliance with environmental laws and regulations, making all its employees aware of the proper delivery of waste in order to promote its recycling and recovery (e.g. waste classification and collection). Particular attention is paid to the proper</p>

³¹ The environmental figures include all the Companies of the Group included in the reporting scope where the production sites are located. On the other hand, companies with only commercial offices are excluded as they are not considered relevant. It should be noted that the environmental data relating to the management office located in Piazza Castello 13, Milan, for which a seven-year lease agreement was signed by the Parent Company, refer only to electricity and gas consumption, although this is negligible compared with the Group's environmental impact.

Non-Financial Statement of the SAES Group

	<p>dissemination of a corporate culture aimed at maximising the efficiency of waste management by promoting responsible management methods and practices such as: reuse, differentiation and recycling of produced waste.</p>		<p>management of waste from industrial processes (e.g. guidelines for the use of safer chemicals in SAES Group product and processes).</p>
--	---	--	--

HIGHLIGHTS



100% of the electricity purchased by the Group's Italian companies comes from renewable energy sources (corresponding to around 58% at Group level)

7 tons of CO2 saved at Lainate and Avezzano sites and Spectra-Mat, Inc. thanks to partial relamping during 2021 (*)

About 57 tons of CO2 saved on the Lainate site thanks to smart working



Approximately 32% of the waste produced by the Group in 2021 is intended for recycling or other recovery operations (60% at the Lainate site)

The units of Lainate and Avezzano are ISO14001:2015 certified

(*) calculation of emissions based on the market-based approach of using an emission factor defined on a contractual basis with the electricity supplier and that the purchase of renewable electricity with Certificates of Guarantee of Origin does not involve greenhouse gas emissions. Source of emission factors: TERNA 2019, AIB - European Residual Mixes 2020 (Ver. 1.0, 2021-05-31).

5.1 Management of environmental impacts

“Technological innovation to build the future And environmental sustainability to preserve it”: this is the motto that characterises the strategy and actions of the SAES Group in relation to its business activities. In fact, the Group implemented the vertical integration of its production processes, allowing it to focus on technological excellence and on the inflexible responsibility for environmental sustainability.

Therefore, the **eco-friendly strategy** is guaranteed by the control of the entire life cycle of the products of the SAES Group and by the systematic approach adopted for the pursuit of environmental protection. This method of action, in line with the best practices of the **UNI EN ISO 9001 quality management system** certification obtained for the Group's main production sites³², is based on the following points:

- **measurement tools** of business performance to correctly assess the impact of the organisation's production on environmental resources;
- **long-term planning** to define and implement work processes with low environmental impact, deeply innovative and based on the results of the analysis;
- **compliance** with the most important **international regulations**;
- development of **advanced products**, which have safe and environmentally-friendly features and limit the use of environmentally hazardous substances.

In order to strengthen its commitment to environmental issues, the SAES Group implemented an environmental management system capable of including the protection of the environment and the safety of future generations in the company's objectives. The Group's commitment is expressed through the **ISO 14001 environmental management system certification obtained** for the production plants of Lainate and Avezzano.

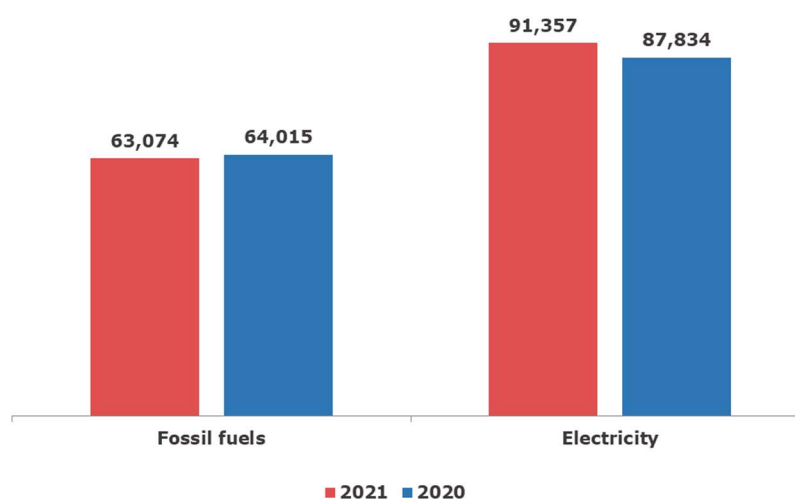
³² The ISO 9001 certified Group companies are: SAES Getters S.p.A., Memry Corp., SAES Smart Materials, Inc., SAES Getters USA, Inc., SAES Coated Film S.p.A.; Strumenti Scientifici Cinel S.r.l.

SAES Coated Films S.p.A. is particularly involved in the development of food packaging with eco-sustainable characteristics.

5.2 Energy consumption

At the end of 2021, the Group's total energy consumption amounted to **154,430 GJ**, a slight increase compared to the previous year for which a figure of **151,849 GJ** was recorded. The main consumption derives from the use of non-renewable fuel (mainly propane and natural gas) and electricity purchased for production and air-conditioning purposes. Automotive fuels represent a negligible percentage of consumption (0.26%). Electricity consumption increased by 4% compared to 2020, fossil fuel consumption decreased by 2%. In 2021, 100% of the electricity purchased by the Group's Italian companies comes from renewable energy (corresponding to approximately 58% at Group level). In fact, as at 1 January 2021, all of the Group's Italian companies have activated an electricity contract that envisages supply from renewable sources with Guarantee of Origin certificates. Cinel already had such a contract in place at the time of the acquisition.

ENERGY CONSUMPTION BY TYPE OF SOURCE (IN GJ)



The energy intensity value resulting from direct consumption for the year 2021 equals 1.25, a slight decrease compared to the value of 2020, (equal to 1.48). This decrease is primarily due to an increase in the cost of production.³³ In particular the air conditioning systems had to be operated under suboptimal conditions from an energy point of view, especially in the Avezzano plants. As far as the Group's commitment to reducing its energy consumption in relation to electricity is concerned, in 2021 the organisation saved 54 GJ (equal to 7

³³ Energy intensity from direct consumption was obtained from the ratio of the value of the organization's energy consumption of fossil fuels and electricity (in GJ) to the cost of sales (€), multiplied by one thousand.

tonnes of CO₂)³⁴ through interventions to reduce consumption and/or improve efficiency, such as partial relamping processes in SAES Getters S.p.A. (in Lainate and Avezzano sites) and Spectra-Mat Inc.

Although not included in the scope of this analysis, the Group has estimated that in the companies Saes Getters S.p.A and Saes Coated Films, an annual saving of 57.4 tons of CO₂ is achieved thanks to the implementation of smartworking and the consequent reduction in the mobility of employees for home-work journeys³⁵. In addition, in order to encourage the use of public transport, in August 2021 a Home-Work Travel Plan was defined in the Lainate office of Saes Getters S.p.A., active from December 2021, which gives employees the opportunity to benefit from discounts and agreements for the purchase of public transport subscriptions.

5.3 Emissions into the atmosphere

In 2021, the SAES Group produced **11,845 tons of CO₂eq**³⁶, a **slight decrease (2%)** compared to 2020.

In reference to **direct emissions** (Scope 1), i.e., the emissions resulting from consumption relating to the use of fossil fuels, the 2021 data is equal to **3,219 tons of CO₂eq, an increase of about 2%** compared to 2020. The decrease is due to a lower use of natural gas.

Indirect emissions (Scope 2) from the purchase of electricity compared to the year 2020 slightly decreased by about 2% according to the Location-based approach and by about 63% according to the Market-based approach. The latter reduction is mainly due to the purchase of 100% certified renewable electricity by the Group's Italian companies (corresponding to approximately 58% of the electricity purchased at Group level).

As at 1 January 2021, all of the Group's Italian companies have in fact activated an electricity contract that envisages supply from renewable sources with Guarantee of Origin certificates. Cinel already had such a contract in place at the time of the acquisition. This resulted in the avoidance of a total of 6,734³⁷ tons of CO₂, representing 48% of the Group's total emissions and 63% of scope 2 emissions³⁸.

³⁴ Calculation of emissions based on the "Market-based" approach, whereby an emission factor defined on a contractual basis with the electricity supplier is used and the purchase of renewable electricity with Guaranteed Certificates of Origin does not imply greenhouse gas emissions. Sources of the emission factors: TERNA 2019, AIB - European Residual Mixes 2020 (Ver. 1.0, 2021-05-31).

