

The present is the English translation of the Italian official report approved by the Board of Directors on March 13, 2019. For any difference between the two texts, the Italian text shall prevail.

**Directors' Report on item 3 on the agenda of the ordinary Shareholders' Meeting of SAES Getters S.p.A. convened at the registered office at Viale Italia 77, Lainate, in single call on 18 April 2019, at 10.30 a.m.**

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**Supplement of Deloitte & Touche S.p.A.'s fee for the audit assignment for the year 2018; supplement of Deloitte & Touche S.p.A.'s fee for the assignment for limited review of the consolidated non-financial statement for the year 2018; consequent and related resolutions.**

Dear Shareholders,

On 23 April 2013, the Shareholders' Meeting of SAES Getters S.p.A. ("SAES Getters" or the "Company") entrusted Deloitte & Touche S.p.A. ("Deloitte") with the assignment to audit the separate and consolidated financial statements pursuant to Italian Legislative Decree 39/2010 and Italian Legislative Decree 58/1998 and to conduct a limited review of the condensed half-year consolidated financial statements of the SAES Getters Group for the nine-year period 2013-2021 (the "Audit Assignment").

The Audit Assignment provides – in the section *Review of Fees* of the relevant Financial Proposal – that, if circumstances should arise that increase the estimated working times stated by the audit firm (also, and specifically, in relation to changes in legislation, accounting and/or auditing standards or to the performance of additional activities), Deloitte will be entitled to communicate the consequent fee supplements.

In accordance with this provision, on 24 April 2018 the Company's Shareholders' Meeting approved, on the basis of a substantiated proposal by the Board of Statutory Auditors of SAES Getters, an adjustment to the fees to be paid to Deloitte (equal to the amount requested by Deloitte in its letter of 11 December 2017) in view of the amendments introduced to the reference legislative framework that required further new obligations to be met by auditors when performing their professional assignments, with effect from the audit of the financial statements as at 31 December 2017.

That said, in a letter dated 11 January 2019, Deloitte requested a further adjustment to its fees for the Audit Assignment, pointing out that:

- on 1 January 2018 the new IFRS 9 accounting standard concerning financial instrument classification and measurement came into force and consequently, when auditing the accounts as at 31 December 2018, it will be necessary to carry out specific additional auditing activities to verify the effects of its first application, as well as the completeness of the relevant disclosure requirement (advising that application of this accounting standard will also mean that further regular checks will have to be carried out in the following years), with a consequent increase in the estimated working times for carrying out the audit assignment;

- following the Company's recent sale of the gas purification and handling systems business (Systems for Gas Purification & Handling), there was a further increase in the estimated working times for carrying out the audit assignment, as this transaction meant that it was necessary to apply the IFRS 5 accounting standard and therefore to state separately the assets and liabilities and results of the business sold.

Deloitte's letter of 11 January 2019 is attached hereto and in it the audit firm requested:

- payment of a lump-sum fee, for the year 2018 only, for the activities associated with the first application of the IFRS 9 accounting standard, equal to Euro 12,000.00;
- payment of a lump-sum fee, for the year 2018 only, for the activities associated with the sale of the gas purification and handling systems business (and consequent application of the IFRS 5 accounting standard), equal to Euro 12,000.00.

\* \* \*

Furthermore, during the aforesaid Shareholders' Meeting of SAES Getters held on 24 April 2018, following the assimilation of Directive EU 2014/95 by Italian Legislative Decree 254/2016, the shareholders approved the proposal made by Deloitte on 19 December 2017 to entrust it with an additional assignment concerning the performance of the limited review of the consolidated non-financial statement of SAES Getters and of its subsidiaries for the years 2017-2021 (the "Assignment for Review of the Non-Financial Statement").

As was the case for the Audit Assignment, the Assignment for Review of the Non-Financial Statement also provides – in the section *Review of Fees* – that, if circumstances should arise that increase the estimated working times stated by the audit firm (also, and specifically, in relation to additional audit procedures or supplementary obligations), Deloitte will be entitled to communicate the consequent fee supplements.

