



# **REPORT ON CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE**

Drawn up under article 123-*bis* Consolidated Finance Law

(Traditional administration and control model)

Issuer: SAES® Getters S.p.A. – Viale Italia 77 – 20045 Lainate (MI)

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## GLOSSARY

**Independent Director:** member of the Board of Directors of the Company satisfying the independence requirements provided for in articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law and/or of Corporate Governance Code.

**Code / CG Code:** the *Corporate Governance* Code of the listed companies approved in January 2020 by the Committee for *Corporate Governance*.

**Civil Code:** Italian Civil Code.

**CG Committee:** the Italian Committee for *Corporate Governance* for listed companies, promoted not only by Borsa Italiana S.p.A., but also ABI, Ania, Assogestioni, Assonime and Confindustria.

**Board:** the Board of Directors of the Company.

**Dialogue:** dialogue between the Board of Directors and Shareholders/Investors, to be carried out through the CEO and/or the Deputy CEO, possibly with the support of the Investor Relator, on topics under the responsibility of the board specified in paragraph 2 b) of the Dialogue Policy with shareholders and all investors that the Board adopted on 14 October 2021.

**Managers with Strategic Responsibilities (or also *Top Management* under the CG Code):** these are resources that cover organisational roles with powers and responsibilities, directly and indirectly, relating to planning, management and control activities within the Company. The definition includes directors (executive and non) of the Company itself and also includes standing auditors of the Board of Statutory Auditors, as defined by the rules adopted by Consob with resolution No. 17221 of 12 March 2010, as amended and supplemented, in relation to operations with related parties. Directors and Managers with Strategic Responsibilities: the directors identified at the unquestionable discretion of the Board of Directors from among those reporting directly to the Executive Directors, who are members of the Corporate Management Committee and other managers that the Board of Directors, also at its unquestionable discretion, deems to hold strategic organisational roles within the Company; in both cases, with a duration of global service of at least three years with the Company.

**Financial Year:** 2022 financial year (01.01.2022-31.12.2022).

**Savings Law:** Italian Law on protection of savings of 28 December 2005, no. 262.

**Model 231:** the organisational, management and control model pursuant to Italian Legislative Decree no. 231 of 8 June 2001 approved by the Board of Directors of SAES

Getters S.p.A. on 22 December 2004 and subsequent amendments, as last updated on 10 September 2020.

**Accounting Control Model:** the Administrative and Accounting Control Model adopted by the Board of Directors of SAES Getters S.p.A. on 14 May 2007 and subsequently updated on 20 December 2012 also in light of the provisions introduced by the Savings Law.

**Material Transactions:** means the Company's and its subsidiaries' transactions with a significant strategic, economic, equity and financial bearing on the company itself and that have been classified as such by the Board of Directors. Extraordinary transactions are certainly included in the Material Transactions. These include, but are not limited to: capital increases and reductions, transfers/disposals/acquisitions of companies and/or company branches or real estate property, mergers/demergers, not to mention the transactions that exceed the limits of the powers bestowed upon the Managing Directors.

**Dialogue Policy:** the policy for dialogue with shareholders and all investors that the Board passed on 14 October 2021, posted on the Company website at this link <https://www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure/politica-la-gestione-dialogo-azionisti>.

**BOD Rules:** means the rules that govern the makeup, duties and operation of the Board, passed with resolution of the Board on 14 October 2021.

**Regulations for Issuers:** the Regulations issued by Consob with resolution no. 11971 of 14 May 1999 (and subsequent amendments and additions) on issuers.

**Market Regulations:** the Regulations issued by Consob with resolution no. 20249 of 28 December 2017 on markets.

**Regulations of Related Parties:** the Regulations issued by Consob with resolution no. 17221 of 12 March 2010 (and subsequent amendments and additions) in matters of transactions with related parties.

**Report:** the Report on corporate governance and ownership structures that companies are obliged to draw up pursuant to articles 123-*bis* of Italian Consolidated Finance Law and 89-*bis* Consob Regulations for Issuers.

**Remuneration Report:** report on the remuneration policy and the payments made drafted and published by the Company in accordance with Article 123-ter Consolidated Finance Law and 84-quater Consob Regulations for Issuers, on the Company website at this link <https://www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure/politica-sulla-remunerazione>.

**Company:** SAES GETTERS S.p.A.

**Strategic Companies:** means companies with a significant strategic, economic, equity and financial bearing on SAES.

**By-laws:** the current version of the Company By-laws (amended by the Shareholders' Meeting of 21 April 2022).

**Consolidated Finance Law:** Italian Legislative Decree no. 58 of 24 February 1998.

In addition to the words and expressions defined in this paragraph or in the other paragraphs of this report, for the meaning of the words and expressions under the capital letter in this report and not explicitly stated here, see the definitions in the CG Code and/or Remuneration Report and/or Dialogue Policy, the latter two of which are on the Company website.

## 1. PROFILE OF THE ISSUER

A pioneer in the development of getter technology, the Company SAES Getters S.p.A., together with its subsidiaries, (hereinafter "SAES® Group" or "SAES" or "Group") is the world leader in a variety of scientific and industrial applications where stringent vacuum conditions are required. In more than 80 years of activity, the Group's getter solutions have been supporting innovation in the information display and lamp industries, in sophisticated high vacuum systems and in vacuum thermal insulation, in technologies spanning from large vacuum power tubes to miniaturised silicon-based microelectronic and micromechanical (MEMS) devices.

Since 2004, by taking advantage of the expertise it acquired in the special metallurgy and material science field, the SAES Group extended its business into the advanced material market, and the market of shape memory alloys in particular, a family of advanced materials characterised by super-elasticity and their ability to assume predefined forms when heated. These special alloys, which today are mainly applied in the biomedical sector, are also perfectly suited to the production of actuator devices for the industrial sector (home automation, white goods industry, consumer electronics, healthcare, automotive and luxury sector).

More recently, SAES has expanded its offer by developing a technological platform, which integrates getter materials in a polymeric matrix. These products, which were initially developed for OLED *displays*, are now used in new application sectors, including optoelectronics, advanced photonics, telecommunications (5G) and especially telephony.

Among the most recent applications of the Group, advanced packaging is a particularly strategic sector, where SAES offers new products for sustainable food *packaging* and competes with recyclable and biodegradable solutions.

In conclusion, mention is made of the recent establishment of the new unit dedicated to *consumer innovation* called B!POD, created with the aim of developing and marketing sustainable products and solutions and combating food waste.

A total production capacity distributed in eleven plants, a worldwide-based sales and service network, and almost 1,200 employees allow the Group to combine multicultural skills and expertise to form a truly global enterprise.

The SAES Group is headquartered in Milan.

SAES Getters S.p.A. has been listed on the Italian Stock Exchange Market, Euronext STAR segment, since 1986.

The Board is aware that in compliance with that set forth in article 1 of Principle 1 of the CG Code, the Company's "sustainable success" is at the core of the Board's activity and objectives, recognising it as equal to the business' other strategic objectives. To this regard, see Paragraph 4.1 below for more information on the Board's action geared towards the Company's sustainable success.

At the same time as the publication of the Annual Financial Report relating to the financial year closed as at 31 December 2022, the Company will post the Non-Financial Statement relating to the financial year 2022 on its website, available at <https://www.saesgetters.com/it/investor-relations/documenti-finanziari> (the "**Statement**" or the "**NFS**"). Specifically, SAES Group's NFS, drafted in accordance with art. 4 of Legislative Decree 254/2016 and as amended, gives information covering environmental, social, personnel and human rights issues and the fight against corruption, that helps to provide stakeholders with an accurate, exhaustive and clear view of the activities undertaken, SAES's progress, the results the Group achieved in guaranteeing financial growth and development of the business, taking the expectations of the stakeholders involved into consideration and seeking to continually improve the environmental and social impacts its activities generate.

This Non-Financial Statement has been prepared in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" defined by the Global Reporting Initiative (GRI), according to the "in accordance" option. To date, these



guidelines are the most widespread and recognised internationally in the area of non-financial reporting. Furthermore, where appropriate, the European Commission Guidelines, "Guidelines on non-financial reporting", were also taken into account.

Article 1, paragraph 1, letter *w-quater* 1) of the Consolidated Finance Law introduced the definition of SMEs, as "small and medium companies, listed shares issuers, which have a market capitalisation of less than €500 million. SMEs are not considered the issuers of listed shares that have exceeded this limit for three consecutive years".

The qualification of SME is based on compliance with the capitalisation requirement, for SAES equal to Euro 441,150,027.

As set forth in article 2-*ter*, paragraph 1, of the Regulations for Issuers:

"the capitalisation is equal to the simple average of the daily capitalisations calculated with reference to the official price, recorded over the course of the year; if there is a listing of several share categories, the sum of the capitalisation of each share category is considered".

Assigning the status of SME to an issuer entails some significant changes in the applicable regulations, for example with regard to the transparency of the ownership structure, with the minimum threshold of significant shareholdings for disclosure pursuant to article 120 of the Consolidated Finance Law being raised from 3% to 5%.

Lastly, Consob publishes the list of SMEs by 31 January of each year on its website, on the basis of the values of the capitalisation calculated by it (as set forth in article 2-*ter*, paragraph 4, Issuers Regulations).

On 23 January 2023, with Management Resolution No. 74 Consob updated on its website ([www.consob.it/web/area-pubblica/emittenti-quotati-pmi](http://www.consob.it/web/area-pubblica/emittenti-quotati-pmi)) the list of companies with traded shares, defined as SMEs, including SAES Getters S.p.A., continuing from last year.

As the CG Committee's Chairman pointed out in a letter dated 3 December 2021, the main structural changes that the Code brought also include "a new approach to proportionality meant to benefit the needs and specificities of the companies with a strong controlling shareholder (of which many are family companies) and the smaller companies". To this end, the new Code identifies and divides listed companies based on their respective size and control model into "large companies" or "concentrated ownership companies", requiring companies that fall into one of the two categories to apply or neglect certain provisions of that Code on a case-by-case basis.

Specifically, according to the CG Code, “**large companies**” can be classified as “those companies whose capitalisation was over one billion euros on the last trading day of the last three calendar years”.

Instead, falling under the definition of “**concentrated ownership companies**” are those companies with one or more shareholders party to a shareholders' agreement who either directly or indirectly have the majority of the votes that may be exercised in the ordinary shareholders' meeting.

In light of the definitions just given, the following is true:

1. The Company may not be classified as a large company since its capitalisation on the last trading day of the last three calendar years never reached or exceeded one billion euros.
2. The Company is a concentrated ownership company, since the majority shareholder S.G.G. Holding S.p.A. alone directly holds the majority of the voting rights that may be exercised in the ordinary shareholders' meeting of the Company.

In this regard, note that S.G.G. Holding S.p.A. holds 10,071,972 voting rights, equal to 51.15% of the share capital with voting rights.

Thus, as a concentrated ownership company, the Company may avail itself of the proportionality measures under the Code.

In compliance with its By-laws, the administration and control **model** adopted by the Company is the so-called **traditional** model based on the combination of a Board of Directors and Board of Statutory Auditors. More specifically, in this model the Governance of the Company is characterised by the existence of:

a Board of Directors in charge of the management of the Company;

a Board of Statutory Auditors called upon to supervise compliance with the law and the By-laws, among the other matters regulated by the current laws in force, as well as the financial reporting process, the effectiveness of the internal control, internal audit and risk management systems, the statutory audit of the annual accounts and consolidated accounts, and the independence of the external audit firm, with a particular focus on the provision of non-auditing services to the Company;

the Shareholders' Meeting, responsible for passing resolutions in accordance with the provisions of law and the By-laws, in ordinary and extraordinary session.

The statutory audit of the annual accounts and consolidated accounts is entrusted to an audit firm (KPMG S.p.A.) enrolled in the register of statutory auditors and audit firms set up pursuant to article 2, paragraph 1 of Italian Legislative Decree no. 39/2010. The

appointment granted to KPMG S.p.A. will end with the approval of the Financial Statements as at 31 December 2030.

## 2. INFORMATION ON OWNERSHIP STRUCTURES (pursuant to art. 123-bis, paragraph 1, Consolidated Finance Law)

The information reported below, unless otherwise indicated, refers to the date of approval of this Report, i.e., 14 March 2023.

### 2.1. Share capital structure (pursuant to article 123-bis, paragraph 1, letter a), of Consolidated Finance Law)

The share capital of SAES Getters S.p.A. is €12,220,000.00, fully paid-up, and is divided into 22,049,969 shares, broken down as follows:

	No. of shares	No. of voting rights	listed/non-listed	Rights and obligations
<b>Ordinary shares</b> The Company introduced increased voting rights, which was approved by the Shareholders' Meeting on 3 March 2016.	14,671,350 of which 5,018,486 shares with increased voting rights	19,689,836	MTA STAR Euronext segment – Borsa Italiana S.p.A.	articles 5, 6, 11, 26, 29, 30 Company By-laws
<b>Shares with multiple voting rights</b>	N.A.	N.A.	-	-
<b>Shares with limited voting rights</b>	N.A.	N.A.	-	-
<b>Savings shares (without voting rights)</b>	7,378,619	0	MTA STAR segment – Borsa Italiana S.p.A.	articles 5, 6, 11, 26, 29, 30 Company By-laws

All shares are without par value and currently have an implied book value (understood as the ratio between the total amount of the share capital and the total number of issued shares) of €0.554196.

Each ordinary share awards the right to vote without any restrictions. All administrative and economic rights and the obligations provided for by law and the By-laws are connected to ordinary shares. Savings shares are without voting rights in ordinary and extraordinary meetings.

The rights related to the various classes of shares are indicated in the By-laws, in particular articles 5, 6, 11, 26, 29 and 30. The By-laws are available on the Internet site of the Company [www.saesgetters.com/investor-relations/corporate-governance/company-laws](http://www.saesgetters.com/investor-relations/corporate-governance/company-laws).

The ordinary shares are registered shares, whereas the savings shares are either bearer shares or registered shares according to the choice of the Shareholder or the provisions of law. All shares are issued in dematerialised form.

Each share awards the right to a proportional part of the profits/reserves allocated for distribution and the shareholders' equity resulting from liquidation, without prejudice to the rights established in favour of savings shares, as set forth in articles 26 and 30 of the By-laws.

More precisely, the net profits of each financial year are distributed as follows:

- 5% to the legal reserve, until the latter has reached one fifth of the share capital;
- the remaining amount is distributed as follows:
  - savings shares are assigned a preferred dividend of 25% of the implied book value; when savings shares are assigned a dividend of less than 25% of the implied book value in a particular financial year, the difference will be made up on the preferred dividend in the next two financial years;
  - the residual profits that the Shareholders' Meeting decides to distribute will be divided among all the shares in such a way to ensure that the savings shares will be entitled to a total dividend that will be higher than ordinary shares by 3% of the implied book value (understood as the ratio between the total amount of the share capital and the total number of issued shares).

In case of distribution of reserves, shares have the same rights irrespective of the category to which they belong.

In the event of the winding-up of the Company, savings shares have priority in the reimbursement of capital for their implied book value.

To date, SAES Getters possesses 3,900,000 ordinary shares, amounting to around 26.6% of the ordinary shares and around 17.7% of the Company's share capital and to

around 19.8% of the share capital with voting rights (without prejudice to the fact that being treasury shares, the voting rights on such shares may not be exercised).

These treasury shares represent a medium and long-term investment in the Company, which can also be used as a collateral for loans, for any extraordinary transactions and/or to develop alliances in line with the Group's strategic guidelines. Until these opportunities for use arise, the Company intends to retain the treasury shares purchased in the portfolio.

The share capital may also be increased by issuing shares with different rights from those of the shares already issued. In the event of an increase in share capital, the owners of shares in each category have the proportional right to receive, in option, newly-issued shares of the same category and, if these are not available or to make up the difference, the shares of another category (or other categories).

The resolutions to issue new shares with the same characteristics of those in circulation do not require the further approval of special Shareholders' Meetings.

If ordinary or savings shares are excluded from trading, the savings shares shall be awarded the same rights as those previously due to them.

There are no other financial instruments (such as bonds, warrants) that award the right to subscribe newly-issued shares.

With regard to increased voting rights, please see paragraph 2.4 for more information.

## ***2.2. Restrictions on the transfer of shares (pursuant to article 123-bis, paragraph 1, letter b), Consolidated Finance Law)***

There are no restrictions on the transfer of shares.

Nevertheless, attention is drawn to the indications of paragraph 2.8 below and several restrictions applicable to Significant Persons for limited periods of time (so-called *blackout period*) as defined and identified in the Internal Dealing Code published on the Company website [www.saesgetters.com](http://www.saesgetters.com).

## ***2.3 Significant investments in capital (pursuant to article 123-bis, paragraph 1, letter c), Consolidated Finance Law)***

S.G.G. Holding S.p.A. is the majority shareholder of the Company currently holding 5,053,486 SAES Getters S.p.A. ordinary shares, representative of 34.44% of the ordinary capital and 51.15% of the share capital with voting rights, according to the understanding of the Company on the basis of the communications received pursuant to article 120 of the Consolidated Finance Law and articles 152-*sexies* and 152-*octies* of the Regulations for Issuers.

The parties that hold voting rights exceeding 5% of the subscribed capital, represented by shares with voting rights, according to the results of the shareholders' register updated on 28/02/2023 and supplemented by the communications received by the Company up to the present date and by other information, are:

Declarer	Direct shareholder	% of ordinary capital (14,671,350 ordinary shares)	% of voting capital (19,689,836 votes on ordinary shares)
S.G.G. Holding S.p.A.	S.G.G. Holding S.p.A.	34.44	51.15
SAES Getters S.p.A.	SAES Getters S.p.A.	26.58	19.81

#### **2.4 Shares with special rights (pursuant to article 123-bis, paragraph 1, letter d), Consolidated Finance Law)**

Shares that grant special controlling rights have not been issued, nor are there any parties that hold special powers pursuant to the provisions of law and the By-laws in force.

It is to be noted that the Company introduced increased voting rights, which was approved by the Shareholders' Meeting on 3 March 2016.

This system is permitted and provided for in article 127-*quinquies* of the Consolidated Finance Law as amended by Italian Law no. 116 of 11 August 2014. With the introduction of this new system, Italian legislature abolished the traditional "one share – one vote" principle and, with the intention of encouraging medium-long term shareholder investments and to reward "loyal" Shareholders, permitted the By-laws of issuers to attribute increased voting rights, up to a maximum of two votes, for each share belonging to the same subject for an uninterrupted period of no less than twenty-four months.

Please refer to the By-laws for the rules on how the new system works.

On the date of this Report, only the shareholder S.G.G. Holding S.p.A. is registered on the Increased Voting Rights List (drawn up under article 127-*quinquies* of the Consolidated Finance Law).

On the date of this Report, the following parties registered on the Increased Voting Rights List, unless a reduction in shareholdings occurs in the meantime, can make use of the increase in voting rights for the Shareholders' Meeting of 28 April 2023, as follows:

ELENCO DEGLI AZIONISTI CHE HANNO OTTENUTO LA MAGGIORAZIONE DEL VOTO E CHE RISULTANO ISCRITTI NELL'ELENCO							
Soggetto Controllante	Azionista	N. Azioni ordinarie	% sul capitale sociale ordinario	Data iscrizione nell'Elenco	Data inizio godimento maggioranza	Totale Diritti di Voto	% sul Totale diritti di
<b>S.G.G. HOLDING S.P.A.</b>	<b>S.G.G. HOLDING S.P.A.</b>	1.354.042	9,229	23/03/2016	09/04/2018	2.708.084	13,754
		1.465.731	9,990	23/03/2016	07/08/2019	2.931.462	14,888
		2.198.713	14,986	04/09/2019	30/09/2021	4.397.426	22,333
<b>TOTALE</b>		<b>5.018.486</b>	<b>34,206</b>			<b>10.036.972</b>	<b>50,975</b>

## 2.5 Employee share ownership: system for exercising voting rights (pursuant to article 123-bis, paragraph 1, letter e), of Consolidated Finance Law)

The Company does not have incentive plans which envisage the assignment of financial instruments (*stock options, stock grants, etc.*).

The Company adopted a Phantom Shares Plan in October 2018. More precisely, on 1 October 2018, the Shareholders' Meeting, pursuant to article 114- bis of the Consolidated Finance Law, approved the adoption of an incentive scheme based on *Phantom Shares*, called "2018 *Phantom Shares Plan*", aimed at some executive directors and strategic senior managers, to be identified by the Board of Directors, whose terms, conditions and mode of implementation are described in the report by the Board of Directors, in the Phantom Shares Plan and in the draft regulations and information document attached to it (documents from 2018). On 17 October 2018, the Board of Directors formally approved the Plan's regulations, without making any modification to the draft already attached to the report to the Shareholders' Meeting which approved the Phantom Shares Plan on 1 October 2018. Please refer to these documents (made available in accordance with the law and published on the website <https://www.saesgetters.com/it/investor-relations/assembly-dei-soci-2018>) for more details, as well as to the matters indicated in the Report on the remuneration policy and amounts paid, available at the following link <https://www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure/politica-sulla-remunerazione>.

In this report it is specified merely that the Plan does not envisage the assignment of financial instruments or rights on the shares of the Company but that the Plan is based on the bonus issue of Phantom Shares that, in accordance with the terms and conditions of the Plan, give the right to receive an incentive in cash proportional to the increase of the stock market price of the shares on the date of the event (as indicated in the Plan Regulations) compared to the value at allocation.

The updated statement at 31 December 2022 is attached to the Report on the Remuneration Policy and amounts paid for the year.

**2.6 Restrictions on voting rights (pursuant to article 123-bis, paragraph 1, letter f), Consolidated Finance Law)**

There are no restrictions on voting rights.

**2.7 Shareholders' Agreements (pursuant to article 123-bis, paragraph 1, letter g), Consolidated Finance Law)**

The Company is unaware of any agreements stipulated by Shareholders (also known as "shareholders' agreements") pursuant to article 122 of the Consolidated Finance Law.

**2.8 Change of control clauses (pursuant to article 123-bis, paragraph 1, letter h), of Consolidated Finance Law) and provisions laid down by the By-laws on Takeover Bids (pursuant to articles 104, paragraph 1-ter, and 104-bis, paragraph 1 of Consolidated Finance Law)**

The companies of the Group, in the normal course of business, are party to supply agreements or collaboration agreements with customers, suppliers and industrial or financial partners, which, as customary in international agreements, at times include clauses that assign the counterparty or each party the power to cancel these agreements in the event of any changes in control on the part of the parent company SAES Getters S.p.A., or, more generally, on the part of one of the parties. None of these agreements are significant.

Some of the Group's companies are also parties to bank loan agreements as well as lines of credit: these agreements with the credit institutions, as customary in these types of agreement, set forth the right of the institutions to request or claim the early reimbursement of the loans and the obligation on the part of the financed company to redeem all the sums it has used in advance, if there is a change in the control of the financed company and/or the parent company (SAES Getters S.p.A.). The debt exposure for which the application of the change of control clause may be applied as at 31.12.2022 stands at approximately 80.2 million euros.

With reference to the provisions in force on takeover bids, it is to be noted that the By-laws do not provide for any derogation of the provisions on the passivity rule set forth in article 104, paragraphs 1 and 2, of the Consolidated Finance Law, nor do they expressly provide for the application of the neutralisation rules set forth in article 104-bis, paragraphs 2 and 3, of the Consolidated Finance Law.

It is to be specified that the information on the existence of change of control clauses in relation to managers with strategic responsibilities is found in the Report on the Remuneration policy and the amounts paid, published in accordance with article 123-ter of the Consolidated Finance Law.



**2.9 Authorisations to increase share capital and authorisations to purchase treasury shares (pursuant to article 123-bis, paragraph 1, letter m), of Consolidated Finance Law)**

The Extraordinary Shareholders' Meeting of 24 April 2018 granted the Board the right, pursuant to article 2443 of the Italian Civil Code, to increase the share capital, with or without consideration, in one or several occasions within a period of five years from the resolution up to an amount of €15,600,000.00:

- by means of one or more increases without consideration, without the issue of new shares (with a consequent increase in the implied book value of all shares already in issue), or by assigning ordinary and savings shares, in proportion to the ordinary and savings shares already held, in observance of the provisions of article 2442 of the Italian Civil Code; the increase may take place – within the limit of the delegated amount – by allocating the available reserves recorded in the financial statements for the year ended 31 December 2017, without prejudice to the obligation to verify their existence and usability at the time of the share capital increase, by the Board of Directors;

and/or

- by means of one or more increases with consideration, with the issue of ordinary and/or savings shares, having the same characteristics as the corresponding shares already in issue, to be offered pre-emptively to the ones entitled, with the right for the administrative body to determine the issue price, including any premium; it is stipulated that the conversion shares in such increase(s) cannot be issued with an implied book value less than that of the shares in issue at the time of the Board resolution(s) to issue shares.

The renewal of the power of the Board to increase the share capital expiring in 2022 is one of the items on the agenda of the upcoming Shareholders' Meeting, in extraordinary session, planned for 28 April 2023.

Please refer to the special report prepared by the Board on this item for the Meeting, which shall be filed at the registered office and made available on the Company website at the address [www.saesgetters.com](http://www.saesgetters.com) (Investor Relations/investors-area/ Meeting-of-Shareholders section) within the time limits provided for by the laws in force.

As stated in paragraph 2.1, to date, SAES Getters possesses no. 3,900,000 ordinary shares, amounting to around 26.6% of the ordinary shares and around 17.7% of the Company's share capital and to 19.8% of the share capital with voting rights (without prejudice to the fact that being treasury shares, the voting rights on such shares may not be exercised).

These treasury shares represent a medium and long-term investment in the Company, which can also be used as a collateral for loans, for any extraordinary transactions

and/or to develop alliances in line with the Group's strategic guidelines. Until these opportunities for use arise, the Company intends to retain the treasury shares purchased in the portfolio.

During the year, the Board decided not to ask the Shareholders' Meeting for authorisation to purchase/dispose the treasury shares and does not intend to request it for the current year either.

***2.10 Management and Coordination (pursuant to articles 2497 et seq. of the Italian Civil Code)***

The Company is not subject to management or coordination activities, pursuant to articles 2497 et seq. of the Italian Civil Code.

Also for the purposes of article 16, paragraph 4 of the Market Regulations, it should be noted that, following a renewed assessment by the Board, at the time of approval of this Report, that is at today's date, considering the presumption pursuant to article 2497 of the Italian Civil Code, S.G.G. Holding S.p.A., despite holding the absolute majority of the voting rights of the Company, does not exercise management and coordination activities on SAES Getters S.p.A. in relation to the equity investment held by it (article 2359, number 2 of the Italian Civil Code). This is in consideration of the fact that S.G.G. Holding S.p.A., from a managerial, operational and industrial point of view, does not play any role in the definition of the long-term strategic plans, the annual budget and the choice of investments, nor does it approve specific significant transactions of the Company and its subsidiaries (acquisitions, transfers, investments, etc.), nor does it coordinate business initiatives and business actions in the sectors in which the Company and its subsidiaries operate. S.G.G. Holding S.p.A. does not give instructions nor provide technical, administrative, financial and coordination services to the Company or its subsidiaries.

The Company is fully independent from an organisational and decision-making point of view, and has independent negotiating capacity in dealings with customers and suppliers.

Consequently, the Company considers itself to operate and to have always operated with full corporate and business autonomy from its relative majority shareholder. Relations with the latter are, in fact, limited exclusively:

- to the normal exercising on the part of S.G.G. Holding S.p.A. of its administrative and property rights due to its status as holder of voting rights (voting in the Shareholders' Meeting, collection of dividends, etc.);
- to the receipt, by the Board of S.G.G. Holding S.p.A., of the information provided by the Company in compliance with the provisions of article 2381, paragraph 5, Italian Civil Code.



It is to be specified that the information required by article 123-bis, paragraph 1, letter i) of the Consolidated Finance Law (*"the agreements between the Company and the Directors (...) that provide for compensation in the event of resignation or dismissal without just cause or if employment is terminated following a takeover bid"*) is contained in the Remuneration Report published pursuant to and following the deadlines in article 123-ter of the Consolidated Finance Law on the Company website at this link <https://www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure/politica-sulla-remunerazione>.

Furthermore, the information required by article 123-bis, first paragraph, letter l) of the Consolidated Finance Law (*"the laws applicable to the appointment and replacement of the directors (...) if different from the laws and regulations additionally applicable"*) is included in the following section of the Report dedicated to the Board of Directors (section 4). While it should be noted that the By-laws do not have rules on amending the by-laws that differ from the laws and regulations additionally applicable.

### 3. COMPLIANCE (pursuant to article 123-bis, paragraph 2, letter a), Consolidated Finance Law)

The SAES Getters S.p.A. Corporate Governance system is essentially based on the implementation of the principles and recommendations contained in the Corporate Governance Code (latest edition, January 2020), available on the Corporate Governance Committee website at <https://www.borsaitaliana.it/comitato-corporate-governance/codice/2020.pdf>.

The Company did not adopt nor comply with corporate governance codes other than the one promoted by Borsa Italiana.

This Report provides information on the corporate governance of SAES Getters S.p.A. and on the level of compliance of the Company with the Corporate Governance Code.

When drafting the Report, the Company mainly used the format circulated by Borsa Italiana S.p.A. in January 2022 (IX edition), applying the *"comply or explain"* principle (indicating, if and how it disregarded/deviated from one or more recommendations, describing the reasons for the deviation and how the decision to deviate from the recommendation was adopted by the Company, if there is a precise time frame for the deviation and how the choice "derogating" from the Code contributes to the solid corporate governance of the Company), indicating the corporate governance practices actually applied by the Company beyond the obligations laid down in laws and

regulations, pursuant to article 123-*bis* of Consolidated Finance Law and article 89-*bis* of the Regulations for Issuers.

Neither the Company nor its subsidiaries are subject to non-Italian legal provisions that influence the structure of the Corporate Governance of SAES Getters S.p.A.

## 4. BOARD OF DIRECTORS

### 4.1 Role of the Board of Directors

The CG Code provides that "the management body guides the company by pursuing its sustainable success", in fact focusing on the Board's activities and objectives, the "sustainable success" of the Company, equating it with the company's other strategic objectives (article 1, Principle 1). Sustainable success is understood as "*an objective that guides the board of directors and which is substantiated in the creation of long-term value for the benefit of the shareholders, taking into account the interests of other stakeholders relevant to the Company*". The Company is called upon to pursue no longer and not only "the priority objective of creating value for shareholders in the medium to long term" (this was the formulation contained in the previous Corporate Governance Code), but also ESG (Environmental, Social and Governance) objectives, which refer to environmental, labour and governance factors that contribute to determining the risk and return profile of a company while remaining integrated in the objective of maximizing share value. It is up to the Board to define the ESG (Environmental, Social and Governance) factors to be taken into consideration in defining the strategy, risk management and remuneration policy, by integrating sustainability into company life, it being understood that the Company has just embarked on a process to develop a sustainability plan first and foremost, which must be coordinated with strategy, enterprise risk management and remuneration policy.

As of the date of this Report, in light of the recent extraordinary transaction subject to the binding agreement with which the Company has undertaken to sell to the company Resonetics the equity investment held by the same in the subsidiaries Memry Corporation and SAES Smart Materials Inc. and therefore the entire Nitinol Medical business (please refer to the press release published on 9 January 2023 available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>), the process of adoption of the sustainability plan has suffered a further slowdown. In fact, contrary to the matters reported, the Company has not yet appointed outside consultants to entrust with defining the ESG factors and drafting the sustainability plan, by year-end 2022.

In fact, it is considered more profitable to postpone the preparation of a Sustainability Plan until the Company has defined its business strategies after execution of the aforementioned extraordinary transaction, in consideration of the significant impact that the transaction will have on the *business* model and the business plan of the Company and its organisational structure.

As also suggested in articles 2 and 3 below of Principle 1 of the Code, the Board of the Company also defines the strategies of the Issuer and the group that it is a part of, in keeping with the pursuit of sustainable success, monitoring its implementation and defines the most functional corporate governance system for the performance of the business and the pursuit of its strategies: (i) taking into account the scope for autonomy offered by the legal system; and (ii) if necessary, assessing and promoting the appropriate amendments, submitting them, when applicable, to the Shareholders' Meeting.

The Board plays a central role in the Corporate Governance system of the Company, being vested with the most extensive powers for the ordinary and extraordinary administration of the Company, with the power to carry out all acts considered necessary for the implementation and the achievement of corporate purposes, with the exclusion of powers that are reserved by law and without exception for the Shareholders' Meeting.