³⁵ The estimate is based on the results of a questionnaire conducted by the SAES Group in 2021 among employees of Saes Getters S.p.A and Saes Coated Films. Source of emission factors: DEFRA 2021.

³⁶ The figure for CO₂ emissions of the Group reported in this section "Emissions into the atmosphere" refers to emissions calculated using the location-based method.

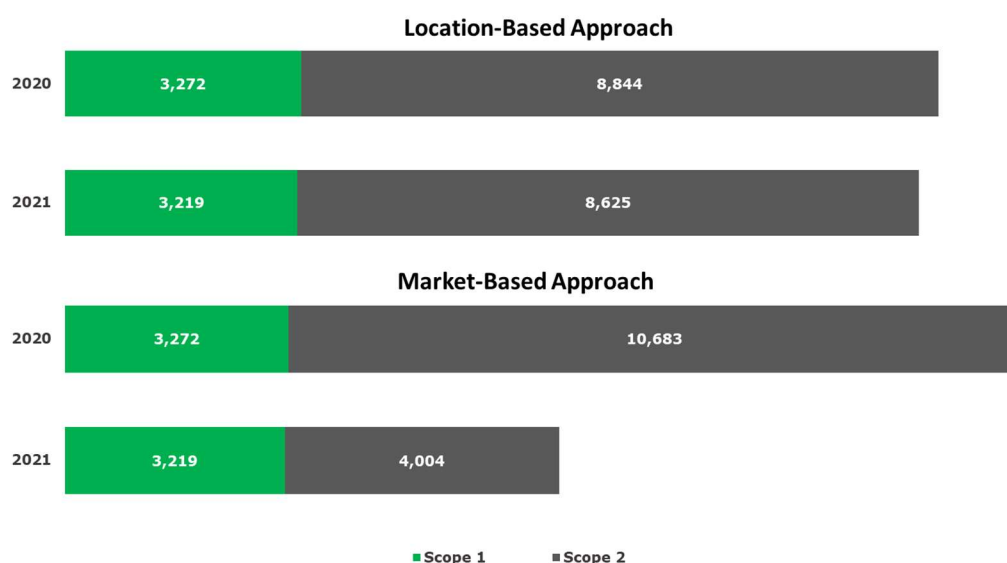
For the conversion factors used to calculate greenhouse gas emissions, see the table in the attachments.

Scope 2 emissions are expressed in tons of CO₂. However, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂equivalent), as can be deduced from the relevant technical literature.

³⁷ Sources of the emission factors: AIB - European Residual Mixes 2020 (Ver. 1.0, 2021-05-31).

³⁸ Market-based emissions calculation.

DIRECT EMISSIONS, SCOPE 1, AND INDIRECT EMISSIONS, SCOPE 2 (IN TONS OF CO₂eq)



Other types of emissions released into the atmosphere by the SAES Group are mainly ethanol, volatile organic compounds (VOC), dust and NO_x and CO derived from the combustion of methane gas for heating. Compared to 2020, there is a significant increase in ethanol emissions related to the increased activity of a specific production line at SAES Coated Films. Actions are already underway to reduce these emissions.

OTHER EMISSIONS INTO THE ATMOSPHERE (2021)³⁹

Pollutant	Quantity (ton/year)	percentage
Ethanol	13.232	72.63%
VOC	3.924	21.54%
Total Dust	0.523	2.87%
NO _x	0.279	1.53%
SO _x	0.219	1.20%
Other pollutants	0.025	0.14%
Methylmethacrylate	0.015	0.08%

³⁹ The perimeter refers only to those companies that provide for the monitoring of atmospheric emissions as required by current local regulations, and these are: SAES Getters S.p.A. - Lainate and Avezzano plants, SAES Smart Materials, Inc., SAES Coated Films SpA, SpectraMat inc. which are therefore considered relevant for the purpose of ensuring an understanding of the impacts of the Group's activities. Starting from 2019, the data relating to pollution not previously monitored, such as VOCs, at SAES Coated Films and Spectra-Mat Inc., CO and NO_x at the Avezzano plant have been reported.

Phosphoric Acid	0.0003	0.0018%
CO	0.00004	0.0002%
Total	18.217	100%

THE RISK OF CLIMATE CHANGE

The importance of the issue of climate change calls for reflection on the possible consequences of the physical damage that weather events - extraordinary or otherwise - could have on the Group's infrastructures and assets. The possibility of a major weather event could potentially lead to a period of unavailability of buildings and assets. The Group already has business continuity procedures in place that cover the main areas and processes exposed to the greatest risk.

From another perspective, it is necessary to analyse which activities the company carries out on a daily basis that could contribute negatively to climate change (e.g. emissions) and also impact legal liability for non-compliance with local and international environmental regulations (stringent and uncertain in some contexts). The Group constantly monitors the relevant environmental and product regulations, as part of its research projects, verifies the environmental impact of its products, adopts a Group-wide supplier code of conduct that also covers environmental issues, measures its own performance and monitors any critical areas, including through compliance with the standards set out in ISO 14001 certification, where implemented.

Finally, the ever-increasing attention paid by final consumers, legislators and public opinion in general to the energy transition and to environmental protection issues can produce a significant impact on markets downstream of those in which SAES operates, also in relation to the ways in which companies present themselves to the public. This impact can, therefore, have important repercussions "backwards" along the entire value chain, representing at the same time a source of risks (e.g. SMA Industrial business for the automotive sector) and opportunities (e.g. packaging business) for the Group and implying the need to change the production processes through the timely introduction and effective use of green inputs, including cutting-edge technologies and efficient production techniques in terms of energy and resource consumption, driving the transformation of business processes towards greater sustainability. In particular, regulatory developments in the automotive sector could affect the speed of transition from combustion engines to hybrid and electric engines, with a possible negative impact on the Group's business activities in the SMA Industrial segment. It should be noted, however, that this risk may be more than offset for SAES by the opportunities that are likely to arise in relation to the business of SAES Coated Films S.p.A., thanks to technological, consumer and regulatory changes in the packaging sector, aimed at encouraging the use of environmentally sustainable solutions, while maintaining the effectiveness of the products used in terms of high-barrier.

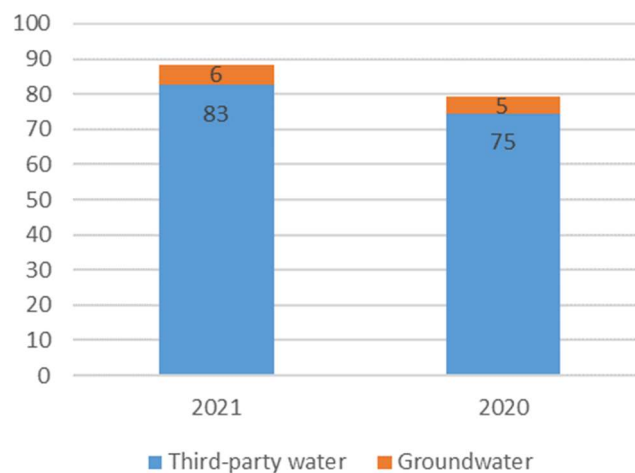
Moreover, with regard to climate change issues, the Group is committed to the forthcoming definition of a sustainability plan that will include activities aimed at mitigating the identified risk areas with concrete actions, which will allow to contribute, among other things, to the reduction of emissions and to the definition and implementation of products that contribute to the promotion of a circular economy.

5.4 Water consumption

The use of water resources is managed with the utmost responsibility, also through the development of policies to reduce consumption and, where possible, recirculate the water already used.

During 2021, the SAES Group consumed approximately **88.397 MI**, an increase of approximately 11% in water used compared to 2020. In continuity with the year 2020, it should be noted that 93.4% of the water withdrawals made in 2021 are attributable to withdrawal from third parties (aqueduct), while 6.6% of withdrawals are related to groundwater. All of the water used by the SAES Group is classified as fresh water.

WATER WITHDRAWAL BY SOURCE IN 2021 AND 2020 (Megalitres)



The Avezzano and Colorado Springs locations (SAES Getters USA) are located in areas of high risk for water stress, and contribute to water consumption in the amount of 53,297 MI, equal to about 60% of the total.