That said, in a second letter dated 11 January 2019 (attached hereto), Deloitte requested for the year 2018 an adjustment of the fees agreed for carrying out the Assignment for Review of the Non-Financial Statement, taking into account the additional activities scheduled by the Company for drawing up the Non-Financial Statement for 2018. These activities will specifically concern the updating of the materiality analysis with involvement of the Group's stakeholders and the updating of the data and information collection sheets, in order to comply with sector best practices. These activities will require Deloitte to carry out additional auditing activity, with a consequent increase in estimated working times.

In the aforesaid letter Deloitte therefore requested the payment of a lump-sum fee for the year 2018, equal to Euro 13,000.00, for carrying out these supplementary activities.

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Considering that, pursuant to Article 13(1) of Italian Legislative Decree 39 of 27 January 2010, the Shareholders' Meeting is responsible for entrusting the audit assignment and determining the audit firm's fee, on the basis of a substantiated proposal by the control body, best practice also provides that (i) the adjustment of the aforesaid fee and (ii) the assignment of additional associated activities to the audit company – or, insofar as is relevant here, the adjustment of the relevant fees – are to be approved by following the same procedures.

The Board of Directors therefore submits to your approval the following proposal by the Board of Statutory Auditors on the issues set forth above.

**“SUBSTANTIATED PROPOSAL BY THE BOARD OF STATUTORY AUDITORS OF SAES GETTERS S.P.A. ON ADJUSTMENT OF THE FEE DUE TO DELOITTE & TOUCHE S.P.A. FOR THE YEAR 2018 WITH REGARD TO (I) THE AUDIT ASSIGNMENT AND (II) THE ASSIGNMENT FOR THE LIMITED REVIEW OF THE CONSOLIDATED NON-FINANCIAL STATEMENT”**

*“Dear Shareholders,*

*You have been called to an ordinary meeting by the Board of Directors to resolve, in particular and among other matters, on (i) the adjustment, for the year 2018, of the fees to be paid to the company Deloitte & Touche S.p.A. for the audit assignment previously entrusted for the years 2013 to 2021 by resolution of the ordinary Shareholders’ Meeting passed on 23 April 2013 (the “Audit Assignment 2013-2012”) and (ii) the adjustment, for the year 2018, of the fees to be paid to said Deloitte & Touche S.p.A. for the assignment concerning the limited review of the consolidated non-financial statement of Saes Getters S.p.A. and of its subsidiaries previously entrusted for the years 2017 to 2021 by resolution of the ordinary Shareholders’ Meeting passed on 24 April 2018 (the “Assignment for Limited Review of the Consolidated Non-Financial Statement 2017-2021”).*

*The Audit Assignment 2013-2021 specifically provides that when circumstances arise that increase the working times stated by the audit firm, said firm can request a supplementary fee. In a letter dated 11 January 2019, Deloitte & Touche S.p.A. pointed out the need to adjust the fees originally established. Deloitte & Touche S.p.A. firstly stated that on 1 January 2018 the new IFRS 9 (Financial Instruments) accounting standard came into force and this meant that, when auditing the accounts as at 31 December 2018, it would be necessary to carry out specific additional auditing activities to verify the effects of its application, as well as the completeness of the disclosure required by said standard. Deloitte & Touche S.p.A. also advised that application of that accounting standard would mean that further regular checks would have to be carried out in the following years. In the same letter Deloitte & Touche S.p.A. also pointed out that the sale of the gas purification and handling business (Business of Systems for Gas Purification & Handling) had led to a further increase in the estimated commitments for the audit assignment, in view of the consequent application of the IFRS 5 accounting standard, which provides that the related assets and liabilities and the related results are to be stated separately. In this context, Deloitte & Touche S.p.A. therefore requested:*

- payment of a lump-sum fee, for the year 2018 only, for the activities associated with the first application of the IFRS 9 accounting standard, equal to Euro 12,000.00;*
- payment of a lump-sum fee, for the year 2018 only, for the activities associated with the sale of the gas purification business (and consequent application of the IFRS 5 accounting standard), equal to Euro 12,000.00.*