To this regard, as the BoD rules state and without prejudice to the exclusive competences in the matters pursuant to article 2381 of the Italian Civil Code and the provisions of the By-laws, the Board, exclusively:

- a) sets the Company's strategies and identifies any investment opportunities, in keeping with the principle of pursuit of sustainable success and monitors their implementation;
- b) examines and approves the Company's business plan, also based on the analysis of the topics relevant to creating value in the long term, if necessary carried out with the help of the designated committee;
- c) periodically monitors the implementation of the Company's business plan and evaluates the general management performance, also based on the periodic information flows received from the subsidiaries, comparing the results achieved with those planned from time to time;
- d) defines the nature and level of risk that is compatible with the strategic objectives of the Company, including all the elements in its assessments that may be significant from the perspective of sustainable success of the Company;
- e) defines the most functional corporate governance system of the Company and the group it is a part of for the performance of the business and the pursuit of its

strategies, taking into account the scope for autonomy offered by the legal system; evaluates the adequacy of the organisational, administrative and general accounting structure of the Company and the Strategic Companies, with particular reference to the Internal Control and Risk Management System (please refer to section 11 for more information); applies and updates the corporate governance rules, in conscious accordance with the regulations in force; and if needed, it assesses and promotes the appropriate amendments, submitting them, when applicable, to the Shareholders' Meeting;<sup>1</sup>

- f) resolution on SAES Group's transactions involving Strategic Companies, and for those purposes, it established the general criteria for identifying those Strategic Companies in the BoD Rules;
- g) resolution on the transactions that do not fall under the powers granted to the Chief Executive Officer, the Material Transactions, not to mention any other transaction that the Board of Directors deems it should take upon itself;
- h) in order to ensure proper management of corporate information, upon a motion by the Chairman in agreement with the Chief Executive Officer, adopts and updates a procedure for the internal management and external disclosure of documents and information concerning the Company or its subsidiaries, particularly privileged information;
- i) promotes dialogue with the shareholders and other stakeholders important to the company in the most appropriate ways, also by adopting an ad hoc policy;
- j) in the cases envisaged by the provisions of the Code and if seen fit, in view of each of its renewals, expresses an opinion on the ideal quantity and quality of its content, taking the suggestion of the designated internal board committee and the outcome of its own Board review into account;
- k) if the internal board committee sees fit, draws up a remuneration policy to submit to the Shareholders' Meeting, directors, members of the control body and top management;

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<sup>1</sup> besides the definition in the Glossary, kindly note that by a "strategically significant" company in accounting terms, by strategically significant we mean companies with assets exceeding 2% of the assets in the consolidated financial statements or revenues exceeding 5% of the consolidated revenues or more generally in terms of the market and the business (therefore a newly incorporated company may also be considered "significant"). On the basis of the updated evaluations at the end of 2020, in compliance with the parameters stated above as well as together with business considerations, the following companies are considered to be significant: SAES Getters/U.S.A., Inc., Spectra-Mat, Inc., SAES Getters (Nanjing) Co. Ltd., SAES Smart Materials, Inc., Memry Corporation, SAES Investments S.A., SAES Nitinol S.r.l. and SAES Coated Films S.p.A. On the contrary, while still not complying with the parameters stated above, as a result of business considerations, also Strumenti Scientifici Cinel Srl and SAES Rial Vacuum Srl are considered to have "strategic significance".

- l) ensures that the remuneration provided paid out and accrued is consistent with the principles and criteria set in the remuneration policy approved by the Shareholders' Meeting and monitors its implementation;
- m) with the help of the designated internal board committee, performs the other duties under Recommendation 33 of the Corporate Governance Code (see the next Section 11 to this regard);
- n) assesses and approves the annual budget and the investment plan of the Company and the Group it controls;
- o) assesses and approves the regular reporting documents provided for by the regulations in force;
- p) awards and revokes powers within the Board (and within the Executive Committee, if appointed) defining the limits, methods of exercise and frequency, usually at least every three months, with which such bodies must report to the Board on the activities carried out in the exercising of the powers granted to them; please refer to section 4.5.1. for more information;
- q) once the proposals of the Remuneration and Appointments Committee have been examined and the Board of Statutory Auditors has been consulted, determines the remuneration of Executive Directors and the other Directors that hold special offices, as well as the division of the total remuneration due to the individual members of the Board, if the Shareholders' Meeting has not already taken care of this matter;
- r) monitors and evaluates general management trends, including any conflicts of interest, taking the information received from the Executive Directors, the Remuneration and Appointments Committee and the Audit, Risk and Sustainability Committee into consideration, in particular, as well as regularly comparing the results achieved with planned results;
- s) every three years, in view of its renewal, it carries out an evaluation of the size, composition and operation of the Board itself and of its Committees, also taking into account elements such as professional, experience and management characteristics, and gender of its members, as well as their seniority in office, also in relation to diversity criteria possibly adopted; it expresses the Shareholders' views on any professional and managerial figures whose presence on the Board it might deem advisable;
- t) it refers to Shareholders in Shareholders' Meeting; it provides information in the Corporate Governance Report including, among other things, composition, activity, self-evaluation process, implementation of diversity criteria;
- u) is ultimately responsible for the operation and efficiency of the organisational, management and control model pursuant to Italian Legislative Decree 231/2001.



With reference to letter b) above, during the Financial Year, the Board has evaluated the strategic plans/industrial plans in the meetings of 20 January, 15 February, 10 November, 7 December and 19 December. In 2023, the Board met on the topic on 1 February, 14 February, 27 February and 14 March. The Board will be called upon to monitor the progress of the strategic plan in one of the next Board meetings in around the third quarter.

With reference to letter d) above, the Board defined the nature and level of risk that is compatible with the strategic objectives of the Company, as specified in more detail in paragraph 11. The Board acknowledged and accepted the assessment in the sphere of Enterprise Risk Management on 21 April 2022 defining the acceptable risk threshold and approved the interim update in the meeting held on 12 September and on 19 December 2022, an update on implementation of the SAES ERM Model following the review proposed on 28 September at the time of the *Induction*.

With reference to letter e) above, the Board of Directors met for this purpose on 14 March 2022 and, upon the proposal of the Audit, Risk and Sustainability Committee, having consulted the Board of Statutory Auditors (which met together with the Audit Firm, the Director in charge of the Internal Control and Risk Management System, the Officer in charge of the preparation of the Company's accounting and corporate documents, Internal Audit and the Group General Counsel), deemed the organisational, administrative and general accounting structure, as well as the structure of the Company and the subsidiary companies with strategic significance, with particular reference to the Internal Control and Risk Management System, to be adequate.

With reference to point f) above, the Board of Directors met on 7 December 2022 and 19 December 2022 to assess the appropriateness of proceedings with the sale of the equity investments held in the subsidiaries SAES Smart Materials, Inc. and Memry Corporation with the consequent disposal of the activities relating to the Nitinol Medical business, only for the purpose of investigation and evaluation without, therefore, resolving at that time binding commitments for the Company on the matter. By contrast, on 9 January 2023, in this regard the Board of Directors resolved to approve the signing of a binding agreement with the US company Resonetics for the sale to the latter of the Nitinol business and, in particular, of the US subsidiaries Memry Corporation and SAES Smart Materials, Inc. at a price of approximately \$ 900 million. The scope of the sale includes the entire production process of SAES in the aforementioned market, vertically integrated (from the melting of the Nitinol alloy to the production of components for the medical sector) and located entirely in the USA (with the sole exception of the Group activities in the sector of shape memory alloys for industrial applications - SMA Materials Business, within the SAES Industrial Division - which is not managed by the two US investees subject to sale and which will continue to be managed by SAES).



For any further information, please refer to the Press Release published on 9 January 2023 at the following link <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

With reference to the activities indicated in letter i), during the meeting on 21 June 2022, the Board provided information on the development and significant content of the dialogue with all shareholders as envisaged in the "Policy for dialogue with Shareholders" approved by the BoD on 14 October 2021.

The Chief Executive Officer reported to the Directors on the meetings that took place in the first half of 2022, pursuant to the "Policy for the management of dialogue with Shareholders and Investors in general".

In particular, during the period in question, the CEO and the Group CFO held 12 one-to-many meetings, participated in the Euronext STAR Conference on 23 March 2022, organised by Borsa Italiana, and in an event promoted by Equita on 14 June 2022.

The topics of the discussions and requests mainly concerned the performance of the Group's results and business expectations, also in light of the evolutions of the pandemic crisis and subsequent geopolitical uncertainties. The responses were always aligned with the outlook provided in the official communications and with the consensus expressed by the generality of the analyses on the Group.

Furthermore, on 7 December 2022, the executive directors shared with the entire Board of Directors the considerations and requests for clarification formulated by a minority shareholder, regarding *management's* handling of the Company's liquidity, as well as how to respond to the shareholder's request in compliance with the provisions of Article 5 of the Policy for dialogue with the shareholders of SAES, and in compliance with the principles of protection of confidential information and prohibition to make selective disclosures.

The Policy is published on the Company's website in the Investor Relations/Corporate Governance/Policies and Procedures section, as more fully illustrated in Paragraph 12 below.

With reference to letter n) above, during the Financial Year, the Board approved the budget of the Company and of the Group in the meetings on 20 January 2022; with reference to 2023, the Board dealt with the matter on 19 December 2022 and 1 February 2023.

With reference to letter o) above, in the Financial Year, the Board met for this purpose on 14 March, 12 May, 12 September and 10 November; in 2023, on 14 March.

With reference to letter p) above, on 24 April 2018 the Board decided to set limits for the powers granted to Mr Giulio Canale, as part of the differentiation of powers granted to Executive Directors (see section 4.5.1.). The Board also confirmed this criterion on 20 April 2021. Moreover it is to be noted that, in the past, as well as during the Financial

Year, the Directors used the powers assigned to them wisely, only for the normal management of the business, and on which the Board was regularly and promptly kept updated. Furthermore, except in the event of an emergency, the resolutions that would fall under the competence of the Executive Directors are also shared beforehand with the Board.

The Executive Directors are in any event obliged to report regularly to the Board of Directors and the Board of Statutory Auditors on the exercising of the delegated powers, providing adequate information on the actions carried out and, in particular, on any abnormal, atypical or unusual transactions carried out in the exercising of the aforesaid powers. During the Financial Year, the delegated bodies reported regularly to the Board in its subsequent meeting on the activities carried out while exercising the powers granted to them. Please see section 4.5.1 for further information.

With regard to letter q) above, on the topic of the targets assigned to the Executive Directors and variable remuneration, during the Financial Year the Board passed resolution on this matter on 15 February 2022 and 21 April 2022, on the proposal of the Remuneration and Appointments Committee. It is to be noted that the Board passes resolutions on the remuneration of the Managing Directors in their absence (the Executive Directors are asked to leave the meeting at the time of discussion of the item on the agenda).

With regard to letter s) above, also in compliance with Recommendation 22, during the meeting on 14 October 2021 the Company assessed whether to change the frequency of the Board Review, establishing that it be conducted every three years, in view of the renewal of the governing body.

The By-laws award the Board, without prejudice to the limits imposed by law, the powers to pass resolution on the proposals regarding:

1. the merger resolution in the cases referred to in articles 2505 and 2505-*bis* of the Italian Civil Code, also as referred to for the spin-off from article 2506-*ter* last paragraph of the Italian Civil Code, in those cases when these rules apply;

the establishment or closure of secondary offices and branches;

the awarding of powers of representation to Directors;

any reduction in capital in the event of withdrawal of a shareholder;

the amendment of the By-laws in order to comply with legal provisions;

the transfer of registered offices within Italy.

The Shareholders' Meeting did not grant any general or prior authorisation for any derogations of the prohibition on competition provided for by article 2390 of the Italian Civil Code.

**4.2 Appointment and replacement of directors (pursuant to article 123-bis, paragraph 1, letter l), Consolidated Finance Law)**

The Board is appointed by the Shareholders' Meeting, on the basis of lists submitted by the Shareholders, according to the procedure set forth in article 14 of the Company By-laws, and in any case without prejudice to the application of different and further provisions under mandatory laws or regulations or depending on the compliance with or subjecting of the Company to codes of conduct drafted by the management companies of regulated markets or trade associations.

At the time of the Shareholders' Meeting called to renew the Board of Directors of the Company on 20 April 2021, the Company applied the provisions of the Code regarding the composition of the Board of Directors and its Committees.

The Board believes that the Directors should be appointed by following a transparent procedure, as described below.

Only those Shareholders that, taking into consideration the shares registered in favour of the shareholder on the day of deposit of the list at the Company offices, individually or together with other Shareholders, own voting shares representing at least the percentage in the voting capital equal to the one indicated in article 144-*quater* of the Regulations for Issuers, are entitled to submit lists for the appointment of the Directors. On the date of this Report, the requested share is 2.5% of the share capital with voting rights (as established by Consob with Management Resolution no. 76 of 30 January 2023). The By-laws do not provide the option for the outgoing Board to submit its own list.

The lists, signed by the submitting Shareholders, complete with the information and documents requested by law, are filed by the Shareholders at the Company headquarters by the twenty-fifth day prior to the date of the Shareholders' Meeting convened to appoint the members of the Board of Directors. The Company makes these lists available to the public at its headquarters, as well as at the management company of the markets and on its website, within the terms and using the methods provided for by the applicable laws in force.

Each list contains a number of candidates that is no higher than fifteen, each with a progressive number. Each list must contain and expressly identify at least one Independent Director<sup>2</sup>, with a progressive number no higher than seven. If the list has

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<sup>2</sup>Meaning a Director that satisfies the requirements of independence required by article 147-*ter*, paragraph 4 of the Consolidated Finance Law, as well as the further requirements of independence provided for in the Corporate Governance Code.

more than seven candidates, it must contain and expressly identify a second Independent Director.

A Shareholder may neither submit nor vote for more than one list, even through intermediaries or trust companies. A candidate may appear on one list only, under penalty of ineligibility.

At the end of the voting, the candidates on the two lists that have received the highest number of votes are elected, according to following criteria: (i) from the list that received the highest number of votes, (hereinafter also "Majority List"), all the members of the Board are selected, in the number previously established by the Shareholders' Meeting, minus one; within these number limits, the candidates are elected in the order they appear on the list; (ii) from the list with the second-highest number of votes and that is not connected, even indirectly, with the Shareholders that have submitted or voted for the Majority List pursuant to applicable regulations (hereinafter also "Minority List"), one Director is selected, and more precisely the candidate indicated with the first number on the list; however, if not even one Independent Director is elected from the Majority List in the event that the Board is made up of no more than seven members, or if only one Independent Director is elected in the event that the Board is made up of more than seven members, the first Independent Director stated in the Minority List will be elected, rather than the first name on the Minority List.

However, lists are not taken into consideration unless they obtain a percentage of votes equal at least to half the percentage required for submitting them.

If one or more lists receive the same number of votes, the one presented by Shareholders owning the highest shareholding when the list is submitted shall prevail or, subordinately, the one submitted by the highest number of Shareholders.

If only one list is submitted (as was the case in the Shareholders' Meeting of 20 April 2021), the Shareholders' Meeting votes on this list and if it obtains the majority of the voters, without taking abstentions into account, the candidates listed in progressive order will be elected Directors up to the number established by the Shareholders' Meeting, without prejudice to the fact that if the Board is made up by more than seven members, a second Independent Director is elected, in addition to the Independent Director that must be listed among the first seven candidates.

If no list is submitted, or if the number of Directors elected on the basis of the lists submitted is lower than the number established by the Shareholders' Meeting, the members of the Board of Directors are appointed by the Shareholders' Meeting with the majority requested by law, without prejudice to the obligation of the Shareholders' Meeting to appoint the minimum number of Independent Directors required.

In accordance with articles 147-ter, paragraph 1-ter and 148, paragraph 1-bis of the Consolidated Finance Law, on the equality of access to the administration and control bodies of companies listed in regulated markets, the Board amended articles 14 and 22 of the Company By-laws to guarantee a gender balance in the appointments of members to the administration and control bodies of the Company.

At the Board meeting of 11 November 2020, the Company amended article 14 of the Company By-Laws to align it to further amendments to articles 147-ter, paragraph 1-ter and 148, paragraph 1-bis of the Consolidated Finance Law on gender balance in the management bodies of listed companies. With the appointment of the new Board of Directors by the Shareholders' Meeting convened on 20 April 2021, the allocation of the members of the Board of Directors must be carried out in such a way to ensure that the less represented gender obtain at least two fifths of the members of the Board of Directors, with rounding to the next higher unit, except for the case of a Board consisting of three members where the appointment, in the case of a fractional number, is rounded down to the lower unit. This criterion applies for six consecutive mandates starting from the first renewal after 1 January 2020.

The Company considers, also for greater clarity and to avoid overlapping issues, the compliance with the regulatory and statutory provisions (notwithstanding Recommendation 8 of the Code, which recommends that a third of the board of directors and control body must be made up by the less represented gender) to be sufficient.

The Company is not subject to special regulations of the sector regarding the composition of the Board of Directors.

The Shareholders' Meeting held on 20 April 2021 resolved to fix 10 (ten) members of the Board of Directors and appointed the following persons as Directors: Mr Giulio Canale, Ms Francesca Corberi, Mr Adriano De Maio, Ms Alessandra della Porta, Mr Luigi Lorenzo della Porta, Mr Massimo della Porta, Mr Andrea Dogliotti, Ms Gaudiana Giusti, Mr Stefano Proverbio and Ms Luciana Rovelli.

It should be noted that, on 6 March 2023, Ms. Luciana Sara Rovelli resigned from the office of Independent and non-executive Director of SAES and consequently from the office of member of the Audit, Risk and Sustainability Committee - as well as from the office of Chairperson and member of the Supervisory Body and Chairperson and member of the Remuneration and Appointments Committee and member of the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues of particular relevance and complexity", as more fully indicated in the press release published on the same date by the Company and available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

The Board of Directors of SAES will co-opt a new independent and non-executive director to replace Ms Luciana Sara Rovelli according to the provisions of art. 2386 of the civil code and in compliance with the rules relating to gender balance in the bodies of listed companies.

The forthcoming shareholders' meeting of 28 April 2023 will be called to confirm this appointment.

The Board in office was elected using the voting list system (introduced in the Extraordinary Shareholders' Meeting held on 29 June 2007 in order to implement the amendments and additions to the election methods introduced *in the meantime* by the laws in force), and more specifically on the basis of a single list, filed and published by the relative majority shareholder S.G.G. Holding S.p.A., in compliance with the methods and time limits provided for by regulatory and statutory provisions. The list and accompanying documentation were also promptly published on the Company website. The Company did not deem it necessary, at the time of submission of lists, to ask for additional information regarding the correspondence or otherwise of the list to diversity objectives, not having put in place any specific policies at this regard, believing that information on gender and age is sufficient, in addition to the CV and statements of each candidate.

In accordance with the By-laws, in the event of termination of office of one or more Directors for whatever reason, they shall be replaced according to the provisions of art. 2386 Italian Civil Code, without prejudice to the obligation to maintain the minimum number of Independent Directors required, complying, when possible, with the principle of the representation of minorities, and in any event meeting the division criterion set forth in article 147-ter, paragraph 1-ter of Legislative Decree no. 58 of 24 February 1998.

If, due to resignation or other causes, the majority of the Directors were to leave, the entire Board shall be deemed to have resigned and the Directors still in office shall see to promptly convening the Shareholders' Meeting for the renewal. The Directors still in office may carry out their ordinary administration in the meantime. The Directors appointed in the three years of office expire with those already in office upon their appointment.

#### **4.2.1. Succession plans**

Succession plans are temporary business continuity plans for managing situations in which the CEO/Managing Director was to suddenly leave the Company, while awaiting and pending the implementation of standard regulatory mechanisms to replace the directors.

The Board acknowledged that under Recommendation no. 24 the Code recommends the preparation of a succession plan for the Chief Executive Officer and the executive

directors only in the case of large companies, i.e., with capitalisation exceeding €1 billion. Therefore, the Company is not obliged in accordance with the CG Code to adopt any succession plan. However, in 2016, with the support of an external consultant (Adelaide Consulting), the Committee performed an analysis of the skills required of Executive Directors, identifying and drawing up a theoretically suitable profile that could, if the need ever arose, facilitate the identification and search for an Executive Director for SAES Getters S.p.A., in the event of the need to suddenly replace both the current Executive Directors in a short period of time and to co-opt an external party, as well as to support the Shareholders' Meeting at the time of appointment or approval.

The Board did not consider it necessary to raise the subject again subsequently, and in particular during the Financial Year, believing it to have been dealt with sufficiently and adequately, considering the structure of the Company.

#### **4.3. Composition (pursuant to article 123-bis, paragraph 2, letters d) and d-bis), Consolidated Finance Law)**

The current Board of Directors of the Company was appointed by the ordinary Shareholders' Meeting on 20 April 2021 using the voting list system pursuant to article 14 of the Company By-laws. It is to be specified that only one list was submitted by the relative Majority Shareholder S.G.G. Holding S.p.A., which obtained 91.35% of the voting capital. The Board of Directors elected shall remain in office until the Shareholders' Meeting for the approval of the financial statements as at 31 December 2023, to take place in April 2024.

The current By-laws state that the Shareholders' Meeting may select a minimum of three (3) and a maximum of fifteen (15) Directors. The higher, maximum number of Directors reflects the need to structure the Board in a way that is more suited to the needs of the Company, also in relation to the number of its subsidiaries and the various business areas and markets in which the Group operates. Furthermore, it allows the Company to procure a range of professionals from different areas and to integrate different skills and experiences in order to respond better to current and future demands, maximising value for Shareholders.

As stated in the beginning of this Report, the Company complies with the Corporate Governance Code, which requires, in particular and inter alia, the Board of Directors to be composed of executive and non-executive members that have adequate skills and professionalism and that bring their specific expertise to Board discussions. The Code (article 2, Principle 5) provides: *"The management body is composed of executive directors and non-executive directors, all with the professionalism and skills appropriate to the tasks assigned to them"*. The Company believes that the current composition of the Board also reflects and complies with this formulation.



Specifically, as at the date of 31/12/2022, the Board of Directors was comprised of ten Directors, as indicated in Table 1 attached to this Report, of which two directors are executives, four non-executives and non-independent and four directors are non-executives and independent<sup>3</sup> (and this is why they participate in the various internal board committees of the Company). Please refer to this table for the information on the qualification of each director (executive, non-executive, independent) and their seniority compared to the first appointment of each one of them.

With regard to that laid forth by *Principle 6* of the Code, considering the participation and involvement of all the directors at the Board meetings – as well as in consideration of their frequency – the Board itself, during its self-assessment in view of its renewal whose outcomes are also included in the guidelines attached to the Report illustrating the renewal of the Board, published in view of the 2021 Meeting, deemed that the number and the skills (described further below) of the non-executive directors are such as to ensure considerable weight in the making of Board decisions and to guarantee effective monitoring of the management.

It should be noted that, on 6 March 2023, Ms. Luciana Sara Rovelli resigned from the office of Independent and non-executive Director of SAES and consequently from the office of member of the Audit, Risk and Sustainability Committee - as well as from the office of Chairperson and member of the Supervisory Body and Chairperson and member of the Remuneration and Appointments Committee and member of the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues of particular relevance and complexity", as more fully indicated in the press release published on the same date by the Company and available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

The Board of Directors of SAES will co-opt a new independent and non-executive director to replace Ms Luciana Sara Rovelli according to the provisions of art. 2386 of the civil code and in compliance with the rules relating to gender balance in the bodies of listed companies and will evaluate the need and opportunity to integrate the internal board committees by attributing the position of member of the aforementioned committees to the newly elected independent director.

To this regard, the personal and professional characteristics of each Director are provided below:

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<sup>3</sup>Three (3) of which qualify as Independent Directors and one (1) qualifies as Independent Director under the provisions of articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law but not under the Corporate Governance Code.



**GIULIO CANALE** – Born in Genoa on 16 March 1961 – Executive Director

Mr Giulio Canale has been a member of the Board of Directors of SAES Getter S.p.A. since 29 April 1994. He was awarded a degree in Economics and Business from the Università degli Studi of Genoa.

He embarked upon his career at the Milan branch of a leading advertising company, IGAP S.p.A. (1984-1989).

He joined the SAES Getters Group in 1990. For his first six years of service he lived in Asia, holding various general management roles in the subsidiaries in South Korea and Japan.

When he returned to Italy, he was appointed Managing Director in 1997 and Group CFO in 2006.

He currently holds the position of Managing Director, Group Chief Financial Officer and Deputy Chief Executive Officer.

He is member of the Board of Directors of various companies within the SAES Getters Group.

He was a member of the Board of Directors of S.G.G. Holding S.p.A.

**ALESSANDRA DELLA PORTA - Born in Milan on 27 July 1963 - Non-Executive and Non-independent Director**

Ms Alessandra della Porta has been a member of the Board of Directors of SAES Getters S.p.A. since 9 May 2013.

After graduating with a Law degree in March 1989 from the Università degli Studi of Milan, she became a member of the professional Association "Janni Fauda & Associates".

Registered in the Register of Lawyers since 9 July 1992 and in the Register of Supreme Court Lawyers since 21 November 2007, she was a member of the professional Association "NCTM" from July 2009 to June 2010.

Currently a partner in the professional association Studio DPC, Ms Della Porta specialises in civil law in general, with a particular focus on family law, credit recovery for a banking institute, civil court activity, extrajudicial assistance and consultancy also on company law.

Member of the Guidance Board of the Fondazione Airc.

She was a member of the Board of Directors of S.G.G. Holding S.p.A.

**LUIGI LORENZO DELLA PORTA** - Born in Milan on 5 March 1954 - Non-Executive and Non-Independent Director

Mr Luigi Lorenzo della Porta has been a member of the Board of Directors of SAES Getters S.p.A. since 24 April 2012.

He embarked upon his career in Rome in 1975 by founding the first private radio station of the capital with other partners, which he managed until 1979 when he opened the RAM production centre that produces and distributes news and current affairs programmes to private radio stations in Italy.

From 1979 he managed the Soram company, the owner of large recording studios, which he sold in 1983, the year in which he founded the Delven company, which he still manages today and which markets historical military finds from 1500 to 1945.

In 1997 he took over a business together with a partner in the centre of Rome offering various collectible items - an activity that has made the shop famous all over the world.

He was a member of the Board of Directors of S.G.G. Holding S.p.A.

**MASSIMO DELLA PORTA** – Born in Pontremoli (MS) on 8 September 1960 – Executive Director

Mr Massimo della Porta has been a member of the Board of Directors of SAES Getters S.p.A. since 29 April 1994.

He graduated with a degree in Mechanical Engineering from the Polytechnic of Rome in 1989. He wrote his dissertation in two years on "The Production and Control of amorphous powder with a Fe Nd B base" prepared at the ENEA (Rome).

In April 1989, he began working at one of the companies of the *SAES Getters Group*, the *SAES Metallurgia of Avezzano* (AQ), as a researcher and with the specific task of creating an applied research laboratory at the SAES Metallurgia subsidiary in Avezzano.

In 1991, after having worked for approximately one year in a project to improve production processes, he was in charge of the management of production of SAES Metallurgia S.p.A.

In 1992 he took on the role of Technical Manager of the subsidiaries of Avezzano and started to coordinate projects on a Group level: in the design and construction of the SAES Advanced Technologies factory; the expansion of the Korean factory in Chinchon and the expansion of the SAES Pure Gas factory in California; Manager of the transfer of several production lines from Lainate to Avezzano; and Project Leader of various Innovation projects.

In 1996 he moved to Milan in order to take on the role of Group Innovation Manager at the parent company SAES Getters S.p.A., while simultaneously maintaining his previous responsibilities at the production sites in Avezzano.

In 1997 he took up the position of Vice Chairman and Managing Director of SAES Getters S.p.A. In the same year he was appointed Chief Technology & Innovation Officer of the Group and was in charge of IT Systems at Group level.

He has been Chairman, Group Chief Executive Officer and Group Chief Technology & Innovation Officer since 2009.

He is member of the Board of Directors of various companies within the SAES Getters Group.

He is an independent director of Alto Partners SGR S.p.A. since December 2004 and Director of MGM S.r.l., a real estate company, and a Council member of the University of Pavia.

He is a member of the Board of Directors of S.G.G. Holding S.p.A.

Furthermore, he is the inventor and/or co-inventor of alloys and products for which patents have been obtained.

**ADRIANO DE MAIO** - Born in Biella on 29 March 1941 - Non-Executive and Independent Director

Adriano De Maio has been a member of the SAES Getters S.p.A. Board of Directors since 4 May 2001, as well as currently an independent director, too, as set forth in articles 147-ter, paragraph 4, and 148, paragraph 3, Consolidated Finance Act and member of the Remuneration and Appointments Committee.

He graduated with a degree in Electrical Engineering from the Milan Polytechnic in 1964.

He was a Full Professor of Economics and Corporate Innovation Management at the Milan Polytechnic from 1969 to 2012, and Rector of the same institute from 1994 to 2002. He was a Full Professor of Economics and Corporate Innovation Management at the Luiss Guido Carli University, of which he was Rector from 2002 until 2005 and

Chairman of the IReR (Research Institute of Lombardy) from 1996 to 2010. In 2003-2004 he was the Extraordinary Commissioner of the National Research Centre. He has been the Rector of the Università Link Campus of Rome from 2014 to 2017.

He is the former Chairman of various institutions: the European Centre of Nanomedicine Foundation (CEN); the Green and High-Tech District of Monza and Brianza; the Investment Committee of the Venture Capital Next Fund; the Pupils Association of the Ghislieri College of Pavia; and the Consortium for Scientific and Technological Research of Trieste ("AREA").

Mr De Maio is a former director of Telecom Italia Media S.p.A., TxT e-solutions S.p.A., EEMS S.p.A. and member of the Scientific Committees of the Italian Space Agency, the Fondazione Politecnico and the Fondazione Snaidero.

He is the author of numerous publications on corporate management and the governance of research and innovation.

He is currently Professor Emeritus at Milan Polytechnic, Co-Chairman of the ACG (Alta Capacità Gottardo) Association, a member of the Scientific Committee of the "Grande Milano" Association and the Chairman of CEN (European Centre for Nanomedicine).

**ANDREA DOGLIOTTI** - Born in Genoa on 23 January 1950 - Non-Executive and Non-Independent Director

Mr Andrea Dogliotti has been a member of the Board of Directors of SAES Getters S.p.A. since 27 April 2006.

He was also a member of the Audit Committee from 2009 to 2015.

He studied classics at high school and was awarded an honours degree cum laude in Mechanical Engineering/Methods for Conducting Business in Genoa, February 1974, with top marks.

From 1974 to 1995 he worked at Italimpianti (later Iritecna) and became manager in 1981, where he was involved in the setting up and assessment of projects and investment plans in Italy and abroad. He managed major industrial logistics projects in Italy. He also dealt with industry strategies and the organisational approach of the company and the IRI Group.

He is the member of the Board of Directors of various operating companies.

From 1995 to 1996, he was General Manager of "Sgl Logistica" s.r.l., a logistics engineering company in Genoa.

From 1996 to 2005, he was the "Logistics Development Manager" of Luigi Serra – later SM Logistics – a leading Italian international shipping and logistics company. He

managed and developed logistics planning, project management, IT systems and quality systems.

From 2005 to 2010 he was the Chairman of Fos Progetti s.r.l., a consultancy company based in Genoa. He followed organisation, IT, innovative technologies and internationalisation projects.

He has been working as a freelance consultant in "Technology, Processes and Strategies" since 2010. In the field of "Technology" he is involved in the design, patenting and development of innovative products with shape memory alloys and for individual mobility.

**GAUDIANA GIUSTI - Born in Livorno on 14 July 1962 - Non-Executive and Independent Director**

Ms Gaudiana Giusti has been a member of the Board of Directors of SAES Getters S.p.A. since 28 April 2015, covering the role of non-executive and independent director. Plus, she is also: Chairman of the Related Parties Committee and Lead Independent Director, as well as a member of the Audit, Risk and Sustainability Committee, member of the Remuneration and Appointments Committee and member of the Supervisory Board.

She graduated with a law degree from the University of Pisa in 1987 and a European Law degree from the Université Libre in Brussels, Belgium, in 1989.

She has been practicing law in Italy since 1988.

Ms Gaudiana Giusti has focused her professional career in the field of corporate law, capital markets and banking, with a particular focus on market transactions, extraordinary finance and banking and financial intermediation. She has also accumulated considerable experience in corporate governance, business conduct, compliance, control and remuneration systems as well as digital transformation of listed and/or regulated companies.

She is currently Of Counsel at Studio Bastianini Carnelutti, in an alliance with Schiavello & Co.

She is also an independent director of A2A S.p.A. and member of the Control and Risk Committee, as well as Lead Independent Director and member of the Control and Risk Committee and of the Remuneration and Appointments Committee of Saes Getters S.p.A.

She is a member of the Supervisory Body, pursuant to Italian Legislative Decree 231, of several entities of the Credit Suisse Group in Italy and abroad and Saes Getters S.p.A.

She was an independent director and Chairperson of the Related Parties Committee of Banca Carige S.p.A., independent director and Chairperson of the Control and Risk Committee of Unipol Banca S.p.A. and independent director and Chairperson of the Risk Committee of Banca Farmafactoring. She was an interim independent director of Trevi Finanziaria Industriale SpA.

In 2016, she held a position of General Counsel at Veneto Banca before returning, as from 2017, to the legal profession.

Between 2012 and 2016 she held the position of counsel in the Gianni, Origoni, Grippo, Cappelli & Partners firm, where she had been a partner until 2007.

Between 2007 and 2012 she worked at Credit Suisse (Italy) as Head of General Counsel Country Coverage. She was a member of the Italian Management Committee, in charge of the strategic management of Italian business for the Investment Banking, Private Banking and Asset Management divisions. She also sat on the Diversity and Philanthropy Council for Italy.