The water resource at the SAES group sites is mainly used for civil purposes (toilets, air conditioning systems, cooking food in company canteens). As far as industrial uses are concerned, the water used in the cooling circuits of some plants on the various sites is always recirculated, so as to minimise its consumption. Only a few production processes, however, require the presence of water as a raw material or auxiliary product.

Consistent with the civilian nature of most uses, wastewater is primarily discharged to local sewers, and from there sent to local treatment plants. Where required, chemical quality analysis of discharges is performed to confirm compatibility with local regulatory requirements. In contrast, water used as a process auxiliary is disposed of as special waste.

5.5 Management of waste and water discharges

Waste produced by the Group amounted to **1,923 tons**, a **decrease of about 4%** compared to the previous year. The decrease is due to a number of site-specific factors, and has resulted in a reshuffling of the waste. Compared to 2020, waste for disposal increased by 9%. A large part of the waste for disposal is linked to a single process at the Avezzano site (corresponding to 44% of total waste for disposal).

The waste was divided by family, assigning each a specific hazard according to the classification in this regard, regardless of the country of origin. In line with Group policy, waste is recycled whenever possible; if recycling or re-use is not possible, it is disposed of according to the type of waste. The responsible management of hazardous and non-hazardous waste is one of the most important points of the Group's environmental protection policies.

In 2021, 32% of the waste produced was sent for recycling and other recovery activities, while 68% was sent for disposal. With regard to the division between hazardous and non-hazardous waste, the former amounts to 374 tons (19% of the total), while the non-hazardous waste amounts to 1,550 tons, or 81% of the total.

Waste production is mainly concentrated at the Avezzano and SAES Smart Materials sites, which account for 67% of the total.

WASTE DISPOSED OF BY TYPE AND DISPOSAL METHOD (TONS)⁴⁰

Method	2021				2020			
	Hazardous	Non-hazardous	Total	Total %	Hazardous	Non-hazardous	Total	Total %
Recycling	10.39	530.95	541.34	28%	22.33	777.14	799.47	39.7%
Other recovery operations	2.40	62.04	64.44	3%	1.95	24.61	26.56	1.3%
Total waste not sent for disposal	12.79	592.99	605.79	32%	24.29	801.75	826.04	41.1%

⁴⁰ It should be noted that, following an improvement in the reporting system, the new version of GRI Waste (2020) was adopted and therefore the data relating to 2020 have been updated. It should also be noted that when it was not possible to identify the method of waste disposal due to the unavailability of data, the quantities of waste produced were attributed to the category "Other disposal operations". The Group will undertake to report this data in greater detail in the coming years.

Where not specified, the waste produced was treated at off-site sites.

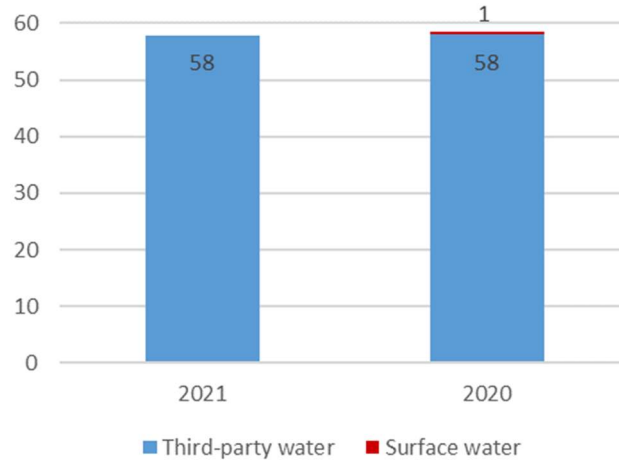
Incineration with energy recovery	7.62	27.84	35.46	2%	10.11	20.36	30.46	1.5%
Incineration	0.59	4.86	5.45	0%	0.14	0.00	0.14	0.01%
Landfilling	39.11	57.73	96.84	5%	34.17	10.24	44.42	2.2%
Other disposal operations	313.44	866.09	1,179.54	61%	268.75	842.16	1,110.91	55.2%
Total waste sent for disposal	360.77	956.53	1,317.30	68%	313.17	872.76	1,185.93	58.9%
TOTAL	374	1,550	1,923	100%	337	1,675	2,012	100%

Also with regard to wastewater discharge practices, the Group applies the most advanced management practices, respecting the environment and the territory. Where wastewater treatment plants are present, the SAES Group ensures continuous maintenance of the plants and internal and external periodic analysis to check the quality of wastewater, which therefore does not present a risk to the environment.

Many factories are equipped with a closed cooling circuit which allows considerable savings in the use of water.

During 2021, the Group discharged 57.838 Ml of water. The discharge destination of the Group's wastewater is third-party water (sewage and treatment).

WATER DISCHARGE BY DESTINATION IN 2021 and 2020 (MI)



The Avezzano and Colorado Springs locations (SAES Getters USA) are located in high water stress areas and contribute 24.388 MI equal to 42% of the total discharge.

Attachments

CHAPTER 1: Management of the Group's businesses

MATERIALITY ANALYSIS – DEFINITION OF MATERIAL ASPECTS

Material aspect	Area	Scope		GRI Topic Reconciliation
		Where the impact occurs	Involvement of the SAES Group	
Business ethics, corporate values and compliance	Governance and Compliance	Group	Generated by the Group	Environmental compliance; socio-economic compliance; anti-corruption
Long-term value creation	Economic responsibility	Group	Generated by the Group	Economic performance, Market presence, Tax
Diversity & Inclusion	Responsibility towards employees	Group	Generated by the Group	Diversity and equal opportunity
Human capital management and employee development	Responsibility towards employees	Group	Generated by the Group	Employment; labor/management; training and education
Occupational Health and Safety	Responsibility towards employees	Employees and temporary workers ⁴¹ of the Group Companies that manage production sites	Generated by the Group and to which the Group contributes	Occupational Health and Safety;
Employee well-being	Responsibility towards employees	Group employees	Generated by the Group	Employment
Safety and quality of products	Product liability	Group	Generated by the Group	Customer health and safety; marketing and labelling;
Research, Development and Innovation	Product liability	Group production sites	Generated by the Group	N.A.

⁴¹ The data relating to the Health and Safety of temporary workers only includes the categories of Contract Workers and Trainees and not other types of non-employed workers who work at the Group's sites and/or under the Group's control, in consideration of their significance and the availability of such data over which the Group does not exercise direct control.

Non-Financial Statement of the SAES Group

Material aspect	Area	Scope		GRI Topic Reconciliation
		Where the impact occurs	Involvement of the SAES Group	
Customer satisfaction	Product liability	Group	Generated by the Group	N.A.
Sustainable management of the supply chain	Liability in the supply chain	Group, suppliers and business partners	Generated by the Group and to which the Group contributes	Procurement practices; supplier environmental assessment; supplier social assessment;
Respect for human rights and working conditions	Responsibility towards employees	Group, suppliers and business partners	Generated by the Group and to which the Group contributes	Non-discrimination; Child labor; Forced or compulsory labor;
Management of energy consumption, CO ₂ emissions and climate change	Environmental responsibility	Group production sites and electricity suppliers	Generated by the Group and related to the Group through its commercial relations	Energy; Emissions
Waste and water resource management	Environmental responsibility	Group production sites	Generated by the Group and related to the Group through its commercial relations	Effluents and Waste; Water and effluents
Business continuity	Economic responsibility	Group, suppliers and business partners	Generated by the Group and to which the Group contributes	N.A.
Brand Identity and reputation	Economic responsibility	Group	Generated by the Group	N.A.
Circular economy and products with lower environmental impact	Environmental responsibility	Group, suppliers and business partners	Generated by the Group and to which the Group contributes	N.A.
Data security and cybersecurity	Product liability	Group	Generated by the Group	Customer privacy

CHAPTER 2: Economic performance and business development

GRI 201 – 1 Table of distribution of the economic value generated by the SAES Group

<i>Table of the Generated Value</i>		
Determination of the Generated Value	2021	2020
	<i>thousands of euro</i>	<i>thousands of euro</i>
Directly generated economic value	195,166	174,567
Distribution of the Generated Value		
	2020	2020
	<i>thousands of euro</i>	<i>thousands of euro</i>
Value distributed to suppliers	76,156	69,809
Remuneration of personnel	82,158	76,352
Remuneration of lenders	2,379	3,979
Remuneration of shareholders	8,530	7,440
Remuneration of the Public Administration	8,467	5,465
Remuneration of the community	27	698
Value retained by the Company	17,449	10,824

GRI 408-1: Operations and suppliers at significant risk for incidents of child labour and GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour

SUPPLIERS ASKED TO COMPLETE QUESTIONNAIRES ON CONFLICT MINERALS IN 2021 AND 2020						
Geographical area ⁴²	2021			2020		
	Conflict Minerals compliant suppliers ⁴³	Total Suppliers	%	Conflict Minerals compliant suppliers ⁴⁴	Total Suppliers	%
Europe	3	538	0.6	4	404	1.0
USA	6	163	3.7	1	154	0.6

⁴² The geographical area refers to the region to which the Group company that requested its suppliers to fill in the questionnaires on conflict minerals belongs. It should be noted that, in both 2021 and 2020, the companies in the Europe geographical area that have asked their suppliers to fill in the questionnaires on conflict minerals are Italian companies.