*As stated for the Audit Assignment 2013-2021, the Assignment for Limited Review of the Consolidated Non-Financial Statement 2017-2021 also provides that when circumstances arise that increase the working times stated by the audit firm, said firm can request a supplementary fee. In a letter dated 11 January 2019, Deloitte & Touche S.p.A. pointed out the need to adjust the fees originally established also with regard to this assignment. Deloitte & Touche S.p.A. observed that the additional activities scheduled by the Company for drawing up the Non-Financial Statement for*

*2018 (which will specifically concern the updating of the materiality analysis with involvement of the Group's stakeholders and the updating of the data and information collection sheets, in order to comply with sector best practices) would require Deloitte & Touche S.p.A. to carry out additional auditing activity. In this context, Deloitte & Touche S.p.A. therefore requested payment of a lump-sum fee for the year 2018, equal to Euro 13,000.00.*

*In view of the above, the Board of Statutory Auditors deems it appropriate to propose the approval by the Shareholders' Meeting of the request for adjustment of the fees submitted by Deloitte & Touche S.p.A. for the year 2018 with regard to both the Audit Assignment 2013-2021 and the Assignment for Limited Review of the Consolidated Non-Financial Statement 2017-2021, on the following grounds:*

*(a) the additional activities referred to in the request for supplementation of Deloitte & Touche S.p.A.'s fee for the Audit Assignment 2013-2021 are necessary to ensure proper performance of the audit of the separate and consolidated financial statements of SAES Getters S.p.A.;*

*(b) the additional activities referred to in the request for supplementation of Deloitte & Touche S.p.A.'s fee for the Assignment for Limited Review of the Consolidated Non-Financial Statement 2017-2021 are advisable to enable SAES Getters S.p.A. to comply with sector best practices;*

*(c) when submitting its requests for supplementary fees, the company Deloitte & Touche S.p.A. provided suitable elements for assessing the basis for the supplements and the changed economic conditions, with specification of an appropriate additional commitment and of hourly costs consistent with those established in the Audit Assignment 2013-2021 and in the Assignment for Limited Review of the Consolidated Non-Financial Statement 2017-2021.*

*Lastly, the Board of Statutory Auditors points out that Deloitte & Touche S.p.A. is confirmed as being technically suitable to carry out the assignments and that its organisation is confirmed as being suited to the complexity and size of the Company and the Group.*

*In view of the above, the Board of Statutory Auditors of SAES Getters S.p.A.*

**proposes that the Shareholders' Meeting**

- approves the adjustment of Deloitte & Touche S.p.A.'s fees for the year 2018, as per the request submitted by said firm entrusted to audit the accounts on 11 January 2019, referred to above and attached hereto; and*
- also approves the adjustment of Deloitte & Touche S.p.A.'s fees for the year 2018, as per the request submitted by said firm entrusted to carry out the limited review of the consolidated non-financial statement on 11 January 2019, referred to above and attached hereto.*

*The Board of Statutory Auditors  
Vincenzo Donnataria (Chairman)  
Maurizio Civardi (Standing Auditor)  
Sara Anita Speranza (Standing Auditor)".*

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Dear Shareholders,

*The present is the English translation of the Italian official report approved by the Board of Directors on March 13, 2019. For any difference between the two texts, the Italian text shall prevail.*

in light of the above, you are invited to approve, in respect of the substantiated proposal put forward by the Board of Statutory Auditors:

- the supplementary fee relating to the Audit Assignment for the year 2018, requested by Deloitte & Touche S.p.A., according to the terms specified above and stated in the Board of Statutory Auditors' substantiated proposal; and
- the supplementary fee relating to the Assignment for Review of the Consolidated Non-Financial Statement for the year 2018, according to the terms specified above and stated in the Board of Statutory Auditors' substantiated proposal.

Lainate, 13 March 2019

for the Board of Directors

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Massimo della Porta  
Chairman



January 11, 2019

Messrs.  
Saes Getters S.p.A.  
Viale Italia, 77  
20010 Lainate (MI)

*For the attention of Mr. Giulio Canale, Managing Director*

Messrs.  
Board of Statutory Auditors  
Saes Getters S.p.A.  
Viale Italia, 77  
20010 Lainate (MI)

*For the attention of Mr. Vincenzo Donnamaria, Chairman*

Dear Sirs,

As discussed in recent meetings, starting from January 2018 the new accounting standard IFRS 9 - Financial Instruments entered into force. Consequently, within the context of the audit as at December 31, 2018 specific audit procedures must be carried out in order to understand and verify the effects deriving from the first-time adoption of the new standard (so-called FTA) as well as the completeness of the information requested by the new standard. The adoption of the new accounting standard will also request the need to perform recurrent audit procedures in the following financial years.