Ms Giusti has worked and still works as a lecturer for degree and specialisation courses at the Università Commerciale "Luigi Bocconi" and Università LUISS "Guido Carli". She has cooperated with Italian and foreign magazines.

**STEFANO PROVERBIO - Born in Standerton (ZA) on 2 October 1956 - Non-Executive and Independent Director**

Stefano Proverbio has been a member of the Board of Directors of SAES Getters S.p.A. since 28 April 2015, covering the role of non-executive and independent director. He currently also covers the role of Chairman of the Audit, Risk and Sustainability Committee, member of the Related Parties Committee and member of the Supervisory Board.

He graduated with a degree in Nuclear Engineering from the Polytechnic of Milan.

2014 - to present: McKinsey Director Emeritus

2013 - 2018: Board Member of Borusan, a Turkish industrial conglomerate

2008 - 2016: Ambienta - Advisory Board

2019 - to present: Antas Board Member

2017 - to present: Retex Board Member

2018 - 2018: Innova Board Member

1987 - 2013: Mckinsey (Principal since 1992 and Director since 1998)

During his career at McKinsey, Stefano Proverbio assisted customers in the industrial,

telecom and energy sectors both in Italy and abroad (France, Turkey, Greece and Germany). In this context he has developed skills in corporate strategy, operations and regulatory affairs.

In particular, in the TMT (Telecom, Media and Technology) sector, the most significant experiences include: Turnaround of the Italian subsidiary (semiconductors) of a large German group; Development of a strategic alliance - with the merger of two BUs - between two leading manufacturers in telecommunications equipment. Management of the cost reduction programme for the new entity resulting from the merger; Growth strategy for a large Franco-Italian operator in semiconductors; Global product strategy for a large French consumer electronics manufacturer; Support to a large Italian group in the development and execution of a strategy aimed at exiting the core business of electronics to enter telecommunications after the liberalisation of the market. The work led to the creation of the main new entrants in both fixed and mobile; Support from start-up to the sale of the main attacker in fixed telephony; Continuous support on strategic and operational issues in Italy and South America to the Italian telecommunications incumbent; Support to a PE in the acquisition of the cable division of a large Italian group; Evaluation of the value of a new technology for the development of fibre networks.

In the industrial sector, the most relevant experiences include: Development of a strategy aimed at exiting the steel sector and entering the energy sector for a private Italian group that was heavily indebted at the time; Support for many years to a major international group operating on strategic, organisational growth and cost reduction matters; Development of a growth strategy for a large Turkish conglomerate, the implementation of which led to doubling its turnover in four years; Development of a growth strategy aimed at shifting sales from commodity to premium segments for a large tyre manufacturer; Several growth studies for manufacturers of auto components/automatic machines; Growth strategy (development and execution) for a leading Italian packaging company; Turnaround strategy for a major Italian steel producer.

In the energy sector, Stefano Proverbio has served attackers and the Italian branches of foreign utilities; the most relevant experiences include: Growth strategy for a new player based on new regulatory conditions in Italy; Turnaround and growth strategy for the Italian subsidiary of a major French group operating in gas and power generation; Development of the strategic plan and numerous cost-cutting initiatives for an important major municipalised company; Numerous cost-cutting studies for Italian and Turkish utilities; Turnaround plan for a large Greek utility.

Stefano Proverbio has also led the McKinsey Supply Chain Practice from 1995 to 2000 and the Growth Practice from 2000 to 2012. From 2008 to 2012 he was also a member of the European Group advising the Managing Director of McKinsey and from 2000 to 2013 he was a member of the Partner evaluation and election committees.

1982-1987: **Accenture** (at that time Arthur Andersen Consulting), Development of IT systems

Since 1985 Manager of the Logistics service line

1981-1982: **Zanussi Group (Zeltron and Ducati)**. Industrial automation. In parallel, study with SGS-Ates and Polytechnic of Milan on the reliability of the Z80 (one of the first microprocessors)

**LUCIANA SARA ROVELLI** - Born in Legnano on 22 January 1973 - Non-Executive and Independent Director

Ms Luciana Sara Rovelli has been a member of the Board of Directors of SAES Getters S.p.A. since 28 April 2015, covering the role of non-executive and independent director. She currently also covers the role of Chairman of the Remuneration and Appointments Committee, Chairman of the Supervisory Board, not to mention member of the Audit, Risk and Sustainability and Related Parties Committees.

She earned her degree in business economics from Luigi Bocconi University with honours in 1997.

Starting in 1997, she embarked on her consulting career (Arthur Andersen, Deloitte and Protiviti) with managerial responsibilities in the risk management and internal control division.

In 2010 she founded the RC Advisory Srl consultancy firm, of which she is a partner and director and she dealt with themes of governance, compliance and risk management for top national and international companies and groups, even listed, dealing in various business sectors.

Over the years, she has also held ever higher positions in the sphere of boards of directors and internal board committees even of listed companies. Besides the positions at Saes Getters S.p.A., since April 2019 she is a member of the Board of directors, the Remuneration and Appointments Committee, and the Supervisory Board of Sea Aeroporti Milano SpA.

Lastly, starting in 2010, she has held the office of Chairman and/or member of Supervisory Bodies at top companies like Edison Group, Maire Tecnimont Group, Kering Group, companies in the Société Générale Group, Galbusera SpA, Douglas Italia SpA, Medtronic, Banca Corner, and DS Smith Packaging.



She is a member of Nedcommunity, the Italian Association of Internal Auditors and the Italian Association of Supervisory Bodies.

**FRANCESCA DONATELLA CORBERI** - Born in Milan on 13 October 1968 - Non-Executive and Non-Independent Director

Francesca Corberi has been a member of the Board of Directors of SAES Getters S.p.A. since 20 April 2021.

She graduated with a degree in Electrical Engineering from the Milan Polytechnic.

In 2008 she earned a Master's in Business Administration (MBA) and a Master of Science (MS) in Industrial Technology from California State Polytechnic in San Luis Obispo, California, USA.

She has over 25 years of work experience at international companies in Italy and the USA.

She worked at Entegris Inc. from 2018 to 2019 as Quality Manager with the following duties:

- Quality Management System (QMS): audit of certification, management review, internal audit, review of documents and procedures, quality policy;
- Improvement projects and management of changes;
- Customer satisfaction: problem solving and 8D reports;
- Management of non-compliance, parts and finished products inspection, metrology;
- Quality objectives, metrics and reports;
- Preventive and corrective actions, risk assessments;
- New product development; validation and qualification plans, FMEA and audit plans;
- Third-party audits and ISO 9001 certifications, PED, Chinese Manufacturing License, IECX;
- Implementation of the "paper free site" with handling of the checking of the documents and all online activities for the quality management system;
- Management of the Quality Team made up of engineers, supervisors and technicians.

She worked at SAES Pure Gas, Inc. from 2002 to 2018 where she held the following positions:

- Quality Manager;
- Head of drafting and publishing technical and scientific texts used as brochures, technical data sheets and advertising;
- A member of the SAES Pure Gas Management committee.

She worked at SAES Getters S.p.A. - Lainate (MI), Italy from 1995 to 2002

- 2001- 2002 - Analytical Technologies Manager, Operations;
- 1999 - 2001 - Product Manager Vacuum Insulated Panels, Sales and Marketing;
- 1997 - 1999 - Analytical Systems Engineering and Manufacturing Manager, Operations;
- 1995 - 1997 - Software Engineer, Electronics Laboratory, R&D.

#### ***4.3.1 Diversity in the administrative body (and in the control body)***

Under letter d-bis) of article 123-bis, paragraph 2, of the Consolidated Finance Law, this Report must contain "a description of the diversity policies in relation to the composition of the administration, management and control bodies with regard to aspects such as age, gender composition and education and professional background, as well as a description of the objectives, implementation methods and results of these policies", with the specification that "in the case where no policy is applied, the company must justify the reasons for this choice in a clear and detailed manner".

The aforesaid provision was introduced by article 10 of Italian Legislative Decree 254/2016, which implemented Directive 2014/95/EU of 22 October 2014, amending Directive 2013/34/EU with regard to the notification of non-financial information and information on diversity on the part of several large undertakings and groups (applicable to reports on the financial years starting from 1 January 2017).

At its meeting of 23 January 2020, subject to approval by the Remuneration and Appointments Committee, the Board decided to draw up and approve a policy on the diversity of corporate and control bodies (the "**Diversity Policy**"), with the aim of implementing the legislative and regulatory framework in which the Company is called upon to act and set the objectives to pursue (that is: (i) maintenance of gender diversity, (ii) compliance with the age diversity criterion in terms of age and seniority, (iii) strengthening of heterogeneity by geographical origin and professional background of directors and statutory auditors).

Monitoring of the implementation of the Diversity Policy in question, for that which concerns the BoD, is up to the Remuneration and Appointments Committee.

To this regard, in view of its renewal, on 11 March 2021 and with the endorsement of the Remuneration and Appointments Committee that met on 1 March 2021, the Board approved its own guidelines on the quantitative/qualitative composition of the future Board of Directors, attached to the Report to the Shareholders' Meeting on the renewal of the Board where it expressly stated that the diversity in the Board's composition – in its formulation as at the date of the 2021 meeting and reaffirmed precisely at the Meeting for the approval of the financial statements as at 31 December 2020 with the addition of another member belonging to the less represented gender on the Board – be adequately represented and asked the Shareholders to maintain diversification when preparing the lists for the position as directors in the future as far as experience/seniority, education/background and geographical diversity are concerned. Audit on application of the Diversity Policy within the Board of Statutory Auditors is instead assigned to this last body.

Instead it is up to the Board - in light of the progressive outcomes applying the Diversity Policy - to pass resolution on all of the updates to the Diversity Policy itself which it may deem necessary, like in function of regulatory changes and the corporate governance needs that arise, also giving stricter instructions than those currently in the above-mentioned policy.

In addition to that just described, regarding the Diversity Policy the Company adopted, we think it best to point out that within the SAES Getters Group significant measures have been in place for some time to guarantee diversity, which has always been of utmost importance for a company that has a passion for innovation and technological development.

Compliance with the laws in force on gender equality among the members of the corporate bodies is guaranteed. Under article 14 of the Company By-laws, in fact, the composition of the Board of Directors must ensure a gender balance and the provisions of the By-laws therefore lay down adequate criteria for the formation of the lists of candidates, as well as corrective measures to be applied in the event that the outcome of the vote does not achieve the required balance. Currently the less represented gender is female, with 4 (four) out of 10 (ten) members of the Board being women: in line with the minimum established by regulations on the subject<sup>4</sup>. Furthermore, similar provisions regulate the composition of the Board of Statutory Auditors (article 22 of the Company By-laws): one Statutory auditor and one Alternate auditor are members of the less represented gender.

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<sup>4</sup> Italian Law no. 120/2011 laid down that in the first mandate following the entry into force of the same law at least one fifth of the members of the Board shall belong to the less represented gender, with the rounding up, in the case of a fractional number, to the higher number; for the second mandate, however, at least one third of the members of the Board must belong to the less represented gender, with the rounding up, in the case of a fractional number, to the higher number.

The Company, in the meeting of the Board of Directors on 11 November 2020 - in application of article 19 of the By-laws - resolved on the implementation of the further amendment to articles 147-ter, paragraph 1-ter and 148, paragraph 1-bis of the Consolidated Finance Law on gender balance in the bodies of listed companies. The current mandate, conferred by the Shareholders' Meeting on 20 April 2021, allocates the members of the Board of Directors in such a way that the less represented gender obtained at least two fifths of members of the Board of Directors and the Board of Statutory Auditors: rounding a) for the Board to the next higher unit, except for the case of a Board consisting of three members, for the appointment of which, in the case of a fractional number, it is rounded down to the lower unit and b) for the Board of Statutory Auditors, in the event of a fractional number, by default to the next lower unit.

This allocation criterion applies for six consecutive mandates.

The Board did not consider it to be necessary, for the moment, to impose additional diversity criteria for the Board or the Board of Statutory Auditors with respect to the By-laws and the requirements for respectability and professionalism for directors. There are no age limits on becoming a director or an auditor. The Board approved, as mentioned above, a diversity policy that contains general indications given during the 2020 financial year in the Board's guidelines to the Shareholders' Meeting and attached to the Report presented to the Shareholders' Meeting on the renewal of the Board.

With regard to corporate bodies, the composition is already adequately diversified, with the presence of individuals of different genders, ages and with a complementary balance of skills/training/experience. Therefore, the members of the Board of Directors have different education (9 out of 10 directors have a degree) and professional backgrounds (some are lawyers, engineers, consultants, entrepreneurs and university professors, and there are members with experience in the legislative and regulatory, banking, business, academic fields), and this circumstance has ensured a multiple range of approaches and viewpoints in relation to the examination of problems and the decision-making process, allowing for constructive board debate.

From the perspective of age, furthermore, the Board of Directors is composed of members from different generations, aged between 50 and 82 years old. The average age is 64 years. With regard to seniority, the average duration of appointment is nearly 15 years.

The Board of Statutory Auditors, on the other hand, has two members (one statutory auditor and one alternate auditor) who were born in the 1950s and three members (one statutory auditor and one alternate auditor) who were born in the 1970s, with 20 years difference between the youngest and oldest member.

Finally, the Code of Ethics and Business Conduct of the Company (see section 2.4) strongly condemns any form of discrimination based on age, gender, sexual orientation, health status, race, nationality, political and trade union views and religious

beliefs by all those that, in any capacity, work in the name of or on behalf of the Group and in its environment.

The procedure relative to the selection of personnel applicable throughout the Group also provides principles and guidelines in favour of employment equal opportunities, so that age, sex, sexual orientation, health status, disability, ethnicity, nationality, political and trade union views or religious beliefs do not influence appointing decisions.

In 2019, the Company became an ordinary member of Valore D, the first association of companies that promotes gender balance and an inclusive culture for the growth of companies and the country, and of Parks Libere Uguale, a non-profit association, which has exclusively employers among its members, created to help member companies to understand and realise the maximum business potential linked to the development of strategies and good practices that respect diversity.

#### **4.3.2. Maximum number of positions held in other companies**

The Directors of the Company act and pass resolution in full cognition of the facts and independently, pursuing the objective of creating value for the Shareholders. In compliance with Principle 12 of the Code, each Director shall ensure the availability of enough time to diligently fulfil the duties assigned to him or her.

To this regard, under Recommendation 15 the Code suggests that the Boards of Directors just of large companies “[...] give their opinion on the maximum number of positions held on the boards of directors or boards of statutory auditors in other listed or very large companies that may be considered compatible with efficient performance of the role of company director, taking into account the commitment required in that role”.

Considering the above, first at the meeting on 14 October 2021 - also convened to express the Board's assessments of the Code's provisions and their proper application in the Company's corporate governance system - and later at the meeting on 14 March 2022, while approving the 2022 Report, as well as during the meeting on 14 March 2023, at the time of approval of this Report, the Board acknowledged that the above-mentioned Recommendation does not apply to the Company since as already specified above, the Company may not be classified as a large company as set forth in the Code. Thus, the Board has not made any assessment of the positions the directors hold in other companies during the year, nor will any be carried out in future years.

#### **4.4 Role of the Board of Directors (pursuant to article 123-bis, paragraph 2, letter d), Consolidated Finance Law)**

The Board of Directors convenes on a regular basis to examine management trends and business results, as well as all significant transactions. The By-laws provide that the Board has to meet at least every three months.

During the financial year the Board met 16 times, with an average attendance rate of 99% of the Directors (during the 2021 financial year the Board met 13 times, with an average attendance of 94%). The attendance of the Executive Directors was 100% (in the 2021 financial year it was 96%), the attendance of Non-Executive Directors was on average 99% (compared to 93% in the 2021 financial year) and the attendance of the Independent Directors was on average 98% (in 2021, it was 87%). The Board meetings were held for the most part in person, in any case allowing participation by means of teleconference facilities.

The average duration of Board meetings was of two and a half hours (considering that there are meetings that have lasted half an hour and meetings that have lasted more than four hours).

For the 2023 financial year, the Board expects to meet at least 11 times, 4 of which to approve the periodic results. The latter dates were communicated to Borsa Italiana S.p.A. on 2 December 2022 during the publication of the calendar of company events, made available on the Company website. In 2023, on the date of this Report, the Board had already met 5 times, on 8 January, 12 January, 1 February, 14 February, 27 February, and for the sixth time on the date of approval of this Report (14 March).

In light of Principle 9 of the Code and Recommendation 11 of the Code, in the meeting on 14 October 2021 it fine-tuned a regulation that defines the rules for the functioning of the Board and its committees, including the methods for recording the minutes of meetings and procedures for managing the information to be provided to the directors (the "**BoD Rules**").

The Report on corporate governance for the financial year 2022 will provide information on the main contents of the BoD Rules and on the compliance with the procedures relating to the timeliness and adequacy of the information provided to the directors.

To this regard, with reference to pre-meeting information as set forth in the BoD Rules, the Directors are recipients of complete and timely information flows coordinated by the Chairman with the help of the Secretary, functional to the proper performance of the competencies and responsibilities of the administrative body. Besides the topics under the Board's examination, these information flows also concern the updates on the resolutions passed in board meetings, any more important correspondence exchanged between the Company and Consob and/or the public authorities. The flow of information is ensured as a rule at the Board and/or Internal Board Committee meetings, where the attendees are updated on the last board meeting. The Chairman assesses whether or not to go ahead and send any documentation over a digital platform ("Virtual Data Room" or "**VDR**" or "**Platform**") in the meantime.

The Platform lets the Board guarantee adequate secrecy and confidentiality of the information needed at the board meetings and not compromise the timeliness and completeness of the information flows, and all this, since - besides having high security requisites for sharing the related documentation - it also ensures timely document sharing, since at the same time the document is being uploaded in the folders the VDR system automatically generates an email notice for all its recipients entitled to access it. To protect the confidentiality of the documentation, access is gained to the platform by using the credentials assigned after appointment of each Director and member of the Board, and these credentials must be kept diligently and confidentially in order to keep the platform from being accessed by unauthorised parties.

Supporting documentation for the Board meetings is made known to each Director and member of the Board over the platform with due prior notice, and that is, by three days before that set for the meeting, or at latest, when necessary by the day before the meeting. When it is urgent, the documentation is made available as fast as possible, by the end of the meeting day itself.

When in specific cases it is not possible to provide the necessary information enough time in advance, with the help of the Secretary the Chairman makes sure that adequate and precise explanations are made during the meeting sessions.

Regarding the **attendance and recording of meetings**, the BoD Rules require that the Board of Directors meetings may also be held over audio or video conference, on the condition that: (i) the chairman of the meeting is able to ascertain the identity of the attendees; (ii) the attendees are allowed to take part in the discussion and simultaneous voting on the topics on the agenda, as well as to see, receive or send documents. In these cases, the Board Meeting is deemed held in the location of the Chairman and Secretary taking the minutes, signed by both.

Board meetings may be recorded. Recording is done only in order to facilitate minutes taking for the meetings and to document that written down in the minutes if necessary. At the same time the final version of the minutes is approved, the audio and electronic media get destroyed.

The Secretary takes the meeting minutes. The draft of the minutes is submitted firstly to the Executive Directors for their observations. Board meeting minutes are usually approved in the meeting following the one the minutes refer to, when possible gathering any modification requests from the Directors. The draft of the minutes, published in the VDR in good time prior to the meeting summoned to approve them, enables Directors and Auditors to propose possible amendments that they consider appropriate to better describe the discussions held within the Board. The minutes on the discussions to be reported are not prepared prior to the Board meeting (not even as an outline for discussion), but are prepared only afterwards, in order to allow for a totally free discussion that is not "forced" in any way.



The minutes are signed by the person that chaired the meeting and its secretary and are kept by the Secretary, who with the help of the responsible corporate functions, quickly transcribes them in the company's book.

As set forth in article 10.4 of the BoD Rules, the meeting minutes taking generally requires: a) a brief description of the topic addressed, and when provided, of the supporting documentation; b) a brief reference to the discussion held and the statements made; c) the reference of the motion brought forth at the end of the discussion; d) the analytical point-by-point formulation of the resolution passed; e) the reference to the attachments to the minutes or to the documents kept in the company records.

The part in the minutes about the resolutions passed that require immediate execution may be certified or taken by the Chairman and Secretary, even before completing the verification process of the entire minutes.

Each Director is entitled to propose topics for discussion in the subsequent meetings of the Board. No Director made use of this power during the Financial Year.

The Chairman, with the agreement of those present, may invite persons that are not members of the Board to attend the meetings, as listeners or to provide support.

With reference to Recommendation 18 of the Code, at the meeting on 14 October the Board of Directors, as stated in the Board of Directors' Rules approved on that same date, decided that the position of Secretary at the Board meetings be filled by the Company's Legal and Corporate Affairs Office Manager, and if this manager is absent and/or unable, these may act in his or her place:

- member of the legal office that has accrued more seniority at the Legal and Corporate Affairs Office, meeting the requisites given below;
- a member of the Board, as long as he or she possesses adequate professionalism requisites;
- an outside consultant, as long as he or she possesses adequate professionalism requisites.

Specifically, the Secretary must possess the following requisites:

- a) Master's degree in the area of law/economics;
- b) have gained at least five years of experience in the legal management of listed issuers or at law firms specialised in corporate law and corporate governance; or to have filled the position of director or statutory auditor at one or more limited liability companies for at least three years.

The Secretary attends all Board meetings, supporting the activities of the Chairman and providing, with impartiality of judgement, assistance and advice to the Board of



Directors on all aspects relevant to the proper functioning of the system of corporate governance.

During the meetings, and in all cases at least once every quarter, pursuant to article 19 of the By-laws, the Board of Directors and the Board of Statutory Auditors are informed by the Chairman and the Managing Director, also in relation to subsidiaries, of the activities undertaken, the general business trends, their foreseeable development and the most significant economic, financial and equity-related transactions in terms of size or characteristics, including, where relevant, transactions in which Board members have a direct or third party interest. During the Financial Year, an update on business and management performance and the main transactions was prepared for the Board by the Managing Directors and added to the agenda of 11 of the 16 meetings held.

The Directors examine the information received from the Executive Directors, and are responsible for requesting the latter for any clarifications, explanations or additional information considered necessary or appropriate for a complete and correct assessment of the facts brought to the attention of the Board.

#### **4.5. Delegated Bodies**

##### **4.5.1. Managing Directors**

In compliance with the definitions in the Code, the following persons may be considered Executive Directors of the Company:

- the chairman of the company or of a Strategic Company, when he or she is given powers in the management or creation of corporate strategies;
- the Directors that are vested with operational authorisations and/or cover managerial offices in the Company or in a strategically significant company, or in the parent company when the office also concerns the Company;
- the directors that are part of the company's executive committee. The granting of vicarious powers or powers only in the event of an emergency to Directors that are not vested with operational authorisation does not make them Executive Directors, per se, unless these powers are, in fact, used with considerable frequency.

Two of the Directors in office are Managing Directors. The Board appointed by the Shareholders' Meeting of 20 April 2021 met at the end of this meeting to allocate the company positions, to grant the various powers and to appoint the Committees. As in the past, the Board adopted a proxy model that provides for the granting of extensive operating powers to the Chairman and the Managing Director. Consequently, the Chairman, *Chief Executive Officer and Chief Technology & Innovation Officer* (namely, Mr Massimo della Porta) and the Managing Director and *Group Chief Financial Officer* (namely, Mr Giulio Canale), separately, were granted the powers of ordinary and

extraordinary administration, with the exclusion of the powers reserved exclusively to the Board or those reserved by law to the Shareholders' Meeting.

In the 2021 financial year, following a process supervised by the Remuneration and Appointments Committee, unlike in previous years, the mandates to the Executive Directors were differentiated in terms of areas of competence.

In particular, Mr Massimo della Porta and Mr Giulio Canale, acting severally and with individual signature rights, were vested with the following powers (by way of example, but not limited to):

**To Massimo della Porta (Chairman and Managing Director):**

- 1) carrying out any action necessary for the ordinary and extraordinary management of the Company, including the definition of market strategies, organisational and technical-productive structures, investments, resources and any other action that may be viewed to be for the improvement, also in the international context, of the Company's activities;
- 2) coordinating relationships with other Group's companies at international level, adopting determinations relative to their management and planning policies, in order to make the process of globalisation initiated within the Group more effective;
- 3) representing the Company in Shareholders' Meetings or any other corporate bodies of related or subsidiary companies;
- 4) appointing representatives for individual deals or categories of deals, determining their powers and compensation, as well as revoking their appointment; delegating all or part of the powers conferred here in favour of one or more Company's employees, but without depriving themselves of the same powers, through assignment and signature of mandates specifying the powers from time to time delegated, as well as the total or partial revocation of such mandates;
- 5) representing the Company in any dealings with third parties, public administrations and public bodies, as well as with other companies of the Group, by signing the related deeds and agreements and undertaking commitments of any kind and nature;
- 6) purchasing, exchanging and transferring any kind of assets when running the Company business; stipulating, with all the appropriate clauses, amending and cancelling any kind of contract, agreement and convention without limitation as to the cause or matter; authorising purchases of raw materials, semi-finished goods, finished products and consumables, including the option to sign tender agreements for the execution of works and plants, managing, amending and resolving relative contracts; acquiring, selling, exchanging, granting technological licenses, marks and patents;

7) selling products and services to entities outside of the SAES Group, participating to procedures for the selection of contractors, acquiring, managing, amending and cancelling contracts with private and public subjects providing also, for each previously agreed and connected operation, the power to present offers and estimates, participating to tenders or other contractors' selection procedures organised by public or private entities, including procedures totally or partially based on electronic means with the power to offer, also on loan, exchange, lease or licence, any product marketed and post-sale service offered by the Company, as well as any auxiliary and complementary works, supplies and services, signing the relative documentation accompanying them, negotiating, accepting or refusing orders from customers, agreeing and signing relative contracts, certificates and declarations and all that is necessary for the purposes of the contract; authorising offers also outside of current market conditions, providing to complete all formalities relative to the sale of all products and services of the Company, demanding the price of the goods sold from debtors and paying for goods purchased; loaning free of charge products sold by the Company, managing and terminating relative contracts;

8) nominating consultants, agents, brokers, concessionaries, distributors or other commercial partners, finalising, amending and terminating relative contracts, signing secrecy agreements;

9) demanding the fulfilment of third-party obligations or obligations from third parties to the Company;

10) collecting receivables, also banking ones, agreeing reductions, bonuses, respectively cashing, releasing, withdrawing sums (also through the issue and receipt of bank cheques), values (also if made up of guarantee deposits), goods in any way due to the Company by any private individual or any Credit Institute, by any Ministry or other Public Administration or public body, including State, Provincial or Municipal Treasuries, Savings and Loans Institutes, the Management of Public Debt, the National Institute for Foreign Trade (I.C.E.), Customs Administrations, Stamp and Registration Duty Offices, VAT Offices, Tax Collection Offices, the Inland Revenue, and any other financial administration body, releasing receipts and discharges as necessary;

11) opening bank and/or post office accounts, also restricted or as guarantee, making payments, via bank transfer and by cheque, making withdrawals from bank and post office accounts, carrying out debit and credit transactions on the current accounts of the Company at banks and post offices, including overdraft, always in interest of the Company, as well as issuing and requesting the issue of bank cheques and bank drafts;

12) endorsing and presenting sight drafts for discount and discounting, as well as endorsing for accreditation only, sight drafts made out to third parties;

- 13) endorsing to Bank Institutes, for accreditation on the current accounts, post money orders, bank cheques, cashier's cheques;
- 14) negotiating and stipulating all the documents required to obtain bank credit and loans of any kind in favour of the Company and negotiating the terms and conditions related or connected to the granting of credit facilities or loans; stipulating factoring agreements for the assignment of credits of the Company;
- 15) applying partial or total waivers on the Company's receivables, defining the relative terms and conditions;
- 16) signing receipts for letters accompanying valuables or documents;
- 17) managing and signing the Company's correspondence; collecting money orders, registered and insured letters, packets, parcels and objects in any way due to the Company from private individuals or public administrations, including postal and telegraphic communications, with the issue of receipts;
- 18) carrying out transactions with the railway and customs Administrations, regarding the shipment, clearance and collection of all kinds of goods;
- 19) issuing relevant certificates and declarations for tax purposes, extracts from the payrolls regarding the personnel for Social Security, Insurance and National Health Insurance Bodies, and for other Bodies and individuals, signing all declarations set forth in tax legislation;
- 20) lodging objections, complaints, grievances, appeals in terms of tax and duties, as well as representing the company with tax bodies, Tax Commissions, etc.;
- 21) employing and dismissing employees, collaborators and personnel, in any category and grade, including senior managers, signing relative contracts and setting employment conditions as well as managing subsequent contractual variations that may become necessary, including changes in tasks and/or compensation; managing disciplinary procedures with regard to employees and deciding the disciplinary provisions more appropriate to the specific case; representing the Company in any work lawsuit or dispute, both as plaintiff or defendant, at every stage and level of jurisdiction, in Courts, Courts of Appeal and the Cassation Courts, as well as in trade union or administrative settings, with the Ministry of Labour and Social Policies, Provincial Conciliation Committees in National and Provincial Labour Inspectorates, Conciliation and Arbitration Panels, etc., with the power to reconcile or compromise, renounce and accept renunciation; nominating representatives expressly tasked to represent the Company in work disputes with any power of the law, including that to reconcile or compromise, renounce and accept renunciation, at every stage and level of jurisdiction, as well as any extrajudicial act that may become necessary for the execution of the mandate conferred with full ratification and approval;

22) representing the Company before all the Authorities of the Italian Republic and foreign countries; representing the Company as either plaintiff or defendant in any civil, criminal or administrative proceedings and at any instance and level of jurisdiction, therefore also before the Constitutional Court, the Cassation Court, the State Council, the High Court of Public Waters, regional judiciaries and any judiciary, also specialist, including fiscal jurisdiction, also in revocation judgements and third-party proceedings; appointing and dismissing, if necessary, lawyers, attorneys ad litem and expert consultants, granting them the most extensive powers;

23) issuing garnishee's statements pursuant to article 547 of the Italian Code of Civil Procedure;

24) representing the Company before the Bank of Italy, Consob and management company of the market, negotiating and defining all practices regarding these parties; signing any type of correspondence with the Bank of Italy, Consob and the management company of the market, signing complaints, declarations, requests, communications, depositions and anything else required by the law or requested by the Bank of Italy, Consob and the management company of the market and deemed appropriate;

25) reaching compromises and settling disputes of the Company with third parties, appointing arbitrators also for amicable settlements, and signing the corresponding settlement deeds;

26) representing the Company in insolvency procedures against third parties with all necessary powers including but not limited to lodging claims, accepting or refusing agreements, demanding and accepting allocations, participating in creditors' meetings, acting as a member of the creditors committee should the Company be asked to take part, making credit declarations agreeing their amount, accepting and refusing proposals of agreement, as well as carrying out all the necessary or required actions in relation to such procedures;

27) distributing free contributions in cash or nature for scientific, cultural or philanthropic initiatives, offering hospitality, trips and promotional gifts for a maximum amount of €50,000.00 per transaction.