⁴³ And ⁴⁶ It should be noted that the number of total suppliers refers to the category "Raw materials, semi-finished and finished products, external processing" of Saes Group companies based in Europe and the United States, respectively.

GRI 204-1 Proportion of spending on local suppliers

SAES GROUP						
Type of purchases	2021			2020		
	No. of suppliers	Value of total annual expenditure [€]	% expenditure	No. of suppliers	Value of total annual expenditure [€]	% expenditure
Purchases from local suppliers	2,334	57,471,389	72.0%	2,100	51,836,397	82.8%
Purchases from other suppliers	374	22,372,103	28.0%	258	10,756,657	17.2%
Total	2,708	79,843,491	100%	2,358	62,593,054	100%

EUROPE						
Type of purchases	2021			2020		
	No. of suppliers	Value of total annual expenditure [€]	% expenditure	No. of suppliers	Value of total annual expenditure [€]	% expenditure
Purchases from local suppliers	1,400	31,968,858	64.1%	1,055	25,400,225	70.5%
Purchases from other suppliers	298	17,910,225	35.9%	248	10,614,176	29.5%
Total	1,698	49,879,083	100%	1,303	36,014,401	100%

USA ⁴⁵						
Type of purchases	2021			2020		
	No. of suppliers	Value of total annual expenditure [€]	% expenditure	No. of suppliers	Value of total annual expenditure [€]	% expenditure
Purchases from local suppliers	829	24,997,297	84.9%	942	25,918,934	99.5%
Purchases from other suppliers	76	4,461,878	15.1%	10	142,481	0.5%
Total	905	29,459,175	100.0%	952	26,061,451	100.0%

⁴⁵ It should be noted that, in the case of the geographical area USA, purchases from suppliers in Canada have also been considered as purchases made locally.

Non-Financial Statement of the SAES Group

Asia						
Type of purchases	2021			2020		
	No. of suppliers	Value of total annual expenditure [€]	% expenditure	No. of suppliers	Value of total annual expenditure [€]	% expenditure
Purchases from local suppliers	105	505,234	100.0%	103	517,239	100.0%
Total	105	505,234	100%	103	517,239	100%

Distribution of suppliers by geographical area (SAES Group)

Suppliers				
Product segment	2021		2020	
	No. of suppliers by category	Value of total annual expenditure by category [€]	No. of suppliers by category	Value of total annual expenditure by category [€]
Europe	1,614	39,783,682	1,240	33,134,791
Asia	147	1,625,031	129	1,954,158
Middle East	1	33	3	339,000
America	945	38,434,746	986	27,165,105
North Africa	-	-	-	-
Australia	-	-	-	-
Total	2,707	79,843,492	2,358	62,593,054

GRI 207-4⁴⁶ Country-by-country reporting (Euro thousands)

	Tax jurisdictions in which the Group operates							
	South Korea	Germany	Japan	Italy	Luxembourg	P.R. of China	USA	Taiwan
Names of resident entities	SAES Getters Korea Corporation	Memry Corporation Zweigniederlassung Deutschland (Memry Branch) SAES Coated Films S.p.A. Zweigniederlassung Deutschland SAES Getters S.p.A. Zweigniederlassung Deutschland	SAES Getters S.p.A. - Japan (Branch)	SAES Innovative Packaging S.r.l. SAES Coated Films S.p.A. SAES Getters S.p.A. SAES Nitinol S.r.l. Scientific Instruments Cinel S.r.l.	SAES Getters International Luxembourg SAES Investments S.A.	SAES Getters (Nanjing) Co., Ltd.	Memry Corporation SAES Getters Export, Corp. SAES Getters USA, Inc.: SAES Smart Materials, Inc. Spectra-Mat, Inc.	SAES Getters S.p.A. - Taiwan (Branch)

⁴⁶ Economic data refer to the fiscal year from January 1 to December 31, 2021; the number of employees and total tangible assets other than cash and cash equivalents refer to the date of December 31, 2021. For 2020 data, please refer to the 2020 Consolidated Non-Financial Statement, published in the Sustainability section of www.saesgetters.com.

Non-Financial Statement of the SAES Group

Main activities of the organisation	Local distribution of products of other Group companies	Production and marketing	Local distribution of products of other Group companies	Holding functions Production and marketing	Cash management Centralised treasury and provision of services to Group companies	Local distribution of products of other Group companies	Production and marketing	Local distribution of products of other Group companies
Number of employees	4	2	9	489	1	7	586	3
Revenues from sales to third parties	1,513	-	-	68,393	-	2,513	117,481	32
Revenues from intercompany transactions with other tax jurisdictions	37	551	-	20,165	16,194	-	3,960	38
Pre-tax profit/loss	-213	20	-32	-9,289	17603	438	34,957	-326
Tangible assets other than cash and cash equivalents	1	1	7	43,683	-	9	41,205	-
Corporate income taxes paid on a cash basis	-	-33	-	189	138	-	-108	-
Corporate income taxes accrued on profits/losses	-	-	29	723	1,105	111	6,966	-

CHAPTER 3: Technology at the service of innovation

Number of Complaints by product type

Complaints		
	2021	2020
Getters	18	23
Shape Memory Alloy	205	187
Vacuum Pump	37	40
Dispensers	4	2
Dryers	1	0
Coated films	25	30
Cathodes	62	51
Total	352	333

Number of complaints by type

Complaints		
	2021	2020
Non-compliant product (products with functional or dimensional problems)	264	234
Logistics (problems related to transport, invoicing, shipping documentation)	77	93
Packaging (problems related to primary or secondary packaging)	11	6
Total	352	333

CHAPTER 4: The people of the SAES Group⁴⁷

GRI 102-8 Information on employees

SAES GROUP						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	759	333	1,092	689	297	986
Fixed term	4	5	9	6	3	9
Total	763	338	1,101	695	300	995

ITALY ⁴⁸						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	359	127	486	322	120	442
Fixed term	3	3	6	5	2	7
Total	362	130	492	327	122	449

ASIA						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	13	7	20	13	7	20
Fixed term	1	2	3	1	1	2
Total	14	9	23	14	8	22

USA						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Permanent	387	199	586	354	170	524

⁴⁷ For the purposes of data comparability, it should be noted that the figure for 2021 also includes 34 employees relating to the company Strumenti Scientifici Cinel S.r.l, which entered the reporting perimeter for the period July 1, 2021 - December 31, 2021.

⁴⁸ It should be noted that the employees of Italy include the employees of SAES Getters S.p.A., Strumenti Scientifici Cinel S.r.l., SAES Getters International Luxembourg, SAES Coated Films S.p.A., SAES Getters S.p.A. Zweigniederlassung Deutschland, SAES Coated Films S.p.A. Zweigniederlassung Deutschland, which therefore coincide with the employees of Europe. It should also be pointed out that the employees in the geographical area USA also include the employee of Memry Corporation-Germany Branch.

Non-Financial Statement of the SAES Group

Fixed term	0	0	0	0	0	0
Total	387	199	586	354	170	524

SAES GROUP						
Total number of employees broken down by full-time and part-time employees						
Full-time/Part-time	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Full-Time	761	319	1,080	694	286	980
Part-time	2	19	21	1	14	15
Total	763	338	1,101	695	300	995

GRI 102-41 Collective bargaining agreements

Percentage of the total number of employees covered by collective bargaining agreements		
	As at 31 December 2021	As at 31 December 2020
Group percentage	45%	45%
Group percentage excluding USA and Asia data ⁴⁹	99.6%	100%

GRI 202-2 Proportion of senior management hired from the local community

Percentage of senior management hired from the local community						
	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Group	89%	94%	89%	86%	86%	86%
Percentage of senior management hired from the local community						
Italy	98%	100%	98%	100%	100%	100%
USA	74%	89%	77%	69%	75%	70%
Asia	100%	100%	100%	100%	100%	100%

⁴⁹ Excluding USA and Asia since there are no national collective bargaining agreements.