The application of the new accounting standard starting from January 1, 2018 will have a significant impact on the scale of the audit procedures that will be performed on the statutory audit of the separated and consolidated financial statement Saes Getters S.p.A. and will lead to an increase in the time estimated for the audit thereof.

Furthermore, as a result to the transfer of the gas purification business (Systems for Gas Purification & Handling), all assets and liabilities related to that business were presented accordingly to the accounting standard IFRS 5 - Non-current Assets Held for Sale and Discontinued Operations.

As the circumstances have arisen for the adjustment of our fees, according to the provisions in the paragraph "Updating of Fees" in our statutory audit proposal for the financial statements and consolidated financial statements of Saes Getters S.p.A. for the nine-year period 2013-2021 issued on date December 18, 2012 (and its subsequent additions issued on February 5, 2013 and December 11, 2017), as agreed, our audit fees shall be increased by EUR 24,000 for the 2018 financial year, detailed as follows:

January 11, 2019  
Saes Getters S.p.A.

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	<u>Ore</u>	<u>Fees (Euro)</u>
One-off fee in 2018 only for the first-time adoption of new accounting standard (IFRS 9), in relation to the consolidated financial statements of Saes Getters S.p.A.	110	12.000
One-off fee in 2018 only for the application of the accounting standard (IFRS 5), in relation to the transfer of the gas purification business	110	12.000

Details on the hours and the fees per professional category for each type of audit work performed as stated above are provided in Annex 1.

Our proposal of December 18, 2012 (and its subsequent additions of February 5, 2013 and December 11, 2017) is therefore understood to have been amended correspondingly, and the other conditions provided for therein remain unchanged.

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Please do not hesitate to contact me if you require any further information on the contents of this letter.

Best regards,

DELOITTE & TOUCHE S.p.A.

Signed by  
**Giovanni Gasperini**  
Partner

*This proposal has been translated into the English language solely for the convenience of international readers.*

Details on the additional time and the fees per professional category for the first-time adoption of the new accounting standard IFRS 9, applicable for the year 2018 only, is the following:

Professional category	Estimated n. of hours	Mix	Euro	
			Hourly Rate	Total
Partner	14	13%	450	6.300
Manager	36	33%	295	10.325
Senior	60	54%	160	9.600
<b>Gross Total</b>	<b>105</b>	<b>100%</b>		<b>26.520</b>
Reduction				(14.520)
<b>Net fees</b>				<b>12.000</b>

The details of the one-off additional times and the fees per professional category for the application of the accounting standard IFRS 5, in relation to the procedures performed on the transfer of the gas purification business is the following:

Professional category	Estimated n. of hours	Mix	Hourly Rate	Total
Partner	14	13%	450	6.300
Manager	32	31%	295	10.325
Senior	59	56%	160	9.600
<b>Gross Total</b>	<b>105</b>	<b>100%</b>		<b>26.520</b>
Reduction				(14.520)
<b>Net fees</b>				<b>12.000</b>

The estimate of our work hours is based on the assumption that we can rely on the collaboration of Company personnel for making all data and documents available that will be required for the performance of the specific auditing procedures in the Reporting Package.

Refunds for the costs incurred for the performance of the auditing activities are to be added to the above fee, such as out of-office visits and transfers, at the same rate at which they were incurred. Furthermore, the additional costs related to technology (databases, software, etc.) and secretary and communication services will be charged at the flat-rate of 7%, plus VAT.

The number of hours and therefore the fees stated above refer to the current situation and, therefore, may be subject to change depending on changes to the company structure, the internal organization and the size of the activities carried out, as well as due to the effect of the application of new accounting or auditing standards or new regulatory provisions.



If during the auditing activities it is rendered necessary to amend the fees initially estimated, we will inform you so that we can agree on the necessary action and the possible adjustment of our fees. In this case, an addition shall be made to this annex.