**To Giulio Canale (Managing Director – CFO and Deputy CEO of the Company):**

1) representing the Company in Shareholders' Meetings or any other corporate bodies of related or subsidiary companies;

2) representing the Company in service agreements with other Group's companies, each with a yearly value not exceeding €500,000.00 (five hundred thousand/00);

3) stipulating agreements with a duration not exceeding 36 (thirty-six) months and relating to purchases and supplies of goods (raw materials, semi-finished

products, finished goods and consumables) and services necessary for the needs and the management of the Company's activities, authorising purchases of a value of up to €150,000.00 (one hundred and fifty thousand/00) per transaction;

4) appointing representatives for individual deals or categories of deals, determining their powers and compensation, as well as revoking their appointment; delegating all or part of the powers conferred here in favour of one or more Company's employees, but without depriving themselves of the same powers, through assignment and signature of mandates specifying the powers from time to time delegated, as well as the total or partial revocation of such mandates;

5) signing confidentiality agreements (without penalties);

6) demanding the fulfilment of third-party obligations or obligations from third parties to the Company;

7) collecting receivables, also banking ones, agreeing reductions, bonuses, respectively cashing, releasing, withdrawing sums (also through the issue and receipt of bank cheques), values (also if made up of guarantee deposits), goods in any way due to the Company by any private individual or any Credit Institute, by any Ministry or other Public Administration or public body, including State, Provincial or Municipal Treasuries, Savings and Loans Institutes, the Management of Public Debt, the National Institute for Foreign Trade (I.C.E.), Customs Administrations, Stamp and Registration Duty Offices, VAT Offices, Tax Collection Offices, the Inland Revenue, and any other financial administration body, releasing receipts and discharges as necessary;

8) opening bank and/or post office accounts, also restricted or as guarantee, making payments, via bank transfer and by cheque, making withdrawals from bank and post office accounts, carrying out debit and credit transactions on the current accounts of the Company at banks and post offices, including overdraft, always in interest of the Company, as well as issuing and requesting the issue of bank cheques and bank drafts;

9) to carry out transactions on exchange rates, interest rates and commodities / request guarantees of any kind (without amount limits);

10) endorsing and presenting sight drafts for discount and discounting, as well as endorsing for accreditation only, sight drafts made out to third parties;

11) endorsing to Bank Institutes, for accreditation on the current accounts, post money orders, bank cheques, cashier's cheques;

12) negotiating and stipulating all the documents required to obtain bank credit and loans of any kind in favour of the Company and negotiating the terms and conditions related or connected to the granting of credit facilities or loans; stipulating factoring agreements for the assignment of credits of the Company;

- 13) issuing partial and total waivers on Company's receivables, defining relative terms and conditions, within the limit of €250,000.00 (two hundred and fifty thousand/00) per transaction;
- 14) signing receipts for letters accompanying valuables or documents;
- 15) managing and signing the Company's correspondence; collecting money orders, registered and insured letters, packets, parcels and objects in any way due to the Company from private individuals or public administrations, including postal and telegraphic communications, with the issue of receipts;
- 16) carrying out transactions with the railway and customs Administrations, regarding the shipment, clearance and collection of all kinds of goods;
- 17) issuing relevant certificates and declarations for tax purposes, extracts from the payrolls regarding the personnel for Social Security, Insurance and National Health Insurance Bodies, and for other Bodies and individuals, signing all declarations set forth in tax legislation;
- 18) lodging objections, complaints, grievances, appeals in terms of tax and duties, as well as representing the company with tax bodies, Tax Commissions, etc. for disputes of value of up to €1,000,000.00 (one million/00);
- 19) employing and dismissing employees, collaborators and personnel, in any category and grade, including senior managers, signing relative contracts and setting employment conditions as well as managing subsequent contractual variations that may become necessary, including changes in tasks and/or compensation; managing disciplinary procedures with regard to employees and deciding the disciplinary provisions more appropriate to the specific case; representing the Company in any work lawsuit or dispute, both as plaintiff or defendant, at every stage and level of jurisdiction, in Courts, Courts of Appeal and the Cassation Courts, as well as in trade union or administrative settings, with the Ministry of Labour and Social Policies, Provincial Conciliation Committees in National and Provincial Labour Inspectorates, Conciliation and Arbitration Panels, etc., with the power to reconcile or compromise, renounce and accept renunciation; nominating representatives expressly tasked to represent the Company in work disputes with any power of the law, including that to reconcile or compromise, renounce and accept renunciation, at every stage and level of jurisdiction, as well as any extrajudicial act that may become necessary for the execution of the mandate conferred with full ratification and approval;
- 20) representing the Company before all the Authorities of the Italian Republic and foreign countries; representing the Company as either plaintiff or defendant in any civil, criminal or administrative proceedings and at any instance and level of jurisdiction, therefore also before the Constitutional Court, the Cassation Court, the State Council, the High Court of Public Waters, regional judiciaries and any



judiciary, also specialist, including fiscal jurisdiction, also in revocation judgements and third-party proceedings of value of up to €1,000,000.00 (one million/00); appointing and dismissing, if necessary, lawyers, attorneys ad litem and expert consultants, granting them the most extensive powers;

21) issuing garnishee's statements pursuant to article 547 of the Italian Code of Civil Procedure;

22) representing the Company before the Bank of Italy, Consob and management company of the market, negotiating and defining all practices regarding these parties; signing any type of correspondence with the Bank of Italy, Consob and the management company of the market, signing complaints, declarations, requests, communications, depositions and anything else required by the law or requested by the Bank of Italy, Consob and the management company of the market and deemed appropriate;

23) reaching compromises and settling disputes of the Company with third parties, appointing arbitrators also for amicable settlements, and signing the corresponding settlement deeds, for values not exceeding €1,000,000.00 (one million/00);

24) representing the Company in insolvency procedures against the parties with all necessary powers including but not limited to lodging claims, accepting or refusing agreements, demanding and accepting allocations, participating in creditors' meetings, acting as a member of the creditors committee should the Company be asked to take part, making credit declarations agreeing their amount, accepting and refusing proposals of agreement, as well as carrying out all the necessary or required actions in relation to such procedures;

25) distributing free contributions in cash or nature for scientific, cultural or philanthropic initiatives, offering hospitality, trips and promotional gifts for a maximum amount of €20,000.00 (twenty thousand/00) per transaction.

The Board also conferred legal representation of the Company before third parties and in legal proceedings to the Chairman, Mr Massimo della Porta and the Deputy Chairman and Chief Executive Officer, Mr Giulio Canale, within the limits of the administration powers granted, and separately, pursuant to article 20 of the By-laws.

The Executive Directors are in fact obliged to report regularly to the Board of Directors and the Board of Statutory Auditors on the exercising of the delegated powers, providing adequate information on the deeds carried out and, in particular, on any abnormal, atypical or unusual transactions carried out in the exercising of the aforesaid powers. During the Financial Year, the delegated bodies reported regularly to the Board in its subsequent meeting on the activities carried out while exercising the powers granted to them.



#### 4.5.2. Chairman of the Board of Directors

The Chairman, Mr. Massimo della Porta, coordinates and organises the activities of the Board, is responsible for ensuring that it runs smoothly, serves as a liaison between the Executive and Non-Executive Directors, defines the agenda, and leads the related meetings.

As stated in the BoD Rules, with the help of the Secretary the Chairman takes action so that

- a) the pre-Board meetings information and the complementary information provided during the meetings is suitable to allow the Directors to act in an informed manner in carrying out their assignment;
- b) the Committees' activity is coordinated with the Board's activity;
- c) the Company's top management and any executive directors of SAES Group companies, not to mention parties or consultants outside the Company, attend the Board meetings, also by request of the individual Directors, to provide the proper in-depth information on the motions on the agenda (the Chairman handles this aspect together with the Deputy CEO);
- d) all members of the Board and Board of Statutory Auditors may attend - after appointment and during the mandate - initiatives meant to provide them adequate knowledge of the sectors in which SAES Group deals, the company dynamics and their evolution, also with an outlook to the Company's sustainable success as well as the principles of proper risk management and the regulatory and self-regulatory framework of reference (so-called board induction) (the Chairman handles this aspect with any support from the Lead Independent Director and the Deputy CEO);
- e) the three-year self-evaluation process (so-called board review) of the Board, with the aid of the designated internal board committee, is done adequately and transparently.

The Chairman of the Board is also the *Chief Executive Officer*, but shares the responsibility for the management of the Company with the Managing Director, Mr Giulio Canale. Both are on a list of Directors submitted by the Majority Shareholder of the Company (S.G.G. Holding S.p.A.).

In compliance with Recommendation 4 of the Code, it is noted that the Board has decided to delegate powers to the Chairman, so that Mr Massimo della Porta could continue to act effectively and to provide the strategic impulse he has always provided in previous Board mandates (as from 29 April 1997). The assignment of powers and the concentration of offices assigned to Mr Massimo della Porta are considered to be consistent with the organisational structure of the Company.

In compliance with Recommendation 13 of the Code, the Board assessed the possibility of appointing an Independent Director as *Lead Independent Director* in order to strengthen the impartiality and equilibrium that are required of the Chairman of the Board, as the latter is the main person responsible for the management of the Company and has significant operational authorisations. Therefore, on 20 April 2021, the Board considered it appropriate to appoint Ms Gaudiana Giusti as *Lead Independent Director* and informed the market, on the same date, in accordance with the provisions of the Regulations for Issuers.

The Chairman and the Managing Director do their utmost to ensure that the Board is kept informed on the main new laws and regulations that concern the Company and the company bodies. During the Financial Year priority was given to business management but in any case an *induction* initiative was carried out: during the meeting on 28 September 2022, with the presence of Mr Fabio Innocenzi - Head of Internal Audit aimed at reviewing SAES's ERM Model.

Should the Directors require explanations and information from the management of the Company, they must send a request to the Chairman, who takes care of the matter by gathering the necessary information or by putting the Directors in contact with the manager/s concerned. The Directors may request the Chairman and/or the Managing Director for business representatives of the Company and the Group to attend Board meetings in order that they may provide the appropriate insight into the topics on the agenda. No Director made use of this power during the Financial Year.

During the Financial Year, the Chairman invited Mr Nicola di Bartolomeo, head of the medicals division, to participate in the Board meetings; the same provided the Board with additional elements for assessment regarding the possible sale of the equity investments held in the American subsidiaries Memry Corp. and SAES Smart Materials Inc. and therefore of the entire nitinol business (see the press release dated 9 January 2023 at the following link <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>).

The Chairman, with the agreement of those present, may invite persons that are not members of the Board to attend the meetings, as listeners or to provide support.

During the Financial Year:

- at the meetings on 15 February and 21 June, the Team that is following the investments of liquid assets was invited to provide updates on their performance;
- at the meetings on 31 May, 21 June, 6 July, 12 September, 19 October, 10 November, 7 December and 19 December, consultants were invited (from Studio Associato Servizi Professionali Integrati - Fieldfisher, Studio Maisto e Associati, Lazard Srl, EY Advisory S.p.A.) who in various capacities assisted and assist the Company for the extraordinary project referred to in the press release issued on 9 January 2023;

- on 13 October, Mr Marco Scalera of Studio Legale De Lorenzi Micciché Scalera Spada
- Avvocati Associati was invited to assess the appeal to the Supreme Court against the Consob ruling of 21 April 2022, as served on 18 July 2022.

#### **4.6. Other Executive Directors**

At present, there are no other executive directors apart from the Chairman and the Managing Director.

#### **4.7. Independent Directors**

The Board in office, elected by the Shareholders' Meeting of 20 April 2021, is made up of ten (10) members, including two (2) Executive Directors and eight (8) Non-Executive Directors, three (3) of which qualify as Independent Directors and one (1) qualifies as Independent Director under the provisions of articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law but not under the Corporate Governance Code.

On the other hand, in relation to the presence of Independent Directors and considering the provisions of article 147-ter, paragraph 4 of the Consolidated Finance Law, and article 3 of the Code, as well as article IA.2.10.6. of the Instructions to the Regulation on Markets Organised and Managed by Borsa Italiana S.p.A., for the purpose of complying with the stricter requirements for membership of the STAR segment (that the Company belongs to), the number of Independent Directors (as defined by the above-mentioned provisions) will be considered adequate when the following are present:

- at least 2 (two) Independent Directors for Boards comprising up to 8 (eight) members;
- at least 3 (three) Independent Directors for Boards comprising from nine (9) to fourteen (14) members;
- at least four (4) Independent Directors for Boards comprising fifteen (15) members.

If the Shareholders' Meeting resolves to amend the number of members of the Board, it is advisable that the afore-mentioned proportions are respected.

The Code requires at least two independent directors, in addition to the Chairman, to be part of the ideal composition of the Board.

The Company deems it appropriate to maintain a proportionality criterion as indicated above.

With reference to Principle 6 of the Code, the Company believes that three (3) non-Executive Independent Directors should be appointed for a Board of nine (9) to fourteen (14) directors.

The current Board was appointed in April 2021 with a higher number (10) of directors than the previous one (9).

The new Board, in office since April 2021, has four Independent Directors pursuant to the Consolidated Finance Law and three pursuant to the Code. In relation to Recommendation 5 of the Code, the Company believes that the number and skills of the independent directors are adequate to the needs of the company and the functioning of the management body, as well as the establishment of the relative committees.

In particular, it is believed that with this composition, the number, expertise, availability of time and authoritativeness of the Non-Executive Directors contribute to the enrichment of the Board discussions and guarantee that their opinion carries considerable weight in the making of well thought-out, informed Board decisions.

Non-Executive Directors contribute their specific expertise to Board discussions, contributing to the making of sound decisions, in compliance with the interests of the Company, aimed at creating value for Shareholders in the medium to long term and paying special attention to areas where conflicts of interest may arise.

Without prejudice to each Director's obligation to fulfil their duties with the diligence required by the nature of the assignment and their specific competencies, and based on the information they provided and/or available to the Company and the principles and recommendations under article 2 of the Corporate Governance Code, the Board assesses the independence of its non-executive Directors.

When the information available is not deemed sufficient to evaluate the circumstances indicative of lacking independence, the Board asks the individual Director in question more information about it.

This assessment of independence is carried out by the Board after appointment, and later, annually as well as when significant circumstances affecting independence come up which every Independent Director must report in a timely manner.

For the purposes of the abovesaid evaluation, the Board defines the content and means by which the Directors shall provide the abovesaid information and follows the assessment criteria in Recommendation no. 7 of the Code.

In compliance with Recommendation no. 7 of the Code, the Board assesses the independence of its non-executive members, placing more emphasis on substance than form. Moreover, in principle, within this assessment, the Board tends to consider a Director as Non-Independent, as a rule, in the following non-mandatory situations:

a) if the Director is the holder of a quantity of shares, either directly or indirectly, also through subsidiary companies, trust companies or third parties, that enable the Director to exercise control or to have considerable influence over the Company, or is party to a shareholders' agreement through which one or more parties may exercise

control or have considerable influence over the Company;

b) if the Director is, or has been in the previous three financial years, a significant figure<sup>5</sup> in the Company, one of its strategically-significant subsidiaries or a company under common control with the Company, or a company or body that, together with others controls the Company or is in a position to exercise a considerable influence over the Company through a shareholders' agreement;

c) if the Director directly or indirectly (for example through subsidiary companies or companies in which he/she is a significant figure, or as partner of a professional firm or consultancy firm) has, or has had in the previous financial year, a significant commercial, financial or professional relationship:

- with the Company, one of its subsidiaries, the parent company or with any of the related significant figures;

- with a party that, also together with others through a shareholders' agreement, or with the related significant figures, controls the Company;

- or is, or has been in the previous three financial years, an employee of one of the aforesaid parties;

d) if the Director receives, or has received in the previous three financial years, significant additional remuneration to the “fixed” remuneration of the Non-Executive Director of the Company and the remuneration for the participation on the committees, also in the form of participation in incentive plans linked to Company performance, based on shares or otherwise, from the Company or one of its subsidiaries or the parent company;

e) if the Director has been a Director of the Company for more than nine years, even if not consecutive, in the last twelve years;

f) if the Director holds the office of Executive Director in another company in which an Executive Director of the Company holds the office of Director;

g) if the Director is a shareholder or Director of a company or body belonging to the network of the company entrusted with the statutory audit of the Company;

h) if the Director is a close relative of a person in one of the situations described in the previous points and in particular if the Director is the spouse that is not legally separated, common law spouse, relative or relative by marriage up to fourth degree of kinship of a Director of the Company or the companies controlled by the latter or the

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<sup>5</sup>The legal representative, the Chairman of the Board of Directors, the Executive Directors and top management (which includes the senior managers who are not on the managing board and have power and responsibility over planning, management and control of the Company activities and of the group it is a part of) are considered to be “significant figures” of the Company.

parent company/companies or those subjected to common control or parties in the situations described in the previous points.

With the approval of the BoD Rules, for the purposes of that set forth in article 2, Recommendation 7, second paragraph of the Corporate Governance Code, the Board has established that:

- “significant commercial, financial or professional relationship” – under letter c) of Recommendation no. 7 of the Code – means a commercial, financial or professional relationship where the overall value is higher: (i) than 20% of the turnover of the legal person, organisation or professional firm where the Director has the control or is a significant figure or partner, or (ii) than 20% of the Director's annual income as a natural person or of the annual turnover generated directly by the Director in the scope of the business done with the legal person, organisation, or professional firm that the Director has control over or is a significant figure or partner of.
- “significant additional remuneration” – under letter d) of Recommendation no. 7 of the Code – means remuneration for professional tasks or consultancy over double the fixed remuneration received in the financial year of reference for performing the office of Director and without prejudice to a check to be made case by case based on the actual circumstances. In order to calculate significant additional remuneration, remuneration for participating in the committees is not included and the positions held at other SAES Group companies are deemed included.

One circumstance that may appear to compromise the independence of a Director is being a close family member of someone who is in one of the above-said situations.

For the purposes of assessing independence, in any event the Board may - relating to the specific circumstances for each Director — consider any other element deemed useful and appropriate, adopting additional and/or somewhat different assessment criteria that place more emphasis on substance than form, providing information on it in the Report on Corporate Governance; specifically, the relationships/positions that, despite not being significant from a financial viewpoint, are particularly relevant to the prestige of the Director in question will be taken into consideration. Also in light of Recommendation 6 of the Code, to this end, the Independent Directors undertake to promptly notify the Board if an event that could affect their “independence” status occurs; in general, they provide all the elements necessary or useful for the assessment of the management body, which considers, on the basis of all of the information available, any circumstance that affects or may appear likely to affect the independence of the director. Specifically, each Independent Director promptly notifies the Board of the existence of any business or professional relationships with the Company and the group so that the latter can assess its relevance separately from the related financial value.

The loss of independence requisites does not entail the expiry of the office as long as a

congruous number of independent Directors, at least two, stays on the Board.

The outcome of the independence assessments under the paragraph above is made known to the market only after appointment with an ad hoc notice, and subsequently in the Report on Corporate Governance; on such occasions, the criteria used for assessment of the significance of the relationships being examined are given, and if an Independent Director was deemed to be so, despite the subsistence of the circumstances described in the paragraphs above, a clear and justified reason for this decision is provided in relation to the standing and the individual characteristics of the party assessed.

The Board submits the independence assessment of its members to the Board of Statutory Auditors which verifies the proper application of the abovesited criteria.

If the Board is entirely certain that the requirement of independence is satisfied even in the presence of situations that are abstractly referable to non-independent cases, the Board will provide adequate information to the market on the outcome of the evaluation, without prejudice to the verification of the adequacy of the related reason on the part of the Board of Statutory Auditors.

More restrictive legal provisions or provisions established by the By-laws that set forth the expiry of the office of the Director in the event that he/she loses any of the independence requirements shall prevail.

Pursuant to Recommendation 6 of the Code, the management body assesses the independence of the Independent Directors immediately after their appointment as well as during the course of their mandate when circumstances relevant to independence occur and in any case at least annually.

At the meeting of 14 February 2023, as every year (in the Financial Year: on 15 February 2022), the Board reported the degree of independence of its Directors pursuant to the laws in force (article 147-ter of the Consolidated Finance Law), considering the answers that each Independent Director gave to the independence questions posed and sent to them by the Company, confirming, on the basis of the requirements set forth in the Corporate Governance Code and articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law, that the Directors Gaudiana Giusti, Stefano Proverbio, Luciana Rovelli have qualified as "Independent", and on the basis of the individual independence requirements set forth in articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law, that Adriano De Maio has qualified as "Independent". Mr Adriano de Maio complies with the independence criteria jointly established pursuant to articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law but not those of the Corporate Governance Code as he has been a Company's Director for more than nine of the last twelve years, also not consecutive (his first appointment dates back to 2001 and he has been a Director for more than twenty years) but this is the only reason for failing to qualify as Independent



Director according to the criteria set by Recommendation no. 7 of the Code. In fact, he does not, nor has he recently maintained, not even indirectly, relationships with the Company or with parties linked to it, such as to affect his autonomy of judgement right now. The Company has opted for a rigorous application of the criteria of the Corporate Governance Code and does not view him as an Independent Director pursuant to the same and in all communication it specifies the limited application of his qualification.

As at the date of this Report, furthermore the Board did not make use of additional or different criteria, as there were no situations that were even abstractly referable to the cases identified by the Code as indicative of lacking independence.

Also for the purposes of Recommendation 6 of the Code, in its meeting of 15 February 2022 the Board of Statutory Auditors checked whether the criteria adopted by the Board to evaluate the independence of its members had been applied correctly, acknowledging the declarations issued by the individuals involved.

It should be noted that, on 6 March 2023, Ms. Luciana Sara Rovelli resigned from the office of Independent and non-executive Director of SAES and consequently from the office of member of the Audit, Risk and Sustainability Committee - as well as from the office of Chairperson and member of the Supervisory Body and Chairperson and member of the Remuneration and Appointments Committee and member of the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues of particular relevance and complexity", as more fully indicated in the press release published on the same date by the Company and available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

The Board of Directors of SAES will co-opt a new independent and non-executive director to replace Ms Luciana Sara Rovelli according to the provisions of art. 2386 of the civil code and in compliance with the rules relating to gender balance in the bodies of listed companies and will evaluate the need and opportunity to integrate the internal board committees by attributing the position of member of the aforementioned committees to the newly elected independent director.

While recognising that not being a large Company, the provision under Recommendation 5 of the Code is not applicable to the Company, at the meeting on 14 October 2021 and later at the meeting on 14 March 2022 the Board decided to follow the above mentioned Recommendation 5 and keep having the Independent Directors meet at least once a year. The Independent Directors' meetings are spent at least assessing the aspects crucial to the effective functioning of the managing body, starting with the adequacy of the dialogue and information flows between Executive and Non-Executive Directors (also in light of the attendance rate of the meetings of the Board and the different committees). The meeting may also be held informally via audio or



video conferencing.

During the Financial Year, the Independent Directors, upon the proposal of the *Lead Independent Director*, met on 5 December in the absence of the other Directors to: (i) discuss the Company's strategic plan and formulate assessments on the matters defined during the last meeting of the Independent Directors and in consideration of the possible extraordinary transaction for the sale of the equity investments held by the Company in the American subsidiaries Memry Corp. and SAES Smart Materials Inc.; (ii) support the Board in planning the induction activities for the year 2023 as well as to take note of the induction activities carried out during the year in light of the suggestions proposed during the previous year; (iii) assess the appropriateness of making some amendments to the Lead Independent Director and Independent Directors Regulation in order to align with the provisions of the Code and with the functioning formalities of said meetings; (iv) for considerations on the three-year Board Review process.

In addition, the Lead Independent Director, who, pursuant to the Lead Independent Director and Independent Directors Regulation, chairs and coordinates the meetings of the Independent Directors, deemed it appropriate to call a further meeting on 23 December for some assessments on governance issues with respect to the possible extraordinary transaction for the sale of the equity investments in the US subsidiaries Memry Corp. and SAES Smart Materials Inc. referred to in the press release of 9 January 2023, available at the following link <https://www.saesgetters.com/it/investor-relations/press-releases>.

#### **4.8 Lead Independent Director**

As illustrated in section 4.4.2. above, as the Chairman of the Board also has broad operational powers, holding the office of *Chief Executive Officer*, although he is not the sole person responsible for the management of the Company, in compliance with Recommendation 13 of the Code, the Board of 20 April 2021 has considered it appropriate to appoint the Independent Director Ms Gaudiana Giusti *Lead Independent Director*.

The Non-Executive Directors (and in particular the Independent Directors) refer to the latter for a better contribution to the activities and operation of the Board. The Lead Independent Director collaborates (as he has collaborated during the Financial Year) with the Chairman in order to guarantee that the Directors are the recipients of complete and timely information flows. The Lead Independent Director is also granted the power, inter alia, to call special meetings with Independent Directors in order to discuss the issues considered to be of interest to the operations of the Board of Directors or the management of the Company, either independently or on the request of the other Directors. During the Financial Year, the *Lead Independent Director* asked

the Company Secretary to call two meetings of only Independent Directors as indicated in the previous paragraph.

Ms Gaudiana Giusti is a member of the two committees set up in the Board pursuant to the Code (the Audit, Risk and Sustainability Committee and the Remuneration and Appointments Committee) and is also a member of the Supervisory Board and Chairman of the Related Parties Committee.

## 5. MANAGEMENT OF COMPANY INFORMATION

On 24 March 2006, the Board adapted itself to the new provisions of the Consolidated Finance Law, the Regulations for Issuers, as supplemented by Consob resolution no. 15232 of 29 November 2005, as well as the Market Regulations organised and managed by Borsa Italiana S.p.A and related Instructions, as amended following the Italian Savings Law, in transposing the EU directive on market abuse, introducing *ad hoc* internal procedures or amending and updating those already existing on this matter.

More precisely, the Board adopted:

- the *Procedure for Managing Inside Information*: also for the purposes of the application criterion 1.C.1, letter j) of the Code, which defines the conduct of Directors, Auditors, managers and employees in relation to the internal management and disclosure to the market of inside information, i.e. precise information that has not been made public, concerning, directly or indirectly, one or more issuers of financial instruments or one or more financial instruments, which, if made public, could have a considerable influence on the prices of these financial instruments.

The procedure stated above, available on the Company website [www.saesgetters.com/investor-relations/corporate-governance/policies-procedures/inside-information](http://www.saesgetters.com/investor-relations/corporate-governance/policies-procedures/inside-information) has been drawn up for the purpose of ensuring that information regarding the Company that is disclosed externally is in full compliance with the principles of correctness, clarity, transparency, timeliness, and broad and equal disclosure in order to guarantee equal treatment, completeness, comprehensibility and continuity of information, in a complete and adequate manner and, in any case, through the institutional channels and according to the terms established by the Company, as well as to ensure that internal management of information in particular is in compliance with the obligations of confidentiality and lawfulness;

- the *Insiders Register*: set up effectively from 1 April 2006, identifies the persons that, due to their working or profession or the tasks carried out, have access to the information indicated in article 114, paragraph 1 of the Consolidated Finance Law,

pursuant to and in accordance with article 115-*bis* of the Consolidated Finance Law and articles 152-*bis*, 152-*ter*, 152-*quater* and 152-*quinquies* of the Regulations for Issuers.

On 20 July 2017 the Board approved the new version of the Procedure for the management of Inside Information amending the version in force in light of the changes to the legal framework on market abuse, introduced by Regulation (EU) no. 596/2014 ("MAR") and the related level 2 acts.

The main differences and changes to the previous version concern the management process of so-called inside information, and more specifically:

- the identification of specific relevant information, starting with the mapping of relevant information flows;
- the monitoring of the circulation of this information, through the use of the Relevant Information List ("RIL");
- identification of the time when the specific relevant information becomes inside information, which, practically in parallel, leads to the segregation of the inside information (and the activation of the Insider List) and the decision on to publish or delay the publication thereof;
- publication of the information, or, alternatively, the launch of the delay procedure;
- publication of the inside information if the conditions that allow for the delay are no longer met.

As described in more detail in the Procedure, "inside information" means information of a precise nature that has not been made public, directly or indirectly concerning the Company (and its scope of consolidation) and that, if made public, could have a significant effect on the prices of related listed financial instruments.

Information is deemed to be of "a precise nature" if:

- a) it indicates a set of circumstances, which exists or may reasonably be expected to come into existence, or an event, which has occurred or may reasonably be expected to do so;
- b) it is specific enough to enable a conclusion to be drawn as to the possible effect of that set of circumstances or event referred to in letter a) on the prices of financial instruments.

In the case of a "protracted process" that is intended to bring about, or that results in, particular circumstances or a particular event (such as, for example, the process of acquiring a company), also the "intermediate steps" of that process can be considered to be inside information if, in turn, they meet the aforesaid criteria on inside information.

Inside information must be communicated to the public "as soon as possible".

The Board also approved the *Code of Conduct for Internal Dealing* (hereinafter also "Internal Dealing Code"), which regulates the information disclosure requirements that the Relevant Persons and/or the Persons Closely Associated to the Relevant Persons, as identified in the Code itself, are obliged to observe in relation to the transactions they carry out on financial instruments of the Company or other financial instruments related to them. The Internal Dealing Code also regulates the obligations that the Company is obliged to observe towards the market in relation to the transactions on financial instruments carried out by Relevant Persons and by Closely Associated Persons. The Internal Dealing Code provides for black-out periods, i.e. predetermined periods (the 30 calendar days preceding the Board meetings to approve the accounting data for the period and the 24 hours subsequent to the issuance of the related press release) during which the persons subject to the provisions of the Code may not carry out transactions on SAES Getters financial instruments or on financial instruments related to them. The Internal Dealing Code was amended by the Board of 29 July 2016 to also formally implement Regulation (EU) no. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse (MAR or "Market Abuse Regulation") and which repeals directive 2003/6/EC of the European Parliament and the Council, as well as directives 2003/124/EC, 2003/125/EC e 2004/72/EC.

The Chairman and the Managing Director may prohibit, or restrict, the performance of transactions by Relevant Persons and Closely Associated Persons in other periods of the year when particular events are taking place.

In this case the Officer In Charge (as defined in the Internal Dealing Code) will be responsible for informing the Relevant Persons (who have not already been informed on account of their position) of the start and finish dates of the period during which the Transactions are prohibited.

No reports were made during the Financial Year in the area of Internal Dealing.

In the early months of the Financial Year, the Company sent all the Directors, Standing Auditors and Top management questionnaires to check the people closely tied to them as set forth in the Internal Dealing Procedure, to proceed with the periodic updating of the Internal Dealing List.

The Directors and Statutory Auditors are obliged to keep the documents and information acquired throughout the performance of their duties confidential and to comply with the procedures adopted for the internal management and external disclosure of these documents and information.

The information disclosed outside the Company must be uniform and transparent. The Company must be precise and consistent in communicating with mass media. Relations

with the mass media are reserved exclusively to the Chairman and the Managing Director, or to the business departments in charge of these matters.

## 6. COMMITTEES WITHIN THE BOARD (pursuant to article 123-bis, paragraph 2, letter d), of Consolidated Finance Law)

The Board of Directors ensures that its functions are adequately divided up internally, and in compliance with that suggested in Recommendation 16 of the Corporate Governance Code it set up internal board committees with preliminary analyses, proposing and advisory functions in the sphere of appointments, remuneration and audit and risk. Specifically, availing of its right recognised under the abovementioned Recommendation 16, the Board grouped the functions regarding appointments and remuneration into a sole committee. As at the date of this Report, the internal board committees the Company set up in compliance with the CG Code's recommendations are:

- Audit, Risk and Sustainability Committee;
- Remuneration and Appointments Committee.

The Board also set up a Related Parties Committee as set forth in Regulation 17221 of 12 March 2010 and as amended, regarding which you may see Section 10 for more information and insights.

For each committee the Board approved a regulation that governs its functioning, how minutes are taken, the procedures for sending information to Directors and lays out its duties (for more information on the Committee regulations' provisions, see Sections 6.2 and 9 below).

The minutes of all Committee meetings are duly recorded. The meetings are made accessible to the Board of Statutory Auditors.

In relation to Recommendation 17 of the Code, it is to be specified that it was not considered necessary for the Chairperson of each committee to give information on the work carried out to the next Board meeting: the Chairman of the Audit, Risk and Sustainability Committee reports at least every six months to the Board on the work of this Committee and, if he considers it appropriate, he asks for specific issues to be tackled by adding them to the agenda of the Board. The Chairperson of the Remuneration and Appointments Committee reports on the items to be added to the agenda of the Board whenever she considers it necessary and reports once a year on the work carried out by the Committee during the previous financial year.

As already made clear, just like in previous years, the Board decided to group the functions of appointments and remuneration in just one committee, that is, the Remuneration and Appointments Committee; for this purpose, in compliance with the remedies required in this case by the above-mentioned Recommendation 16, the Remuneration and Appointments Committee is exclusively comprised of non-executive and mostly independent Directors (a circumstance that goes for the Audit, Risk and Sustainability Committee as well). Furthermore, the Remuneration and Appointments Committee's Rules quickly and precisely distinguish the tasks that the Committee sees to when performing its function of Appointments Committee compared to those it carries out in performing its function of Remuneration Committee. See Section 6.2 below for more information on the activities carried out by the Remuneration and Appointments Committee related to each specific function.

The Board does its utmost to ensure an adequate rotation within the Committees, unless for any reason and cause it is considered appropriate to confirm one or more Directors beyond the established terms and conditions.

The Board has the power to set up one or more further Committees within it to act in an advisory or consultative capacity, which shall be defined in practical terms in the Board resolution concerning the formation of the aforesaid Committees.

It is specified that both the existing Committees (Remuneration and Appointments Committee and the Audit, Risk and Sustainability Committee) are provided with separate annual predetermined expense budgets adequate for the performance of the activities they are called to perform.

The Chairperson of the Committee may invite the Chairman of the Board of Directors/Chief Executive Officer, the other directors and, upon informing the Chairman of the Board of Directors/Chief Executive Officer, the representatives of the company departments responsible for given matters; the members of the control body may attend the meetings of each committee.

The committees have the right to access the information and the company functions necessary for the performance of their duties, have financial resources and make use of external consultants, under the terms established by the Board of Directors.

### **6.1 Audit, Risk and Sustainability Committee**

For all information regarding the Audit, Risk and Sustainability Committee please refer to paragraph 9 of this Report.

### **6.2 Remuneration and Appointments Committee**

The Board of Directors set up the Compensation Committee, now the Remuneration and Appointments Committee, within the Board on 17 December 1999 with consulting and proposal functions.

As already stated above, availing of the right governed under Recommendation 16, the Board confirmed the choice it already made as of 2012 (in compliance with what suggested in the past by the recommendations of the Code, application standard 4.C.1. letter c) to group the functions required of the Appointments Committee and the Remuneration Committee into a single committee, the Remuneration and Appointments Committee, in consideration of the close correlation and mutual relevance of the subjects dealt with.