Non-Financial Statement of the SAES Group

GRI 401-1 New employee hires and employee turnover

SAES GROUP										
Entries										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	34	37	32	103	13%	38	25	16	79	11%
Women	22	26	17	65	19%	7	18	4	29	10%
Total	56	63	49	168	15%	45	43	20	108	11%
Rate	40%	13%	11%	15%		40%	9%	5%	11%	
Out										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	16	24	29	69	9%	21	31	24	76	11%
Women	6	11	12	29	9%	3	13	8	24	8%
Total	22	35	41	98	9%	24	44	32	100	10%
Rate	16%	7%	9%	9%		21%	9%	8%	10%	

ITALY										
ENTRIES										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	5	4	1	10	3%	13	3	1	17	5%
Women	7	9	0	16	12%	2	6	1	9	7%
Total	12	13	1	26	5%	15	9	2	26	6%
Rate	32%	6%	0%	5%		60%	4%	1%	6%	
Out										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	0	4	4	8	2%	2	2	8	12	4%

Non-Financial Statement of the SAES Group

Women	1	3	7	11	8%	0	1	0	1	1%
Total	1	7	11	19	4%	2	3	8	13	3%
Rate	3%	3%	5%	4%		8%	1%	4%	3%	

ASIA										
Entries										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	0	0	0	0	0%	1	1	1	3	21%
Women	0	0	1	1	11%	0	1	0	1	13%
Total	0	0	1	1	4%	1	2	1	4	18%
Rate	0%	0%	9%	%		100%	14%	14%	18%	
Out										
Number of persons	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	0	0	0	0	0%	0	0	2	2	14%
Women	0	0	0	0	0%	0	1	0	1	13%
Total	0	0	0	0	0%	0	1	2	3	14%
Rate	0%	0%	0%	0%		0%	7%	29%	14%	

USA										
Entries										
	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	29	33	31	93	24%	24	21	14	59	17%
Women	15	17	16	48	24%	5	11	3	19	11%
Total	44	50	47	141	24%	29	32	17	78	15%
Rate	44%	19%	21%	24%		34%	14%	8%	15%	

Non-Financial Statement of the SAES Group

Out										
	From 1 January to 31 December 2021					From 1 January to 31 December 2020				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	16	20	25	61	16%	19	29	14	62	18%
Women	5	8	5	18	9%	3	11	8	22	13%
Total	21	28	30	79	13%	22	40	22	84	16%
Rate	21%	11%	13%	13%		26%	17%	11%	16%	

GRI 403-9 Injuries in the workplace⁵⁰

SAES GROUP				
	Employees		Temporary workers ⁵¹	
	2021	2020	2021	2020
Number of injuries				
Fatal injuries	-	-	-	-
Injuries with serious consequences (excluding deaths)	-	-	-	-
Recordable injuries	13	17	2	1
Type of injury	2021	2020	2021	2020
Mechanical	13	16	2	1
Chemical	-	1	-	-
Hours	2021	2020	2021	2020
Hours worked	1,808,537	1,696,187	146,813	118,868
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2021	2020	2021	2020
Death rate as a result of work-related injuries	-	-	-	-
Rate of injuries with serious consequences (excluding deaths)	-	-	-	-
Rate of recordable injuries	7.19	10.02	13.62	8.41

⁵⁰ It should be noted that the figures relating to accidents include all the Group companies included in the reporting boundary in which production sites are located. In addition, it should be noted that the data for the year 2021 also include the company Strumenti Scientifici Cinel S.r.l. acquired on July 7, 2021.

⁵¹ The data relating to the Health and Safety of temporary workers only includes the categories of Contract Workers and Trainees (of SAES Getters SpA) and not other types of non-employed workers who work at the Group's sites and/or under the Group's control, in consideration of their significance and the availability of such data over which the Group does not exercise direct control. It should also be noted that the hours worked by outside contractors reported for the year 2020 does not include SAES Smart Materials, Inc. due to data unavailability.

Non-Financial Statement of the SAES Group

ITALY				
	Employees		Temporary workers	
Number of injuries	2021	2020	2021	2020
Fatal injuries	-	-	-	-
Injuries with serious consequences (excluding deaths)	-	-	-	-
Recordable injuries	3	4	-	1
Type of injury	2021	2020	2021	2020
Mechanical	3	4	-	1
Chemical	-	-	-	-
Hours	2021	2020	2021	2020
Hours worked	782,040	699,822	50,742	59,392
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2021	2020	201	2020
Death rate as a result of work-related injuries	-	-	-	-
Rate of injuries with serious consequences (excluding deaths)	-	-		-
Rate of recordable injuries	3.84	5.72	-	16.84

Non-Financial Statement of the SAES Group

USA				
	Employees		Temporary workers	
Number of injuries	2021	2020	2021	2020
Fatal injuries	-	-	-	-
Injuries with serious consequences (excluding deaths)	-	-	-	-
Recordable injuries	10	13	2	-
Type of injury	2021	2020	2021	2020
Mechanical	10	12	2	-
Chemical	-	1	-	-
Hours	2021	2020	2021	2020
Hours worked	1,026,497	996,365	96,071	59,476
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2021	2020	2021	2020
Death rate as a result of work-related injuries	-	-	-	-
Rate of injuries with serious consequences (excluding deaths)	-	-	-	-
Rate of recordable injuries	9.74	13.05	20.82	-

GRI 404-1 Average hours of training per year per employee

	Hours of training					
	2021 ⁵²					
	Hours Men	Average hours/men	Hours Women	Average hours/women	Total Hours	Average hours/category
Managers	845	10	313	20	1,158	11
White Collars	2,725	12	1,530	13	4,255	12
Blue collars	1,976	4	661	3	2,637	4
Total	5,546	7	2,504	7	8,050	7

⁵² It should be noted that in reference to Memry Corporation and SAES Smart Materials, the training hours were estimated considering the average training for each employee.

Non-Financial Statement of the SAES Group

Hours of training						
	2020					
	Hours Men	Average hours/men	Hours Women	Average hours/women	Total Hours	Average hours/category
Managers	1,582	20	290	21	1,871	20
White Collars	1,808	9	924	9	2,732	9
Blue collars	1,434	4	581	3	2,015	3
Total	4,823	7	1,794	6	6,618	7

GRI 404-3 Percentage of employees receiving regular performance and career development reviews

SAES GROUP							
Employees receiving regular performance and career development reviews							
Number of persons	as at 31 December 2021 ⁵³						
	Men	Men %	Women	Women %	Total	Total %	
Managers	84	97%	16	100%	100	97%	
White Collars	212	94%	108	92%	320	93%	
Blue collars	431	96%	197	96%	628	96%	
Total	727	95%	321	95%	1,048	95%	
Number of persons	as at 31 December 2020						
	Men	Men %	Women	Women %	Total	Total %	
Managers	80	99%	14	100%	94	99%	
White Collars	200	95%	97	91%	297	93%	
Blue collars	387	96%	177	99%	564	97%	
Total	667	96%	288	96%	955	96%	

GRI 405-1 Diversity of governance bodies and employees

SAES GROUP						
Personnel of the Group by professional category and gender						
	as at 31 December 2021			as at 31 December 2020		
	Men	Women	Total	Men	Women	Total
Managers	87	16	103	79	13	92
White Collars	226	117	343	207	103	310

Non-Financial Statement of the SAES Group

Blue collars	450	205	655	408	177	585
Total	763	338	1,101	694	293	987

GRUPPO SAES								
Personnel of the Group by professional category and age								
	From January 1 to December 31, 2021				From January 1 to December 31, 2020			
	<30 anni	30-50 anni		Totale	<30 anni	30-50 anni	>50 anni	Totale
Manager	1	40	62	103	1	40	62	103
White Collars	40	179	124	343	40	179	124	343
Blue collars	98	279	278	655	98	279	278	655
Totale	139	498	464	1,101	139	498	464	1101