## INTEGRATION DOCUMENT N.001

11 January 2019

To:  
SAES Getters S.p.A.  
Viale Italia 77  
20020 Lainate (MI)

Dear Sir/Madam,

Following the recent contacts between us, we hereby submit an integration of the fees provided for carrying out additional activities in relation to the limited assurance engagement on the consolidated Non Financial Statement (hereinafter also referred to as the "Non Financial Statement") as indicated in the proposal we issued on 19 December 2017 (hereinafter also referred to as the "Contract") signed between your Company (SAES Getters S.p.A) and our company (Deloitte & Touche S.p.A).

## REQUIREMENT AND CONDUCT OF THE DUTY

### Deliverables of the assignment

As per the Decree 254/2016, in which the EU Directive 2014/95 on non-financial information was implemented in the Italian legal system, starting from financial year 2017 SAES Group is required to prepare and publish the consolidated Non Financial Statement.

SAES Getters S.p.A. at the end of the financial year 2017 has prepared the first consolidated non Financial Statement in compliance with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2016 by the GRI - Global Reporting Initiative (hereinafter also "GRI Standards").

In regards to the preparation by the Company of the Non Financial Statement relating to the financial year 2018, SAES Getters S.p.A has decided to undertake a process of continuous improvement and alignment with industry best practice, starting the following project areas:

- Update the materiality analysis by involving the Group's stakeholders. In particular, the activities will include:
  - the involvement of employees (as internal stakeholders) and clients (as external stakeholders) through the compilation of a questionnaire;
  - the update of the materiality matrix.
- Update of data and information collection spreadsheets. In particular, the activities will include:
  - the update of the data and information collection spreadsheets based on the final data published in the 2017 consolidated Non Financial Statement and the improvement points highlighted;
  - the delivery of specific training to the representatives in charge of completing the data collection spreadsheets in Italy and the US on the requirements of the GRI Standards

## Delivery method of the assignment

The aim of the assignment is to carry out the additional assurance activities listed above and conducted by your Company. In particular, these activities will be carried out through the analysis and verification of the:

- activities related to the update the materiality analysis and stakeholder engagement;
- activities related to the data and information collection spreadsheets, in order to verify their compliance with the GRI Standards, also through meetings with the owners in charge of completing the data and information collection forms (Human Resources, including health and safety, Environment and Purchasing) in Italy and US.

## FEES

The determination of our fees for the performance of the assignment included in this proposal is based on an estimate of the working times for each professional category and the related hourly rates.

On the basis of the information received from you, the planned activities and the resources identified for the delivery of the activities reported above, the fees included in the Contract will be integrated for the financial year 2018 by an amount equal to **Euro 13.000**.

The estimate of our fees is based on the assumption that we will be able to rely on the collaboration of the Company's personnel for the provision of all the data, documents and processing that will be necessary to carry out our tasks, as well as on the assumption that our personnel can rely on the assistance necessary to address and resolve the problems connected with the successful delivery of the task assigned to us.

Reimbursement will be added to the above-mentioned fees for the expenses incurred for the performance of the work, such as expenses for the stay away from home and transfers to the same extent as they are incurred. In addition, the ancillary costs relating to technology (databases, software, etc.) and secretarial and communication services will be charged at a flat rate of 7% and VAT.

The billing of the fees will take place in the following ways: 40% at the beginning of the verification activity, 55% at the beginning of the verification phase carried out after the end of the fiscal year and 5% upon completion of the work.

Payment must be made upon presentation of the relevant invoices.

All amounts referred to taxes and / or fees due in connection with this Agreement will be charged to the Customer.

Except as expressly modified by this Agreement, all other terms and conditions of the Contract dated 19 December 2017 remain unaffected.

11 January 2019  
Saes Getters S.p.A.

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If you agree with the above, please return the attached copy of the Modifications Document, signed by you for acceptance and confirmation.

Kind Regards,

DELOITTE & TOUCHE S.p.A.

**Giovanni Gasperini**  
Partner

For acceptance:

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**SAES GETTERS S.p.A.**

Date: \_\_\_\_\_

Courtesy Translation