To this regard, kindly note that:

1. During the year all the members of the Remuneration and Appointments Committee were independent non-executive Directors, of which only one is considered independent by the Company exclusively pursuant to the combined provisions of article 147-ter paragraph 4 and 148 paragraph 3 of the Consolidate Finance Law. At the date of approval of this report, following the resignation of Mr Adriano De Maio from the office of member of the Remuneration and Appointments Committee and of Ms Luciana Sara Rovelli from the office of Independent Director and member of all the board committees - including that of member of the Remuneration and Appointments Committee - and the consequent co-opting of Ms Alessandra della Porta (replacing Mr Adriano de Maio) and Mr Stefano Proverbio (replacing Ms Luciana Sara Rovelli) the members of the Committee are all non-executive directors, the majority of whom are independent, both pursuant to the Corporate and Governance Code and pursuant to the combined provisions of Articles 147-ter paragraph 4 and 148 paragraph 3 of the Consolidated Law on Finance, while only one member of the Committee is not independent;
2. all members have the above said adequate experience in the fields of finance and remuneration policies;
3. the Remuneration and Appointments Committee's Rules quickly and precisely distinguish the tasks that the Committee sees to when performing its function of Appointments Committee compared to those it carries out in performing its function of Remuneration Committee.

The Committee has its own Rules, approved by the Board of Directors on 20 December 2012, and later amended on 13 February 2020, last updated by the Remuneration and Appointments Committee on 2 February 2022 to adapt them to the provisions of the Corporate Governance Code in effect since the first financial year after 31 December 2020, which govern the composition and appointment, tasks and operational procedures of the Committee itself, in compliance with the principles and application criteria contained in the Corporate Governance Code.

- As set forth in article 2 of the Rules, the Committee performs the propositional and consultative functions: In its function of Remuneration Committee:

- a) assists the Board in the definition of a Remuneration Policy and the compensation paid to the executive directors and top management (the "Policy");
- b) gives proposals and opinions to the Board of Directors on the remuneration of executive directors as well as on the setting of performance objectives linked to the variable component of the remuneration in accordance with the Policy, making use in this regard of the information provided by the executive directors and by the competent HR function, suggesting any improvements;
- c) examines proposals relating to the remuneration of Executive Directors and top management (that is, the so-called managers with Strategic Responsibilities);
- d) expresses opinions or presents proposals to the Board of Directors on the remuneration of directors holding special offices, taking account of the Policy;
- e) verifies the adequacy and correct application of the Policy for the remuneration of the Company's directors and top management and their consistency over time;
- f) periodically verifies the achievement of the variable remuneration targets defined for Executive Directors;
- g) verifies the application of decisions made by the Board of Directors on remuneration;
- h) reports the activities it has performed to the Board, at least every year and not past the deadline for approval of the financial statements, at the board meeting indicated by the Chairman of the Board of Directors;
- i) if requested, reports the means by which it performed its functions to the Shareholders' Meeting convened to approve the financial statements for the year and the Remuneration Policy, through the Chairman of the Committee or other designated member;
- j) verifies the existence of exceptional circumstances permitting temporary exceptions to the Remuneration Policy;
- k) performs any other preliminary analyses or proposing functions requested by the Board of Directors regarding the remuneration of the executive directors and top management (that is, the so-called managers with strategic responsibilities).
- In its function of Appointments Committee:
  - a) assists the Board in assessing candidates to nominate for the position of director in instances of co-optation;
  - b) oversees the Board's and its Committees' self-assessment every three years as set forth in the Corporate Governance Code, and taking into account the outcomes of the self-assessment, in view of its renewal, offers the Board opinions regarding its optimal size and composition and that of its committees, not to mention, if



needed, regarding the professional figures or quotas for the less-represented gender whose presence on the Board or its Committees is deemed best or necessary;

- c) reports the activities it has performed to the Board, at least every year and not past the deadline for approval of the financial statements, at the board meeting indicated by the Chairman of the Board of Directors;
- d) performs any other preliminary analyses or proposing functions requested by the Board of Directors regarding the appointment of the directors;
- e) aids the Board if the outgoing managing body needs to draw up and present a list of candidates for the position of director, following procedures that ensure its transparent creation and presentation.

For the purposes of the requirements of Recommendation 16 of the Code, when a single committee is assigned several functions, it should be noted that during the Financial Year, the Committee intervened on the matters listed below and attributable to its function as Remuneration Committee (since activities or issues had not emerged that justified, during the year, an intervention of the Committee with regard to the Appointments function):

- (i) analysis and assessment of the draft "Report on the Remuneration Policy and on the Compensation Paid 2022" with the support of Lawyer Fabio Ambrosiani of Studio Fieldfisher;
- (ii) update of the Committee Regulations with the provisions of the new Corporate Governance Code;
- (iii) assessment of the proposal relating to the 2022 Adjusted EBITDA and Working Capital targets for Executive Directors as well as the Adjusted EBITDA target to be included in the PFS Guidelines, carried out with the aid of the Group H.R.; Director, Filippo Cutillo;
- (iv) examination and approval of the 2022 PFS Guidelines and the 2022 LTIP Guidelines;
- (v) verification that the Executive Directors and employees belonging to the PFS program have achieved the objectives assigned for the allocation of annual incentives and issue of the favourable opinion on (1) the disbursement of bonuses (MBO) in favour of Executive Directors - in relation to the provisions of the respective directors' contracts in place and by virtue of the objectives achieved in the 2022 financial year - as well as (2) the assignment of a gross ceiling for the execution of the 2021 PFS program;
- (vi) update regarding the progress of the 2022 EBITDA ADJUSTED and Cash Flow (MBO/PFS) annual objectives in compliance with company policies and the 2022

Remuneration Policy, with the aid of the information provided and illustrated by the Group H.R. Director, Filippo Cutillo;

- (vii) update on the number of Phantom Shares available after the resignation of Ms Patrizia Carrozza, which will remain set aside for any future decisions of the Board of Directors regarding their possible reassignment;
- (viii) acknowledgement of the exercise - by the heirs - of the Phantom Shares of Mr Fabrizio Doni due to the death of the beneficiary;
- (ix) assessments regarding the Asset Plan in relation to the possible extraordinary transaction referred to in the press release dated 9 January 2023, also by means of the support of professionals appointed for this purpose by the Committee resorting to the budget allocated to it by the Board.

On 14 March 2023 the Chairperson of the Committee reported to the Board on the activities carried out during the financial year, as summarised above.

During the Financial Year the Remuneration and Appointments Committee comprised 3 Non-executive directors, of which 2 are Independent (of which one is also the Chairman) pursuant to the Corporate Governance Code and the Consolidated Finance Law and one Independent exclusively pursuant to the combined provisions of article 147-ter paragraph 4 and 148, paragraph 3 of the Consolidated Finance Law.

Its members during the year were: Ms Luciana Sara Rovelli (Independent Director) - Committee Chairperson; Ms Gaudiana Giusti (Independent Director); Mr Adriano De Maio (Non-executive and Independent Director exclusively pursuant to the combined provisions of articles 147-ter, paragraph 4, and 148, paragraph 3, of the Consolidated Finance Law).

In this regard, it should be noted that on 1 February 2023, Mr Adriano De Maio resigned from the office of member of the Committee and on the same date, the Board of Directors, having acknowledged the resignation of Mr De Maio, appointed, after verifying the necessary requirements and the provisions of the regulations and the Corporate Governance Code, in his place Ms Alessandra della Porta, non-executive and non-independent director, as new member of the Committee.

On 6 March 2023, the Chairwoman Luciana Sara Rovelli resigned from the office of Independent and Non-executive Director of SAES and consequently from the office of Chairwoman and member of the Remuneration and Appointments Committee - as well as from the office of Chairwoman and member of the Supervisory Body and member of the Audit, Risk and Sustainability Committee and the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues

of particular relevance and complexity”, as more fully indicated in the press release published on the same date by the Company and available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

On 7 March 2023, the Board of Directors appointed the Independent and non-executive Director Stefano Proverbio to replace Luciana Sara Rovelli as member and Chairperson of the Remuneration and Appointments Committee - as well as Chairperson of the Supervisory Body of the Company.

At the date of approval of this Report, therefore, the Remuneration and Appointments Committee is made up as follows:

- Mr Stefano Proverbio (Chairperson) - Independent and non-executive Director;
- Ms Gaudiana Giusti - Independent and non-executive director;
- Ms Alessandra della Porta - Non-Executive and Non-independent Director.

During the Financial Year the Committee met five times with an average attendance of 86.67% (compared to 81.82% in the 2021 financial year) and the meetings lasted an average of one and a half hour (in line with the previous year). On the invitation of the Chairperson, the Group Head of Legal and Compliance and the Group HR Director attended the meetings, who ensure direct access to the company information necessary for the Committee to perform its duties. At least 7 meetings are planned for 2023, of which 5 have already been held on 11 January, 27 January, 2 February, 13 February and 7 March 2023. The Committee meetings are regularly recorded by the Manager of the SAES Group's Legal Office, personally or by a member of the legal office that he designated to take over in the capacity of meeting secretary.

Executive Directors do not usually attend the meetings of the Remuneration and Appointments Committee (and they did not attend in the Financial Year), nor do they attend meetings in which their remuneration is decided upon. The Chairman of the Board of Statutory Auditors is always invited to the meetings, and he attended all the meetings held during the Financial Year not to mention the Group H.R. Director. The Committee has the right to access the information and the company departments required for the performance of its duties and, if it is considered appropriate, may make use of external consultants, to be selected autonomously.

During the Financial Year, and in particular during the meeting on 23 December 2022, the Remuneration and Appointments Committee resolved to use part of the budget assigned to it by the Board to pay the fees of an independent expert in governance tasked with assisting the Committee with the assessments and decisions under its responsibility with respect to the possible extraordinary transaction for the sale of the equity investments in the US subsidiaries Memry Corp. and SAES Smart Materials Inc. referred to in the press release of 9 January 2023, available at the following link <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

### 6.3. Executive Committee

The Board did not consider appropriate to set up an Executive Committee within the Board, as already explained in section 4.5.

## 7. DIRECTOR SELF-ASSESSMENT AND SUCCESSION

### 7.1. Self-assessment

In compliance with that set forth in Principle 14 of the CG Code, the Board periodically assesses the effectiveness of its activities and the contribution made by its individual components, through formalised procedures, which it oversees the implementation of.

Starting in the Financial Year, the Board changed the interval at which it performs self-assessments of its activities, and specifically, at the meeting on 14 October 2021, it established that in compliance with Recommendation 22 of the CG Code, Board Reviews are to be conducted every three years, in view of the renewal of the management body.

Thus, no procedures of self-assessment on the operation and composition of the Board or its Committees were launched in the Financial Year.

Unless the Board establishes otherwise during its mandate, the Board itself will launch the next Board Review in view of its renewal, that is, with the approval of the 2023 financial statements.

Until 2020, in line with international *best practices*, the Board carried out a self-assessment on the composition and activities of the Board of Directors and the Board Committees for the fifth consecutive year. The Board did not consider it necessary to extend the self-assessment procedure to the Board of Statutory Auditors.

In January 2021 a series of responses to an anonymous questionnaire prepared and sent by the Company Secretary's office in December 2020 aimed at the formalisation of the self-assessment by the Board was collected. The questionnaire was previously validated by the Remuneration and Appointments Committee (which oversaw the entire procedure), which also intervened to further customise the questions in relation to the end of the mandate and in view of the renewal of the management body.

The Board decided not to make use of any external consultants to prepare and issue the questionnaire, nor for carrying out one to one interviews.

The objective of the Board Review was to check overall operations and the functions of the Board and the Committees in order to highlight their strengths, weaknesses and possible areas of improvement. The questionnaires distributed to the Directors

included 4 areas (Structure, Role, Functioning and Processes) divided into 19 sections with a total of 112 statements.

The questionnaire also contained free spaces for suggestions in order to further encourage close individual dialogue with the Chairman and the Company Secretary.

The 2020 Board Review's results yielded useful ideas for the purpose of preparing the qualitative profile of the Directors to be appointed, in view of the Board renewal whose deadline is the approval of the financial statements as at 31 December 2020 which are included in the guidelines to be submitted by the Board to the Shareholders' Meeting and attached to the Report for the Shareholders' Meeting on the renewal of the Board, published by the legal deadlines.

For any other details or information on the Board Review results for the year 2020, see the 2020 corporate governance report published on the Company website at this link: <https://www.saesgetters.com/it/investor-relations/assemblea-dei-soci-2021>.

### **7.2. Director Succession**

Recommendation no. 23 of the CG Code establishes that the managing body of companies that are not concentrated ownership companies must express *"in view of each of its renewals, an opinion on the quantitative and qualitative composition deemed optimal, taking into account the outcomes of the self-assessment; ask those who submit a list with a number of candidates greater than half of the members to be elected to provide adequate information in the documentation submitted for the deposit of the list about the list's correspondence to the opinion expressed by the managing body, also regarding the diversity criteria set forth in Principle 7 and the Recommendation, and to indicate its candidate"*. As stated in the last Section, during 2021, with the help of the Remuneration and Appointments Committee and in its capacity of Appointments Committee, the Board prepared and approved its opinion on the ideal quantity and quality of its composition, based on the results of the last Board Review conducted, which was attached to the designated Report presented to the Shareholders' Meeting on the renewal of the Board which can be consulted on the Company website at this link: <https://www.saesgetters.com/it/investor-relations/area-investors/assemblea-dei-soci-2021>.

From the moment that during 2021, the Company, with S.G.G. Holding S.p.A. having reached 51.15% of the voting rights at the Shareholders' meeting of SAES Getters S.p.A., took on the characteristics and requisites of a "concentrated ownership company pursuant to the CG Code", it is no longer required to apply the provisions of above-mentioned Recommendation no. 23.

### **7.3 Appointments Committee**

For all information on the operation, duties and activities carried out by the Appointments Committee, see Section 6.2 above. "Remuneration and Appointments Committee".

## 8. REMUNERATION OF DIRECTORS

For all information on the remuneration of directors please refer to the Report on the Remuneration Policy and compensation paid published by the Company pursuant to article 123-ter of the Consolidated Finance Law.

### **8.1 Remuneration Committee**

For all information on the operation, duties and activities carried out by the Remuneration Committee, see Section 6.2 above. "Remuneration and Appointments Committee".

## 9. INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

In compliance with Principle 18 of the Code, the Internal Control and Risk Management System is defined as the set of rules, procedures and organisational structures aimed at enabling the efficient and effective identification, measurement, management and monitoring of the main risks, in order to contribute to the achievement of the Company's objectives. An efficient Internal Control and Risk Management System helps to ensure the protection of company assets, the efficiency and effectiveness of corporate transactions, the reliability of financial information and compliance with laws and regulations.

The Internal Control and Risk Management System is operated and monitored by the following parties within the Company, which are involved in various capacities and with different responsibilities. Each one has specific duties, as described below:

- Board of Directors;
- Director in charge of the Internal Control and Risk Management System;
- Board of Statutory Auditors;
- Supervisory Body;
- Audit, Risk and Sustainability Committee;

- Internal Audit & Risk Management Department<sup>6</sup>;
- Legal & Compliance Department.

In addition to the parties mentioned above, other parties are involved, in various capacities and with different levels of responsibility in the management of the Internal Control and Risk Management System:

- Officer in charge of the preparation of the Company's accounting documents pursuant to Italian Law No. 262/05;
- Audit firm;
- Other internal control departments (Quality, Safety, etc.);
- Other bodies set forth in different regulations (ISO certification bodies).

The Board of Directors, which defines the guidelines of the internal control and risk management system, in accordance with the strategies of the Company, and assesses on an annual basis their adequacy and efficacy, believes that the current division of the parties involved in the Internal Control and Risk Management System and the interrelationship between the control bodies and departments guarantee an adequate level of reliability on the capacity of the system itself to achieve its goals.

The evaluation, insofar as it refers to the Internal Control and Risk Management System in its entirety, reflects the limitations inherent in such a system. Even if it is well-conceived and functional, this System, in fact, can only guarantee with reasonable probability that Company objectives are achieved.

The Board of Directors, with the support of the Audit, Risk and Sustainability Committee:

- a) defines the guidelines of the internal control and risk management system based on the strategies adopted by the company and assesses, at least on an annual basis, the adequacy of the system based on the characteristics of the Company and its risk profile, as well as on its effectiveness;
- b) appoints and removes the Head of the Internal Audit department, defining his/her remuneration in line with company policies, and ensuring that he/she has adequate resources to carry out his/her duties. Should it decide to entrust the internal audit

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<sup>6</sup> Since the month of October 2021, following the opinion of the CCRS and the Board of Directors and after the resignation of the employee that served in the position of Internal Audit/Compliance/Risk Management Department Manager, the Company decided to split the aforesaid position, thus providing for an Internal Audit and Risk Management Manager and a separate figure for the Compliance unit at the Legal and Corporate Affairs Office Department. Indeed, to date there is an Internal Audit e Risk Management Manager at SAES that reports to the Board of Directors that he or she received a formal mandate from, and a Legal and Compliance Counsel that reports to the Manager of the Legal and Corporate Affairs Office.

function, in its entirety or by segments of operations, to a party outside the company, it ensures that it meets adequate requirements in terms of professionalism, independence and organisation and provides adequate justification for this choice in the report on corporate governance;

c) approves, at least on an annual basis, the work plan prepared by the Head of the Internal Audit Department, having consulted the audit body and the Chief Executive Officer;

d) assesses the appropriateness of adopting measures to ensure the effectiveness and impartiality of judgement of the other corporate departments indicated in Recommendation 32, letter e), verifying that they are equipped with adequate professionalism and resources;

e) assigns the supervisory functions pursuant to Article 6, paragraph 1, letter b) of Italian Legislative Decree No. 231/2001 to the audit body or a specifically established body. If the body does not coincide with the audit body, the management body assesses the appropriateness of appointing within the body at least one non-executive director and/or a member of the audit body and/or the Head of the legal or control departments of the company, in order to ensure coordination between the various parties involved in the internal control and risk management system;

f) after consulting the audit body, assesses the results reported by the statutory auditor in its suggestion letter and in the additional report addressed to the control body;

g) describes, in the corporate governance report, the main characteristics of the internal control and risk management system and the methods for the coordination of the parties involved, indicating the models and best practices, both Italian and international, and expresses its overall assessment on the adequacy of said system and provides an account of the choices made regarding the composition of the supervisory body referred to in letter e) above.

The Board of Directors met for this purpose on 14 March 2022, upon the proposal of the Audit, Risk and Sustainability Committee, having received the favourable opinion of the Board of Statutory Auditors (which met on 10 March 2022 with the Audit Firm, the Director in charge of the Internal Control and Risk Management System, the Officer in charge of the preparation of the Company's financial documents and the Group General Counsel) and deemed the Internal Control and Risk Management System to be adequate.

Since 2012, the Company has been using Risk Management tools and methods aimed at the identification, analysis and understanding of the level of mitigation of company risk.



In 2016 a specific department was structured, with the aim of implementing and structuring an ongoing Enterprise Risk Management process, using Risk Management methods consistent with the best practices in the sector and reporting to the Board of Directors, under the supervision of the Audit, Risk and Sustainability Committee. Since October 2021, the activity has been carried out by the Internal Audit & Risk Management Department.

To date, the ERM process in force reports on a six-monthly basis to the Board of Directors on the main threats and risks and defines actions to implement and monitor the effectiveness of the Internal Control System.

According to Enterprise Risk Management methodology, the control system is designed starting with the definition of the Company's strategy. The strategy is defined through the identification of critical success factors that, if not adequately pursued, present strategic risk for the Company and the Group. Furthermore, the achievement of strategic goals goes through the definition of other related goals by the Company. According to ERM methodology, goals are defined as follows:

- strategic: high-level goals, in line with the mission of the Group;
- operating: linked to the efficient and effective use of resources;
- reporting and financial: linked to the reliability of external and internal reporting to the company, as well as to the management of the Group's financial resources;
- compliance: linked to compliance with applicable laws and regulations.

In order to provide reasonable assurance on the pursuit of company strategic objectives and related goals, the Company identifies and monitors the risk of failing to achieve the aforesaid goals and, for each of them:

- assesses the impact/probability of these risks;
- identifies the methods for monitoring current risks;
- assesses the effectiveness of the controls put in place compared to the identified risks.

Within this process, risk assessment methods were defined that led to the definition of a potential/inherent risk rating, the identification of existing management actions and the assessment of residual risk on the Group. To complete the ERM process, the Board of Directors approved the Risk Appetite framework of the Group, which defines the level of risk compatible with the strategic objectives of the Group.

The Internal Audit & Risk Management Department is assigned the task of identifying the management responsible for identifying the processes and risks that are significant for the business of the Group. The involvement of the Risk Owners thus makes it

possible, for each macro-risk, for specific events/threats to be identified, as well as *risk response* and, if necessary, the definition of possible improvement and mitigation measures.

The Internal Audit & Risk Management Department, as a facilitator of the ERM process, is responsible for formalising and coordinating the review of the responses to the risk given by the Risk Owners when:

- the risk appetite of the Group changes;
- the organisational structure within the Group changes, for example in relation to the reorganisation by Divisions and Business Units that took place starting from January 2022;
- the processes, identified risks, activities and/or controls change;
- the Audit, Risk and Sustainability Committee finds the internal control system to be inefficient or ineffective.

The ongoing monitoring sees the active involvement of the Risk Owner that identifies the need to review the internal control system. This review concerns possible amendments to be made to the risks identified during the event identification phase, and the need to update risk assessments or amend the identified control activities, so that any risks found can be mitigated.

The Internal Audit Department, on the basis of the audit plan approved by the Board of Directors, carries out regular independent checks aimed at testing the adequacy and effective application of the control system.

Ultimately, notification and reporting are fundamental components of the Enterprise Risk Management process. Relevant information is communicated using the methods and within the time limits that enable the parties involved in the process to meet their obligations.

In particular, this concerns:

- the reporting formalised by the Internal Audit & Risk Management Department for the purpose of informing the Risk Owners of the results of the risk assessments that concern them;
- the reporting formalised by the Internal Audit & Risk Management Department for the Director in Charge of the Internal Control and Risk Management System in order to enable the latter to report to the Board of Directors on the status of the internal control system.

The annual Risk Assessment activity was carried out in the first few months of the Financial Year with the support of the Risk Owners involved. The outcomes were shared

with the Audit, Risk and Sustainability Committee and subsequently presented to the Board of Directors on 21 April 2022.

With regard to the intra-annual updating of risk assessments, follow-up activities were carried out in the second half of the Financial Year. As part of the process, the outcomes were shared in the first instance with the Audit, Risk and Sustainability Committee on 8 September 2022 and submitted to the Board of Directors on 12 September 2022.

There was also an update to the Board on 19 December 2022 regarding the implementation of SAES's ERM Model revised as proposed at the *Induction* session on 28 September. In fact, this review aims to further increase the effectiveness of the ERM process in terms of reporting and support to the competent units of the Group in terms of risk management.

The goal of the Company is to ensure that Enterprise Risk Management increasingly becomes an integral part of the company processes, as well as a functional tool in the decision-making process, on the basis of the corporate risk profile.

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The information on the main characteristics of the Internal Control System for the purposes of financial reporting and the Risk Management System in place in relation to the financial reporting process, including the consolidated reporting process, is given below.

## **THE INTERNAL CONTROL SYSTEM FOR THE PURPOSES OF THE FINANCIAL REPORTING AND RISK MANAGEMENT SYSTEM.**

### *Introduction*

The changes in regulations in recent years have regulated different aspects of the Internal Control and Risk Management System, and as a consequence there has been a proliferation of control models and different bodies called upon in various capacities to provide a level of reliability on these models. Within this context the Administrative and Accounting Control Model (hereinafter also referred to as the "Accounting Control Model") is defined as a document describing the Internal Control System with reference to the financial reporting process.

The Internal Control System related to the financial reporting process is an integral part of the Internal Control and Risk Management System of the SAES Group, and contributes to the ensuring the achievement of the objectives stated above.

More specifically, for the purposes of the financial reporting process, this System is aimed at ensuring:

the reliability of the reporting, its correctness and compliance with accounting standards and legal requirements;

the accuracy of the reporting, its neutrality and precision;

the reliability of the reporting, which must be clear and complete so that investors, the market and also the corporate bodies can make informed decisions;

the promptness of the reporting, with particular reference to the observance of the deadlines prescribed for its publication according to applicable laws and regulations.

The task of monitoring the implementation of the above Accounting Control Model was assigned, by the Board of Directors, to the Officer in charge of the preparation of the Company's accounting documents (hereinafter also "Officer in Charge"), who is the Chief Executive Officer.

The guidelines taken as a reference in the planning, implementation, monitoring and updating of the Accounting Control Model, even if not explicitly indicated, are the guidelines set forth in the CoSO Report.

Reference is made to the subsequent paragraphs for the specific details on the Accounting Control Model and the tasks assigned to the Officer in Charge.

Furthermore, in order to ensure the integration of the Internal Control System for the purposes of the financial reporting process with the more general Internal Control and Risk Management System of the Company, the Officer in Charge closely collaborates with the Internal Audit & Risk Management Department and orders regular independent audits aimed at analysing compliance with administrative and accounting procedures.

These audits, by selecting specific processes among those considered important following the *risk assessment* process described below, are always included in the more general review of the actions carried out by the Internal Audit & Risk Management Department at the subsidiaries of the SAES Group.

### **ADMINISTRATIVE AND ACCOUNTING CONTROL MODEL**

On 14 May 2007 the Board of Directors of the Company approved the Accounting Control Model, adopted also in light of the provisions introduced by the Italian Savings Law, with a special reference to the obligations on the drafting of corporate accounting documents and all documents and communications of a financial nature intended for the market.

This Accounting Control Model, which represents the set of company rules and procedures aimed at achieving the Company's objectives of truthfulness and

correctness in its reporting through the identification and management of the main risks associated with the preparation and the disclosure of financial information, was subjected to a revision process that led to the issue of a new release approved by the Board of Directors on 20 December 2012.

### ***Components of the Accounting Control Model***

The Accounting Control Model is made up of the following elements:

general control environment;

- *administrative and accounting risk assessment;*

matrices of administrative and accounting controls (hereinafter also “matrices”);

regular evaluation of the adequacy and effective application of the controls described in the matrices;

internal certification process, functional to the external certifications required by law.

*The control environment* is the basis of an effective Internal Control and Risk Management System. The main documents formalising its essential characteristics are: the Code of Ethics and Business Conduct, the set of *governance* rules contained in the Report on corporate governance and ownership structures, the organisation chart and the organisational provisions, and the system of mandating powers.

The administrative and accounting risk assessment is the process of identifying and assessing the risks related to accounting and financial reporting. The risk assessment is conducted on an entity level as well as on a single process level. The criteria set forth in Italian Legislative Decree No. 61/2002 are followed when determining the materiality threshold.

This process is repeated and updated every year by the Officer in Charge with the support of the Internal Audit & Risk Management Department and provides for the following:

the identification, using quantitative criteria (size) and qualitative criteria (significance), of the balance sheet items/financial information that are highly volatile or that imply the risk of error, with reference to the financial statements of the Company, the consolidated financial statements and the financial statements of the subsidiaries;

the identification of the input account processes/flows related to each significant balance sheet item/piece of financial information;

the communication to the departments/companies involved in the intervention areas with regard to which it is necessary to monitor the efficiency and operation of the controls;

the breakdown of the results of the ERM process in terms of business processes, accounting flows and/or subsidiaries most affected by the Group's "top risks", in order to integrate a risk-based approach into the process of defining the annual audit plan.

If the checks carried out on the risk areas selected as result of the regular *risk assessment* are not properly documented or formalised, the Department in charge of the process or the accounting flow, with the support of the Officer in Charge and, if necessary, the Internal Audit & Risk Management Department, will be responsible for preparing appropriate documentary evidence in order to allow the checks existing in the analysed area to be assessed.

The *administrative and accounting matrices* of SAES Getters are documents that describe the control standards in place for each administrative and accounting flow process that is selected following the regular risk assessment, with an indication of the control objectives regarding the preparation of the financial statements and the related controls existing in addition to the responsibilities and the frequency of the implementation of the control itself.

These matrices are used as a tool to identify the specific controls in place for each relevant process, with the identification of the controls to be tested in order to evaluate the adequacy of the Administrative and Accounting Control System. The matrices are subject to constant revision by the related Department Managers, with the support of the Internal Audit & Risk Management Department of the Group.

With regard to *the regular evaluation of the adequacy and effective application of the controls described in the matrices*, the Department Managers and the subsidiaries involved in the training and management process of accounting and financial reporting are responsible for the correct operation and updating of the internal administrative and accounting control system with reference to all the related accounting processes/flows, and must continually assess the correct application of the administrative and accounting control procedures, their adequacy to the existing processes and updating of the related control matrices, providing a declaration, on a regular basis, of the proper functioning of the internal administrative and accounting control system (as specified in more detail below).

Furthermore, the internal administrative and accounting control system is subject to an *independent assessment* by the Internal Audit & Risk Management Department, aimed at evaluating the adequacy of the system and the actual effectiveness of the existing controls. The assessment is integrated in the general annual audit plan prepared by the Internal Audit & Risk Management Department, confirmed by the Audit, Risk and Sustainability Committee and approved by the Board of Directors.

The Officer in Charge regularly monitors the adequacy and effectiveness of the internal administrative and accounting control system on the basis of the reports received from

the Department Managers and the subsidiaries and the reports on the activities of the Internal Audit Department.

All the documents on the control activities carried out and their results are made available to the company entrusted with the audit in order that it may carry out the necessary verifications for the purposes of certification.

Finally, with regard to the *internal certification process, functional to the external certifications required by law*, this process consists of a series of subsequent certifications aimed at ensuring that external communication is consistent with the definitions of article 154-bis of the Consolidated Finance Law.

Depending on the type of financial disclosure to the market, different certifications are identified:

- Annual Financial Statements and Half-year Report produced with reference to the Separate Financial Statements of SAES Getters S.p.A., the Consolidated Financial Statements of SAES Getters Group and to the Half-year Condensed Consolidated Financial Statements of the SAES Getters Group;
- Certifications to interim Management Reports and other final accounting reports or produced with reference to other documents such as, for example, price sensitive press releases containing economic and financial information on final data, interim or otherwise; final accounting data included in the presentations delivered regularly to Shareholders and financial community or published presentations.

#### **THE INTERNAL ADMINISTRATIVE AND ACCOUNTING CONTROL SYSTEM OF THE SUBSIDIARY COMPANIES OF SAES GETTERS S.P.A.**

The Persons in charge of the management and preparation of accounting and financial reporting for the subsidiary companies, namely the local Administrative Directors and/or Controllers, together with their general managers, are responsible for:

- ensuring that the activities and controls in place in the input process of the accounting reporting are consistent with the principles and objectives defined at Group level;
- continuously monitoring the relevant identified controls, in order to ensure their effectiveness;
- promptly and regularly informing the Managing Director or the Officer in Charge of the following:

significant changes to the internal administrative and accounting control system in order to identify the specific controls to be implemented;

any anomalies or findings that may generate significant errors in the accounting report.

Considering the limited control structures in the majority of the subsidiary companies, the Company decided not to issue specific procedures on the processes that affect the input of the accounting reporting of these companies, and some detailed control matrices were prepared for the processes selected as a result of the risk assessment, which are verified by the Administrative Directors/Controllers of the individual subsidiary companies.

### ***9.1. Composition and operation of the Audit, Risk and Sustainability Committee***

By virtue of Principle 11 - Recommendation No. 16 of the Code, the Board set up an Audit, Risk and Sustainability Committee (Committee replacing the Internal Control Committee), composed of three (3) Non-Executive Directors, all of whom are Independent, and is chaired by an Independent Director. On 20 April 2021, the Board appointed these Directors to members: Mr Stefano Proverbio (Independent Director) – Chairman of the Committee; Ms Luciana Sara Rovelli (Independent Director) and Ms Gaudiana Giusti (Independent Director).

It should be noted that, on 6 March 2023, Ms Luciana Sara Rovelli resigned from the office of Independent and non-executive Director of SAES and consequently from the office of member of the Audit, Risk and Sustainability Committee - as well as from the office of Chairperson and member of the Supervisory Body and Chairperson and member of the Remuneration and Appointments Committee and member of the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues of particular relevance and complexity", as more fully indicated in the press release published on the same date by the Company and available at the following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

The Board of Directors of SAES will co-opt a new independent and non-executive director to replace Ms Luciana Sara Rovelli according to the provisions of art. 2386 of the civil code and in compliance with the rules relating to gender balance in the bodies of listed companies and will evaluate the need and opportunity to integrate the internal board committees by attributing the position of member of the aforementioned committees to the newly elected independent director.

At the date of approval of the Report, therefore, the Audit, Risk and Sustainability Committee is made up as follows: Stefano Proverbio (Chairman), Gaudiana Giusti.

At least one member of the Committee has adequate experience in accounting and financial matters. In this case, all members have the above-mentioned suitable experience; the Chairman also has suitable knowledge of risk assessment and compliance.



The Committee has its own Regulations, which govern, among other aspects, its composition and appointment and the tasks and operating procedures of the Committee itself, in compliance with the principles and application criteria contained in the Corporate Governance Code.