SAES GROUP				
Personnel of the Group by professional category and gender				
	as at 31 December 2021		as at 31 December 2020	
	Men	Women	Men	Women
Managers	84%	16%	85%	15%
White Collars	66%	34%	66%	34%
Blue collars	69%	31%	69%	31%
Total	69%	31%	70%	30%

SAES GROUP							
Personnel of the Group by professional category and age							
	as at 31 December 2021			as at 31 December 2020			
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years	
Managers	1%	39%	60%	1%	41%	58%	
White Collars	12%	52%	36%	8%	56%	35%	
Blue collars	15%	43%	42%	14%	44%	41%	
Total	13%	45%	42%	11%	48%	41%	

CHAPTER 5: Our commitment to the environment⁵⁴

GRI 302-1 Energy consumption within the organisation

Energy consumption					
Type	Unit of measurement	2021		2020	
		Total	Total GJ	Total	Total GJ
Fossil fuels					
Natural Gas	m ³	1,568,265	62,283	1,607,056	63,682
Propane ⁵⁵	m ³	4,013	397	1,143	38
Petrol for vehicle engines	l	5,212	179	4,476	152
Automotive diesel	l	5,610	214	3,740	143
Electricity					
Purchased electricity	kWh	25,376,860	91,357	24,398,456	87,834
<i>of which from renewable sources</i>	kWh	14,671,624	52,817	0	0

Total energy consumption					
Energy consumption	Unit of measurement	2021		2020	
		Total	Total GJ	Total	Total GJ
Fossil fuels	GJ	63,074		64,015	
Purchased electricity	GJ	91,357		87,834	
Total	GJ	154,430		151,849	

GRI 302-4 Reduction of energy consumption

SAES Getters S.p.A. – Unit of Lainate

Initiatives to reduce energy consumption			
Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Relamping Lainate external	kWh	2020	14,694
	GJ	2020	53
Total energy savings (kWh)			14,694
Total energy savings (GJ)			53

⁵⁴ The environmental figures include all the Companies of the Group included in the reporting scope where the production sites are located. On the other hand, companies with only commercial offices are excluded as they are not considered relevant. It should be noted that the environmental data relating to the management office located in Piazza Castello 13, Milan, for which a seven-year lease agreement was signed by the Parent Company, with effect from 1 July 2020, refer only to electricity and gas consumption, although this is negligible compared with the Group's environmental impact.

⁵⁵ For purposes of data comparability, note that the increase in propane consumption compared to 2020 is primarily due to the operation of a furnace at Spectra-Mat Inc. that underwent maintenance in 2020.

SAES Getters S.p.A. – Unit of Avezzano

Initiatives to reduce energy consumption			
Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Replacement of 18 x 66W fluorescent lights with 18 x 47W LED lights. Activity carried out in August 2021, savings calculated over four months (September ÷ December)	kWh	2020	305
	GJ	2020	1
Total energy savings (kWh)			305
Total energy savings (GJ)			1

Spectra-Mat, Inc.

Initiatives to reduce energy consumption			
Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Partial relamping	kWh	2020	25
	GJ	2020	0.1
Total energy savings (kWh)			25
Total energy savings (GJ)			0.1

GRI 303-3 Water collection⁵⁶

Water withdrawal							
		2021			2020		
Source	Unit of measurement	Volume	Of which from areas at risk of water stress		Volume	Of which from areas at risk of water stress	
Water from third parties	MI	82.585	53.297	64.5%	74.604	49.049	65.7%
Groundwater	MI	5.812	0.00	0.0%	4.850	0.00	0.0%

⁵⁶ Given the location of the production sites, it is assumed that the water collected and discharged in 2021 belongs to the freshwater category ($\leq 1,000$ mg/l total dissolved solids); The Aqueduct tool developed by the World Resources Institute was used to determine water-stressed areas.

Non-Financial Statement of the SAES Group

Total	MI	88.397	53.297	60.53%	79.454	49.049	61.7%
--------------	----	---------------	---------------	---------------	---------------	---------------	--------------

GRI 303-4 Water discharge⁵⁷

Wastewater discharges							
	2021				2020		
	Unit of measurement	Volume	Of which from areas at risk of water stress		Volume	Of which from areas at risk of water stress	
Water from third parties	MI	57.838	24.388	42%	57.974	27.847	48%
Surface waters	MI	0.00	0.00	0.0%	0.551	0.551	100%
Total	MI	57.838	24.388	42%	58.525	28.398	49%

305-1 / 305-2 Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions

Scope	Unit of measurement	2021	2020
Scope 1	Tons CO ₂ eq	3,219	3,272
Scope 2 (Location-based)	Tons CO ₂ ⁵⁸	8,625	8,844
Total	Tons CO₂eq⁵⁹	11,845	12,116

Emissions Scope 2 (2020)	
Location-based method	Market-based method
Tons CO ₂	Tons CO ₂
8,844	10,683

Emissions Scope 2 (2021)	
Location-based method	Market-based method
Tons CO ₂	Tons CO ₂
8,625	4,004

⁵⁷The Aqueduct tool developed by the World Resources Institute was used to determine water-stressed areas.

⁵⁸ Scope 2 emissions are expressed in tons of CO₂. However, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂eq), as can be deduced from the relevant technical literature.

⁵⁹ Scope 2 emissions are expressed in tons of CO₂. However, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂eq), as can be deduced from the relevant technical literature.

“Location-based” electricity emission factors					
Country	Unit of measurement	2021		2020	
		Factor	Source	Factor	Source
USA	kg CO ₂ /kWh	0.374	Terna International Comparisons 2019	0.9399	Terna International Comparisons 2018
Italy	kg CO ₂ /kWh	0.315	Terna International Comparisons 2019	0.336	Terna International Comparisons 2018
Market based electricity emission factors					
Country	Unit of measurement	2021		2020	
		Factor	Source	Factor	Source
USA	kg CO ₂ /kWh	0.374	Terna International Comparisons 2019	0.399	Terna International Comparisons 2018
Italy	kg CO ₂ /kWh	0.459	AIB - European Residual Mixes 2020	0.466	AIB - European Residual Mixes 2019
Natural gas emission factors					
Country	Unit of measurement	2021		2020	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/m ³	2.02135	Defra 2021	2.02266	Defra 2020
Italy	kg CO ₂ eq/m ³	2.02135	Defra 2021	2.02266	Defra 2020
Propane emission factors					
Country	Unit of measurement	2021		2020	
		Source	Factor	Source	Factor
USA	kg CO ₂ eq/GJ	59.6	Defra 2021	59.6	Defra 2020
Italy	kg CO ₂ eq/GJ	59.6	Defra 2021	59.6	Defra 2020
Diesel emission factors					
Country	Unit of measurement	2021		2020	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/GJ	65.8	Defra 2021	66.8	Defra 2020
Italy	kg CO ₂ eq/GJ	65.8	Defra 2021	66.8	Defra 2020
Gasoline emission factors					
Country	Unit of measurement	2021		2020	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/GJ	63.8	Defra 2021	63.7	Defra 2020
Italy	kg CO ₂ eq/GJ	63.8	Defra 2021	63.7	Defra 2020

305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions⁶⁰

Pollutant	U.M.	2021	2020
Ethanol	Ton/year	13.232	1.009
VOC	Ton/year	3.924	3.046
Total Dust	Ton/year	0.523	0.466
NOx	Ton/year	0.279	0.731
SOx	Ton/year	0.219	0.330
Other pollutants	Ton/year	0.025	N.A.
Methylmethacrylate	Ton/year	0.015	N.A.
Phosphoric Acid	Ton/year	0.0003	0.00022
CO	Ton/year	0.00004	0.033
Total	Ton/year	18.217	5.616

GRI 306-4 and GRI 306-5 Waste by type and disposal method⁶¹

Method	2021				2020			
	Hazardous	Non-hazardous	Total	Total %	Hazardous	Non-hazardous	Total	Total %
Recycling	10.39	530.95	541.34	28%	22.33	777.14	799.47	39.7%
Other recovery operations	2.40	62.04	64.44	3%	1.95	24.61	26.56	1.3%
Total waste not sent for disposal	12.79	592.99	605.79	32%	24.29	801.75	826.04	41.1%

⁶⁰ The perimeter refers only to those companies that provide for the monitoring of atmospheric emissions as required by current local regulations, and these are: SAES Getters S.p.A. - Lainate and Avezzano plants, SAES Smart Materials, Inc., SAES Coated Films SpA, SpectraMat inc. which are therefore considered relevant for the purpose of ensuring an understanding of the impacts of the Group's activities. Starting from 2019, the data relating to pollution not previously monitored, such as VOCs, at SAES Coated Films and Spectra-Mat Inc., CO and NOX at the Avezzano plant have been reported.

⁶¹ It should be noted that, following an improvement in the reporting system, the new version of GRI Waste (2020) was adopted and therefore the data relating to 2020 have been updated. It should also be noted that when it was not possible to identify the method of waste disposal due to the unavailability of data, the quantities of waste produced were attributed to the category "Other disposal operations". The Group will undertake to report this data in greater detail in the coming years.

Where not specified, the waste produced was treated at external sites (Off-Site).

Non-Financial Statement of the SAES Group

Incineration with energy recovery	7.62	27.84	35.46	2%	10.11	20.36	30.46	1.5%
Incineration	0.59	4.86	5.45	0%	0.14	0.00	0.14	0.01%
Landfilling	39.11	57.73	96.84	5%	34.17	10.24	44.42	2.2%
Other disposal operations	313.44	866.09	1,179.5	61%	268.75	842.16	1,110.91	55.2%
Total waste sent for disposal	360.77	956.53	1,317.3	68%	313.17	872.76	1,185.93	58.9%
TOTAL	374	1,550	1,923	100%	337	1,675	2,012	100%

GRI Content Index

This report has been prepared in accordance with the GRI Standards: Core option.

GRI Standards indexes	Description	Pages	Omission
GRI 101: Reporting standards (2016)			
GRI 102: General Information (2016)			
Organisational profile (2016)			
102-1	Name of the organisation	13	
102-2	Activities, brands, products, and services	12	
102-3	Location of headquarters	14	
102-4	Location of operations	14	
102-5	Ownership and legal form	34	
102-6	Markets served	45	
102-7	Scale of the organisation	12-14; 56 Market cap of Euro 396.746 million at 31/12/2021	
102-8	Information on employees and other workers	56-57; 64 87-88	
102-9	Supply chain	39-42	

Organisational profile (continued)			
102-10	Significant changes to the organisation and its supply chain	7-8; 34	
102-11	Precautionary Principle or approach	24-26; 69-70	
102-12	External initiatives	7-9; 21	
102-13	Membership of associations	21; 35-36	
Strategy (2016)			
102-14	Statement from senior decision-maker	6	
Ethics and integrity (2016)			
102-16	Values, principles, standards, and norms of behaviour	19-23	
Governance (2016)			
102-18	Governance structure	18-19	
Stakeholder engagement (2016)			
102-40	List of stakeholder groups	28	
102-41	Collective bargaining agreements	89	
102-42	Identifying and selecting stakeholders	28	
102-43	Approach to stakeholder engagement	29	
102-44	Key topics and concerns raised	30-31	

Non-Financial Statement of the SAES Group

Reporting practice (2016)			
102-45	Entities included in the consolidated financial statements	8	
102-46	Defining report content and topic Boundaries	7-8; 30-31	
102-47	List of material topics	30; 80-81	
102-48	Restatements of information	8; 41; 72-73	
102-49	Changes in reporting	8; 30-31; 80-81	
102-50	Reporting period	7	
102-51	Date of most recent report	March 2021	
102-52	Reporting cycle	7	
102-53	Contact point for questions regarding the report	10	
102-54	Claims of reporting in accordance with the GRI Standards	7	
102-55	GRI content index	102-115	
102-56	External assurance	116	
TOPIC-SPECIFIC STANDARD			
CATEGORY: ECONOMIC			
ECONOMIC PERFORMANCE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	33	
103-3	Evaluation of the management approach	33	

Non-Financial Statement of the SAES Group

Economic performance (2016)			
201-1	Direct economic value generated and distributed	36-39; 82	
MARKET PRESENCE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55	
103-3	Evaluation of the management approach	55	
Market Presence (2016)			
202-2	Proportion of senior management hired from the local community	68; 88	
PROCUREMENT PRACTICES			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
Procurement practices (2016)			
204-1	Proportion of spending on local suppliers	41; 83-84	
ANTI-CORRUPTION			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	18	
103-3	Evaluation of the management approach	18	
Anti-corruption (2016)			
205-3	Confirmed incidents of corruption and actions taken	There were no cases of active or passive corruption during the reporting year	
TAXES			
Management approach (2019)			
207-1	Approach to tax	32, 35	
207-2	Tax governance, control and risk management	32, 35	
207-3	Stakeholder engagement and management of concerns related to tax	32, 35	
Taxes (2019)			
207-4	Country-by-country reporting	84-85	

CATEGORY: ENVIRONMENTAL			
ENERGY			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	69-70	
103-3	Evaluation of the management approach	69-70	
Energy (2016)			
302-1	Energy consumption within the organisation	72; 96	
302-3	Energy intensity	72	
302-4	Reduction of energy consumption	72; 96	
WATER AND WATER DISCHARGE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	69-70	
103-3	Evaluation of the management approach	69-70	
Water and Effluents (2018)			
303-1	Interactions with water as a shared resource	76-78	
303-2	Management of water discharge-related impacts	76-78	
303-3	Water withdrawal	76;97	
303-4	Water discharge	78-79; 98	
EMISSIONS			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	

Non-Financial Statement of the SAES Group

103-2	The management approach and its components	69-70	
103-3	Evaluation of the management approach	69-70	
Emissions (2016)			
305-1	Direct (Scope 1) GHG emissions	73-74; 98-100	
305-2	Energy indirect (Scope 2) GHG emissions	73-74; 98-100	
305-5	Reduction of GHG emissions	73	
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	74; 100	
EFFLUENTS AND WASTE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	70-71	
103-3	Evaluation of the management approach	70-71	
Waste (2020)			
306-1	Waste generation and significant waste-related impacts	78	
306-2	Management of significant waste-related impacts	60-70; 77	
306-4	Waste diverted from disposal	77;100	
306-5	Waste directed to disposal	77;100	
ENVIRONMENTAL COMPLIANCE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	17; 69; 70	
103-3	Evaluation of the management approach	17; 69; 70	

Non-Financial Statement of the SAES Group

Environmental Compliance (2016)			
307-1	Non-compliance with environmental laws and regulations	No fines and/or sanctions are reported for violations of laws and regulations on the matter during the reporting year	

SUPPLIER ENVIRONMENTAL ASSESSMENT

Management approach (2016)

103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	

Supplier Environmental Assessment (2016)

308-1	New suppliers that were screened using environmental criteria	The group does not adopt policies for screening suppliers using environmental criteria	
-------	---	--	--

CATEGORY: SOCIAL

EMPLOYMENT

Management approach (2016)

103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55	
103-3	Evaluation of the management approach	55	

Employment (2016)

401-1	New employee hires and employee turnover	58-69; 89-91	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	64	

LABOUR/MANAGEMENT RELATIONS

Management approach (2016)

103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55	
103-3	Evaluation of the management approach	55	

Labour/Management Relations (2016)

Non-Financial Statement of the SAES Group

402-1	Minimum notice periods regarding operational changes	55	
-------	--	----	--

OCCUPATIONAL HEALTH AND SAFETY			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55-56	
103-3	Evaluation of the management approach	55-56	
Occupational Health and Safety (2018)			
403-1	Occupational health and safety management system	65-67	
403-2	Hazard identification, risk assessment, and incident investigation	65-67	
403-3	Occupational health services	65-67	
403-4	Worker participation, consultation, and communication on occupational health and safety	65-67	
403-5	Worker training on occupational health and safety	65-67	
403-6	Promotion of worker health	65-67	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	65-67	
403-9	Work-related injuries	65-67; 91-93	

TRAINING AND EDUCATION			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55-56	
103-3	Evaluation of the management approach	55-56	
Training and Education (2016)			
404-1	Average hours of training per year per employee	60-62; 93-96	
404-3	Percentage of employees receiving regular performance and career development reviews	62; 94	
DIVERSITY AND EQUAL OPPORTUNITY			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55-56	
103-3	Evaluation of the management approach	55-56	
Diversity and equal opportunity (2016)			
405-1	Diversity of governance bodies and employees	18-19; 68; 94-95	
NON DISCRIMINATION			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	55-56	
103-3	Evaluation of the management approach	55-56	
Non discrimination (2016)			
406-1	Incidents of discrimination and corrective actions taken	67	