The Audit, Risk and Sustainability Committee is chaired and meets on the initiative of the Chairperson. The minutes of the Committee meetings are duly recorded. The Executive Directors do not normally attend Committee meetings. The Chief Executive Officer and Chief Financial Officer, Mr Giulio Canale met with the Committee in the meetings: (i) on 13 January 2022 and 17 January 2023, to present the update of the materiality matrix in preparation of the drafting of the Consolidated Non-Financial Statement (NFS) for the year 2021 and for the Financial Year, respectively; (ii) on 10 March 2022, for the discussion and approval of the Report on Non-Financial Information as at 31/12/2021 and the so-called sustainable growth project "EU Taxonomy"; (iii) on 8 September 2022, for the discussion and assessment of the half-yearly financial report as at 30 June 2022.

The Chairman of the Board of Statutory Auditors (Vincenzo Donnamaria) or possibly another Statutory Auditor designated by the same attends the Committee meetings. During the Financial Year the Chairman of the Board of Statutory Auditors attended all the meetings of the Committee (with the exclusion of the one held on 10 May 2022).

The Committee may invite non-members to attend its meetings, with reference to each item on the agenda. On the invitation of the Chairman, a member of the Legal & Compliance Department – within which the Secretary of the Committee is normally appointed – and the Group Head of Legal & Compliance attend all the meetings, thereby ensuring that the Committee has constant access to any company information it may need in order to perform its duties.

The Committee carries out its duties, listed under section 10.2, in collaboration with the Board of Statutory Auditors, the Risk Management & Internal Audit Department, the Legal & Compliance Department and the Chief Executive Officer entrusted with the supervision of the operations of the Internal Control and Risk Management System.

In the performance of its tasks, the Audit, Risk and Sustainability Committee has the right to access the company information and Departments required for the performance of its duties, and may make use of external consultants, at the expense of the Company. During the Financial Year the Audit, Risk and Sustainability Committee accessed the company information and made contact with the Departments made available by the Company, and in particular with: the audit firm, the Chairman of the Board of Statutory Auditors, the Officer in charge of the preparation of the Company's accounting documents, the Risk Management & Internal Audit Department, the Legal & Compliance Department and the Group Head of Legal & Compliance.

Specifically, the Audit, Risk and Sustainability Committee consulted the Risk Management & Internal Audit Department about the performance of the Enterprise Risk Management (ERM) process, as more widely described in paragraph 11 of this Report, checking its progress and results every six months.

The Chairperson of the Audit, Risk and Sustainability Committee reports periodically to the Board of Directors on the work of the Committee: this took place on the activities carried out in the first and second half of the Financial Year, as also better described below.

### ***9.2. Tasks assigned to the Audit, Risk and Sustainability Committee***

The Audit, Risk and Sustainability Committee is responsible for:

- a) offering preventive advice to the Board of Directors with regard to:
  - i. the definition of the guidelines of the Internal Control and Risk Management System;
  - ii. the adequacy of the Internal Control and Risk Management System compared to the characteristics of the Company and its risk profile, as well as on its effectiveness, at least every year;
  - iii. the drafting of the work plan prepared by the Risk Management & Internal Audit Department, approved annually by the Board of Directors;
  - iv. the description, in the Corporate Governance Report, of the main characteristics of the Internal Control and Risk Management System and the coordination methods between the parties involved in the latter and whose overall adequacy is evaluated by the Board;
  - v. evaluation of the results reported by the statutory auditor in the suggestion letter, if any, and in the report on the fundamental issues emerging during the statutory audit;
  - vi. the appointment, cancellation and definition of the remuneration of the Head of the Risk Management & Internal Audit Department;
- b) evaluating the correct use of the accounting principles and their consistency for the purpose of drafting the consolidated financial statements together with the Officer in charge, with regard to the preparation of the Company's accounting documents and after having consulted the statutory auditor and the Board of Statutory Auditors;
- c) offering advice on specific aspects related to the identification of the main business risks;
- d) examining the regular reports on the assessment of the Internal Control and Risk Management System, and those of particular relevance prepared by the Risk Management & Internal Audit Department;

- e) assessment regarding the suitability of the periodic financial and non-financial reporting to correctly represent the business model, the strategies of the Company, the impact of its activities and the performances achieved, in coordination with any committee envisaged by Recommendation No. 1, lett. b);
- f) examination of the content of periodic non-financial information relevant to the internal control and risk management system;
- g) monitoring the independence, adequacy, effectiveness and efficiency of the Risk Management & Internal Audit Department;
- h) requesting the Risk Management & Internal Audit Department to inspect specific operational areas;
- i) the task of reporting to the Board of Directors regarding the activities carried out and on the adequacy of the Internal Control and Risk Management System; by way of derogation from Recommendation No. 17, the Chairperson of the Committee reports half-yearly but not in correspondence of the approval of the financial annual report and the half-yearly report;
- j) support activities, with adequate preparatory work, relating to the evaluations and the decisions of the Board of Directors regarding the management of risks originating from any detrimental circumstances brought to the attention of the Board;
- k) the review of the draft of the consolidated non-financial statement and materiality matrices;
- l) supervision relating to sustainability issues.

Following the entry into force of Italian Legislative Decree no. 39/2010, the Audit, Risk and Sustainability Committee is even more focused on its main task of preparing the relevant issues to be submitted to the Board of Directors in order to enable the latter to make adequate choices and decisions on the Internal Control and Risk Management System issues.

The role of the Audit, Risk and Sustainability Committee, as an investigation body and analysis and study centre of proposals in preparation for the resolutions of the Board of Directors and aimed at putting the necessary conditions in place for enabling the administrative body to make adequate choices and decisions on Internal Control and Risk Management System issues, is in perfect harmony with the provisions on statutory auditing introduced in the system by the provisions of Italian Legislative Decree no. 39/2010.

During the Financial Year, the Committee met 6 times (on the following dates: 13 January, 10 March, 10 May, 12 July, 8 September and 30 November).

The average length of each meeting was about two hours (in line with the year before). The average attendance of members at Committee meetings was 94.44% (the previous year it was 100%).

During the Financial Year, among the activities carried out, the Audit, Risk and Sustainability Committee took steps to:

express a positive opinion in relation to the new figure of the Internal Audit Manager, appointed by the Board of Directors on 20 January 2022;

formulate guidelines for the internal control and risk management system, by monitoring the risk management activities, examining the progress of the 2022 audit plan and the results of individual audit measures and the coordination with the Internal Audit and Risk Management Department;

agree on the Non-Financial Statement procedure with the CFO and approve the work carried out on the Materiality Matrix of the Non-Financial Statement ("NFS") for the year 2021;

monitor updates regarding the appropriateness for the Company to adopt a Sustainability Plan;

review and direct the activities relating to the Business Continuity Management project;

examine and approve the new ERM Project;

approve the calculation methodology and the assumptions proposed for the purposes of the Impairment test relating to the 2021 financial statements;

monitor the actions implemented by the Company in the course of the Covid-19 epidemiological emergency as well as verify the efficiency of the company processes with regard to Smart Working;

adopt a new Committee Regulation on 10 May 2022 in light of the amendments to the new corporate governance code;

formulate guidelines for the internal control and risk management system, by monitoring the risk management activities, examining the progress of the 2022 audit plan and the results of individual audit measures and the coordination with the Head of the Internal Audit Department;

monitor the progress and results of the privacy audit, expressing a favourable opinion on the improvement actions proposed by the Company's Data Protection Officer;

favourably assess the suitability of the half-yearly financial report to correctly represent the business model, the strategy of the Company, its activities and the performances achieved and expressed a positive opinion with respect to the process followed by the Company in defining and managing the impairment test with regard to the half-yearly report as at 30 June 2022;

make some changes to the Committee Regulations to align the provisions of the Committee's functioning with the provisions of the Regulations of the Board and of the

other Committees, in compliance with the provisions of the Corporate Governance Code, as well as to ensure a more efficient operation and functioning of the Committee meetings;

express a favourable opinion on the adoption of a new 2023 Audit Plan to be submitted to the Board for its approval;

express a favourable opinion on the ERM Model update process to be presented to the Board of Directors;

approve the calendar of meetings of the Committee for the year 2023;

monitor the actions implemented by the Company in relation to the spread of Covid-19 also after the end of the epidemiological emergency;

reported to the Board (on 14 July 2022 and 14 February 2023) on the activities carried out in the first and second halves of the year and on adequacy of the Internal Control and Risk Management System;

attended the plenary meeting of the control bodies held on 10 March 2022: the meeting involved the Company parties/bodies that supervise/check that the Internal Control and Risk Management System is operating properly;

the Committee did not deem it necessary to ask the Risk Management & Internal Audit Department to conduct extra audits over that scheduled in the 2022 Plan, therefore deeming said Plan to be adequate.

In the year just started, the Audit, Risk and Sustainability Committee met on 17 January 2023, 9 February 2023 and 9 March 2023 (session dedicated to examining the Consolidated Non-Financial Statement). Four more meetings are planned for the remaining part of current financial year.

Moreover, on 9 March 2023 a plenary meeting of the control bodies was held, attended by the Committee itself, the Supervisory Body, the Audit Firm, the Board of Statutory Auditors, the Risk Management & Internal Audit Department, the Director in charge of the Internal Control and Risk Management System, and the Officer in Charge of the preparation of the Company's accounting documents pursuant to Italian Legislative Decree no. 262/05, and the Legal & Compliance Department.

### ***9.3. Executive Director in charge of the Internal Control and Risk Management System***

On 20 April 2021, the Board of Directors has appointed the Managing Director, Mr Giulio Canale, as the Director in charge for the Internal Control and Risk Management System (hereinafter "**Director in Charge**"), as an exception to Recommendation 32 of

the Code which no longer contemplates this position but entrusts the establishment and maintenance of the internal control system directly to the Chief Executive Officer. At the Board meeting on 14 October 2021, the Company decided to confirm this assignment to the CFO/Deputy CEO and not to the CEO, as an exception to the abovementioned Recommendation 32, for the following reasons: (i) to keep the CEO, who is also the Chairman of the Company's Board of Directors, from being overburdened with positions; (ii) to capitalise on Mr Giulio Canale's increased involvement in his capacity of CFO in the risk management system and of Deputy CEO, to which the Board has decided to reserve its duties and powers of Director in charge of the Internal control and risk management system. Therefore, in this Report, as an exception to that stated in the CG Code, the name Director in Charge will continue to be said and used in place of Chief Executive Officer.

The Director in Charge, who specifically:

- a) is responsible for identifying the main business risks, taking into account the characteristics of the activities carried out by the Company and its subsidiaries, and presents them on a regular basis to the Board;
- b) implements the guidelines defined by the Board of Directors, by designing, implementing and managing the Internal Control and Risk Management System and constantly checking its adequacy and effectiveness;
- c) is responsible for adapting this System to the trend of operating conditions and the legal and regulatory framework;
- d) may request the Internal Audit Department to carry out inspections on specific operational areas and on compliance with internal rules and procedures in the performance of business transactions, simultaneously informing the Chairman of the Board of Directors, the Chairperson of the Audit, Risk and Sustainability Committee and the Chairman of the Board of Statutory Auditors;
- e) duly reports to the Audit, Risk and Sustainability Committee (or the Board of Directors) on the problems and critical aspects emerging during the performance of its activities or that comes to his knowledge, so that the Committee (or the Board) may take the appropriate actions.

The Director in Charge periodically meets the Internal Audit Department and with its support continuously verifies the effectiveness of the operations of the implemented Internal Control and Risk Management System. The Director in Charge has constantly verified the overall adequacy, efficiency and effectiveness of the Internal Control and Risk Management System and the Board, during the approval phase of this Report, has acknowledged it.

A description of the business risks is included in the Management Report, which is among the documents contained in the financial statements for the Financial Year.

#### **9.4. Internal Audit & Risk Management Department**

The Internal Audit & Risk Management Department Manager is appointed and removed by the Board, on the proposal of the Director in Charge and after having consulted the Audit, Risk and Sustainability Committee.

The Audit, Risk and Sustainability Committee has monitored compliance with the requirements of autonomy, adequacy, efficacy and efficiency in the performance of the Internal Audit activities done in 2022.

The Internal Audit & Risk Management Department is responsible for verifying that the Internal Control and Risk Management System is functional and adequate and consistent with the guidelines defined by the Board of Directors, in particular:

verifies, both on an ongoing basis and in relation to specific needs, the operation and suitability of the Internal Control and Risk Management System on the basis of an audit plan approved by the Board (and the Supervisory Body and the Committees for the areas under their responsibility) on the basis of a prioritisation and rotation of controls, also integrating the results of the ERM process: the plan of audit activities for the Financial Year was submitted for approval to the Board on 21 December 2021; on 19 December 2022, the Board approved the plan for the financial year 2023;

is not in charge of any operational area and hierarchically reports to the Board;

has direct access to all the information useful for the performance of its activities;

prepares regular reports containing adequate information on its activities, the procedures according to which risk management is performed, as well as on compliance with the plans defined to minimise risk. The regular reports contain an evaluation of the suitability of the Internal Control and Risk Management System based on the results of the actions taken;

promptly prepares reports on events of particular importance (also at the request of the Board of Statutory Auditors, the Supervisory Body or the Audit, Risk and Sustainability Committee);

sends the reports, regular and not, to the chairpersons of the Board of Statutory Auditors, the Audit, Risk and Sustainability Committee and the Board of Directors, as well as to the Director in Charge (except if the subject matter of these reports is the activity of one or more recipients);

b) assesses the reliability of the IT systems within the audit plan, including the accounting systems.

In compliance with Recommendation 33 of the Code, the Internal Audit Department, as a whole or by operational segments, may be entrusted to subjects outside the Company, provided that they possess the requirements of professional standing and independence. After the resignation of the Company's Internal Audit Department



Manager, during 2021, availing itself of this faculty, the Company outsourced the Internal Audit activities ad interim for the period October 2021 - January 2022 to the company Protiviti S.r.l. (specifically, the role of Internal Audit Manager was entrusted to Ms Emma Marcandalli, Managing Director) who possesses all the requisites specified in terms of professional standing and independence. Starting in January 2022, the Internal Audit Department was assigned to the newly recruited internal Manager, in possession of all the necessary professional standing and independence requisites also endorsed by the Audit, Risk and Sustainability Committee and the Board. In this regard, the Internal Audit Department remains responsible for Risk Management as well, just like up until today - but unlike that which occurred up until October 2021 - it does not have responsibility over the Compliance activities. Staying in the Legal and Corporate Affairs Office, these activities have been entrusted to a Legal and Compliance Counsel that joined the company in the month of November 2021, and that reports to the Group Head of Legal and Compliance.

During the Financial Year, the Internal Audit & Risk Management Department took care of the activities set forth in the Audit plan, and more specifically:

- The performance of audit measures with an integrated approach (operational, compliance and financial reporting), several requested by the Officer in Charge, the Supervisory Body and the Audit, Risk and Sustainability Committee;
- The systematic updating of the Audit, Risk and Sustainability Committee at each meeting and the Board of Directors every six months on the status of the Audit Plan;
- The drafting of a 2023 Audit Plan proposal for the Audit, Risk and Sustainability Committee and the Board of Directors;
- The performance of the Risk Assessment provided for in Accounting Model 262;
- The performance of follow-up activities on the actions emerging from concluded audits.

### **9.5 Organisational Model pursuant to Italian Legislative Decree no. 231/2001**

Italian Legislative Decree no. 231 of 8 June 2001, which lays down the "*Rules on the administrative liability of legal entities, companies and associations, also with no legal status*", introduced an administrative liability system applied to companies for offences committed in the interest or to the advantage of the companies themselves, by directors, managers or employees, into the Italian legal system.

The Board, with its resolution of 22 December 2004, approved and adopted its own "Organisational, Management and Control Model" pursuant to and in accordance with Italian Legislative Decree No. 231/2001 ("*Model231*") and simultaneously the "Code of Ethics and Business Conduct" that form an integral part of the Model, in order to clearly define the set of values that the SAES Group recognises, accepts and shares, as well as



the set of rules of conduct and the principles of legality, transparency and correctness to be applied in the performance of its business and in its various dealings with third parties.

The General Part of the Model and the Code of Ethics and conduct can be found on the Company website [www.saesgetters.com/investor-relations/corporate-governance](http://www.saesgetters.com/investor-relations/corporate-governance).

Model 231 was adopted by the Board in the firm belief that the establishment of an "organisational, management and control model", in addition to being a valid tool for raising the awareness of all those that operate on behalf of the Company so that they behave correctly in the performance of their activities, also represents indispensable means for preventing the risk of committing offences set forth in Italian Legislative Decree no. 231/2001. With the adoption and the effective implementation of the Model, the Company aspires to take advantage of the so-called justification cause in the unlikely event of their involvement in relevant types of offences.

With its resolution of 13 February 2007, the Board approved the revision of Model 231 in light of the entry into force of the regulations implementing the EC regulations on the prevention of market abuse, as well as within the regular verification pursuant to article 7, paragraph 4, letter a), of Italian Legislative Decree no. 231/2001.

With its resolutions of 18 March 2008 and 23 April 2008, the Board approved the revision of Model 231 in order to adapt it to the legal amendments that were made in 2007 aimed at extending the range of offences protected pursuant to Italian Legislative Decree no. 231/2001. In particular, the following offences were introduced:

- the offences of receiving stolen goods, money laundering or using money, goods or benefits of unlawful origin (article 25-*octies* of Italian Legislative Decree no. 231/2001) introduced by Italian Legislative Decree of 16 November 2007 in implementation of the III Anti-Money Laundering Directive 2005/60/EC;
- article 9 of Italian Law no. 123 of 3 August 2007 introduced article 25-*septies* in Italian Legislative Decree no. 231/2001, concerning offences related to the violation of safety and accident-prevention regulations. Reference is made to the possible offence of manslaughter or gross/very gross negligent injury committed in violation of accident-prevention regulations and the protection of occupational health and safety.

On 8 May 2008 the Board updated the Code of Ethics and Business Conduct of the Company.

In the last quarter of the 2009 financial year, the Company set up the revision and adjustment plan of the Model to Italian Legislative Decree no. 231/2001, following the inclusion of the following significant offences on the list:

- (article 24-*ter*) organised crime offences - Italian Law no. 94 of 15 July 2009;

- (article 25-*bis*) offences against the industry and commerce - Italian Law no. 99 of 23 July 2009;

- (article 25-*novies*) offences related to the violation of copyright - Italian Law no. 99 of 23 July 2009;

in addition to the offence of incitement to withhold statements from or issue false statements to the judicial authority - Italian Law of 3 August 2009, no. 116.

In this regard the activities carried out by each company department were mapped in order to check in particular the existence of any business activities significant for the purposes of Italian Legislative Decree no. 231/2001, as updated, as well as the adequacy of the supervision controls implemented for the prevention of crime.

The updated Model was submitted to and approved by the Board of Directors during the meeting of 27 April 2010.

During this verification process, it was considered appropriate to set out a new procedure on patents called "*Procedure for the management of new corporate IP assets*".

On 17 February 2011 the Procedure was submitted to and approved by the Board of Directors of the Company and subsequently distributed to all company staff, also through training courses organised internally by the company departments with the support of consultants specialising in these matters.

The Model was updated by the Board of Directors on 20 December 2011 in order to transpose the introduction of the environmental crimes among the cases of predicate offences set forth in Italian Legislative Decree no. 231/2001.

On 20 December 2012, the Board of Directors updated the Model following the introduction of "Offences relating to the employment of foreign workers".

On 19 December 2013, the Board of Directors updated the Model following the entry into force of Italian Law no. 190/2012, which introduced new offences, such as private bribery and extortion by persuasion, into the Italian legal system.

On 13 May 2015, the Board of Directors updated the Model based on the broadening of the list of offences protected pursuant to Italian Legislative Decree no. 231/2001 in order to include the crimes of receiving stolen goods, money laundering and using money, goods or benefits of unlawful origin, self-laundering and transnational offences.

Finally, on 11 May 2017, also following the merger by incorporation of the subsidiary SAES Advanced Technologies S.p.A. with SAES Getters S.p.A., the Board of Directors updated the Model in consideration of the subsequent interventions of the legislator aimed at extending the scope of Italian Legislative Decree no. 231/2001, new case law that had become established in the meantime and the organisational amendments made to the structure of the Company and the SAES Group. Furthermore, in agreement

with the Supervisory Body, the Company opted for a Model 231 structured per process and no longer per category of offence, as it was originally, and composed of a general descriptive part, and a special part that, in turn, is composed of 25 protocols. The decision to amend the structure of the Model 231 arises from the need and desire to render the Organisation Model 231 of SAES more and more user-friendly and efficient in terms of "risk analysis", and identification of the "areas of risk mitigation" and control measures.

On 19 December 2018, the Board approved the update of the Organisational Model on the basis of improvement areas identified by some audits and in compliance with the new whistleblowing regulations (Italian Law No. 179/2017).

During the first half of 2019, the Risk, Compliance & Internal Audit Department updated the Organisational Model on the basis of the areas for improvement that emerged as part of certain audits and in compliance with the offence "Trafficking in unlawful influences".<sup>7</sup> The amendments were discussed and shared in advance with the Supervisory Body and approved in the Board of Directors' meeting of 20 June 2019.

On 10 September 2020, the Board approved the update of the Organisational Model, with reference to both the General Part and the Protocols.

The changes made became necessary in order to transpose the new cases of offence introduced:

- a) by law no. 157 of 19 December 2019 (entered into effect on 25 December 2019) – entitled "Conversion into law, with amendments, of Italian decree-law 26 October 2019, no. 124, on urgent provisions on tax matters and for non-deferrable expenditure" – which established entry of tax offences in the catalogue of offences 231 (article 25-*quaterdecies* Italian Legislative Decree 231/2001);
- b) by Legislative Decree 14 July 2020, no. 75 "Implementation of Directive (EU) 2017/1371 on the fight against fraud affecting the financial interests of the Union by means of criminal law" (so-called PIF Directive) – which broadened legal persons' liability also to other cases of transnational tax offences related to VAT, smuggling offences, fraud in public procurement, embezzlement and abuse of office.

The update regarded in particular the inclusion, where necessary, of specific control points and/or controls of a general nature aimed at monitoring the risk areas in relation to the new types of offences 231 introduced by the legislator and deemed potentially applicable to the Company (specifically including tax and smuggling offences). The

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<sup>7</sup> In the current organisational structure, the Risk Management & Internal Audit Department is separate from the Legal & Compliance Department.

analysis therefore focused on the assessment of the adoption (or not) of new Protocols and the verification of the completeness of the existing Protocols with respect to the new offences.

Since 2019, the Company and the SAES Group have adopted the following codes:

- "Code of Business Conduct";
- "Anti-corruption Code";
- "Supplier Code of Conduct".

The documents were shared with the Audit, Risk and Sustainability Committee, approved by the Board of Directors and made available to the public on the website of SAES Getters S.p.A.

During the last few months of 2022, a project was launched by the Company's Legal & Compliance Department (with the support of external consultants) - and is still in progress - to update the Company's Model 231 in order to assess the additions and/or amendments to the Model 231 necessary in light of: (i) both the recent changes in the sphere of the organisational (e.g. creation of the Strategic Innovation Office Department) and commercial set-up (with particular reference to the B2C business launched by SAES) of the Company; (ii) and the recent regulatory updates in the area 231 (including, for example, the offences introduced by Italian Legislative Decree 184/2001, Italian Legislative Decree 195/2021, Italian Law 238/2021, Italian Decree Law 13/2022, Italian Decree Law dated 3 March 2022).

### **9.6 Supervisory Body**

The Company has a supervisory body whose tasks are identified in Italian Legislative Decree no. 231/2001, as specified in Model 231 formalised by the Company, such as supervising the operation, effectiveness, compliance and revision of the Model, as well as preparing the operating procedures to ensure its correct functioning.

On 20 April 2021, subsequent to the Meeting for the appointment of the Board in office, the latter appointed the following persons as members of the Supervisory Body:

Gaudiana Giusti (as Independent Director);

Stefano Proverbio (as Independent Director);

Luciana Sara Rovelli (as Independent Director);

Sara Anita Speranza (as member of the Board of Statutory Auditors);

Alessandro Altei (as Group Head of Legal & Compliance).

The Supervisory Body has its own Charter and also elected its Chairwoman internally, namely Ms Luciana Sara Rovelli.

The Supervisory Body shall remain in office until the approval of the financial statements for the Financial Year.

The Body met 6 times during the Financial Year (on the following dates: 25 January, 10 March, 10 May, 12 July, 11 October and 30 November).

The average length of each meeting was about two hours (in line with the year before). The average attendance rate of its members at the meetings of the Body was 86.67%, compared with an average attendance of 100% in 2021 (5 meetings). The minutes of the meetings were duly recorded.

The Supervisory Body, with the support of the Risk Management & Internal Audit Department, has prepared an audit plan for sensitive activities for 231 legislation purposes.

Among the activities carried out during the Financial Year, the Supervisory Body:

analysed the information flows received from the Department heads and the documentary additions requested and received by some company contacts;

integrated the structure of the information flows to the Body and approved the related updated versions;

examined the results of the audits directed by the Body or in any case carried out by the Risk Management & Internal Audit Department with 231 relevance on the basis of the annual audit plan;

set out the 231 Audit Plan with reference to the Financial Year, on the basis of audits carried out in previous years, and shared with the Risk Management & Internal Audit Department tasked with the execution of effectiveness audit on the risk areas identified;

met company personnel (e.g. Head of Information Systems, Group Head of Legal & Compliance and the Chief Financial Officer, Head of the IP Department) to investigate issues relating to sensitive areas for 231 purposes;

examined the changes made to some Protocols (integral parts of the 231 Model) and to some company procedures (including, for example, the "HSE" Protocol, the "Expense Account" Protocol, the "Integrity and Fairness in Business Conduct: gifts and presents to third parties, sponsorships and donations" Protocol, the procedure for the management of Whistleblowing reports);

reported to the Board of Directors with the half-year report: on 15 February 2022, it reported on the second half of the 2021 Financial Year; on 14 July 2022, it reported in relation to the first half of the Financial Year and on 1 February 2023 it reported on the second half of the Financial Year;

- monitored the dedicated reporting channels in order to verify any cases of non-compliance and/or whistleblowing reports;
- monitored the development of the regulatory framework and the examination of possible impacts on the Company's 231 Model;
- monitored the project to update the Company's 231 Model, currently underway;
- monitored the state of adoption of the Organisational Models by the Italian affiliated companies (SAES Coated Films S.p.A. and Strumenti Scientifici CINEL S.r.l.);
- participated to the plenary meeting of the Company's Control Bodies for an exchange of information of mutual interest;
- adopted an updated version of its Regulations to align the provisions of its functioning with the provisions of the Regulations of the Board and of the other committees and to ensure a more efficient operation and functioning of the meetings of the Body;
- monitored the initiatives undertaken by the Company to guarantee the health and safety of workers in the context of the Covid-19 health emergency in accordance with the instructions contained in the circulars and decrees published by the competent Authorities, noting that no particular critical situations have come up within the Company.

The Board of Directors, taking also account of the activities of the Supervisory Body, assigns the latter an annual expense budget for the performance of its activities, in full economic and managerial autonomy. The aforesaid budget is updated from time to time in accordance with the specific requirements that will be determined by the Supervisory Body. Any budget overrun due to specific requirements shall be communicated by the Supervisory Body to the Board of Directors.

It should be noted that, on 6 March 2023, the Chairwoman Luciana Sara Rovelli resigned from the office of Independent and non-executive Director of SAES and consequently from the office of Chairwoman and member of the Supervisory Body - as well as from the office of Chairwoman and member of the Remuneration and Appointments Committee and member of the Audit, Risk and Sustainability Committee and the Related Parties Committee - due to "significant divergences in strategic vision with particular reference to the remuneration systems of top managerial functions, as well as for the fact that she believes that she has not been put in a position to be able to act fully informed on issues of particular relevance and complexity", as more fully indicated in the press release published on the same date by the Company and available at the

following link: <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>.

On 7 March 2023, the Board of Directors appointed the Independent and non-executive Director Stefano Proverbio to replace Luciana Sara Rovelli as Chairperson of the Supervisory Body, as well as Chairperson and member of the Remuneration and Appointments Committee.

During the same Board meeting held on 7 March 2023, Mr Alessandro Altei also resigned from the office of internal member of the Supervisory Body and Mr Fabio Innocenzi (Head of Internal Audit and Risk Management) was appointed to replace him.

The Board of SAES, on the occasion of the co-optation of the new Independent and non-executive Director, and will evaluate the opportunity to confer on the newly elected director the position of new member of the Supervisory Body (as well as possibly that of member of the Risk Control Committee and Sustainability and the Related Parties Committee).

As at the date of approval of this Report, therefore, the Supervisory Body (which will remain in office until the approval of the financial statements as at 31 December 2023) is composed as follows:

- Stefano Proverbio (Chairperson) (Independent and non-executive Director);
- Ms Gaudiana Giusti (Independent and non-executive Director);
- Ms Sara Anita Speranza (as member of the Board of Statutory Auditors);
- Mr Fabio Innocenzi (as Head of Internal Audit and Risk Management).

### **9.7 Audit Firm**

The statutory audit is carried out by an appointed audit firm that operates in accordance with the provisions of law. On 21 April 2022, the Shareholders' Meeting resolved to entrust KPMG S.p.A. with the auditing task pursuant to the Italian Legislative Decree no. 39/2010 on the basis of the proposal of the Board of Statutory Auditors:

- for the auditing of the financial statements of the Company and the consolidated financial statements of the SAES Getters Group;
- for the verification of the regular bookkeeping and the correct registration of the management facts in the accounting records;
- for the limited audit of the consolidated half-year financial report of the Company, for the financial years 2022-2030.

***9.8 Officer in Charge of the preparation of the Company's accounting documents and other corporate roles and functions***

On 20 April 2021, the Board appointed Officer in Charge Mr Giulio Canale, who already holds the position of Chief Financial Officer, as Officer in Charge.

Pursuant to article 24 of the Company By-laws, introduced with the resolution of the extraordinary Shareholders' Meeting of 29 June 2007, the Officer in charge of the preparation of the Company's accounting documents must satisfy the professional requirements characterised by qualified experience of at least three years in the performance of administration, accounting and/or control activities, or as a manager or consultant on finance, administration, accounting and/or audit activities, within listed companies and/or associated groups, or within companies, entities and enterprises of significant size and relevance, even with reference to the drafting and auditing of corporate accounting documents.

The appointment of the Officer in Charge expires at the end of the mandate of the Board that appointed him (approval of the financial statements for the Financial Year). The Officer in Charge can be re-elected. The Officer in Charge has autonomous spending and signature rights. The Board ensures that Mr Canale is granted adequate powers and means to perform the duties assigned to him pursuant to article 154-*bis* of the Consolidated Finance Law, those assigned to him by the Board upon his appointment as well as his effective compliance with administrative and accounting procedures.

On 14 May 2007, the Board approved the first version of the document describing the Accounting Control Model, as described in paragraph 9, and an update on 20 December 2012, in order to ensure a higher level of reliability of the financial reporting disclosed to the market and the effectiveness of the Officer in Charge. In particular, the document:

describes the components of the Accounting Control Model;

indicates the responsibilities, means and powers of the Officer in Charge;

regulates the rules of conduct, the roles and responsibilities of the company organisational structures involved in various capacities;

defines the (formal and internal) certification process on financial reporting.

***9.9. Coordination of the subjects involved in the check of the Internal Control and Risk Management System***



In observance of Principle 20 of the Code and considering the regulatory and procedural provisions introduced by Italian Legislative Decree no. 39 of 27 January 2010, in order to facilitate a steady information flow among the several business bodies and functions that enables the Internal Control and Audit Committee (the Board of Statutory Auditors) to carry out suitable supervision as required by the law, periodical meetings are planned, among the other activities carried out by the Board in the fulfilment of its functions, of the Board, the Audit, Risk and Sustainability Committee, the Audit firm, the Internal Audit Department, the Officer in charge of the preparation of the Company's accounting documents according to Italian Legislative Decree no. 262/05, the Director in Charge and the Group Head of Legal and Compliance. Such meetings focus on the analysis and discussion of the financial information process and the application of accounting principles, as well as the relevant controls, the effectiveness of the internal control and risk management system, the statutory auditing of yearly accounts and consolidated accounts, the independence of the statutory audit firm, particularly in connection with the performance of non-auditing services to the entity subject to statutory audit.

During the Financial Year, the meeting was held on 10 March. For the current financial year the meeting took place on 9 March.

Furthermore, as already mentioned in the Section on the activities of the Audit, Risk and Sustainability Committee, note that the Chairperson of the Board of Statutory Auditors attends the meetings of the Committee in question as a permanent guest.

## 10. INTERESTS OF DIRECTORS AND TRANSACTIONS WITH RELATED PARTIES

On 21 December 2010 the Board of Directors, having consulted and obtained the approval of the Independent Directors, adopted the Procedures for transactions with related parties (the "Procedures") in compliance with the provisions of Consob Regulation no. 17221 of 12 March 2010 (hereinafter "RPT Regulations") and Consob Communication of 24 September 2010 (hereinafter "Communication"), aimed at ensuring the transparency and the substantial and procedural correctness of the transactions with related parties, identified pursuant to the IAS 24 international accounting standard.

The Procedures define the transactions of "major significance" that must be approved in advance by the Board, with the reasoned and binding opinion of the Committee for Transactions with Related Parties.

The other transactions, unless they fall within the residual category of transactions of minor value - transactions of less than €250,000 (if the related party is a legal entity) or €150,000 (if the related party is a natural person) - are defined as "of minor significance" and may be carried out subject to the reasoned and non-binding opinion of the aforesaid Committee. Furthermore, the Procedures identify cases of exemption to their application, including, in particular, the ordinary transactions concluded under conditions equivalent to those of the market or standard, transactions with or between subsidiaries and those with associated companies, provided that the other related parties of the Company have no significant interest in them, and transactions of minor value.

Consob, with resolution 21624 of 10 December 2020, amended the RPT Regulations; the amendments, which entered into force on 1 July 2021, mainly regarded:

- a change in the definition of Related Party, specifically the definition of Related Party was broadened in the event of a *Joint Venture* and now the companies over which the company's parent company exercises a relevant influence and the companies controlled by the party that exercises relevant influence over the company are included;
- setting of the limit for non-material transactions, differentiating between legal persons and natural persons;
- obligation for the directors involved in a transaction to abstain from voting;
- non-application of the "Related Party Transactions Rule" to the remuneration decisions if the company has adopted a remuneration policy and if the remuneration assigned is consistent with that policy and quantified on the basis of criteria that do not involve discretionary assessments;
- notice sent to Consob as well as to the Committee within seven days of approval of the transactions which benefited from the exemption, listing the reasons;
- attached the Committee's opinion to the minutes of the Committee meeting;
- timely involvement of the Committee in the stages of negotiations.

At the Board meeting on 22 June, following the opinion of the Related Parties Committee, the Company adjusted the Internal Procedures.

The Related Parties Procedure was published on the Company website [www.saesgetters.com/it/investor-relations/corporate-governance/policy-e-procedure/parti-correlate](http://www.saesgetters.com/it/investor-relations/corporate-governance/policy-e-procedure/parti-correlate).

### ***10.1. Committee for transactions with related parties***

The Committee is composed of Independent Directors and is chaired by the Lead Independent Director. It meets whenever any resolution on the transactions with related parties is to be passed pursuant to the Procedure for transactions with related parties published on the Company website [www.saesgetters.com/it/investor-relations/corporate-governance/policy-e-procedure/parti-correlate](http://www.saesgetters.com/it/investor-relations/corporate-governance/policy-e-procedure/parti-correlate).

The Committee met during the Financial Year on:

- on 8 March, 8 November, 10 November and 19 December for assessments on the joint venture Actuator Solutions GmbH (related party) and expressed its reasoned opinions in favour of the subscription of two capital increases of the joint venture;
- on 8 November for the proposal to amend the Regulations of the Related Parties Committee;
- on 2 December to express its favourable opinion on the disbursement of a tranche of a convertible loan to the joint venture Flexterra INC. (related party).

## 11. APPOINTMENT AND REPLACEMENT OF STATUTORY AUDITORS

The appointment of the Board of Statutory Auditors is expressly governed by the By-laws, which set forth a list-based voting system, without prejudice to the application of different and further mandatory legal or regulatory provisions.

The Board believes that the Auditors, in the same way as the Directors, ought also to be appointed according to a transparent procedure, as described below.

Current article 22 of the By-laws sets forth that the minority - that is not part of a relevant connection, even indirectly, as per article 148, paragraph 2, of Consolidated Finance Law and related regulatory rules - is entitled to the appointment of one Statutory Auditor, who is the Chairman of the Board, and of one Alternate Auditor.

The election of the Auditors by the minority Shareholders takes place at the same time as the election of the other members of the control body (with the exception of cases of replacement).

Only those Shareholders who, with reference to the shares registered in their account on the day of deposit of the lists at the Company offices, alone or together with other Shareholders, own voting shares representing the percentage in the voting capital equal to the one determined by Consob, pursuant to article 148, paragraph 2, of the Consolidated Finance Law and in compliance with the Regulations for Issuers, are entitled to present lists for the appointment of Auditors. On the date of this Report, the

requested share is 2.5% of the share capital with voting rights (as established by Consob with Management Resolution No. 76 of 30 January 2023).

A Shareholder may not submit nor vote for more than one list, even through intermediaries or trust companies.

Shareholders that are part of the same group and Shareholders who entered a shareholders' agreement concerning the shares of the Company cannot submit nor vote for more than one list, even through intermediaries or trust companies. Each candidate may enroll in only one list, under penalty of ineligibility.

The lists, to be signed by all those that submitted them, must be lodged at the Company offices within twenty-five days prior to the Meeting convened to resolve upon the appointment of the Board of Statutory Auditors. The Company makes the lists available to the public on its website [www.saesgetters.com](http://www.saesgetters.com), at the Company offices (Viale Italia, 77, Lainate - Milan) and on the 1Info system at [www.1info.it](http://www.1info.it), within the time limits and using the methods established by applicable laws.

The lists must contain the names of one or more candidates for the position of Statutory Auditor and of one or more candidates for the position of Alternate Auditor. The names of the candidates are marked in each section (Statutory Auditors section, Alternate Auditors section) by a progressive number and in numbers not exceeding the members to be elected.

The lists also contain, as an annex:

the information relative to the identity of the Shareholders that submitted them with an indication of their overall shareholding percentage; this indication must be approved by a special certificate issued by the intermediary to be submitted also subsequent to the deposit of the list, but in any case within the time limits provided for the publication of the lists by the issuer;

- a) a declaration by the Shareholders other than those that hold, even jointly, a controlling or majority shareholding, certifying the absence of associative relationships, as provided for by article 144-*quinquies* of the Regulations for Issuers, with the latter;

an exhaustive report on the personal and professional characteristics of the candidates accompanied by the list of the management and control positions held in other companies;

- b) a declaration by the candidates certifying the non-existence of causes for ineligibility and incompatibility, as well as the fulfilment of the requirements provided for by *pro tempore* laws and regulations in force, and their acceptance of the candidature;

any other further or different declaration, information report and/or document provided for by law and applicable regulations.

If upon the expiry of the deadline to submit the lists, only one list has been lodged, or only lists by inter-related Shareholders pursuant to the applicable regulations, lists may be submitted up to the third day subsequent to this date. In this case the minimum thresholds above required for submitting the lists are reduced by half. The failure to submit minority lists, the extension of the deadline for the submission of the latter and the reduction of the thresholds are disclosed within the time limits and using the methods provided for by applicable laws.

The election of Auditors takes place as follows: (i) two Statutory Auditors and one Alternate Auditor are selected from the list that has obtained the highest number of votes ("Majority List"), in the order of priority they appear on the list; (ii) one Statutory Auditor, who will be the Chairman of the Board of Statutory Auditors ("Minority Auditor"), and one Alternate Auditor ("Minority Alternate Auditor") are selected from the second list that has obtained the highest number of votes and that is not connected directly or indirectly with the Shareholders that have submitted or voted for the Majority List pursuant to the applicable provisions ("Minority List"), in the order of priority they appear on the list.

If one or more lists receive the same number of votes, the one presented by Shareholders owning the highest shareholding when the list is submitted shall prevail or, subordinately, the one submitted by the highest number of Shareholders.

If only one list is presented, the Shareholders' Meeting will vote on this list and if it obtains the majority of voters, without taking abstentions into account, the candidates listed for these positions will be elected Statutory and Alternate Auditors. In this case, the Chairman of the Board of Statutory Auditors will be the first candidate voted as Statutory Auditor.

If no lists are submitted, the Board of Statutory Auditors and the Chairman are appointed by the Shareholders' Meeting with the ordinary majorities required by law.

If, for any reason, the Majority Auditor is no longer available, he/she is replaced by the Alternate Auditor selected from the Majority List.

If, for any reason, the Minority Auditor is no longer available, he/she is replaced by the Minority Alternate Auditor.

The Shareholders' Meeting, as set forth in article 2401, paragraph 1, of the Italian Civil Code appoints or replaces in compliance with the principle of the necessary representation of minorities.

## 12. COMPOSITION AND OPERATION OF THE BOARD OF STATUTORY AUDITORS

(pursuant to article 123-bis, paragraph 2, letters d and d-bis, of Consolidated Finance Law)

The Board of Statutory Auditors holding office was appointed by the Shareholders' Meeting on 20 April 2021 and will remain in office until the approval of the 2023 financial statements. The following are members: Mr Vincenzo Donnamaria, Chairman of the Board of Statutory Auditors, Ms Sara Anita Speranza and Mr Maurizio Civardi (Standing Auditors), as well as Mr Massimo Gabelli and Ms Mara Luisa Sartori (Alternate Auditors).

During the Financial Year, the Alternate Auditor Mara Luisa Sartori, for personal reasons, resigned from her position as from 1 June 2022; the next Shareholders' Meeting will be required to appoint a new Alternate Auditor to replace her.

The Board of Statutory Auditors holding office was appointed on the basis of a single list submitted to the Company by the Majority Shareholder S.G.G. Holding S.p.A., in compliance with the methods and within the time limits set forth in regulations and the By-laws.

The list and accompanying documentation (as described above) were also promptly published on the Company website. The Company did not deem it necessary, at the time of submission of lists, to ask for additional information regarding the correspondence or otherwise of the list to diversity objectives, not having put in place any specific policies at this regard, believing that information on gender and age is sufficient, in addition to the CV and positions of each candidate.

Pursuant to the aforesaid article 22 of the Company By-laws, the Board of Statutory Auditors shall consist of three Statutory Auditors and two Alternate Auditors, appointed using a list voting system and with methods that guarantee compliance with gender balance regulations, pursuant to article 148, paragraph 1-bis, of the Consolidated Finance Law.

At the Board meeting of 11 November 2020, the Company amended article 22 of the By-laws to align it to the further amendment of articles 147-ter, paragraph 1-ter and 148, paragraph 1-bis of the Consolidated Finance Law on gender balance in the management bodies of listed companies. Starting from this mandate, which began with the appointment of the Board of Statutory Auditors by the Shareholders' Meeting on 20 April 2021, the selection of the members of the Board of Statutory Auditors was

carried out in such a way that the less represented gender obtained at least two fifths of the number of Statutory Auditors elected, with rounding, in the case of a fractional number, down to the next lower unit. This allocation criterion applies for six consecutive mandates.

The Board carries out an annual inspection on the continuance of the experience and integrity requirements that the Auditors must satisfy pursuant to the Italian Decree of the Ministry of Justice no. 162 of 30 March 2000, as well as that of independence pursuant to article 148, paragraph 3 of the Consolidated Finance Law. During the Financial Year, with reference to the 2021 financial year, this assessment was performed on 15 February 2022. With reference to the Financial Year, this assessment was performed on 14 February 2023.

In addition to the requirements set forth in the applicable regulations, the Auditors of the Company must also have proven skills and expertise in tax, legal, organisational and accounting matters, in such a way as to guarantee the Company maximum efficiency in the controls and the diligent execution of their duties.

The Shareholders submitting the lists for the appointment of the Board of Statutory Auditors are required to indicate the possible suitability of the candidates to qualify as independent, leaving the evaluation of the importance of this qualification to the Shareholders' Meeting.

In any event, at the meeting on 20 April 2021, after the Shareholders' Meeting that appointed it, the Board of Directors verified the Board of Statutory Auditor members' possession of the independence requisites required by article 148, paragraph 3, of the Consolidated Finance Law based on the information provided by the relevant persons or in any event available to the Company.

In view of the approval of this Report, the Company, for greater compliance with the provisions of the Corporate Governance Code, has deemed it appropriate to ask the auditors to specify whether they also meet the independence requirements referred to in Recommendation No. 7 of the Code, as referred to in Recommendation No. 9.

This verification confirmed that only one of the statutory auditors does not meet one of the independence requirements set forth in Recommendation 7 of the Code, i.e. the Chairperson of the Board of Statutory Auditors, Mr Vincenzo Donnamaria.

Regarding the Chairperson of the Board of Directors, who has held office for over nine years, in the last twelve financial years (requisite required by the combined provisions of Recommendation 9 and Recommendation 7 letter e)), it is deemed that the experience and specific know-how acquired over the years by Mr Vincenzo Donnamaria, who has no other relations with the Company and has constantly demonstrated his independent judgement, do not preclude his independence also considering his impressive professionalism and the circumstance - which he confirmed

- that the office undertaken and its remuneration do not have a particularly significant impact compared to his current profession.

The Chairman of the Board of Statutory Auditors entertains neither a business, financial or professional relationship with the Company or its subsidiaries nor with its Executive Directors or Top Management, nor even with its majority shareholder, based on the information made available by the Chairman of the Board of Statutory Auditors. This information was made known in the press release issued after the Shareholders' Meeting.

In compliance with Principle 7 of the CG Code, the control body has an adequate composition to ensure the independence and professionalism of its function.

The Auditors accept the office when they believe they can devote the necessary time to the diligent performance of their duties.

During the Financial Year each member of the Board of Statutory Auditors informed Consob of the management and control positions held at the companies as set forth in Book V, Title V, Chapters V, VI and VII of the Italian Civil Code, pursuant to article 144-*quaterdecies* of the Regulations for Issuers.

The Auditor that, personally or on account of third parties, has an interest in a particular transaction of the Company immediately informs the other Auditors and the Chairman of the Board providing exhaustive details on the nature, terms, origins and extent of the interest, also by effect of Recommendation 37 of the Code. No communication of this type was received during the Financial Year.

The remuneration of the Board of Statutory Auditors is decided by the Shareholders' Meeting upon its appointment and is proportionate to the commitment required, the significance of the position held and the size and sector of the company. The Auditors may receive additional remuneration for their participation in other control bodies (for example, the Supervisory Body), within the limits permitted by the laws in force.

The Board of Statutory Auditors, within the context of the tasks assigned to it by law, supervises the methods of implementing corporate governance rules and ensures (as it did during the Financial Year) that the criteria and procedures to ascertain the independence of its members adopted by the Board of Directors have been correctly applied. The outcome of these checks is announced to the market within the context of this Report or the Auditors' Report to the Shareholders' Meeting.

The Board of Statutory Auditors also oversees (as it did during the Financial Year) the conditions for the independence and the autonomy of its members, informing the Board of Directors thereof in a timely manner with respect to the drafting of this Report. The Board verified the continuing satisfaction of the requirements of independence of its members in the first meeting after its appointment (on 20 April 2021) and during the Financial Year, with the specification, as already clarified in the previous paragraph,



that even if Mr Donnataria has held the office for over nine years, in the last twelve financial years (requirement required by the combined provisions of Recommendation 9 and Recommendation 7 letter e)), this circumstance is not in the opinion of the Company's Board of Directors sufficient to compromise his independence. In carrying out the assessments stated above the Board also took into account further criteria envisaged for the independence of the Directors by the Code, in addition to the legal and regulatory criteria.

The Board of Statutory Auditors is responsible for evaluating the proposals made by the audit firms in order to be entrusted with the related task, as well as the plan prepared for the audit and the results shown in the report and in the suggestion letter. The Board of Statutory Auditors also supervises the effectiveness of the auditing process and the independence of the audit firm, also checking its compliance with legal provisions, as well as the nature and size of the services other than the auditing services provided to the Company and its subsidiaries by the aforesaid audit firm and the entities belonging to its network.

During the Financial Year, the Board of Statutory Auditors supervised the independence of the audit firm, checking its compliance with legal provisions in these matters, as well as the nature and size of the services other than the auditing services provided to the Company and its subsidiaries.

Furthermore, by virtue of the provisions contained in Italian Legislative Decree no. 39/2010, the Board of Statutory Auditors also acts as Internal Control and Audit Committee called upon to supervise the financial reporting process, the effectiveness of the internal control, internal audit and risk management systems, the statutory audit of annual accounts and consolidated accounts and the independence of the audit firm.

The Board of Statutory Auditors may ask the Internal Audit Department to carry out specific inspections on operational areas or corporate transactions in the performance of its tasks. The Board of Statutory Auditors did not make use of this option during the Financial Year.

In accordance with Recommendation 37 of the Code, the Board of Statutory Auditors and the Audit, Risk and Sustainability Committee promptly exchange important information for the performance of their respective tasks, for example on the occasions of the meetings of the Board of Directors or Audit, Risk and Sustainability Committee (which, it is to be remembered, are attended by the Chairman of the Board of Statutory Auditors or other Auditor appointed by the latter).

The Board of Statutory Auditors has access to the minutes of the Board of Directors, Committees and the Supervisory Body, through the *Virtual Data Room*.

During the Financial Year the Board of Statutory Auditors met five times with constant participation of all members. Board meetings lasted four hours on average (like the year

before). For the 2023 financial year, the Board of Statutory Auditors has planned at least 6 meetings.

The Company believes it has adopted adequate measures to guarantee the effective performance of the tasks of the Board of Statutory Auditors.

The personal and professional information of each Statutory Auditor is provided below:

**Vincenzo DONNAMARIA** – Born in Rome on 4 October 1955

Mr Donnamaria graduated with a Law degree from the Università degli Studi of Rome in 1978.

He is a lawyer enrolled in the Bar of Rome (1984).

He has been registered in the Register of Auditors since its formation (Italian Ministerial Decree 12 April 1995).

He is also a Court of Cassation lawyer, registered in the Special Register of Cassation Lawyers since 2003.

Mr Vincenzo Donnamaria was a founding member and national manager of the Studio Associato di Consulenza Legale e Tributaria KStudio Associato law firm.

From November 1978 to April 1985 he advanced his career in Arthur Andersen, reaching the office of ordinary member of the Tax and Corporate Consultancy Firm.

From May 1985 to September 1988 he was the founding member of the Studio Consulenti Associati Di Paco, Donnamaria, Guidi (KPMG) and was responsible for the Rome office.

He participated as a lecturer of teaching courses in the field of direct and indirect taxation and as a speaker at conferences on topics related to tax.

He published for the IPSOA publishing house in 1985, together with Mr Francesco Rossi Ragazzi, the text "Disciplina fiscale degli ammortamenti" (Tax regulations on amortisation).

He is a member of ANTI (Associazione Nazionale Tributaristi Italiani, National Association of Italian Tax Advisors).

During 1998 he was appointed Consultant of the Authority for Communication Guarantees within the preparation of the Regulations concerning the organisation and the operation of this Authority.

In 1998 he was also appointed member of the Commission of Inquiry set up by the Ministry of Defence, with Italian Ministerial Decree of 29 September 1998, in relation to the criminal proceedings initiated by the Judicial Authority against the former General Management personnel of the Construction of naval weapons and arms.

He was a Statutory Auditor of SAES Getters S.p.A. from 1997 to 2006. From 2006 until 2015 he held the position of Chairman of the Board of Statutory Auditors. In 2015 he was appointed Statutory Auditor. In 2018 he was appointed Chairman of the Board of Statutory Auditors.

**Sara Anita SPERANZA** – Born in Luino (VA) on 12 January 1972

Ms Speranza graduated with a degree in Economics from the Università Cattolica del Sacro Cuore of Milan in 1995.

She qualified to practice as a Chartered Accountant in 1999 and has also been registered in the Register of Chartered Accountants of Milan since 1999.

She is registered in the Register of Statutory Auditors – Decree of the general manager of civil affairs and the professions 19/04/2001, O.G. supplement no. 36 – IV special series of 08.05.2001.

Ms Speranza is a partner in the firm Cornelli Gabelli e Associati and over a period of almost twenty years she has acquired a wealth of experience and skills in the assistance and consultancy of leading companies and industrial, real estate and commercial groups, both in Italy and abroad, on the subject of direct and indirect taxation within the context of ordinary company activities, as well as in extraordinary transactions. She has also acquired significant experience in corporate law consultancy: planning, programming and management control, and the reorganisation, restructuring and winding-up of companies.

She is a member of the Board of Statutory Auditors and Board of Directors of a large number of leading national and international companies.

She is a Statutory Auditor of SAES Getters S.p.A. since 2015.

**Maurizio CIVARDI** – Born in Genoa on 30 July 1959

He was awarded a degree in Economics and Business from the Università degli Studi of Genoa.

Registered with the Association of Chartered Accountants and Accounting Experts in the district of the Court of Genoa since 13.3.1985.

Registered in the Register of Statutory Auditors (Italian Ministerial Decree 12/4/1995 O.G. 31 bis – IV Special Series of 21/4/1995).

As a tax and corporate consultant for several companies, he also offers assistance in corporate restructuring operations, corporate organisation and requests of admission to insolvency procedures in his additional role as Insolvency Practitioner.

Judicial Commissioner of arrangements with creditors and Extraordinary Commissioner in Extraordinary Administration Procedures.

Manager of Organismo di Composizione delle Crisi OCC – Genoa Chartered Accountants with the Association of Chartered Accountants and Accounting Experts in Genoa, pursuant to article 10, paragraph 2 of Italian Ministerial Decree 202/2014.

Formerly Member of the Study Committee for direct Taxation with the Italian National Council of Chartered Accountants.

Formerly Delegate of the Italian National Council of Chartered Accountants/ACCA Bilateral Committee in the context of the Joint International Committee on behalf of the Italian National Council of Chartered Accountants.

He carries out his professional activity with the Studio Rosina e Associati company, of which he is a partner.

He was a Statutory Auditor of SAES Getters S.p.A. from 2006 to 2015.

He became Alternate Auditor of SAES Getters S.p.A. in 2017.

He is a Statutory Auditor of SAES Getters S.p.A. since 2018.

In light of the above, the Company believes – also in compliance with Principle 8 of the Code – that the control body has an adequate composition to ensure the independence and professionalism of its function.

## 13. INVESTOR RELATIONS

The Chairman and Managing Director, in compliance with the procedure for the management of inside information, do their utmost to establish constant dialogue with the shareholders, the institutional investors, the market and other significant *stakeholders*, in order to guarantee the systematic distribution of a complete and timely report on the Company's activities. The Code (Principle 4) envisages that the dialogue with shareholders and other *stakeholders* is promoted, in the most appropriate forms, by the management body: the Company considers it more effective, efficient and functional that the Executive Directors – and not the Board of Directors as a whole – promote and manage dialogue, to avoid risks of information asymmetries and to ensure a more orderly management of dialogue.

The Company's decision to entrust both Executive Directors with the assignment to operationally manage the dialogue with shareholders has been formalised and is

defined in the Policy for dialogue with shareholders and the generality of investors (the “**Policy**”), submitted for the approval of the CCRS and the Board of Directors and it is in line with the content of the “Principles for policies concerning dialogue with shareholders” published by Assonime with circular no. 23 of 19 July 2021 (“**Assonime Principles**”), without prejudice to the fact that on the whole the Board provides guidance, supervision and monitoring of the adoption and application of the Policy, trends in Dialogue and respect for applicable legislative and regulatory provisions in force. To these ends, the Executive Directors update the Board of Directors on the development of the dialogue engaged in with shareholders/potential investors on a half-yearly basis or at the first possible meeting, if significant content, conflicts of interest or critical structural and urgent issues emerge.

During the year, as envisaged in the “Policy for dialogue with Shareholders”, at the meeting on 21 June 2022, the Group CFO provided information on the development and significant content of the dialogue with all the shareholders during the first half of 2022.

In particular, in the period from 1 January - 21 June 2022, the CEO and the Group CFO held 12 *one-to-many* meetings, participated on 23 March 2022 in the *Euronext STAR Conference*, organised by Borsa Italiana and at an event promoted by Equita on 14 June 2022.

The topics of the discussions and requests mainly concerned the performance of the Group's results and business expectations, also in light of the evolutions of the pandemic crisis and subsequent geopolitical uncertainties.

A further update on the meetings that took place in the period from 22 June 2022 to 27 February/14 March 2023 was provided by the CEO during the Board of Directors' meeting on 27 February/14 March 2023.

During the reference period, the CEO and the Group CFO held 9 *one-to-many* meetings and participated in an *on-line* event furthered by Intermonte on 10 January 2023 following the announcement of the signing of a binding agreement for the sale of the Medical Nitinol business.

The topics of the discussions and requests once again concerned the performance of the Group's results, business expectations and future strategies, also in light of the aforementioned announcement. The performance of the securities portfolio was also discussed in detail, in light of the fluctuations in recent periods.

The responses were always aligned with the *outlook* provided in the official communications, with the *consensus* expressed by the generality of the analyses and that which was communicated on 9 January 2023 in relation to the sale of the subsidiaries Memry Corporation and SAES Smart Materials, Inc.

The Code (Principle 4 - Recommendation 3) provides that the management body, on the proposal of the Chairman, adopts and describes *"in the report on corporate governance a policy for the management of dialogue with the generality of shareholders, including taking into account the engagement policies adopted by institutional investors and asset managers. The Chairman ensures that the management body is in any case informed, within the first useful meeting, on the development and on the significant contents of the dialogue with all the shareholders"*.

In order to adapt to the recommendations of the Corporate Governance Code and believing that committing to transparent, continuous, active and constructive communication with the Company's shareholders and all current and/or potential investors is important for the creation of sustainable value over the medium-long term, the Board of Directors of SAES Getters S.p.A. has adopted at the meeting on 14 October 2021, at the proposal of the Company's Chairman and CEO, formulated in agreement with the Deputy CEO, the "Policy for the management of dialogue with shareholders and all investors" which in fact sums up the methods for managing the dialogue with shareholders and investors already existing within SAES.

The application of the Policy is limited:

- a) at the subjective level, to relationships between the Company and Shareholders/Investors; and
- b) at the objective level, to topics concerning Dialogue (as defined herein) and that is relating to topics under the responsibility of the Board of Directors and/or its Committees, specifically with reference to the following matters:
  - corporate governance (including the corporate governance system, appointment, size, professionalism, independence, diversity and composition of the Board of Directors and its committees, etc.);
  - business performance and current and foreseeable economic and financial results already shared with the market;
  - SAES Group strategies;
  - dividend policy;
  - composition of the shareholding structure;
  - social and environmental sustainability;
  - policies on the remuneration of Directors and managers with strategic responsibilities;
  - related party transactions;
  - risk control and management system.

The Board of Directors is responsible for Dialogue with Shareholders/Investors and provides guidance, supervision and monitoring of the application of the Policy, trends in Dialogue and respect for applicable legislative and regulatory provisions in force.

Through the half-yearly disclosure of the CEO and the Deputy CEO, the Board of Directors verifies in particular that Dialogue with Shareholders/Investors:

- a) is carried out in the interest of the Company from a medium/long-term perspective and with a view to the sustainable development of the SAES Group;
- b) takes place in compliance with legislative and regulatory provisions in force, the Procedure for managing Inside Information, as well as the principles of truthfulness and proportionality, transparency, equality and information symmetry.

From the operational perspective, the Board of Directors delegates the joint and/or separate management of Dialogue to the Chairman and CEO of the Company, as well as to the Deputy CEO and Group CFO of the Company. When deemed appropriate, the CEO and the Deputy CEO may also invite, on a case by case basis, other Directors to participate, or in any event to perform activities, in relation to specific dialogues with Shareholders/Investors.

The CEO and the Deputy CEO of the Company - who at the date of adoption of the Policy are also Chairman and Group CFO, respectively - manage from the operational perspective, jointly and/or separately, Dialogue with Shareholders/Investors, coordinating, if necessary, with the IR Office.

The FCA Office and the IR Office provide operational support to the CEO and the Deputy CEO in the management of Dialogue with Shareholders/Investors, and if necessary also coordinate with other corporate and company structures and functions.

The Dialogue may be carried out - depending on the various cases and after evaluation by the CEO and Deputy CEO - with "two-way" procedures, i.e., with an effective exchange of information between the Shareholders/Investors and the Company in a bilateral manner (i.e., in the presence of just one Investor) or collectively (i.e., in the presence of multiple Investors), or in exceptional cases with one-way procedures, i.e., with only the Shareholders/Investors presenting their views on specific issues.

Dialogue with Shareholders/Investors may take place throughout the year, except as a rule during "black-out periods", although Dialogue initiatives with Shareholders/Investors may be permitted, even during "black-out periods", if they regard voting and are required for the participation of the Shareholders in Shareholders' Meetings, or other Dialogue initiatives that are deemed necessary or even only appropriate for the Company and not in conflict with regulatory provisions on Inside Information.

The full version of the Policy is available on the Company's website at the address [www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure](http://www.saesgetters.com/it/investor-relations/governo-societario/policy-e-procedure).

The presentations used during the meetings scheduled with the financial community were made public on the Company website at the address

[www.saesgetters.com/investor-relations/presentation](http://www.saesgetters.com/investor-relations/presentation) in addition to being sent in advance via e-mail to Consob and Borsa Italiana S.p.A.

The e-mail address ([investor\\_relations@saes-group.com](mailto:investor_relations@saes-group.com)) is available for collecting requests for information and providing explanations and clarifications to the Shareholders on the transactions carried out by the Company.

Furthermore, the Company, in order to facilitate the attendance of the Shareholders in the Shareholders' Meeting, allows the Shareholders to ask questions on the items on the agenda, also before the Meeting, by sending a registered letter with acknowledgement of receipt to the Company offices via certified e-mail to the address [saes-ul@pec.it](mailto:saes-ul@pec.it) within the terms set by the law. The questions received before the Shareholders' Meeting are answered on the website of the Company or, at the latest, during the Shareholders' Meeting, with the right of the Company to provide a unified response to questions with the same content.

Special attention is to be paid to the Company website ([www.saesgetters.com](http://www.saesgetters.com)), where financial and economic information (such as financial statements, half-yearly and quarterly financial reports), as well as data and documents of interest to the shareholders as a whole (press releases, presentations to the financial community, calendar of corporate events, non-financial information) can be found in Italian and English.

The Company provides the necessary or even just the appropriate information in the special Investor Relations section of the Company website so that the shareholders can make informed decisions while exercising their rights, with particular reference to the methods provided for the participation and exercising of voting rights in the Meeting, as well as to the documents related to the topics on the agenda, therein including the list of candidates for the positions of Director and Auditor and their personal and professional information.

The admission and the permanence of the Company in the STAR ("Segmento Titoli con Alti Requisiti" - segment of securities with high requirements) of Borsa Italiana S.p.A. also represent an indicator of the ability of the Company to satisfy the high information disclosure standards that constitute one of its essential requirements.

#### **14. SHAREHOLDERS' MEETINGS (pursuant to article 123-bis, paragraph 2, letter c), of Consolidated Finance Law)**

The Meetings, duly constituted, represent all the Shareholders, and its resolutions, passed in compliance with the law, are binding upon Shareholders even if they are



absent or dissenting. The Meeting is held in ordinary and/or extraordinary session, according to law, at the Company headquarters or another location, even abroad, provided that it is within the countries of the European Union.

The Shareholders' Meeting is regulated by articles 8, 9, 10, 11, 12 and 13 of the By-laws, which can be found on the Company website at the address [www.saesgetters.com/investor-relations/corporate-governance/company-laws](http://www.saesgetters.com/investor-relations/corporate-governance/company-laws).

The Chairman and Managing Director do their utmost to encourage the widest possible attendance of the Shareholders in the Meetings, as an actual moment of communication and connection between the Company and its investors. As a rule, all the Directors attend the Meetings. The Board of Directors does its utmost to reduce the constraints and obligations that render it difficult and burdensome for the Shareholders to attend Meetings and exercise their voting rights. Moreover, no complaints to this effect were received from the Shareholders.

The Meetings are also an occasion for providing the Shareholders with information on the Company, in compliance with the regulations on inside information.

In particular, in the Meetings the Board of Directors reports on the activities carried out and those that are planned and does its utmost to ensure that the Shareholders are provided with adequate information on the necessary topics so that they may make the decisions reserved for the Shareholders' Meeting in full cognition of the facts.

During the Financial Year, the Ordinary and Extraordinary Shareholders' Meeting was held on 21 April 2022 to resolve on the following agenda:

Ordinary session:

1. Report of the Board of Directors on the financial year at 31 December 2021; financial statements at 31 December 2021. Presentation of the Consolidated Financial Statements at 31 December 2021. Related resolutions:

- 1.1. Approval of the financial statements at 31 December 2021;
- 1.2. Resolutions regarding allocation of the profit for the year;
- 1.3. Distribution of a portion of the "Retained earnings" available reserve;

2. Report on the remuneration policy and the amounts paid;

2.1 Approval of the remuneration policy in accordance with article 123-ter, paragraph 3-bis, of Italian Legislative Decree 58/1998;

2.2. Decisions on the second section of the report in accordance with article 123-ter, paragraph 6 of Italian Legislative Decree no. 58/1998;

3. Addition to the fees paid to Deloitte & Touche S.p.A. in relation to its appointment as the audit firm for the 2021 financial year; addition to the fees paid to Deloitte & Touche S.p.A. relating to the limited examination of the consolidated declaration of a non-financial nature for the 2021 financial year; consequent and related resolutions;

4. Assignment of the mandate for the independent audit of the financial statements for the 2022-2030 financial years and determination of the fee pursuant to Italian Legislative Decree 39/2010; related and consequent resolutions.

Extraordinary session:

5. Proposal to amend Article 7 of the By-laws with regard to the purpose of the Company; inherent and consequent resolutions.

It should be noted that due to the Covid-19 emergency, and therefore in compliance with the fundamental principles of protecting the health of shareholders, employees, representatives and consultants of the Company, as well as, most recently, pursuant to the provisions of Article 106 of Italian Decree Law No. 18 of 17 March 2020 (converted, with amendments, by Italian Law No. 27 dated 24 April 2020), as amended by Article 3 of Italian Decree Law No. 228/2021, converted into Italian Law No. 15 dated 25 February 2022 (subsequently amended for the financial year 2023 by Article 3.10 undecies of Italian Decree Law No. 198/2022 converted into Italian Law No. 14 dated 24 February 2023) the meeting was held with participation in the Shareholders' Meeting, for the persons attending, also by means of telecommunication and that the share capital was able to attend exclusively through the designated representative pursuant to article 135-undecies of the Consolidated Finance Law, with the methods specified in the call, excluding access to the meeting premises by shareholders or delegates other than the aforementioned designated representative. Five directors (out of nine) attended the Shareholders' Meeting on 21 April 2022 connected via videoconference. With a proxy granted to the Designated Representative connected via videoconference, 35 individuals entitled to vote attended the Meeting representing 6,578,469 ordinary shares giving right to 11,596,955 votes out of the total number of ordinary Shareholders' votes of 17,491,919, taking into account the increase in voting rights.

No additions to the agenda were proposed by the entitled Shareholders.

In order to attend the Shareholders' Meeting, the Company requires the notification establishing the right to speak and to vote in the Shareholders' Meeting to be sent by the intermediary on the basis of records at the end of the accounting day of the seventh day of open market before the date fixed for the Shareholders' Meeting on single and only call.

In this regard, article 10 of the By-laws states:

*"Attendance and representation at the Shareholders' Meeting are governed by the Law.*

*Voting rights holders will have the right to attend the Meeting providing that their capacity to attend the meeting is certified according to the modalities and within the terms provided by the regulations and laws in force.*

*The electronic notice of the proxy to attend the Meeting may be pursued by means of related link on the Company website, according to the methods set forth by the notice of calling, or, alternatively, by means of certified email sent to the email address indicated in the notice of calling.*

*The Chairman of the Meeting, also through appointees, shall be responsible for verifying the validity of the Meeting's establishment, the identity and legitimacy of those present, and for regulating the Meeting's progress, establishing the methods of discussion and voting (which shall in all cases be transparent), and announcing the results of votes".*

The minutes were made available on the Company website on 6 May 2022, fifteen days after the Ordinary and Extraordinary Shareholders' Meeting on 21 April 2022, whereas the outcome of the voting was made available the day of the Meeting itself.

The Board of Directors, on the occasion of the Shareholders' Meeting, ensured that adequate information was provided, filing the reports on the items on the agenda and the resolution proposals at the registered office, on the 1Info storage system at the address [www.1info.it](http://www.1info.it), and first and foremost by publishing them on the Company website. The reports were made available in Italian and English, within the time limits provided for by law.

The Chairperson of the Remuneration and Appointments Committee did not report to the Shareholders at the Meeting, in the Financial Year, as the Board and the Committee considered the information provided in writing in the Report on the remuneration policy and the payments made and in the Corporate Governance Report to be thorough and complete.

The Board makes sure that in view of the Shareholders' Meeting all Shareholders have been adequately informed of the underlying reasons for the proposals of the Board itself on all the motions on the agenda, and especially those motions that affect the definition of the most functional corporate governance system to the needs of the business in compliance with that proposed by Recommendation no. 2 of the CG Code. To this regard, see the Explanatory report on the motion on the agenda for the 2021 Shareholders' Meeting on the renewal of the Board of Directors, posted on the Company website at this link: <https://www.saesgetters.com/it/investor-relations/area-investors/assemblea-dei-soci-2021> for all details on the grounds the Board provided relating to this motion on the agenda , and having taken into account the decision-making process followed and any opposing opinions expressed at the Board meeting (Recommendation 2).

#### **14.1. Regulations for the Shareholders' Meeting**

On 13 March 2012 the Board proposed the adoption of specific regulations for Shareholders' Meeting, indicating the procedure to be followed in order to enable the orderly and functional performance of the meetings, guaranteeing, at the same time, the right of each shareholder to take the floor on the points under discussion. These regulations were approved and adopted by the Shareholders' Meeting of 24 April 2012 and updated, with the amendment of article 4, paragraph 7, by the Shareholders' Meeting of 23 April 2013.

The Regulations for Shareholders' Meetings can be found on the Company website at the address: [www.saesgetters.com/investor-relations/corporate-governance/policies-procedures/shareholders-meeting-regulation](http://www.saesgetters.com/investor-relations/corporate-governance/policies-procedures/shareholders-meeting-regulation).

#### **14.2. Special Meeting of holders of Saving Shares**

The special meeting of holders of savings shares is held in accordance with the law, at the company headquarters or another location, even abroad, provided that it is within the countries of the European Union.

The last meeting of holders of savings shares was held on 21 April 2020 in order to appoint the Common Representative, since his mandate had expired. For the 2020-2022 financial years, the special meeting confirmed Mr Massimiliano Perletti as Common Representative of the Holders of Savings Shares (e-mail address: [massimiliano.perletti@roedl.it](mailto:massimiliano.perletti@roedl.it)), determining his relative compensation (€5,000.00 per year). The upcoming Meeting of holders of savings shares will be called in order to appoint the Common Representative, since his mandate has expired, and determine his remuneration.

#### **14.3 Increased Voting Rights**

It is to be noted that the Company introduced increased voting rights, which was approved by the Shareholders' Meeting on 3 March 2016.

This system is permitted and provided for in article 127-*quinquies* of the Consolidated Finance Law as amended by Italian Law no. 116 of 11 August 2014. With the introduction of this new system, Italian legislature abolished the traditional "one share – one vote" principle and, with the intention of encouraging medium-long term shareholder investments and to reward "loyal" Shareholders, permitted the By-laws of issuers to attribute increased voting rights, up to a maximum of two votes, for each share belonging to the same subject for an uninterrupted period of no less than twenty-four months.

Please refer to article 11 of the By-laws for the rules on how the increase in voting rights works at this address:  
[https://www.saesgetters.com/sites/default/files/investorrelations/statuto\\_sociale/](https://www.saesgetters.com/sites/default/files/investorrelations/statuto_sociale/)

#### ***14.4 Significant changes in the market capitalisation of shares***

The value of ordinary shares, listed on the Euronext STAR Segment of the Mercato Telematico Azionario (electronic equity market) of Borsa Italiana S.p.A., fell by 6% during the 2022 Financial Year, a decrease more contained with respect to that of 14.5% recorded by the FTSE MIB index and that of 28.2% recorded by the FTSE Italia STAR index.

Savings shares recorded a higher decrease in value than that of ordinary shares, equal to 9.9%, but still lower than the decrease in the FTSE MIB and FTSE Italia STAR indices.

The value of both ordinary and savings shares grew considerably at the beginning of 2023 following the announcement of the signing of a binding agreement for the sale of the Nitinol business. In particular, on the day of the announcement, the value of the ordinary shares rose to € 29.90, while that of the savings shares rose to € 21.81, compared to a closing price of € 23.62 and € 15.83 respectively, on the day prior to the communication.

#### ***14.5. Significant changes in the company structure***

There were no significant changes in the shareholding structure during the reference period.

### **15. ADDITIONAL CORPORATE GOVERNANCE PRACTICES**

No corporate governance practices exist that have been implemented by the Company in addition to those already indicated in the sections above.

### **16. CHANGES AFTER THE REPORTING PERIOD**

There were no changes in the Corporate Governance structure subsequent to the closing date of the Financial Year.

## 17. CONSIDERATIONS ON THE LETTER DATED 25 JANUARY 2023 FROM THE CHAIRPERSON OF THE COMMITTEE FOR CORPORATE GOVERNANCE

The recommendations made by the Chairperson of the Committee for Corporate Governance in the letter of 3 December 2021 were brought to the attention of the Board of Directors at the time of approval of the Corporate Governance Report (14 March 2022). For further details and comments, please refer to the 2020 Corporate Governance Report.

For the purpose of completeness, please note that the previous recommendations of 22 December 2020 were brought to the attention of the Board of Directors on 11 March 2021, at the time of approval of the 2020 Corporate Governance Report. Please refer to the 2019 Corporate Governance Report for further details and comments.

This has been specified in light of the results of the Ninth Report on the application of the Code for 2022 and the analysis of the conduct of the issuers on the issues highlighted in the accompanying letter of the Chairperson of the Corporate Governance Committee dated 25 January 2023, given that the in-depth examination carried out by the Corporate Governance Committee on the information provided by the issuers in the corporate governance reports published in 2022, showed signs of improvement with respect to the application by the issuers of the principles and recommendations of the Code, in many of the areas indicated in recent years, the Corporate Governance Committee deemed it appropriate *"to further encourage companies that comply with the Code to enhance their practices to ensure increasingly effective self-regulation and to respond to the evolution of market expectations and the company as a whole, which assign to the governance of companies a crucial role in managing environmental and digital transitions, in a context made more complex by geopolitical tensions and the effects of the pandemic"*.

In particular, the aforementioned Committee identified some areas of the Code's recommendations that need to be "streamlined" on the application methods, such as:

- Dialogue with shareholders and relevant stakeholders:

**The Committee invited the companies to adopt a policy of dialogue with the shareholders that also envisages the possibility that this is initiated on the initiative of the investors, defining tiered methods and procedures, based on the principle of proportionality, according to the characteristics of the company in terms of size and ownership structure.**

As already clarified in Paragraph 13 above, on 14 October 2021, the Board of Directors adopted a Policy for Dialogue with the Shareholders, published on the website

<https://www.saesgetters.com/it/investor-relations/governo-societario/policy-and-procedures/policy-management-dialogue-shareholders>.

This Policy envisages in paragraph 5 (Dialogue procedures) that the dialogue may also be established at the initiative of shareholders and investors according to the following procedure:

*"In performing engagement activities, Shareholders/Investors enter into contact with the Company through the IR Office, using the contact information published on the Company's website (see paragraph 8 - Contacts) to this end. In requests to establish Dialogue with the Company, the Shareholders/Investors indicate: a) the topics to be discussed in the Dialogue and the purposes of this Dialogue, if the Shareholder/Investor expresses an interest in dealing with specific topics; b) the representatives of the Shareholder/Investor who would participate in the Dialogue; c) the methods with which it is proposed the Dialogue be carried out; and d) the Directors of the Company who they would like to meet. After being informed by the IR Office about the requests received, the CEO and Deputy CEO evaluate whether they are in the interest of the Company, respectful of the principles laid out in this Policy or in any event worth being accepted, providing instructions to the IR Office Manager, who will be responsible for informing the requesting party of the results of this evaluation. It is agreed that, if a Director other than the CEO and the Deputy CEO receives a request for a meeting or information from Shareholders/Investors via other channels, he or she will be required to promptly inform the CEO and/or Deputy CEO, who will evaluate the Shareholder request and whether the Dialogue may take place in compliance with this Policy. The Dialogue may be carried out - depending on the various cases and after evaluation by the Company - with so-called two-way procedures, i.e., with an effective exchange of information between the Shareholders/Investors and the Company in a bilateral manner (i.e., in the presence of just one Investor) or collectively (i.e., in the presence of multiple Investors), or in exceptional cases with one-way procedures, i.e., with only the Shareholders/Investors presenting their views on specific issues. To this end, the Company (in the person of the CEO and/or Deputy CEO or the Board if requested by the above) may take into account various factors, such as, for example: - the forms of Dialogue previously used on the same topics; - the potential interest in discussing the subject matter of the Dialogue with a single Shareholder/Investor or with several Shareholders/Investors, also in light of the number of requests received; the size and characteristics of the Shareholders/Investors interested in the Dialogue; - the presence of any voting policies and/or voting recommendations unfavourable to the proposals of the Board of Directors, in relation to the matter to be discussed in the context of the Dialogue; - the presence of any situations of conflict of interest, including potential, of the Shareholders/Investors vis-à-vis the Company; and the actual relevance of the Dialogue and its foreseeable usefulness, also in view of the creation of value over the medium-long term. Dialogue with Shareholders/Investors may take place throughout the year, except as a rule during*



*"black-out periods", although Dialogue initiatives with Shareholders/Investors may be permitted, even during "black-out periods", if they regard voting and are required for the participation of the Shareholders in Shareholders' Meetings, or other Dialogue initiatives that are deemed necessary or even only appropriate for the Company and not in conflict with regulatory provisions on Inside Information".*

**The Committee invited the companies to assess the appropriateness of providing information, in their corporate governance reports, on the most important issues that were the subject of the dialogue with the shareholders and on any initiatives adopted to take into account the indications that emerged.**

As indicated in the previous Section 13, in the period from 1 January - 21 June 2022, the CEO and the Group CFO held 12 one-to-many meetings with shareholders and investors and participated on 23 March 2022 in the Euronext STAR Conference, organised by Borsa Italiana and at an event promoted by Equita on 14 June 2022.

The topics of the discussions and requests mainly concerned the performance of the Group's results and business expectations, also in light of the evolutions of the pandemic crisis and subsequent geopolitical uncertainties.

During the reference period, the CEO and the Group CFO held 9 one-to-many meetings and participated in an on-line event furthered by Intermonte on 10 January 2023 following the announcement of the signing of a binding agreement for the sale of the Medical Nitinol business.

The topics of the discussions and requests once again concerned the performance of the Group's results, business expectations and future strategies, also in light of the aforementioned announcement. The performance of the securities portfolio was also discussed in detail, in light of the fluctuations in recent periods. It should be recalled that with regard to this latter aspect, on 7 December 2022, the executive directors shared with the entire Board of Directors the considerations and requests for clarification formulated by a minority shareholder, regarding management's handling of the Company's liquidity, as well as how to respond to the shareholder's request.

With respect to the initiatives adopted to take into account the indications that have emerged, it should be noted that the current composition of the Group's securities portfolio may be reviewed with the support of financial advisors, in order to recover the current value of the securities, optimise their economic-financial return and identify solutions consistent with SAES's short and medium-term investment objectives.

**The Committee invited the companies to provide, in their Corporate Governance Reports, adequate information on the criteria and methods with which the management body furthered dialogue with the other relevant stakeholders.**



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.

For greater details on the identification and main tools for dialogue with the stakeholders of the SAES Group, please refer to the Annual Non-Financial Statement for the year 2022, available on the website <https://www.saesgetters.com/it/investor-relations/financial-documents>

- The assignment of management powers to the Chairperson

**The Committee has invited the companies in which the chairperson is assigned significant management powers to provide, in the Corporate Governance Report, adequate reasons for this choice, even if the chairperson is not qualified as CEO.**

The Board appointed by the Shareholders' Meeting of 20 April 2021 met at the end of this meeting to allocate the company positions, to grant the various powers and to appoint the Committees. As in the past, the Board adopted a proxy model that provides for the granting of extensive operating powers to the Chairman and the Managing Director. Consequently, the Chairman, Chief Executive Officer and Chief Technology & Innovation Officer (namely, Mr Massimo della Porta) and the Managing Director and Group Chief Financial Officer (namely, Mr Giulio Canale), separately, were granted the powers of ordinary and extraordinary administration, with the exclusion of the powers reserved exclusively to the Board or those reserved by law to the Shareholders' Meeting.

The choice of the Board to assign to the Chairperson the capacity of Chief Executive Officer, also granting him extensive powers of ordinary and extraordinary administration, is justified by the skills and experience gained by Mr Massimo della Porta with respect to the various businesses in which the Company operates.

Son of one of the founders of the Company, Mr della Porta developed his professional career within the Company, first as Technical Director of the Avezzano subsidiaries and coordinator of projects at Group level and then as Group Innovation Manager at the

parent company SAES Getters S.p.A., while maintaining at the same time his previous responsibilities at the production sites in Avezzano.

In 1997 he took up the position of Vice Chairman and Managing Director of SAES Getters S.p.A. In the same year he was appointed Chief Technology and Innovation Officer of the Group and was in charge of IT Systems at Group level.

He has been Chairman, Group Chief Executive Officer and Group Chief Technology & Innovation Officer since 2009.

In compliance with Recommendation 4 of the Code, the Board has decided to delegate powers to the Chairperson, so that Mr Massimo della Porta could continue to act effectively and to provide the strategic impulse he has always provided in previous Board mandates (as from 29 April 1997) turning to account his managerial characteristics. The assignment of powers and the concentration of offices assigned to Mr Massimo della Porta is considered consistent with the organisational structure of the Company and suitable for ensuring an effective and streamlined organisational and operational management of the Board of Directors.

In compliance with Recommendation 13 of the Code, the Board assessed the possibility of appointing an Independent Director as Lead Independent Director in order to strengthen the impartiality and equilibrium that are required of the Chairman of the Board, as the latter is the main person responsible for the management of the Company and has significant operational authorisations. Therefore, on 20 April 2021, the Board considered it appropriate to appoint Ms Gaudiana Giusti as Lead Independent Director and informed the market, on the same date, in accordance with the provisions of the Regulations for Issuers.

- Pre-meeting information

**The Committee invited the management bodies to foresee procedures for the management of pre-board information that do not contemplate generic exemptions to the timeliness of the disclosure for reasons of confidentiality of data and information and to provide, in the report on corporate governance, detailed information on any failure to comply with the notice period indicated in the procedures for sending the Board documentation, explaining the reasons and illustrating how adequate in-depth analyses were ensured in the board meeting.**

In compliance with the provisions of the BoD Regulation, the Directors receive an adequate flow of information coordinated by the Chairperson with the support of the Secretary, and the internal functions of the SAES legal department.

The flow of information is ensured as a rule at the Board and/or Internal Board Committee meetings, where the attendees are updated on the last board meeting and in view of the same receive the documents and information necessary to support the discussion.

The documentation supporting the items on the agenda is transmitted through a digital platform ("Virtual Data Room" or "VDR" or "Platform").

The Platform lets the Board guarantee adequate secrecy and confidentiality of the information needed at the board meetings and not compromise the timelines and completeness of the information flows, and all this, since - besides having high security requisites for sharing the related documentation - it also ensures timely document sharing, since at the same time the document is being uploaded in the folders the VDR system automatically generates an email notice for all its recipients entitled to access it. To protect the confidentiality of the documentation, you gain access to the platform by using the credentials assigned after appointment of each Director and member of the Board, and these credentials must be kept diligently and confidentially in order to keep the platform from being accessed by unauthorised parties.

For this reason, the procedures for the management of pre-board information adopted by the Company do not contemplate generic exemptions to the timeliness of the disclosure for confidentiality reasons.

In compliance with the matters envisaged in the BoD Regulation, supporting documentation for the Board meetings is made known to each Director and member of the Board over the platform with due prior notice, and that is, by three days before that set for the meeting, or at latest, when necessary by the day before the meeting. When it is urgent, the documentation is made available as fast as possible, by the end of the meeting day itself.

It should be noted that during the Financial Year, the Company most of the time provided the Board with documentation to support the discussion of the items on the agenda, well before the deadline of the three days prior to the meeting, starting to share with the Board part of the documentation supporting the discussion of the items on the agenda even 13 days or 7 days before the meeting and up to a minimum of 1 day before (in the case of particularly complex documentation that also envisages the involvement of various company units and consultants).

When in specific cases it has not been possible to provide the necessary information enough time in advance (in particular at the time of extraordinary board meetings or those called urgently), with the help of the Secretary the Chairman made sure that during the meeting adequate and precise explanations were guaranteed during the meeting sessions. In fact, as already mentioned, despite the average duration of the Board meetings being about two and a half hours, some meetings lasted well over 2 hours and in some cases even around four hours.

- Attendance of managers at board meetings

**The Committee invited the companies to define, in the regulations adopted for the functioning of the management body and its committees, the methods by means**

of which said bodies may access the competent corporate functions according to the subject matter dealt with, under the coordination of the Chairperson of the Board of Directors or the Committee, respectively in agreement with or informing the CEO. The Committee also invites companies to provide, in the report on corporate governance, information on the actual participation of managers in the meetings of the Board and committees, indicating the functions involved and the frequency of involvement.

As indicated in the BoD Regulations, the Chairperson, with the aid of the Company Secretary, takes steps so that the Company's top management and any executive directors of SAES Group companies, not to mention parties or consultants outside the Company, attend the Board meetings, also by request of the individual Directors, to provide the proper in-depth information on the motions on the agenda (the Chairman handles this aspect together with the Deputy CEO).

During the Financial Year, the Chairperson invited Mr Nicola di Bartolomeo, head of the medical division, to participate in the Board meeting; the same provided the Board with additional elements for assessment regarding the possible sale of the equity investments held in the American subsidiaries Memry Corp. and SAES Smart Materials Inc. and therefore of the entire nitinol business (see the press release dated 9 January 2023 at the following link <https://www.saesgetters.com/it/investor-relations/comunicati-stampa>).

All the Regulations on the composition and functioning of the board committees adopted by the Company expressly envisage that the committees may acquire information from the company units and/or request their participation during the meetings. As indicated in the previous paragraphs dedicated to the Remuneration and Appointments Committee and the Audit, Risk and Sustainability Committee, at the invitation of each Chairperson, the Group HR Department (with reference to the meetings of the Remuneration and Appointments Committee), the Internal Audit department and the Head of the unit subject to control activities (with reference to the meetings of the CCRS) attend the meetings of the above-mentioned Committees.

- Guidelines on optimal composition

**The Committee reiterates the importance that the management body, at least in companies other than those with concentrated ownership, expresses, in view of its renewal, an orientation on the optimal composition of the body and invites the companies to publish this orientation reasonably in advance, so as to allow those submitting lists of candidates to be able to take them into account for the purposes of the composition of the list.**

As already clarified in the introduction, since during the 2022 financial year the Company, with the achievement by S.G.G. Holding S.p.A. of 51.15% of the voting rights at the Shareholders' Meeting of SAES Getters S.p.A., has undertaken the

characteristics and the requirements of “concentrated ownership companies pursuant to the CG Code” and therefore is no longer required to apply the provisions of the aforementioned Recommendation No. 23, regarding the task of the Board of Directors of companies other than those with concentrated ownership to express *“in view of each renewal, an orientation on its quantitative and qualitative composition considered optimal, taking into account the results of the self-assessment”*.

That said, it is reminded that during 2021, with the help of the Remuneration and Appointments Committee and in its capacity of Appointments Committee, the Board prepared and approved its opinion on the ideal quantity and quality of its composition, based on the results of the last Board Review conducted, which was attached to the designated Report presented to the Shareholders' Meeting on the renewal of the Board which can be consulted on the Company website at this link: <https://www.saesgetters.com/it/investor-relations/area-investors/assemblea-dei-soci-2021>.

- Criteria for assessing the significance of the relationship that may influence the independence of the director

**The Committee reiterates the importance of defining ex-ante and disclosing in the report on corporate governance the quantitative parameters and qualitative criteria to assess the significance of any commercial, financial or professional relationships and any additional remuneration for the purposes of the independence of a director. The Committee invites the companies to evaluate the appropriateness of envisaging quantitative parameters, also defined in monetary terms or as a percentage of the remuneration assigned for the office and for participation in committees recommended by the Code.**

The Company added the definition of the criteria for assessing the significance of professional, commercial or financial relationships and the additional relationships to the BoD Regulations adopted with Board resolution dated 14 October 2021. In particular, the Board deemed it appropriate to measure the significance of the commercial, financial or professional relationship between the Independent Director and the Company by comparing this relationship to a percentage of the turnover of the legal person, organisation or professional firm to which the Independent Director belongs, or, to the annual income of the Independent Director.

In particular, in accordance with Section 5.3 of the BoD Regulations, **“significant commercial, financial or professional relationship”** – under Recommendation No. 7, letter c) of the Code – means: a commercial, financial or professional relationship where the overall value is higher: (i) than 20% of the turnover of the legal person, organisation or professional firm where the Director has the control or is a significant figure or partner, or (ii) than 20% of the Director's annual income as a natural person or of the annual turnover generated directly by the Director in the scope of the business done

with the legal person, organisation or professional firm that the Director has control over or is a significant figure or partner of.

Instead, with respect to the definition of "**significant additional remuneration**" in Recommendation 7, letter d), the Board deemed it appropriate to commensurate this parameter with the fixed remuneration received in the reference year as director, that is over double the fixed remuneration received in the financial year of reference for performing the office of Director and without prejudice to a check to be made case by case based on the actual circumstances. In order to calculate significant additional remuneration, remuneration for participating in the committees is not included and the positions held at other SAES Group companies are deemed included.

- Transparency of remuneration policies on the weight of variable components

**The Committee invites the companies to include in the remuneration policy of the CEO and the other executive directors an executive summary, in table form, which shows the composition of the remuneration package, with indication of the characteristics and weight of the fixed, variable short-term components and long-term variables with respect to total remuneration, at least with reference to the achievement of the target objective of the variable components.**

Please refer to section I of the Report on the Remuneration Policy and compensation paid - 2023, published on the website at the following link <https://www.saesgetters.com/it/investor-relations/area-investors/assembly-dei-soci>

- Long-term perspectives in remuneration policies

**The Committee invites the companies to include in their remuneration policies a variable component with a multi-year perspective, in line with the strategic objectives of the company and the pursuit of sustainable success.**

Please refer to section I of the Report on the Remuneration Policy and compensation paid - 2023, published on the website at the following link <https://www.saesgetters.com/it/investor-relations/area-investors/assembly-dei-soci>

- ESG parameters for directors' remuneration

**The Committee invites the companies that provide incentive mechanisms for the CEO and other executive directors linked to sustainability objectives to provide a clear indication of the specific performance objectives to be achieved.**

Currently, the incentive mechanisms of the CEO and of the other executive directors are not linked to the achievement of sustainability objectives - in terms of environmental and social sustainability - as, to date, the Company has not yet adopted a sustainability plan, for the reasons expressed in section 4.1 above.

Despite this, sustainability, understood as economic-financial sustainability, is taken into account by the remuneration policy and compensation paid - 2023, providing

incentives to directors and managers to decide on investments with a return in the medium-long term, instead of monetisation, for beneficiaries, in the short term.

With regard to sustainability in environmental and social terms, the Company will continue a process of analysis of these issues and in 2024 this analysis may take on the form of actual ESG objectives, to which a portion of management's variable remuneration may be linked.

For further information on the subject, please refer to section I of the Report on the Remuneration Policy and compensation paid - 2023, published on the website at the following link <https://www.saesgetters.com/it/investor-relations/area-investors/shareholders-meeting>.

Lainate, Italy, 14 March 2023

on behalf of the Board of Directors

Mr Massimo della Porta  
Chairman

**TABLE 1 - BOARD OF DIRECTORS STRUCTURE AT THE CLOSING DATE OF THE FINANCIAL YEAR**

Board of Directors													
Position	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (presenters) (**)	List (M/m) (***)	Executive	Non-exec.	Independence Code	Independence Consolidated Finance Law	No. other positions (****)	Ownership (*****)
<b>Chairman/CEO</b>	Massimo della Porta	1960	1994	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M	X				n.a.	16/16
<b>Managing Director</b>	Giulio Canale	1961	1994	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M	X				n.a.	16/16
<b>Director</b>	Francesca Corberi	1968	2021	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X			n.a.	16/16
<b>Director</b>	Adriano De Maio	1941	2001	20/04/2021	Meeting of Shareholders for the approval of	Shareholders	M		X		X	n.a.	16/16



					the 2023 financial statements								
Director	Alessandra della Porta	1963	2013	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X			n.a.	16/16
Director	Luigi Lorenzo della Porta	1954	2012	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X			n.a.	16/16
Director	Andrea Dogliotti	1950	2006	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X			n.a.	16/16
Director	Gaudiana Giusti	1962	2015	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X	X	X	n.a.	16/16
Director	Stefano Proverbio	1956	2015	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X	X	X	n.a.	16/16
Director	Luciana Rovelli	1973	2015	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	Shareholders	M		X	X	X	n.a.	15/16
-----DIRECTORS LEAVING OFFICE DURING THE FINANCIAL YEAR-----													
Director	Surname Name												

**Number of meetings held during the Year: 16**

**Quorum required for the submission of the lists by minorities for the election of one or more members (pursuant to article 147-ter of the Consolidated Finance Law): 4.5%**

On the date of this Report, the requested share is 2.5% of the share capital with voting rights (as established by Consob with Management Resolution No. 76 of 30 January 2023).

### NOTES

The symbols below must be entered in the column "Position":

- This symbol indicates the Director in charge of the Internal Control and Risk Management System.

- This symbol indicates the Lead Independent Director (LID).

(\*) The date of the first appointment of each director means the date on which the director was appointed for the first time (ever) to the Board of Directors of the issuer.

(\*\*) This column indicates whether the list from which each director was selected was submitted by shareholders (indicating "Shareholders") or by the BoD (indicating "BoD").

(\*\*\*) This column indicates whether the list from which each director was selected is "majority" (indicating "M"), or "minority" (indicating "m").

(\*\*\*\*) This column indicates the number of positions as director or statutory auditor held by the person in question in other companies listed or large companies. These positions are explained in detail in the Report on Corporate Governance.

(\*\*\*\*\*) This column indicates the attendance of the directors at the meetings of the BoD (indication of the number of meetings attended compared to the total number of meetings that he/she could have attended (e.g., 6/8; 8/8, etc.)).

**TABLE 2: BOARD COMMITTEES STRUCTURE AT THE CLOSING DATE OF THE FINANCIAL YEAR**

B.o.D.		Executive Committee		RPT Committee		Audit and Risk Committee		Remuneration and Appointments Committee				Other committee		Other committee	
Position/Qualification	Members	(*)	(**)	(*)	(**)	(*)	(**)	(*)	(**)			(*)	(**)	(*)	(**)
Non-executive director – independent pursuant to Consolidated Finance Law and Code	Gaudiana Giusti			5/5	C	5/6	M	4/5	M						
Non-executive director – independent pursuant to Consolidated Finance Law and Code	Luciana Rovelli			4/5	M	6/6	M	5/5	C						
Non-executive director – independent pursuant to Consolidated Finance Law and Code	Stefano Proverbio			5/5	M	6/6	C								
Non-executive director – independent pursuant to Consolidated Finance Law	Adriano De Maio							4/5	M						
-----DIRECTORS LEAVING OFFICE DURING THE FINANCIAL YEAR-----															
Executive/Non-executive director – independent from Consolidated Finance Law and/or Code/non-independent	Surname Name														
-----ANY MEMBERS THAT ARE NOT DIRECTORS -----															
Manager of the Issuer/ Other	Surname Name														
No. meetings held during the Year:		5		6		5									
NOTES															
(*****) This column indicates the attendance of the directors at the committee meetings (indication of the number of meetings attended compared to the total number of meetings that he/she could have attended (e.g., 6/8; 8/8, etc.)).															

(\*\*) This column indicates the position held by the director within the committee: "C": Chairperson; "M": member.

**TABLE 3: BOARD OF STATUTORY AUDITORS STRUCTURE AT THE CLOSING DATE OF THE FINANCIAL YEAR**

Board of Statutory Auditors									
Position	Members	Year of birth	Date of first appointment (*)	In office since	In office until	List (M / m) (**)	Independence Code	Attendance at Board of Statutory Auditors meetings (***)	No. other positions (****)
Chairman	Vincenzo Donnamaria	1955	1997	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	M	n.a.	5/5	n.a.
Standing statutory auditor	Sara Anita Speranza	1972	2015	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	M	n.a.	5/5	n.a.
Standing statutory auditor	Maurizio Civardi	1959	2017	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	M	n.a.	5/5	n.a.
Alternate Auditor	Massimo Gabelli	1970	2018	20/04/2021	Meeting of Shareholders for the approval of the 2023 financial statements	M	n.a.	n.a.	n.a.
-----STATUTORY AUDITORS LEAVING OFFICE DURING THE FINANCIAL YEAR -----									
Alternate Auditor	Mara Luisa Sartori	1971	2018	20/04/2021	31 May 2022	M	n.a.	n.a.	n.a.

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### Number of meetings held during the Year: 5

**Quorum required for the submission of the lists by minorities for the election of one or more members (*pursuant* to article 148 of Consolidated Finance Law): 4.5%**

On the date of this Report, the requested share is 2.5% of the share capital with voting rights (as established by Consob with Management Resolution No. 76 of 30 January 2023).

#### NOTES

(\*) The date of the first appointment of each statutory auditor means the date on which the statutory auditor was appointed for the first time (ever) to the Board of statutory auditors of the issuer.

(\*\*) This column indicates whether the list from which each statutory auditor was selected is "majority" (indicating "M"), or "minority" (indicating "m").

(\*\*\*) This column indicates the attendance of the statutory auditors at the meetings of the board of statutory auditors (indication of the number of meetings attended compared to the total number of meetings that he/she could have attended (e.g., 6/8; 8/8, etc.)).

(\*\*\*\*) This column indicates the number of positions as director or statutory auditor held by the person in question as set forth in article 148-bis Consolidated Finance Law and the related implementation provisions in the Consob Issuers' Regulation. Consob posts the complete list of the positions on its website as set forth in article 144-quinquiesdecies of the Consob Issuers' Regulation.