Non-Financial Statement of the SAES Group

CHILD LABOUR			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	33	
103-3	Evaluation of the management approach	33	
Child Labour (2016)			
408-1	Operations and suppliers at significant risk for incidents of child labour	42; 82	
FORCED OR COMPULSORY LABOUR			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
Forced or Compulsory Labour (2016)			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	42; 82	
SUPPLIER SOCIAL ASSESSMENT			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	32	
103-3	Evaluation of the management approach	32	
Supplier Social Assessment (2016)			
414-1	New suppliers that were screened using social criteria	The Group does not adopt policies for assessing suppliers on the basis of social criteria	

CUSTOMER HEALTH AND SAFETY			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	

Non-Financial Statement of the SAES Group

103-2	The management approach and its components	43	
103-3	Evaluation of the management approach	43	
Customer Health and Safety (2016)			
416-1	Assessment of the health and safety impacts of product and service categories	52	
MARKETING AND LABELLING			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	43	
103-3	Evaluation of the management approach	43	
Marketing and Labelling (2016)			
417-1	Requirements for product and service information and labelling	52	
Customer privacy			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	44	
103-3	Evaluation of the management approach	44	
Customer privacy (2016)			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	54	

Non-Financial Statement of the SAES Group

SOCIO-ECONOMIC COMPLIANCE			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	17	
103-3	Evaluation of the management approach	17	
Socioeconomic Compliance (2016)			
419-1	Non-compliance with laws and regulations in the social and economic area	As a result of administrative sanction proceedings initiated by Consob against SAES Getters S.p.A. for violation of current regulations on public disclosure of inside information ("MAR") with reference to the press release regarding the agreement to sell the gas purification business, finalised in mid-year 2018. The penalty was paid in 2021, but SAES Getters S.p.A. decided to challenge it in court.	

RESEARCH, DEVELOPMENT AND INNOVATION ACTIVITIES			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	44; 51-52	
103-3	Evaluation of the management approach	44; 51-52	
CUSTOMER SATISFACTION			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	44; 53	

Non-Financial Statement of the SAES Group

103-3	Evaluation of the management approach	44; 53; 86	
BRAND IDENTITY AND REPUTATION			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	33; 36	
103-3	Evaluation of the management approach	33; 36	
BUSINESS CONTINUITY			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	25; 32-33	
103-3	Evaluation of the management approach	25; 32-33	
CIRCULAR ECONOMY AND PRODUCTS WITH LOWER ENVIRONMENTAL IMPACT			
Management approach (2016)			
103-1	Explanation of the material topic and its scope	80-81	
103-2	The management approach and its components	43; 53	
103-3	Evaluation of the management approach	43; 53	

**Independent Auditors' Report on the
Consolidated Non-Financial Statement**

INDEPENDENT AUDITOR'S REPORT
ON THE CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO ARTICLE 3,
PARAGRAPH 10 OF LEGISLATIVE DECREE No. 254 OF DECEMBER 30, 2016 AND
ART. 5 OF CONSOB REGULATION N. 20267 OF JANUARY 2018

To the Board of Directors of
SAES Getters S.p.A.

Pursuant to article 3, paragraph 10, of the Legislative Decree no. 254 of December 30, 2016 (hereinafter "Decree") and to article 5 of the CONSOB Regulation n. 20267/2018, we have carried out a limited assurance engagement on the Consolidated Non-Financial Statement of SAES Getters S.p.A. and its subsidiaries (hereinafter "SAES Group" or "Group") as of December 31, 2021 prepared on the basis of art. 4 of the Decree and approved by the Board of Directors on March 14, 2022 (hereinafter "NFS").

Our limited assurance engagement does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph "EU taxonomy (EU Reg. 2020/852 and related Delegated Regulations)".

Responsibility of the Directors and the Board of Statutory Auditors for the NFS

The Directors are responsible for the preparation of the NFS in accordance with articles 3 and 4 of the Decree and the "Global Reporting Initiative Sustainability Reporting Standards" established by GRI - Global Reporting Initiative (hereinafter "GRI Standards"), which they have identified as reporting framework.

The Directors are also responsible, within the terms established by law, for such internal control as they determine is necessary to enable the preparation of NFS that is free from material misstatement, whether due to fraud or error.

The Directors are moreover responsible for defining the contents of the NFS, within the topics specified in article 3, paragraph 1, of the Decree, taking into account the activities and characteristics of the Group, and to the extent necessary in order to ensure the understanding of the Group's activities, its trends, performance and the related impacts.

Finally, the Directors are responsible for defining the business management model and the organisation of the Group's activities as well as, with reference to the topics detected and reported in the NFS, for the policies pursued by the Group and for identifying and managing the risks generated or undertaken by the Group.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by law, the compliance with the provisions set out in the Decree.

Auditor's Independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the *International Ethics Standards Board for Accountants*, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. Our auditing firm applies the *International Standard on Quality Control 1* (ISQC Italia 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's responsibility

Our responsibility is to express our conclusion based on the procedures performed about the compliance of the NFS with the Decree and the GRI Standards. We conducted our work in accordance with the criteria established in the "*International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information*" (hereinafter "*ISAE 3000 Revised*"), issued by the *International Auditing and Assurance Standards Board* (IAASB) for limited assurance engagements. The standard requires that we plan and perform the engagement to obtain limited assurance whether the NFS is free from material misstatement. Therefore, the procedures performed in a limited assurance engagement are less than those performed in a reasonable assurance engagement in accordance with ISAE 3000 Revised, and, therefore, do not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures performed on NFS are based on our professional judgement and included inquiries, primarily with company personnel responsible for the preparation of information included in the NFS, analysis of documents, recalculations and other procedures aimed to obtain evidence as appropriate.

Specifically we carried out the following procedures:

1. analysis of relevant topics with reference to the Group's activities and characteristics disclosed in the NFS, in order to assess the reasonableness of the selection process in place in light of the provisions of art.3 of the Decree and taking into account the adopted reporting standard;
2. analysis and assessment of the identification criteria of the consolidation area, in order to assess its compliance with the Decree;
3. comparison between the financial data and information included in the NFS with those included in the consolidated financial statements of the SAES Group;

4. understanding of the following matters:

- business management model of the Group's activities, with reference to the management of the topics specified by article 3 of the Decree;
- policies adopted by the entity in connection with the topics specified by article 3 of the Decree, achieved results and related fundamental performance indicators;
- main risks, generated and/or undertaken, in connection with the topics specified by article 3 of the Decree.

Moreover, with reference to these matters, we carried out a comparison with the information contained in the NFS and the verifications described in the subsequent point 5, letter a);

5. understanding of the processes underlying the origination, recording and management of qualitative and quantitative material information included in the NFS.

In particular, we carried out interviews and discussions with the management of SAES Getters S.p.A. and with the employees of Memry Corporation, and we carried out limited documentary verifications, in order to gather information about the processes and procedures which support the collection, aggregation, elaboration and transmittal of non-financial data and information to the department responsible for the preparation of the NFS.

In addition, for material information, taking into consideration the Group's activities and characteristics:

- at the parent company's and subsidiaries' level:
 - a) with regards to qualitative information included in the NFS, and specifically with reference to the business management model, policies applied and main risks, we carried out interviews and gathered supporting documentation in order to verify its consistency with the available evidence;
 - b) with regards to quantitative information, we carried out both analytical procedures and limited verifications in order to ensure, on a sample basis, the correct aggregation of data;
- for the following companies and sites, Lainate headquarters and Avezzano production site for SAES Getters S.p.A. and Bethel (Connecticut, USA) headquarters and Menlo Park (California, USA) production site for Memry Corporation, which we selected based on their activities, their contribution to the performance indicators at the consolidated level and their location, we carried out remote meetings, during which we have met their management and have gathered supporting documentation with reference to the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFS of the SAES Group as of December 31, 2021 is not prepared, in all material aspects, in accordance with articles 3 and 4 of the Decree and the GRI Standards.

Our conclusion on the NFS does not extend to the information required by art. 8 of the European Regulation 2020/852 included in the paragraph “EU taxonomy (EU Reg. 2020/852 and related Delegated Regulations)”.

DELOITTE & TOUCHE S.p.A.

Signed by
Carlo Laganà
Partner

Milan, Italy
March 29, 2022

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative