

**CONSOLIDATED
NON-FINANCIAL
STATEMENT**

SAES Getters S.p.A.

2022



making
innovation
happen,
together

saes



CONSOLIDATED NON-FINANCIAL STATEMENT

PURSUANT TO ITALIAN LEGISLATIVE DECREE 254 OF 30 DECEMBER 2016

2022

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Letter to stakeholders

Dear Stakeholders,

The year 2022 ended with an all-time high in Group sales and operating results, with which we are very pleased. The strong growth in the medical sector, the excellent performance in packaging and in the High Vacuum segment, also thanks to recent acquisitions, and the good performance of the other businesses all contributed to this result.

In 2022 and in continuity with previous years, the Group continued on its sustainability path aimed at consolidating its environmental, social and economic performance. With particular reference to social issues, the process of creating a culture of Diversity & Inclusion continued in 2022 through initiatives to raise awareness on issues related to non-discrimination and equal opportunities, involving the employees of all the companies.

During the year, the Group also continued on its value creation path towards future transformation in the directions of advanced chemicals and sustainable packaging, in line with recent developments in the national and international ESG frameworks, aimed at fostering the transition towards sustainability and circular development.

We are confident that the Group's sustainability journey can evolve further in the coming years, with the aim of consolidating its commitment to ESG aspects and increasing the shared value created.

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

Mr. Massimo della Porta
The Chairman
(signed on the original)

Methodological note

SAES Getters S.p.A. falls within the scope of application of Italian Legislative Decree 254 of 30 December 2016, in implementation of Directive 2014/95/EU, which requires the annual preparation of a Non-Financial Statement aimed at ensuring understanding of the company's business, its performance, results and impact, covering environmental, social, personnel and human rights issues and the fight against active and passive corruption. Therefore, this document represents the Consolidated Non-Financial Statement (also “Non-Financial Statement” or “NFS”) related to the companies belonging to the group consisting of SAES Getters S.p.A. and its subsidiaries (hereinafter also referred to as the “SAES Group” or the “Group”), and describes their main results in terms of sustainability performance achieved during 2022 (from 1 January to 31 December).

The figures relating to the previous financial year are shown for comparative purposes so as to facilitate the evaluation of the business performance. Restatements of previously published comparative data are clearly indicated. Also, to provide a correct view of the Group's performance and ensure the reliability of the data, the use of estimates was limited as much as possible. Where estimates were used, they were based on the best available methodologies and suitably indicated.

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

This Non-Financial Statement was prepared in accordance with the “Global Reporting Initiative Sustainability Reporting Standards” defined by the Global Reporting Initiative (GRI). Furthermore, where appropriate, the European Commission Guidelines, “Guidelines on non-financial reporting” were also taken into account.

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

This Non-Financial Statement is subject to a limited assurance engagement (“limited assurance engagement” according to the criteria indicated by the ISAE 3000 Revised standard) by the independent auditors KPMG S.p.A. which, at the end of the work carried out, will issue a specific report on the compliance of the information provided in the Consolidated Non-Financial Statement prepared by SAES Getters S.p.A. pursuant to Italian Legislative Decree no. 254/16.

SAES Getters S.p.A., in relation to the requirements under Italian Legislative Decree 254/2016, is also obliged to include in this document, starting with documents issued after 1 January 2022, the disclosure required by the regulations relating to what is known as the “EU Taxonomy” (Regulation (EU) 2020/852 and related Delegated Regulations) in relation to the environmentally sustainable activities carried out by the Group.

Pursuant to Article 8 of the Taxonomy Regulation, this disclosure for the financial year 2022 concerns the proportion, compared to the total, of the Group's turnover, investments and operating costs related to activities eligible for and aligned with the Taxonomy with reference to the objectives of climate change mitigation and adaptation, as covered by the annexes to EU Delegated Regulation 2021/2139 of 4 June 2021, as well as certain qualitative information.

See the section "EU Taxonomy (Regulation (EU) 2020/852 and related Delegated Regulations)" for this information. It should also be noted that the limited assurance engagement on this NFS carried out by the independent auditors KPMG S.p.A. does not extend to such disclosure.

The reporting and drafting of this document transversely involved all the departments in the areas in which the Group operates, which were coordinated centrally by the Consolidation Department.

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

SCOPE

The scope of the figures and economic and financial information is the same as that of the Group's Consolidated Financial Statements (related to the period from 1 January to 31 December 2022). With regard to the qualitative information and quantitative data relating to social and environmental aspects, the companies consolidated on a line-by-line basis in the SAES Group Consolidated Financial Statements are included in the reporting scope¹. In particular, qualitative information and quantitative data on environmental and health and safety topics include Group companies that manage production sites, unless specified otherwise; on the other hand, companies with only commercial offices are excluded as they are not considered relevant to ensure the understanding of the Group's business and the impact it has.

On 24 January 2022, the Italian Branch of Memry Corporation, located in Lainate and included in the reporting scope, was established. On 25 May 2022, SAES Getters S.p.A. finalised the acquisition of the remaining 51% of the quota capital of SAES RIAL Vacuum S.r.l. (of which it already held 49%), which was therefore included in the reporting scope for the period from 1 June 2022 to 31 December 2022.

This Non-Financial Statement was approved by the Board of Directors of SAES Getters S.p.A. on 14 March 2023 and was published on 31 March 2023.

As part of the path of continuous improvement in relation to sustainability issues, the following table shows the current progress of the activities that the Group has developed during 2022.

¹ For the list of line-by-line consolidated companies, see the paragraph "Scope of Consolidation" in the Notes to the Consolidated Financial Statements of SAES Getters S.p.A. as at and for the year ended 31 December 2022.

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

For some time now, the fight against active and passive corruption has been monitored by the Organisation, Management and Control Model adopted by SAES Getters S.p.A. pursuant to Italian Legislative Decree 231/01. In April 2019, SAES Getters S.p.A. prepared and adopted a Group Anti-Corruption Code and a Code of Business Conduct aimed at strengthening and confirming the commitment undertaken by the same in the prevention of illegal practices and in the promotion of a corporate culture based on the reference best practices.

During 2022, Strumenti Scientifici CINEL S.r.l. initiated and completed a project to implement its own Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/01. The Model was formally approved by the company's Board of Directors on 13 January 2023.

- **Sustainability Plan**

The Company is called upon to no longer pursue only “the priority objective of creating value for shareholders in the medium to long term”, but also ESG (Environmental, Social and Governance) objectives, which refer to environmental, social and governance factors that contribute to determining the risk and return profile of the Group, seeking to create an integrated approach that benefits corporate responsibility and maximises shareholder value. In 2022, the Group's Top Management confirmed its commitment to preparing such a Plan in order to integrate sustainability within the corporate strategy with the aim of identifying medium-long term objectives and related responsibilities.

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The SAES Group, a constantly evolving story

THE SAES GROUP AT A GLANCE



Euro 250,265 thousand Consolidated Net Turnover

Euro 12,657 thousand spent on R&D, equal to 5% of turnover



6 ISO 9001 certified companies

1 ISO 14001 certified company

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

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

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

WHAT IS MATERIALS SCIENCE?

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

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

The structure is shown below:

² For a description of the businesses and their economic and financial data, please refer to the other sections of the 2022 Annual Report.



INDUSTRIAL

- Electronic Devices
- Security & Defense
- Thermal Insulated Devices
- Healthcare Diagnostics
- Lamps
- Sintered Materials
- SMA Materials



MEDICAL NITINOL



HIGH VACUUM



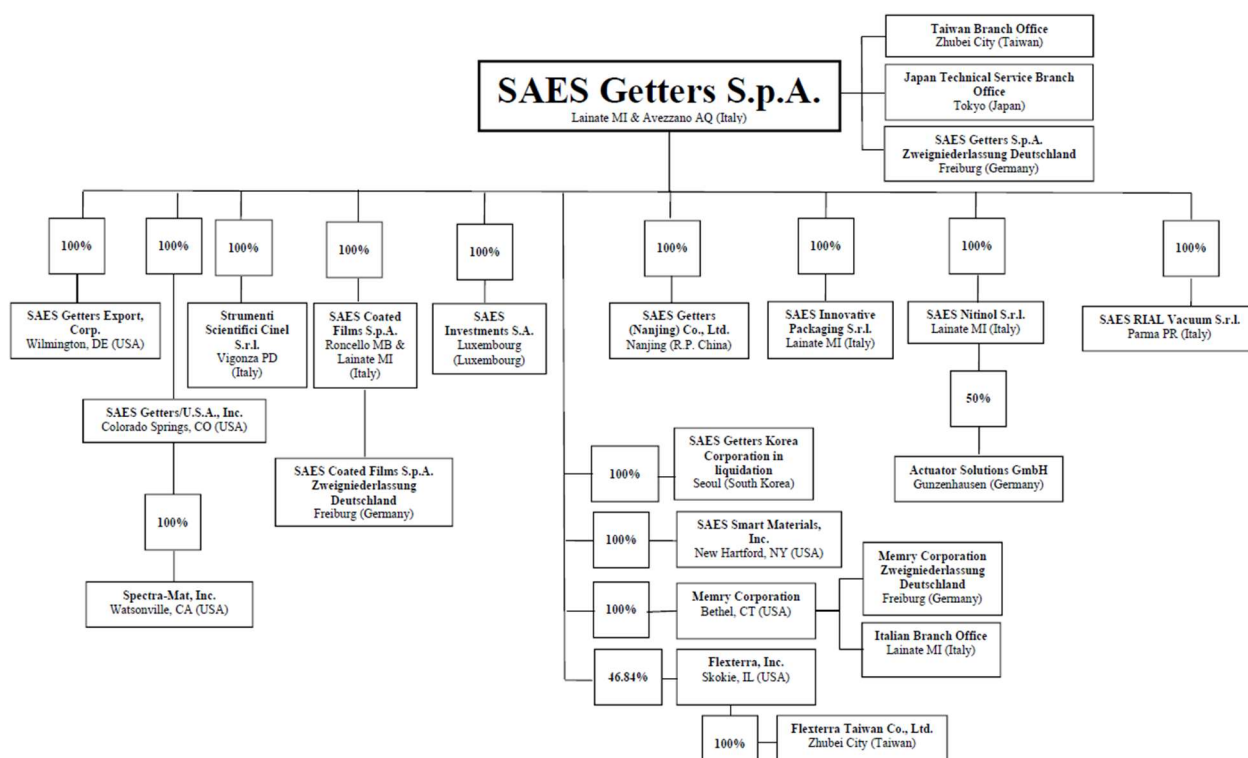
CHEMICALS



PACKAGING

THE STRUCTURE OF THE SAES GROUP

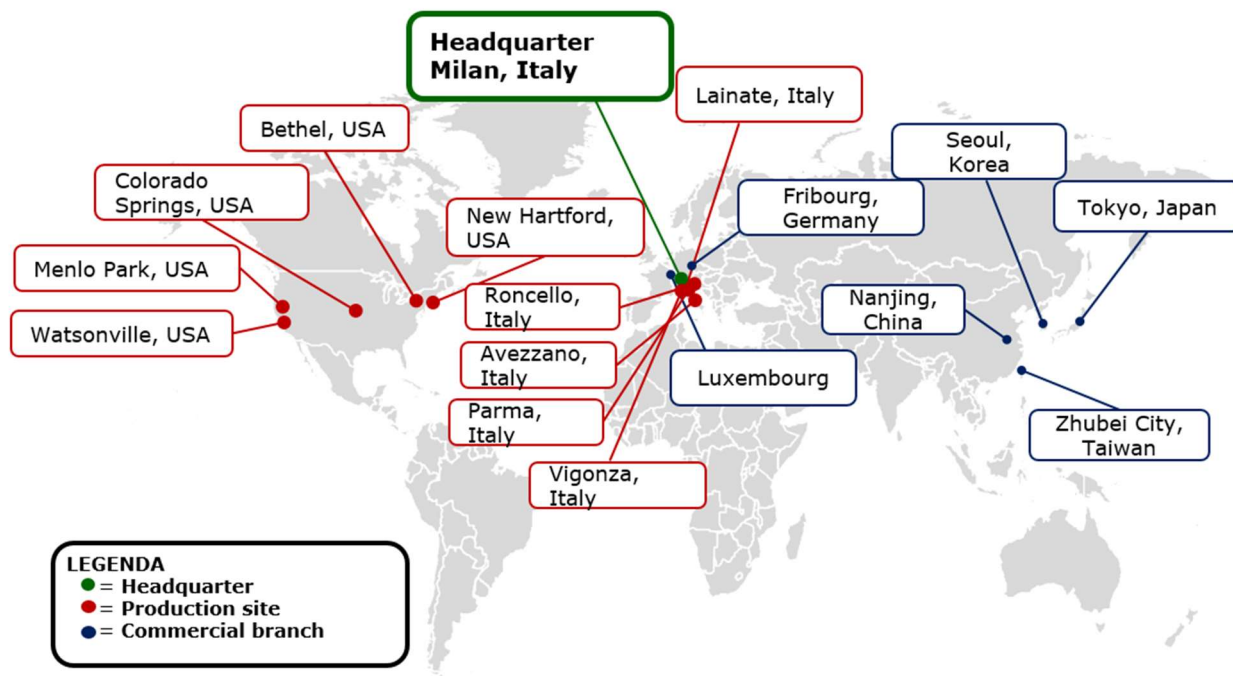
The following table shows the companies belonging to the Group as at 31/12/2022:³



³ For a description of the individual Group companies and the related economic and financial data, please refer to the other sections of the 2022 Annual Report. Note that the joint ventures do not fall within the reporting boundaries of information relating to social and environmental aspects of this document.

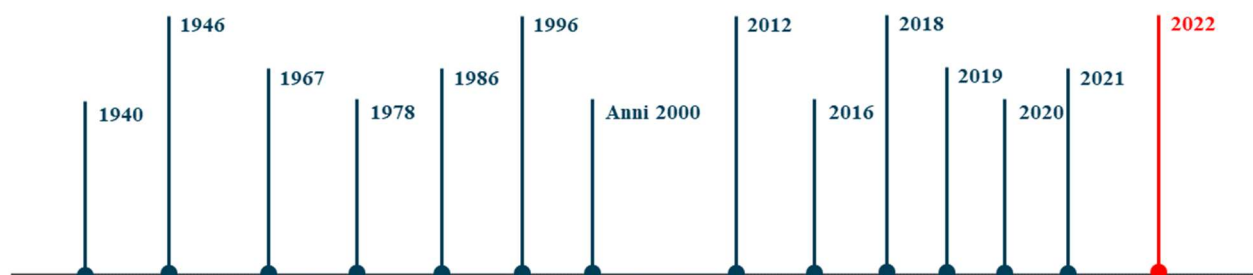
OUR PRESENCE IN THE WORLD

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



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

HISTORY OF THE SAES GROUP



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

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

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

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

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

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

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

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

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

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

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

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

2019, the Ordinary Shareholders' Meeting of SAES Getters S.p.A., following the proposal of the Board of Directors, authorised a voluntary takeover bid of a maximum of 3,900,000 ordinary shares of SAES Getters

(equal to 17.7% of the total shares and 26.6% of the ordinary shares). As a result of completing the takeover bid, SAES Getters holds 3,900,000 ordinary shares, equal to approximately 26.6% of the ordinary shares and approximately 17.7% of the Company's share capital.

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

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

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

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

2022, on 24 January 2022, the Italian Branch of Memry Corporation was established; on 25 May 2022, SAES Getters S.p.A. finalised the acquisition of the remaining 51% of the quota capital of SAES RIAL Vacuum S.r.l., of which it already held 49%, with the aim of consolidating its leadership in the advanced scientific research market; on 24 October 2022, the merger into SAES Getters S.p.A. of the wholly-owned subsidiary SAES International S.r.l. was implemented.

1. Group business management

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

1.1. Governance and Organisation

The SAES Group is aware of the importance of Governance in the planning of its objectives and performance levels both from an economic and financial viewpoint and in terms of sustainability, and undertakes to achieve correct corporate and entrepreneurial management that creates value for stakeholders and increases investor confidence and interest. The Group's Corporate Governance system is in line with the recommendations contained in the new New Corporate Governance Code, approved on 31 January 2020 by the Corporate Governance Committee and promoted by Borsa Italiana S.p.A., ABI, Ania, Assogestioni, Assonime and Confindustria, which the company applied during the 2021 financial year. The tools used are the Code of Ethics and the Organisation, Management and Control Model according to the requirements of Italian Legislative Decree 231/2001 (hereinafter also referred to as "231 Model" or "Model")⁵.

⁵ The Code of Ethics of the SAES Group (English and Italian versions) and the 231 Model of SAES Getters S.p.A. are available and can be downloaded at www.saesgetters.com

THE BOARD OF DIRECTORS OF THE SAES GROUP

The Board of Directors (BoD) of the SAES Group plays a central role in the corporate governance system, being vested with the broadest powers for the Group's ordinary and extraordinary management. The Board defines the Group's strategies consistently with the pursuit of "sustainable success", in order to create long-term value for both shareholders and relevant stakeholders, as stipulated in the Corporate Governance Code.

In order to integrate sustainability into the life of the Group, the Board of Directors must therefore define the sustainability factors (ESG - Environmental, Social and Governance) to be taken into account when defining strategy, risk management and remuneration policy⁶. At the same time, the Board of Directors shall implement appropriate measures to increase its knowledge of sustainable development issues.

As at 31 December 2022, the Board of Directors of the Group consisted of ten members, including six men and four women with an average age of 63 and ranging from 81 for the oldest member to 49 for the youngest member. The appointment was made on 20 April 2021, and the Board of Directors will remain in office until the approval of the Financial Statements as at and for the year ending 31 December 2023.

Role	Name	Gender	Year of birth	Executive / Non-Executive	Independent (as per the Code)	Independent (as per the Consolidated Finance Law)	In office since
Chair	Massimo della Porta	M	1960	E	-	-	29/04/1994
Vice Chair and Managing Director	Giulio Canale	M	1961	E	-	-	29/04/1994
Director	Alessandra della Porta	F	1963	NE	-	-	09/05/2013
Director	Francesca Corberi	F	1968	NE	-	-	20/04/2021
Director	Luigi Lorenzo della Porta	M	1954	NE	-	-	24/04/2012

⁶ The Group will continue to analyse sustainability issues in order to define ESG targets, to which a part of variable remuneration may be linked.

Director	Adriano De Maio	M	1941	NE	-	X	04/05/2001
Director	Andrea Dogliotti	M	1950	NE	-	-	27/04/2006
Director	Gaudiana Giusti	F	1962	NE	X	X	28/04/2015
Director	Stefano Proverbio	M	1956	NE	X	X	28/04/2015
Director	Luciana Rovelli	F	1973	NE	X	X	28/04/2015

	Average age			
Gender	<30 years	30-50 years	>50 years	Total
Men	-	-	6	60%
Women	-	1	3	40%
Total	-	10%	90%	100%

Appointment of the Board of Directors⁷

The Board of Directors is appointed by the Shareholders' Meeting on the basis of lists submitted by the shareholders. All directors must meet the requirements of eligibility, professionalism and integrity laid down by law and the applicable provisions. In addition, at least one director (or at least two directors if the Board consists of more than seven members) must meet the independence requirements established by law and the applicable provisions. The lists must ensure the presence of both genders, so that the candidates of the less represented gender are at least two-fifths of the elected directors.

⁷ For further information, please refer to the Articles of Association of SAES Getters S.p.A. published at www.saesgetters.com.

THE COMMITTEES OF THE SAES GROUP⁸

In accordance with the recommendations of the Corporate Governance Code, the Board of Directors has set up Internal Board committees with investigative, proposing and advisory functions in the areas of appointments, remuneration and control and risks. In addition, it has established a Related Party Transactions Committee.

AUDIT, RISK AND SUSTAINABILITY COMMITTEE

The Audit, Risk and Sustainability Committee is an Internal Board Committee responsible for proposing the guidelines that can reduce and mitigate risks, and providing opinions to the Board of Directors on risk management and identification. The Committee is also responsible for overseeing issues related to the correct application of accounting standards. Lastly, it is responsible for the supervision of sustainability issues related to the Group's activities. In particular, it is responsible for expressing opinions on the sustainability guidelines, initiatives and programmes promoted by the Group; and it is responsible for assessing the suitability of non-financial reporting to fairly represent the Group's business model, strategies, impact of activities and performance.

As at 31 December 2022, the Committee was composed of:

- Stefano Proverbio (Chair)
- Gaudiana Giusti
- Luciana Rovelli

REMUNERATION AND APPOINTMENT COMMITTEE

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

As at 31 December 2022, the Committee was composed of:

- Luciana Rovelli (Chair)
- Adriano De Maio
- Gaudiana Giusti

⁸ For a more detailed description of the Committees of the SAES Group, please refer to the other sections of the 2022 Annual Report, the 2022 Report on Corporate Governance and the Ownership Structure, in particular.

On 6 March 2023, the Independent Director Luciana Sara Rovelli tendered her resignation, ceasing to hold all the positions assigned to her. Therefore, on 7 March 2023, the Board appointed, in replacement of Luciana Rovelli, the Independent Director Stefano Proverbio, as a member of the Remuneration and Appointments Committee, assigning him the position of Chair, and assigned Director Stefano Proverbio the position of Chair of the Supervisory Body, of which he is already a member. For more information, please refer to the 2022 Annual Report.

RELATED PARTY TRANSACTIONS COMMITTEE

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

As at 31 December 2022, the Committee was composed of:

- Gaudiana Giusti (Chair)
- Luciana Rovelli
- Stefano Proverbio

ETHICS AND INTEGRITY

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

THE CODE OF ETHICS AND RELATIONS WITH STAKEHOLDERS

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

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

The **Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001** is the document that describes the organisation model of SAES Getters S.p.A.. The 231 Model was updated in 2020 (version no. 13), with the most recent interventions of the legislator (e.g. tax crimes, smuggling, etc.) and expresses the intention to:

- determine, in all parties involved, the awareness of being able to incur disciplinary consequences and/or penalties in case of violation of the Model;

- reassert that unlawful behaviour deriving from any violations of the Model is strongly condemned by SAES Getters S.p.A.;
- allow SAES Getters S.p.A. to prevent unlawful behaviour by monitoring risk areas.

SAES Getters S.p.A., as from 2017, opted for a 231 Model structured by process and no longer by category of offence, as it was originally, and composed of a general part known as descriptive, and a special part which, in turn, consists of 25 protocols (some protocols were updated in 2022). The decision to change the structure of the 231 Model was made in response to the need and desire to make the Model increasingly easier to use and more effective in terms of “risk analysis” and identification of “risk mitigation areas”, as well as control measures.

Thanks to the 231 Model, SAES Getters S.p.A. condemns all forms of corruption, also setting up a special Supervisory Body for this purpose with its own functions indicated in the Model, with an ad hoc email inbox for any reports. The Supervisory Body assesses the reports received and any consequent measures, reporting half-yearly to the Board of Directors.

In addition, SAES Getters S.p.A. has a specific “Whistleblowing” reporting procedure (updated in 2022) and has implemented an IT platform for managing reports anonymously and confidentially. It has also created a specific email inbox to collect any reports. The reports can refer to the scope of predicate offences and risk areas defined in the Organisation Model pursuant to Italian Legislative Decree 231/01, as well as, for example, violations of laws and regulations, principles enshrined in the Code of Ethics, internal control principles, company policies, rules and procedures, and episodes of fraud or corruption. The platform can be accessed from the company web page “Reports - Whistleblowing” under the “About Us” section.

The Recipients - who are part of the Legal & Compliance Department and duly entrusted with processing the data contained in the reports and subject to confidentiality obligations - take charge of the report and, if necessary, involve (anonymously) the competent corporate departments. If the report has an implication under Italian Legislative Decree 231/01, the Recipient shall also inform the Supervisory Body of the company to which the report refers (or, if the company does not have one, the SAES Supervisory Body will be informed). If the report is found to be justified, any measures deemed appropriate will be taken.

No critical issues were reported to the Board of Directors during 2022⁹.

Furthermore, in line with the Corporate Governance Code, the SAES Group is committed to the prevention (and possible management) of conflicts of interest that could compromise the integrity of the Group. As envisaged in its Regulations, the Board of Directors has the function of monitoring and assessing the general performance of management, including any situations of conflict of interest, taking into account the information received. Furthermore, the Board of Statutory Auditors periodically reports to the Shareholders' Meeting on the existence of any conflict of interest situations.

⁹ In 2022, SAES did not receive any reports through the Whistleblowing systems. Moreover, the half-yearly reports of the Supervisory Body did not reveal any reports of violations of the provisions of the Organisation Model and the Code of Ethics.

COMMITMENT AGAINST CORRUPTION

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

In line with previous years, also in 2022 the company participated in the Business Integrity Forum of Transparency International, the world's largest organisation that deals with preventing and fighting corruption. The goal is to adhere to the best practices of reference and internally promote values which contrast corruption.

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

No cases of corruption occurred in the reporting year.

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

The SAES Group aims to achieve technological excellence in full compliance with economic, social, environmental and ethical sustainability. The Group is constantly committed to improving its production and management processes by adopting responsible management that combines quality and efficiency in business development with attention to its employees and the environment. Currently, there are six companies of the Group with **ISO 9001 Certification**¹⁰, **two Group plants**¹¹ with **ISO 14001** certification and **four plants**¹² with sector-specific certifications.

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

The “Group Integrated Policy” is illustrated below:

In order to guarantee continuous progress and maintain its leadership in the field of vacuum technology for scientific and industrial applications, dryers polymer composites, special metallurgy and materials science, as well as reaffirm its total loyalty to its traditional “core values”, the SAES Group is committed to

¹⁰ The ISO 9001 certified Group companies are: SAES Getters S.p.A., SAES Coated Films S.p.A., Memry Corp., SAES Smart Materials, Inc., SAES Getters USA, Inc., Strumenti Scientifici Cinel S.r.l.

¹¹ SAES Getters S.p.A. is ISO 14001 certified for the plants of Lainate and Avezzano.

¹² SAES Getters S.p.A. is IATF 16949 certified for the plants of Lainate and Avezzano; Memry Corp. is ISO 13485 certified for the plants of Bethel (CT) and Menlo Park (CA); for further details, see Chapter 3, “Technology at the service of innovation”.

implementing an Integrated Quality, Environment, Safety and Ethics Management System based on compliance with the following principles:

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

During 2022, there were no significant cases of non-compliance with laws and regulations.

CORPORATE SOCIAL RESPONSIBILITY AND HUMAN RIGHTS

In view of the international context in which it operates, the SAES Group has defined corporate codes, policies and procedures aimed at defining the rules for conducting business and regulating relations with stakeholders in compliance with the core principles by which the Group is inspired.

In particular, the Group has the following policies on human rights and corporate social responsibility¹³:

- **Anti-Corruption Code:** this policy promotes compliance with ethical standards and full compliance with national and international regulations on the prevention of corruption in all its forms, as well as the integrity, transparency and fairness in carrying out work. The Code is applied in all Group companies and effectively integrates the Group's compliance system and, with reference to Italy, the current Organisation, Management and Control Model 231 pursuant to Italian Legislative Decree no. 231 of 8 June 2001 adopted by SAES. The document was approved in 2019.

¹³ The Anti-Corruption Code, the Code of Business Conduct, the Conflict Minerals and Cobalt Policy and the Supplier Code of Conduct are available at www.saesgetters.com, in the 'Investor Relations' section.

- **Code of Business Conduct:** this policy regulates the conduct of employees, directors and external collaborators of the Company and Group companies in managing business (relationships with customers, conflicts of interest, sponsorships, etc.) and outlines the minimum standards that the Group's suppliers must comply with in carrying out negotiations and managing contracts with the Group companies. The document was approved in 2019.
- **HR Global Policy:** this policy defines the key principles to which the Group aspires in order to promote an effective workplace and professional growth within all Group companies, with due respect for human rights and the enhancement of diversity. In particular, the document sets out the principles to be followed relating to: i) shared responsibilities, ii) child labour, iii) equality and non-discrimination, iv) forced labour, v) workers' health and safety, vi) salaries, vii) remuneration, viii) work hours, ix) training, x) performance monitoring and staff development. The document was approved in 2019.
- **Conflict Minerals and Cobalt Policy:** defines the Group's procurement policy with respect to conflict minerals and cobalt. In particular, on the basis of the policy, the Group requires its suppliers, even established ones, to periodically report information on the source of materials supplied to SAES through internationally recognised formats. If the supplier fails to respond, even after reminders, the supply is interrupted. The policy was updated during 2020 to integrate cobalt within the monitoring perimeter.
- **Supplier Code of Conduct:** this policy has the aim of expressing the values that inspire the Group in the behavioural principles that should guide the action of suppliers during the course of their business, with particular reference to the protection of human rights and respect for the environment. The document was approved in the course of 2019.

The policies on human rights and corporate social responsibility define the responsibilities at Group level for the implementation of the established commitments in the performance of its activities. In order to ensure adequate awareness, the policies are shared with Group staff when they are introduced or updated, including through training sessions. Furthermore, external parties who have relations with Group companies are required to read and adhere to the values contained therein.

1.2. Opportunities and risks

REFERENCE CONTEXT

Sustainability issues, such as the fight against climate change, environmental protection and the adoption of policies for the development and sustainable management of material resources, have been arousing increasing interest in institutions and organisations around the world in recent years. In particular, in 2015, the 21st United Nations Framework Convention on Climate Change (known as COP21) focused on regulating greenhouse gas emissions and was ratified in 2016. The climate agreement is an important step forward in defining a global strategy to combat climate change and the increase in the temperature of the Planet Earth.





In 2015, the United Nations adopted a new policy for the dissemination of sustainable development issues: the *Sustainable Development Goals* (17 SDGs). The 17 goals, valid for the period from 2015 to 2030, involve the public and private sector in ensuring the achievement of common goals, such as peace, safety, justice, social inclusion and environmental responsibility.

In 2016, by means of Italian Law Decree no. 254, the Italian legal system adopted European Directive 2014/95 - Barnier on “Non-Financial Reporting”, which requires public-interest companies that meet certain criteria to provide, starting from 2017, information on the management of social and environmental issues. In April 2021, the European Commission adopted a proposal for a Corporate Sustainability Reporting Directive (CSRD), to amend the current reporting requirements of the Non-Financial Reporting Directive (NFRD). The final text of the Directive, the result of the agreement between the Parliament, the Council and the EU Commission, was approved in November 2022. The new EU Directive 2022/2464 was published in the EU Official Journal on 16 December 2022.

Therefore, organisations are increasingly called upon to carefully assess the development of specific scenarios and the new challenges that these present, in order to be able to seize opportunities and manage the risks involved. The SAES Group operates in a dynamic environment in continuous development, both in terms of market trends and in terms of complexity and high technological content of the sector in which it operates. It is essential for the Group to properly manage and control the risks to which it is exposed during its business activities so as to ensure stability and balance over time and maintain lasting relations with its stakeholders.

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

In order to correctly define its risk profile, the SAES Group has adopted an Enterprise Risk Assessment process since 2012, defining and updating a risk catalogue. The method for assessing the identified risks follows the COSO ERM framework and involves all the identified Risk Owners. The Group's objective is to ensure that the ERM strategy becomes an integral part of the assessment of decision-making processes in business planning.

RUSSIA-UKRAINE CONFLICT

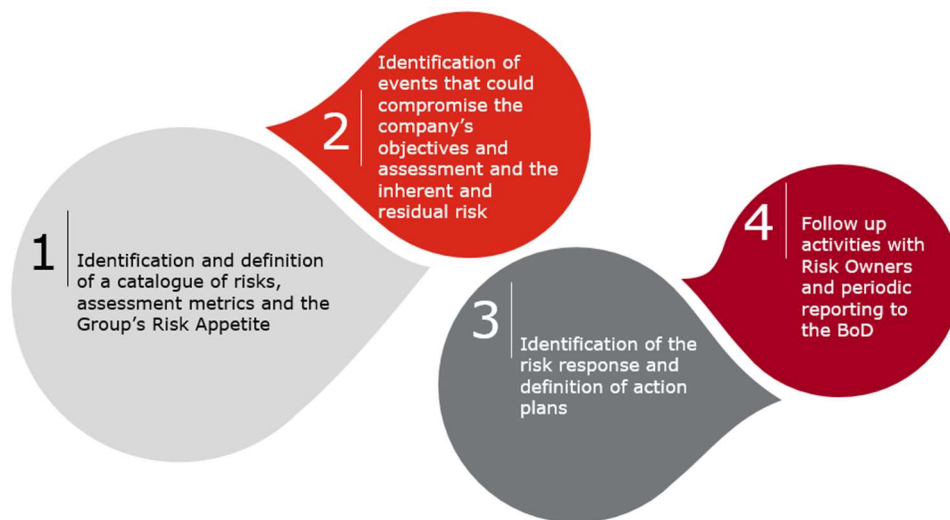
The unpredictable dynamics of the geopolitical, military and economic development of the crisis, combined with the complex interdependencies between the world's economies and supply chains, do not allow the Group to provide reliable estimates on the impact of the Russia-Ukraine conflict. However, it should be noted that the Group's direct exposure in Russia, Ukraine and Belarus is marginal. The 2022 turnover concentrated in Russia alone was immaterial, confirming the irrelevance of these markets. Furthermore, the Group has no suppliers from these countries and has in any case decided to cautiously suspend all commercial activities

towards Russia¹⁴. In 2022, the Group only suffered some indirect effects of the conflict, related to the impact on energy and supply chains, which led to an increase in some costs (including energy costs in the Italian plants and the prices of some raw materials), however insignificant compared to the total cost of sales. On the supply chain side, there have been some delays in the supply of components, which are being addressed by better inventory management and diversification, including geographical diversification, of supplies.

In support of Ukraine, the SAES Group donated Euro 100,000 in 2022, given partly to a local volunteer network and partly to an Italian refugee aid organisation.

THE RISK MANAGEMENT MODEL OF THE SAES GROUP

In line with the best risk management practices, the SAES Group has an integrated system of Enterprise Risk Management (ERM) activities consisting of six-monthly risk assessments, including the identification and measurement of risks, design of mitigation actions and monitoring of risks.



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

¹⁴ The Group does not carry out any commercial activities with Belarus.

SUSTAINABILITY AND CLIMATE CHANGE RISKS

The relevance of climate change issues calls for reflection on several levels.

Firstly, it is necessary to consider the potential impact of climate change consequences on the SAES Group and its value chain. With reference to the SAES Group's operations, the increased frequency and exacerbation of weather events - extraordinary and otherwise - could lead to increased risk in terms of physical damage to the Group's production sites, and consequent implications in terms of unavailability of buildings and assets. Based on this awareness, the Group constantly monitors relevant reference studies, and has established specific business continuity procedures that cover the production sites and processes most exposed to the risk of catastrophic events. With reference to the SAES Group's value chain, on the other hand, the potential impacts due to climate change extend to the supply chain, customers and other business partners, entailing additional business continuity risks for the Group. Therefore, wherever possible, the Group pursues a strategy of diversification of its product and customer portfolio on the one hand, mitigating its exposure to individual markets, and of its supply sources on the other.

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

From another perspective, it is necessary to analyse the set of activities that the Group carries out on a daily basis and that could negatively contribute to climate change (e.g., emissions due to the production processes put in place), as well as impact legal liability for non-compliance with local and international environmental regulations. Thus, both operational risks (e.g., failure to control energy consumption) and compliance risks (e.g., failure to comply with regulations, resulting in sanctions) can be identified. In order to prevent and mitigate the aforementioned risks, the Group constantly monitors the reference environmental and product regulations, within the scope of its research projects. It also verifies the environmental impact of the product, adopts a Supplier Code of Conduct at Group level that also covers environmental issues, measures its performance and monitors any critical areas also through compliance with the standards set out in the ISO 14001 certification, where implemented.

Considering the relevance of climate change issues, and demonstrating its interest in managing its exposure to climate change risks, the SAES Group is committed to defining a sustainability plan in the near future that

includes concrete actions to mitigate the identified risk areas. In particular, the Group intends to focus on activities that contribute, among other things, to reducing emissions and promoting a circular economy through the definition and implementation of specific products.

1.3. Group stakeholders and materiality analysis

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

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

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

STAKEHOLDER IDENTIFICATION

The Group implemented a process for mapping, identifying and prioritising the main categories of stakeholders, both internal and external, which has made it possible to define the Group's stakeholder map, shown below.



MAIN TOOLS FOR DIALOGUE WITH THE STAKEHOLDERS OF THE SAES GROUP

Stakeholders	Main dialogue tools
 Employees	<ul style="list-style-type: none"> • Company Intranet • Organisational communications • Informative articles on values/products/people (“SAES in Touch”)
 Customers	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Social networks • Events and trade fairs • Online/web advertising, paper advertising in trade magazines, product brochures • Telephone contacts/via email/meetings
 Suppliers	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Telephone contacts/via email/meetings
 Public institutions	<ul style="list-style-type: none"> • Financial reports • Information on request • Mandatory communications
 Universities and research	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Conferences and seminars • Specific communities • Social networks • Telephone contacts/via email/meetings
 Local communities	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com
 Shareholders	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Press releases • Shareholders’ Meeting • Financial reports • Meetings with the financial community
 Business partners	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Social networks • Telephone contacts/via email/meetings
 Associations	<ul style="list-style-type: none"> • Institutional website www.saesgetters.com • Telephone contacts/via email/meetings

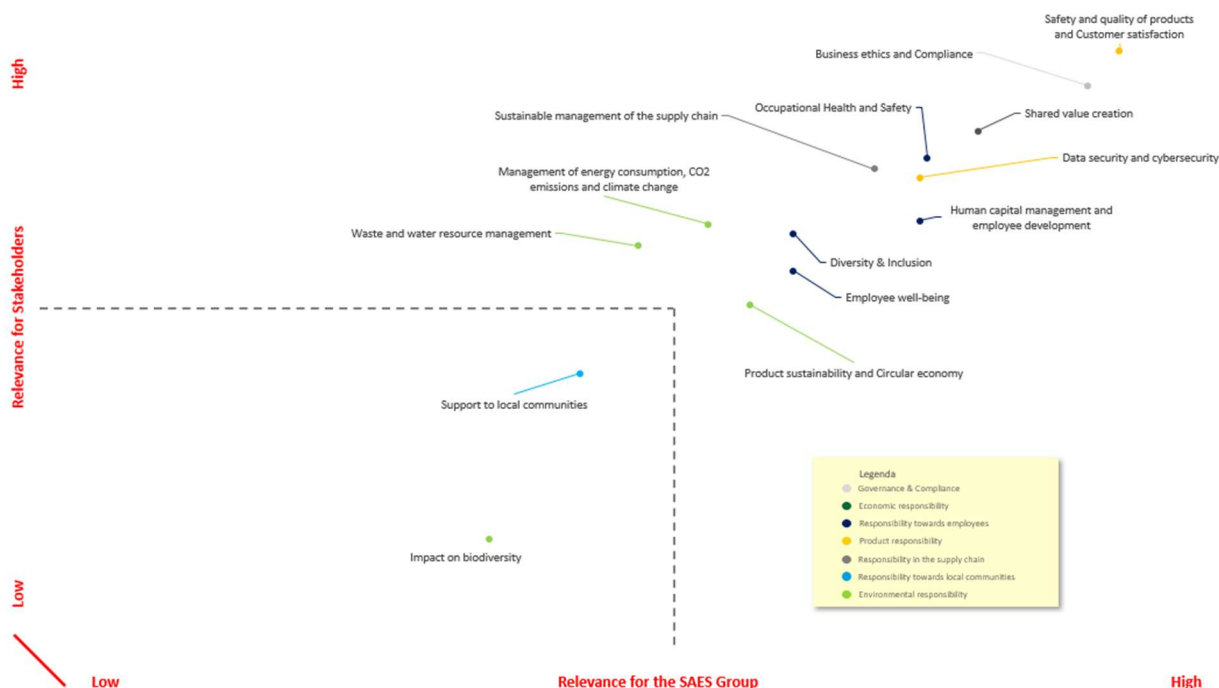
MATERIALITY ANALYSIS

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

In 2021, the Universal GRI Standards were revised and published (effective 1 January 2023). One of the key concepts of the framework update is that material topics are those that represent the most significant impacts of the organisation on the economy, the environment and people, including impacts on human rights. Therefore, the materiality matrix was updated in 2022. This process included an update of the benchmark and sector analysis through which the material topics and impacts generated on the economy, environment and people through the Group's activities were defined. The identified impacts were subsequently subjected to evaluation through the direct involvement of the SAES Group's Top Management during a sustainability workshop. The evaluations expressed by the Board of Directors and Board of Statutory Auditors were also included in the matrix updating process. In addition, the updating process extended stakeholder engagement activities, involving a sample of Group employees who expressed their evaluations through a questionnaire.

Subsequently, based on the results of the impact assessments generated, the material topics for the SAES Group and stakeholders were defined.

Finally, the updated materiality matrix was discussed at the 27 January 2023 Board meeting, which concurrently approved the results below:



The updating process highlighted some changes compared to the 2021 matrix.

Following the identification of the impacts generated by the Group, the topics "Brand identity and reputation" and "Business continuity" are no longer present within the materiality matrix. Other topics have instead been integrated; in particular, "Product Safety and Quality and Customer Satisfaction" includes "Customer Satisfaction"; "Product Sustainability and Circular Economy" includes "Research, Development and Innovation"; and "Responsible Supply Chain Management" includes "Respect for Human Rights and Working Conditions".

In general, the topics "Waste and Water Management", "Product Sustainability and Circular Economy" and "Management of Energy Consumption, CO2 Emissions and Climate Change" have decreased in relevance compared to 2021.

2. Economic performance and business development

Material topics	Description	Sustainability risk factors	Management Procedures (MP)
CREATING SHARED VALUE	Economic and financial performance of the Group, financial stability, protection of profitability and generated economic value; creation of value in the short, medium and long term also thanks to the efficient management of property, plant and equipment and intangible assets (e.g. patents, production technologies, specific know-how) and information, through appropriate data management methods.	<ul style="list-style-type: none"> - Failure to enhance company assets - Possible violation of local laws and regulations - Failure to achieve growth targets set by management - Negative impacts of the Group's operating and commercial strategies and organisation on the management of tax burdens: suboptimal geographical distribution of financial results may cause impacts on corporate tax costs - Risks related to rising inflation rates (increased costs for raw materials, staff, logistics, energy, etc.), with an impact on business margins - Any shortcomings in the availability, usability and traceability of information and data through appropriate information systems 	<p>The Group is committed to managing its business activities responsibly by achieving sustainable profitability and growth targets, in order to generate long-term economic value that can be distributed among all stakeholders. The Group is strongly committed to ensuring transparent business management that complies with the relevant regulations, including taxation. To this end, the Group has adopted specific internal procedures, as well as tools such as the Code of Ethics, the Anti-Corruption Code and the Organisation, Management and Control Model in accordance with the requirements of Italian Legislative Decree 231/2001. The Group already has business continuity procedures in place which cover the main areas of greatest risk envisaged by climate change, in order to manage any possible occurrence of a major weather event that could potentially lead to a period of unavailability of buildings and assets.</p> <p>With regard to inflation risk, in the most competitive markets SAES tries to mitigate the adverse effect of inflation through initiatives aimed at optimising production and procurement strategies, as well as through the implementation of energy saving projects. In less competitive markets, in agreement with customers, SAES adopts policies for periodic review of price lists, also through indexing to reference parameters commonly accepted by the market.</p> <p>The Group evaluates appropriate information systems in order to have timely accessibility, traceability of information and data.</p>
SUSTAINABLE MANAGEMENT OF THE SUPPLY CHAIN	Responsible management of procurement processes throughout the Group's supply chain; assessment of suppliers on the basis of social and environmental performance, and promotion of behaviour and social responsibilities that encourage suppliers to adopt sustainable behaviour.	<ul style="list-style-type: none"> - Possible unavailability of raw materials - Poor quality of supplies and financial instability of suppliers - Failure to assess suppliers on the basis of social and environmental criteria 	The Group develops correct, clear and transparent relations with all its suppliers based on compliance with principles of quality and cost-effectiveness in choosing them and favouring suppliers belonging to countries and communities in which it operates.

HIGHLIGHTS

Revenue of Euro 250.3 million, up 32% from Euro 190.2 million in FY 2021



Consolidated gross profit of Euro 110.7 million (44.2% of turnover) compared to Euro 81.0 million (42.6% of turnover) in FY 2021

Operating profit of Euro 41.2 million, compared to 22.3 million in FY 2021

Consolidated EBITDA of Euro 56.7 (22.7% of turnover) compared to Euro 35.8 million (18.8% of turnover in FY 2021)

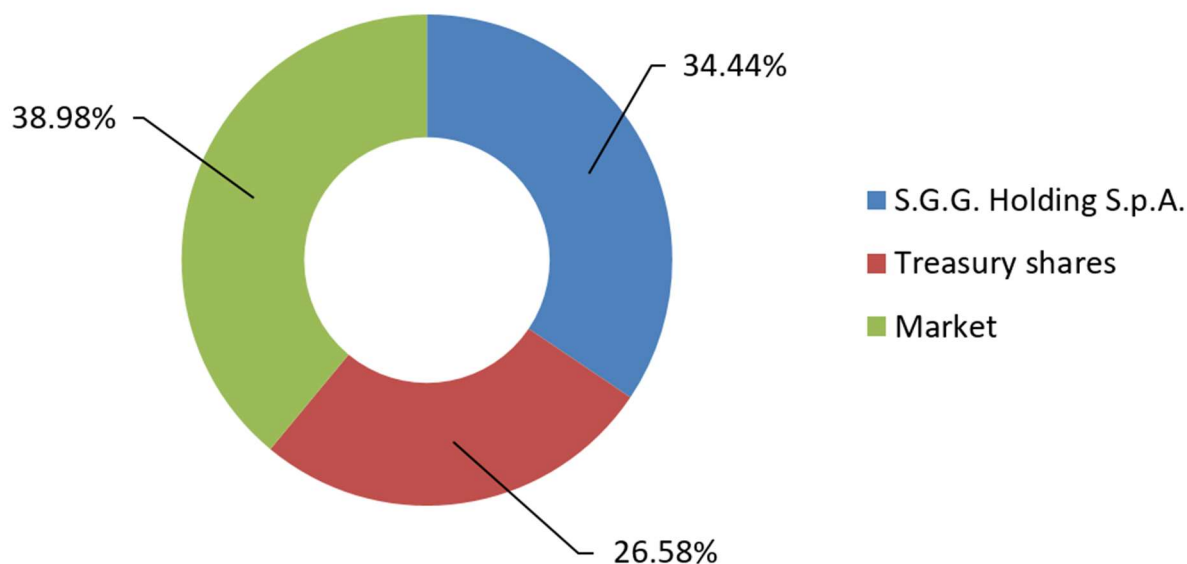


The net financial position as at 31 December 2022 was Euro 64.3 million. The Group's financial situation is sound, thereby allowing it to operate in continuity in its core businesses and pursue its operational strategies

2.1. Communication with the Financial Community

The share capital of SAES Getters S.p.A. at 31 December 2022 amounted to Euro 12,220,000, consisting of 22,049,969 shares, of which 14,671,350 ordinary shares and 7,378,619 savings shares, with an implicit par value of Euro 0.5542 each. The shareholding structure is represented below, with regard to the ordinary shares with voting power in the shareholders' meeting.

SHAREHOLDING STRUCTURE OF THE SAES GROUP AS AT 31 December 2022



At 31 December 2022, the majority shareholder is S.G.G. Holding S.p.A., which holds a 34.44% share of the ordinary shares while the majority of the ordinary shares (38.98%) are free-floating shares on the market. At 31 December 2022, the shareholder S.G.G. Holding S.p.A. holds 51.15% of the voting rights (percentage

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

TAX COMPLIANCE

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

Within the SAES Group, the responsibility for the correct management of local and international taxation lies with the Group CFO, who avails himself of the support of tax consultants, both with regard to the performance of ordinary tax obligations, such as the calculation of taxes for the period and the preparation of tax returns, and with regard to advice on extraordinary tax issues, in order to ensure compliance with all tax obligations and fulfilments required by local and international tax regulations. The Group CFO also coordinates the activities of the administrative/CFO managers of the subsidiaries, who in turn manage tax-related issues in line with the directives adopted by the Parent, and with the support of local specialists involved for this purpose.

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

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

INVESTOR RELATIONS

The creation of value for shareholders also requires transparent and fair relations with the financial community, which for the Group is an important element in the process of business management and development. Meetings (both in-person and online) were organised during the 2022 financial year with the purpose of providing periodic financial-economic information.

During the 2022 financial year, the company participated in the Euronext STAR Conference 2022, organised in-person at the headquarters of Borsa Italiana S.p.A. in Milan on Wednesday, 23 March.

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

BRAND IDENTITY AND REPUTATION

The perception and the activities aimed at strengthening the Brand are and will continue to be increasingly important for the Group. In fact, SAES's growing focus in terms of resources dedicated to these issues will foster a greater understanding of the role of the Brand and Reputation in current and future terms by its stakeholders. This need also derives from the changes imposed by the market and from the necessary and ever-increasing focus on interactions with markets, customers and stakeholders, which consider issues such as sustainability - which have always been at the basis of SAES culture - topics that have and will play an increasingly central role in the Group's image. To this end, SAES is committed to implementing concrete actions to consolidate its reputation both with regard to the quality of the products it manufactures and to sustainability issues, in order to increase the attractiveness in the selection of new, highly qualified personnel and to act more effectively in the relationships it holds with customers and suppliers.

2.2. Economic value generated and distributed

The creation and distribution of value for its stakeholders is a constant commitment of the SAES Group.

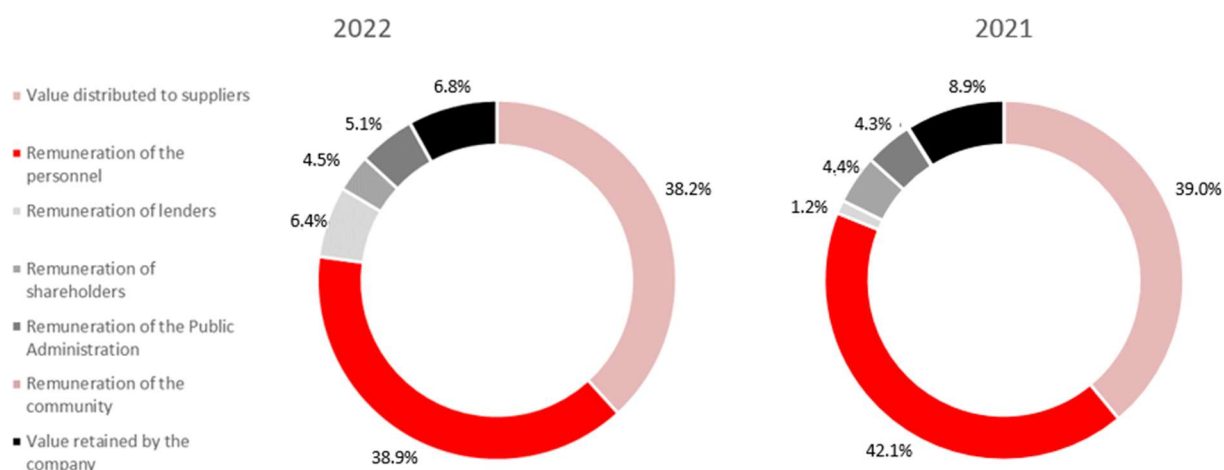
The following chart represents the wealth produced by the Group and distributed among stakeholders in the following manner: **value distributed to suppliers** (reclassified operating expenses), **remuneration of personnel** (direct remuneration consisting of wages, salaries, post-employment benefits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

The generation and distribution of the economic value created by the SAES Group are calculated on the basis of the results of the year closed at 31 December 2022¹⁵. The **economic value generated** by the SAES Group in 2022, net of reclassified costs, amounted to approximately **Euro 256 million**. Most of this value is represented by the **remuneration of staff** (approximately **Euro 99 million**, an increase compared to 2021, of about Euro 82 million), followed by the **remuneration of suppliers** (approximately **Euro 98 million**, slightly higher than the figure for 2021, which was around Euro 76 million). The **remuneration of the Public Administration** amounted to approximately **Euro 13 million** (up compared to 2021, equal to approximately Euro 8 million), while the **remuneration of lenders** amounted to approximately **Euro 16 million** (up compared to 2021). The **value retained by the company** was approximately **Euro 18 million** (in line with the 2021 figure of Euro 17 million). In 2021, **shareholder remuneration** was about **Euro 12 million**¹⁶, up from about Euro 8 million in 2021, while the **remuneration of the Community** was Euro 118,000, up compared to 2021.

¹⁵ For more details, please refer to the 2022 Annual Report.

¹⁶ The share of the shareholder remuneration corresponds to the allocation of net profit for the year as a dividend that the Parent's Board of Directors will propose to the Shareholders' Meeting.

DISTRIBUTION OF THE VALUE GENERATED BY THE SAES GROUP¹⁷



2.3. EU Taxonomy (Regulation (EU) 2020/852 and related Delegated Regulations)

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

In this context, starting with the action plan on sustainable finance adopted in 2018 by the European Commission, (EU) Regulation 2020/852 (hereinafter 'Taxonomy Regulation') and the related Delegated Regulations (EU) 2021/2178, (EU) 2021/2139 ('Climate Regulation') and (EU) 2022/1214, in which the criteria for determining whether an economic activity can be considered environmentally sustainable and thus be able to identify the degree of sustainability of an associated investment, are defined. In particular, the Taxonomy Regulation classifies economic activities that can be potentially aligned with the six environmental objectives defined by the European Union:

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

¹⁷ For the purposes of graphic representation, the insignificance of the value of the Community remuneration for 2021 and 2022 implies that this item is not represented in the graph. For details, please refer to the table "201-1 Table of distribution of the economic value generated by the SAES Group" in the attachments section.

6. Protection and restoration of biodiversity and ecosystems

With reference to this regulatory framework, companies subject to the above-mentioned obligations are called upon to report information regarding the economic activities considered eligible or ineligible under the EU Taxonomy (hereinafter also 'Eligible Activity' and 'Ineligible Activity') and the activities aligned with the EU Taxonomy, i.e., which comply with the technical screening criteria - currently defined in the legislation only for the first two objectives - do not significantly harm any of the environmental objectives, and are carried out in compliance with minimum safeguards.

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

Analysis of eligible activities

In order to meet the requirements of the regulations, the nature of the SAES Group's business activities was examined with reference to the two targets currently available and for which technical screening criteria were issued through meetings and discussions with the respective Division Managers. On the basis of the results of this analysis and discussion, the Group confirmed the conclusions already reached in its 2021 NFS that the main activities are not included among those identified to date by the Climate Regulation for the two climate change objectives mentioned above, and consequently are not considered eligible (and thus aligned). Next, the share of capital expenditure (CapEx) and operating expenditure (OpEx) related to processes associated with environmentally sustainable economic activities was verified. Adopting a prudential approach in the analysis, the KPIs envisaged by the Taxonomy Regulation were calculated, developing an analysis that also considered the capex and operating expenses related to the purchase of outputs from economic activities eligible for the Taxonomy and/or related to measures implemented that allow for a reduction in atmospheric emissions. To this end, the Group conducted an analysis of turnover, capex and operating expenses for the year 2022, which are shown below.

KPI ¹⁸	Denominator	Numerator
Turnover	Consolidated revenues for 2022 as reported in the consolidated statement of profit (loss)	Proportion of turnover obtained from the sale of products or services associated with economic activities considered eligible/aligned

¹⁸ Please refer to Delegated Act 2021/2178 for the definition of these parameters.

CapEx	Total value of acquisitions of property, plants and equipment and acquisitions of intangible assets during the financial year, before amortisation, depreciation and any revaluations, and impairment losses, for the financial year in question, and excluding changes in fair value	<p>Purchases of property, plant and equipment related to the purchase of outputs from economic activities eligible for the Taxonomy were considered, with particular reference to energy efficiency measures attributable to the following economic activities:</p> <p>7.3: Installation, maintenance and repair of energy efficiency devices</p> <p>7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces pertaining to buildings)</p> <p>7.5 Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings</p>
OpEx	Total value of main cost items related to maintenance, maintenance staff costs and short-term rental.	Costs included in the denominator related to the purchase of outputs from taxonomy-eligible economic activities and/or related to measures implemented that allow a reduction in atmospheric emissions were considered eligible/aligned

Analysis Result

The information provided in this section was prepared by adopting an overall prudential approach and in any case to be deemed subject to changes in consideration of the expected publication of the reference technical screening criteria for the additional environmental objectives defined by Art. 9 of the Taxonomy Regulation, as well as further changes in its interpretation, which could lead to substantial changes in the assessments and process of calculating the KPIs for the next reporting years.¹⁹

¹⁹ With reference to the disclosure pursuant to Article 8, paragraphs 6 and 7 of Delegated Regulation (EU) 2021/2178, which envisages the use of the templates provided in Annex XII for the disclosure of nuclear and fossil gas activities, it should be noted that all the templates have been omitted as they are not applicable to the company's activities.

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria						DNSH criteria						Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year 2022 (18)	Taxonomy-aligned proportion of turnover, year 2021 (19)	Category (enabling activity or) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity of ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		euro thousand	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T	
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)	NA	0																		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)	NA	0	0%	%	%	%	%	%	%							0%				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	NA	0	0%																	
not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	NA	0	0%																	
Total (A.1+A.2)		0	0%													0%		0%	0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities (B)		250.265	100%																	
Total (A + B)		250.265	100%																	

Economic activities (1)	Codes (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial contribution criteria						DNSH criteria						Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx, year 2022 (18)	Taxonomy-aligned proportion of CapEx, year 2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)					
		euro thousand	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	NA	0	0%	%	%	%	%	%	%								0%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)	NA	0	0%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)	7.3	913	5.6%	100%																
	7.4	34	0.2%	100%																
	7.5	36	0.2%	100%																
Total (A.1+A.2)		983	6%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligible activities (B)		14.912	94%																	
Total (A + B)		15.895	100%																	

Economic activities (1)			Code(s) (2)	Absolute OpEx (3)	Proportion of OpEx (4)	Substantial contribution criteria					DNSH criteria					Minimum safeguards (17)	Taxonomy-aligned proportion of OpEx, year 2022 (18)	Taxonomy-aligned proportion of OpEx, year 2021 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
						Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity of ecosystem (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)					
				euro thousand	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)			NA	0	0%	%	%	%	%	%							0%			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			NA	0	0%															
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			NA	0	0%															
Total (A.1+A.2)				0	0%												0%		0%	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of Taxonomy-non-eligible activities (B)				69.597	100%															
Total (A + B)				69.597	100%															

2.4. The SAES Group's supply chain

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

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

FROM PRODUCT RESEARCH AND DEVELOPMENT TO DELIVERY TO GROUP CUSTOMERS



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

In order to formalise its commitment to the responsible management of sustainability issues along the supply chain, the SAES Group has adopted a Supplier Code of Conduct²⁰, approved by the Board of Directors on 18 July 2019. The Group Supplier Code of Conduct has the aim of expressing the values that inspire the Group in the behavioural principles that should guide the action of suppliers during the course of their business, with particular reference to the protection of human rights and respect for the environment. This Code is intended for all the direct suppliers of the SAES Group, who, in turn, are encouraged to share it and encourage its application by their suppliers, promoting the overall sustainability of their supply chain. The aim is therefore to generate long-term economic, social and environmental value for all the stakeholders involved.

RESPONSIBLE SALES MANAGEMENT

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

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

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

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

²⁰ The Supplier Code of Conduct is available at www.saesgetters.com, in the "Investor Relations" section. It should be noted that the Group does not currently adopt policies for screening suppliers using environmental and/or social criteria.

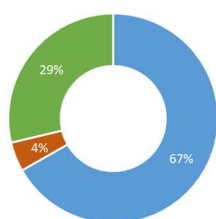
NUMBER OF SUPPLIERS AND TOTAL EXPENDITURE BY CATEGORY OF PURCHASES

Product segment	2022		2021	
	No. Suppliers	Value of total annual expenditure [€]	No. of Suppliers	Value of total annual expenditure [€]
1) Raw materials, semi-finished and finished products, outsourced work	902	51,767,441	702	35,258,794
2) Utilities, facilities, general services, clothing, services, rent and ancillary charges on lease contracts, advertising costs, travel and accommodation expenses, books, printed matter	2,157	42,460,694	1,744	37,993,725
3) Technical, legal, tax and administrative advice	184	7,867,766	247	5,605,967
4) Patent administration and filing fees	8	871,658	14	985,006
Total	3,251	102,967,559	2,707	79,843,492

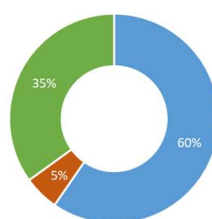
DISTRIBUTION OF SUPPLIERS BY GEOGRAPHICAL AREA²¹

²¹ For the purposes of graphic representation, the small number of suppliers from Oceania, Australia and the Middle East implies that these geographical areas have a percentage weight of zero and are therefore not represented herein. For details, see the table in the annexes.

No. Suppliers 2022



No. Suppliers 2021



■ Europe
■ Asia
■ USA

In order to contribute to the creation of value in the local communities where the Group operates, SAES Getters focuses on the purchase of goods and services from local suppliers. In particular, **69%** of the Group's total **purchases is made locally**.

In particular, the entire expenditure made by the companies present in Asia is related to Asian suppliers, 86% of the purchases of USA companies refer to suppliers in the USA ²² and finally, 59.9% of the expenditure in Europe is focused on European suppliers. In particular, 59,8% of purchases in Italy are focused on Italian suppliers.

PERCENTAGE OF EXPENDITURE WITH LOCAL SUPPLIERS²³

Geographical area	Percentage of expenditure on 2022 local suppliers	Percentage of expenditure on 2021 local suppliers
Europe	59.9%	64.1%
USA	86.0%	84.9%
Asia	100.0%	100.0%
Group	68.8%	72.0%

COMBATING THE USE OF CONFLICT MINERALS

"Conflict minerals" refers to metals such as gold, coltan, cassiterite, wolframite, and their derivatives such as tantalum, tin, and tungsten from the Democratic Republic of Congo (DRC) or neighbouring countries. These minerals are subject to international regulations, including Section 1502 of the Dodd-Frank Act, a 2010 U.S. federal law, and the European Union's Conflict Minerals Regulation, EU 2017/821, which discourage their use because their trade could fund conflicts in Central Africa, where there are serious human rights violations. The SAES Group, promoting the full protection of human rights also in its supply chain, as enshrined in the

²² It should be noted that in the case of the geographical area USA, purchases from suppliers in Canada were also considered as purchases made locally.

²³ Depending on the scope of operations, "local suppliers" are those based within the region in question.

Group Conflict Mineral and Cobalt Policy, updated in 2020 in order to extend the scope of monitoring also to Cobalt purchases, in the Group Code of Ethics and in the Supplier Code of Conduct, does not purchase minerals directly from conflict zones and requires its suppliers to declare, through internationally recognised formats, for supplies destined for the Group, the presence and origin of metals, in order to verify their possible origin from countries at risk.

If suppliers fail to respond, even after reminders, the supply is interrupted also in the event of well-established suppliers.

In 2022, the Group identified a total of seven suppliers of goods that contain or may contain conflict minerals; these suppliers were then required to declare the presence and origin of the metals.

SUPPLIERS ASKED TO COMPLETE QUESTIONNAIRES ON CONFLICT MINERALS IN 2022 AND 2021

Geographical area²⁴	2022			2021		
	Suppliers subject to the Conflict Minerals Regulation	Total suppliers²⁵	%	Suppliers subject to the Conflict Minerals Regulation	Total suppliers²⁶	%
Europe	3	762	0.4	3	538	0.6
USA	4	139	2.9	6	163	3.7

²⁴ The geographical area refers to the region to which Group company belongs, which asked its suppliers to fill in the questionnaires on conflict minerals. It should be noted that in both 2022 and 2021, the companies in the Europe region that asked their suppliers to complete the conflict minerals questionnaires were Italian companies.

²⁵ It should be noted that the number of total suppliers refers to the category "Raw materials, semi-finished and finished products, external processing" of the SAES Group companies based in Europe and the United States, respectively.

3. Technology at the service of innovation

Material topics	Description	Sustainability risk factors	Management Procedures (MP)
PRODUCT SAFETY AND QUALITY AND CUSTOMER SATISFACTION	Production and sale of high quality products through actions aimed at improving the performance, durability and safety of the products manufactured. Moreover, monitoring of customer satisfaction levels and implementation of a customer relation management system capable of providing indications for the development and improvement of the design, implementation and marketing of products.	<ul style="list-style-type: none"> - Non-compliance with specific product standards and/or standards requested by the Customer and with law; - Inadequacy of the process for obtaining customer feedback; - Inadequacy of data collection tools. 	<p>The Group pursues the objective of continuously improving the quality and safety of its products by adopting the most advanced technological solutions.</p> <p>The innovation in production processes is closely related to the supply of cutting-edge products. The Group monitors and collects complaints relating to any problems found by its customers and gives full attention to listening to and promptly resolving any problems.</p>
PRODUCT SUSTAINABILITY AND CIRCULAR ECONOMY	The promotion of principles, practices and processes that minimise or eliminate the negative environmental impacts of products during their life cycle, operating methods that comply with the most advanced green purchasing policies, the development of packaging that enables the reduction of the use of plastic by reducing thickness and composting food packaging. In addition, research and development activities aimed at designing products with high technological content with a special attention to innovative solutions and sustainable applications capable of generating positive external effects for the environment, society and customers; the topic includes the implementation of eco-design criteria and the use of cutting-edge technologies, patents and know-how.	<ul style="list-style-type: none"> - Non-compliance with existing guidelines and/or regulations (e.g., food contact and recycling/composting packaging); - Achievement of technological alternatives with competitive characteristics; - Lack of product innovation; - Inadequacy of the research and development process of new technologies with improved resource utilisation performance; - Inefficient use of resources; - Evolution of customers' green purchasing policies; - Inadequacy of the product research and development process; - Lack of retention and attraction of talents and highly qualified staff. 	<p>The Group supports and implements research and innovation activities aimed at the introduction of materials and processes in line with the principles of circular economy and with the guidelines of the sector. The Group, in particular the company Saes Coated Films, develops packaging that enables extending the shelf life of food products through the use of sustainable materials such as paper and bioplastics. The document "Guidelines for the use of safer chemicals in SAES Group products and processes" is constantly updated to include the developments of customers' most advanced green purchasing policies. Moreover, the Group continuously supports and implements research and innovation initiatives, paying particular attention to the hiring of highly qualified staff.</p>

DATA SECURITY AND CYBERSECURITY	Protection of sensitive data processed by the Group and attention to the issue of information security in business activities with particular regard to employees, customers and documents of strategic importance for business development such as: patents, know - how, research, innovative projects.	- Failure to comply with security and privacy regulations and related intrusions into information systems that endanger information and data.	The Group takes all the necessary precautions to minimise the risks inherent in the services offered by implementing and adopting the best security standards and also turning its attention to the market in order to identify the appropriate tools to protect the technological structure. At the Italian level, security guidelines are formalised within a documentary framework that provides methodologies and management standards aligned with quality and compliance requirements in relation to different operational areas and risk. Internationally, information security is ensured by aligning with local regulatory requirements and implementing certified systems (e.g., ISO 27001, SOC 2 Type II standards).
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HIGHLIGHTS



**Lainate and Avezzano plants IATF
16949 certified**

**Memry Corporation plants ISO
13485 certified**

**Over 300 inventions in the last 70
years**

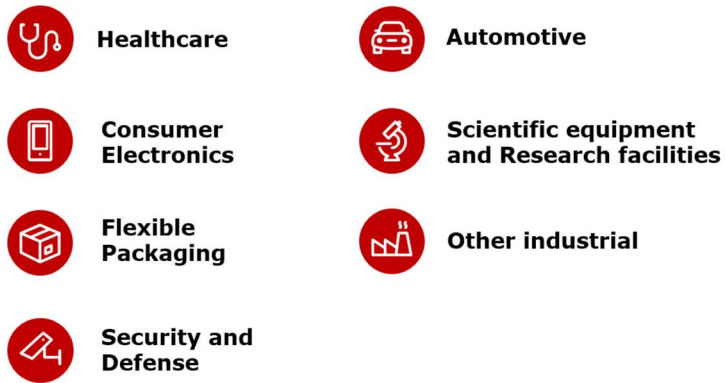
**425 patents filed and active
between Europe, Asia and the
United States**

**Over 200 technical articles
published in scientific journals**

3.1. Customers and markets served

Over time, the SAES Group has become a world leader in the offer of hi-tech solutions for scientific and industrial applications requiring vacuum conditions, shape memory products and functional polymeric compounds. The Group has developed a high level of know-how in the engineering of components and systems by offering a vast amount of innovative solutions to approximately 1,242 customers in 2022 in approximately 58 different countries. The Group develops and customises the functions of the materials according to the requests of its Customers, including blue chips, start-ups, universities and research centres, using a vertical approach in production: from raw materials to the finished product, capable of meeting the specific requirements of each Customer.

THE MAIN MARKETS SERVED BY THE SAES GROUP



TECHNOLOGY IS OUR PRODUCT: SOLUTIONS FOR EVERY NEED

THE MAIN FUNCTIONS OF OUR PRODUCTS





Actuate: *moving parts of different mechanical devices and equipment*

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

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

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

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

The exploitation of Nitinol's super elasticity property, together with its proven biocompatibility, is primarily used in medical applications, minimally invasive surgery and self-expanding medical devices such as aortic stents or heart valves, while shape memory is primarily used in actuators in industrial applications. The latter can be used where closing, opening or regulating actions are required, such as in thermo valves, thermostatic actuators or dosing systems. Thanks to their compactness, silent movement and light weight, they are particularly appreciated in sectors such as automotive, home automation and consumer electronics.



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

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

The main families of metallic getters are shown below:

- **Getter Film** – application of getter technology in small devices due to their reduced thickness and customised mouldability on different substrates. For example, the main uses are image intensifiers

and photomultipliers, gyroscopes and other micro devices (MEMS -Micro Electro-Mechanical Systems).

- **Hydrogen Getter** – solutions applicable to cryogenic tanks for storage of liquid gases, vacuum insulated cryogenic tubes, small-volume dewars and hermetic storage containers for hydrogen-sensitive products.
- **Non evaporable getters (NEG)**– the dimensional constraints of the devices that need to maintain vacuum, special process temperature conditions, the need for capacity or rate of gas absorption at different temperatures etc. have led to the development of a variety of getter alloys and components, with different sizes and configurations, used in devices ranging from lamps, X-ray tubes, solar collectors, sensors, insulated panels and much more.



DISSIPATE

Dissipate: managing heat transfer and dissipation

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



PROTECT & SEAL

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

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

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



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

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

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

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



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

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

The core offering was recently enhanced through the acquisition of Strumenti Scientifici Cinel S.r.l. and SAES RIAL Vacuum S.r.l. The former is a leading supplier of scientific instrumentation for accelerators and research and has enabled SAES to strengthen its leadership in the research market, expanding its technology and product offering from vacuum chambers to beamlines and synchrotron scientific instrumentation to

integrated pumping solutions. The second is active as a supplier of coating getters for accelerator chambers and vacuum engineering services, for both industrial and research customers.

3.2. Innovation, research and development

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

The technological diversification that the Group proposes, both from a production point of view and in the different sectors served, is the result of a precise strategic choice, aimed at consolidating its leadership position in the high-tech products market. In fact, in line with 2021, 120 Group employees and external collaborators (about **10%** of the total) are employed in R&D activities. In this context, the Group protects:

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

The Corporate Research & Development area, in synergy with the other Group companies, invests in the development of the most functional and specific technical aspects for the various subsidiaries, constantly involving the partners present on a global level. To support the strong drive for innovation, in 2022 the Group allocated Euro 12,657 thousand to R&D activities, equal in percentage terms to approximately 5% of consolidated net turnover.

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

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

NUMBER OF PATENTS REGISTERED BY THE SAES GROUP BY GEOGRAPHICAL AREA (2002 - 2022)²⁷

Geographical area	Number of registered patents
Europe	102
USA	97
Japan	75
South Korea	63
China	88
Total	425

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

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

SAFETY AND QUALITY OF PRODUCTS

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

²⁷ The data refer to patents granted with legal status in force (i.e., patents granted but abandoned or expired are excluded).

QUALITY MANAGEMENT OF PRODUCTION PROCESSES

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

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

CUSTOMER CARE: HANDLING COMPLAINTS

Customer care and complaint handling are areas that the SAES Group supervises and manages on a daily basis with care. All critical issues related to commercial activities (including product-related complaints) can be reported through specifically provided customer service tools. The marketing department directly manages the reports that are subsequently included in the online platform Customer Support Application: this tool makes it possible to manage all the steps of the process for checking and solving complaints. The Quality Department handles the reports, carrying out a root cause analysis, issuing appropriate corrective actions and drawing up a technical report if necessary.

424 complaints were handled in 2022, an increase of 20% compared to 2021. There were no complaints relating to mandatory or legislative requirements and there were no reports from customers of returns from the field due to SAES products.

CIRCULAR ECONOMY AND PRODUCTS WITH LOWER ENVIRONMENTAL IMPACT

The circular economy aims to minimise waste generation and keep the value of products, materials and resources circulating. To date, materials management is responsible for more than 50% of greenhouse gas emissions²⁸. This is why a proposed mitigation strategy at European level relates to the innovation and design of materials according to eco-design criteria, which take into account their entire life cycle.

In alignment with the European Strategy for Plastics in the Circular Economy, SAES Coated Films manufactures and promotes recyclable or compostable flexible packaging solutions that can replace, with

²⁸ "Implementing Circular Economy Globally Makes Paris Targets Achievable" | Report by Ecofys and Circle Economy (2016)

equal performance, applications that, due to their inherent structural limitations, cannot be recycled with today's technologies.

Flexible packaging is inherently advantageous in terms of efficiency and light weight and can generate 45-55% less waste²⁹ than rigid packaging. However, 20% of flexible packaging³⁰ in Europe today is not recyclable, because it consists of a heterogeneous and inseparable combination of different plastics, which is necessary to ensure certain mechanical and barrier properties. SAES Coated Films offers on the market innovative packaging films, which concentrate high barrier properties in a very limited thickness, thus enabling simple and functional flexible packaging structures designed for recyclability or compostability. Thanks to the proprietary Coathink® technology, a water-based lacquer deposition system, SAES films are functionalised to protect the shelf life of food products, preserving quality and freshness and contributing to the prevention of food waste. SAES lacquers, obtained with patented and proprietary formulations, are deposited on the surface of plastics or biomaterials in very thin surface layers that, due to their nature and quantity, do not interfere with the film recycling process. Coathink® makes it possible to redesign packaging with the objective of guaranteeing, after the end of its life cycle, the regeneration and the quality of new second raw material (intended as the result of material obtained from the recycling process): recycled plastic to be used for a second life, or compost, to be used as agricultural fertiliser.

Lastly, it should be noted that since September 2022, SAES Getters S.p.A. only purchases FSC-certified cardboard packaging from the supplier DELES.

DATA SECURITY AND CYBERSECURITY

IT security is of paramount importance for the proper delivery of services. The SAES Group takes all the necessary precautions to minimise the risks inherent in the services offered, implementing and adopting the best security standards and also turning its attention to the market in order to identify the appropriate tools to protect the technological structure. At the Italian level, security guidelines are formalised within a documentary framework that provides methodologies and management standards aligned with quality and compliance requirements in relation to different operational areas and risk sources: information security (ISO/IEC 2700x); operating continuity (ISO 27031:2011 and ISO 22301:2012); GDPR – New European Privacy Regulation. Internationally, information security is ensured by aligning with local regulatory requirements and implementing certified systems (e.g., ISO 27001, SOC 2 Type II standards). In particular, starting in 2020, SAES Getters/U.S.A., Inc. invested heavily in improving its IT infrastructure and IT security. In 2022, Spectra-Mat, Inc. began integrating its technology landscape into the new IT environment of SAES Getters/U.S.A., Inc.; both companies now share a common IT infrastructure. Each site is protected by an NGFW edge configured with zero-trust criteria, and is directly connected by IPSec VPN with industry-standard encryption schemes. All data is encrypted, all workstations are monitored and the logs are disseminated in a SIEM; in addition, an EDR product is installed on each workstation. Both organisations have adopted all industry best

²⁹ "Flexible Packaging Market in Europe 2018-2022" | Technavio (2018)

³⁰ "Flexible Packaging Market Global Outlook and Forecast 2019-2024" | Arizton (2019)

practices for cybersecurity and are working to become compliant with CMMC 2.0 Level 2 and NIST 800-171 cybersecurity guidelines.

Thanks to the organisational, procedural and technological measures taken in 2022 as well, work was carried out on:

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

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

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

It should be noted that there were no substantiated privacy breach and data loss complaints during 2022, where a substantiated complaint is defined as a written notice from the Authorities or a similar public oversight body to the organisation identifying privacy violations or a complaint made to the organisation that has been found to be legitimate by the organisation.

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

4. The people of the SAES Group

Material topics	Description	Sustainability risk factors	Management Procedures (MP)
HUMAN CAPITAL MANAGEMENT AND EMPLOYEE DEVELOPMENT	<p>Professional growth and retention of talents; development and training activities aimed at strengthening the technical, managerial and organisational skills of employees and consolidating the professionalism required by the covered role.</p> <p>Plans and actions aimed at attracting qualified and specialised personnel with specific technical skills related to the Group's business activities.</p> <p>Development of a constructive dialogue with the trade unions.</p>	<ul style="list-style-type: none"> - Inadequacy of the recruitment process; - Lack of talent retention and attraction; - Inadequacy of personnel development and training plans; - Inadequacy of agreements and relations with trade union representatives and other labour organisations. 	<p>The SAES Group is committed to defining professional growth objectives for all its employees, recognising the achieved merits and goals.</p> <p>The Group supports and encourages the carrying out of training and growth activities for all employees by encouraging the involvement and sharing of the Group's growth objectives among all employees.</p> <p>The Group is committed to establishing constructive and responsible relations with trade unions in order to develop a positive dialogue.</p> <p>The Group has adopted an HR Global Policy by which it defines the fundamental principles to which the Group aspires for the promotion of an optimal workplace and professional growth within all Group companies, in compliance with human rights and the promotion of diversity.</p>
EMPLOYEE WELL-BEING	<p>Policies, benefits (economic and non-economic), actions to improve the well-being of employees and to create a comfortable working environment that meets the requirements and expectations of employees.</p>	<ul style="list-style-type: none"> - Inadequacy of welfare policies and convergence with regard to personnel requirements and expectations. 	<p>The Group is committed to reconciling the working and personal lives of its employees. The SAES Group encourages the development of policies, projects and benefits that can contribute to meeting the expectations and requirements of employees.</p>
OCCUPATIONAL HEALTH AND SAFETY	<p>Development of practices and programmes to promote safety in the workplace; promotion of specific training on health and safety of employees, monitoring and prevention of work-related accidents in order to reduce their number.</p>	<ul style="list-style-type: none"> - Non-compliance with occupational health and safety regulations; - Failure to protect workers' health; - Inadequacy of investments and training plans regarding health and safety matters. 	<p>The Group is committed to reducing the number of injuries through improvement of the working environment and reducing staff absenteeism.</p>
DIVERSITY & INCLUSION	<p>Policies and programmes that aim to protect and ensure the promotion of diversity, inclusion and equal treatment within the Group.</p>	<ul style="list-style-type: none"> - Failure to respect and value diversity; - Pay inequality between men and women at the same professional level; 	<p>The Group condemns all forms of discrimination, both internal and external, and is committed to ensuring that all decisions relating to its employees are considered while taking into account the skills, knowledge and work performance of each, without any differentiation based on age, gender, sexual orientation, health,</p>

		- Possible occurrence of discrimination.	race, nationality, religious beliefs and political opinions.
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HIGHLIGHTS



1165 Group employees as at 31 December 2022

8 average hours of training per capita



90% of senior managers are employed in their home country

4.1. *Our People*

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

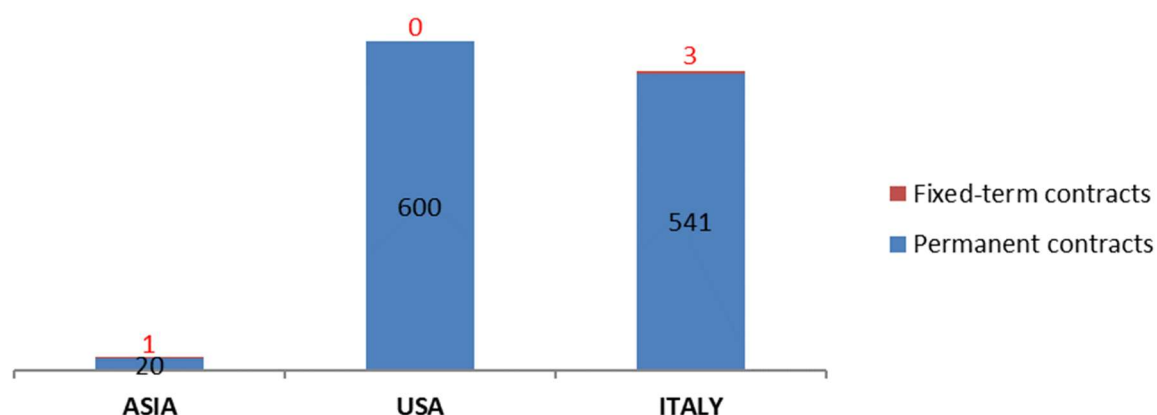
At 31 December 2022, the Group's total workforce amounted to **1165** people.

The Group's corporate population is largely concentrated in the USA (**52%**) and Italy (**47%**). The remaining portion (**2%**) is employed in the offices located in Korea, China, Taiwan and Japan, hereinafter referred to as "Asia".

The SAES Group strongly believes in the professionalism of its employees. As a demonstration of the Group's desire to create strong and long-lasting professional relations, in 2022, **99.7% of the total workforce** consisted of employees with **permanent**³¹ contracts.

³¹ Employees hired by SAES Getters USA, Inc. signed an at-will contract that, in the representation of the Group data, was classified as "permanent" because the contractual agreement does not establish a time limit for the employment relationship.

DISTRIBUTION OF EMPLOYEES BY GEOGRAPHICAL AREA AT 31 DECEMBER 2022³²



At 31 December 2022, the Group employed **61** external collaborators (mainly contract workers), down compared to 64 external collaborators in the previous year. Moreover, supporting the commitment to develop new talents, the Group offered **one internship/school-work alternation project opportunity**.

Compared to the professional categories, **most employees** (687) fall under the **blue collar** category, one of the key roles for achieving the high quality standards of the SAES Group's products. **White collars** (including middle managers), on the other hand, represent approximately **32%** of employees and, finally, the category of managers, which includes key executives and managers, corresponds to approximately **9%** of the total.

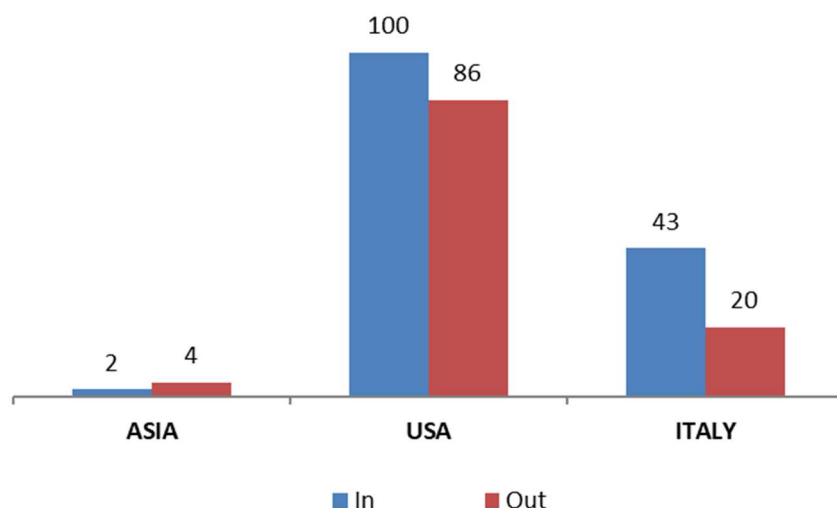
DISTRIBUTION OF EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER

	As at 31 December 2022			As at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Managers	88	18	106	87	16	103
White collars	242	130	372	226	117	343
Blue collars	471	216	687	450	205	655
Total	799	364	1165	763	338	1101

³² It should be noted that the employees of the geographical area Italy also include the employees of SAES Getters S.p.A. Zweigniederlassung Deutschland and SAES Coated Films S.p.A. Zweigniederlassung Deutschland, which therefore coincide with the employees of the geographical area Europe. It should also be noted that the employees in the US region also include the employee of Memry Corporation-Germany Branch and the two employees of Memry Italian Branch Office.

In terms of turnover within the Group, **145** new employees **joined in 2022**, compared to **110** who left.

GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES WHO JOINED AND LEFT THE GROUP IN 2022



As a result of the hires made in 2022, the hires rate, i.e. the ratio between the number of hires and the total number of employees at 31 December, was equal to 12%, as can be seen in the following table.

HIRES AND HIRES RATE

	2022					2021				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Men	31	44	17	92	11%	34	37	32	103	13%
Women	11	32	10	53	15%	22	26	17	65	19%
Total	42	76	27	145	12%	56	63	49	168	15%
Rate	32%	15%	5%	12%		40%	13%	11%	15%	

Referring to the outgoing turnover rate, i.e., the ratio between the number of outgoing employees and the total number of employees at 31 December 2022, the value recorded in 2022 was 9%, as can be seen in the following table.

OUTGOING AND TURNOVER RATE

	2022					2021				
	<30	30-50	>50	Total	Rate	<30	30-50	>50	Total	Rate
Men	21	26	27	74	9%	16	24	29	69	9%
Women	11	14	11	36	10%	6	11	12	29	9%
Total	32	40	38	110	9%	22	35	41	98	9%
Rate	25%	8%	7%	9%		16%	7%	9%	9%	

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

4.2. Resource development and talent management

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

The management and retention of human capital by management is therefore also guaranteed by the training activities provided for personnel development, which amounted to approximately 9,777 hours in 2022 (8,049 in 2021), with a per capita average of approximately 8 hours, an increase compared to the previous year.

AVERAGE HOURS OF TRAINING PER EMPLOYEE BY GENDER AND EMPLOYMENT CATEGORY (2022)³³

	Men		Women		Total	
	No. of hours	Average hours	No. of hours	Average hours	No. of hours	Average hours
Managers	740	9	251	14	991	10

³³ It should be noted that in reference to Memry Corporation and SAES Smart Materials, the training hours were estimated considering the average training for each employee.

White collars	3,114	13	1,256	10	4,370	12
Blue collars	3,147	7	1,269	6	4,416	6
Total	7,001	9	2,776	8	9,777	8

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

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

The training activities were delivered both in-person and remotely and covered topics arising from technical-professional needs, needs related to managerial skills as well as needs related to workers' health and safety.

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

- **Technical and compulsory training:** Scotwork Strategic Negotiation Skills, Flexible Packaging Expert, IATA Regulatory Update, Patents, PPE III Cat. training. BLS ZERO 32 FRP3 training, ACC1 Course - Access, Finance for non-finance, Public Speaking, Multifunctional, Hybrid and Nanomaterials, Unit X - Architecture and its experimental form, Computer Implemented Invention Course, Motion Design, air transport of hazardous goods, Ansys Mechanical basis, Powder Metallurgy, High temperature alloys produced with additive technologies; Intellectual Property Update, administrative update.
- **Health and safety, quality and environment training:** low risk update, training for supervisors and executives, risks associated with noise, RSPP (Head of Prevention and Protection Service) / ASPP (Prevention and Protection Service Officer) update - Carcinogen and mutagen protection training, radiation protection course, safety training in Agile Work, high risk;
- **Language training:** English (in the Group's Italian offices);
- **Master:** Corporate Communication and Social Media Strategy Master, Data Analytics and Marketing Intelligence Master;
- **Management training:** Creating and Capturing value from open innovation, Executive master of business administration, Alumni Networking Journey, LSE MBA Essential, Negotiation.

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

In addition, in order to respond to the increasingly predominant trend of digitalisation, the choice of training in e-learning mode was expanded within the SAES Digital Academy platform, a pilot project launched in 2021 on an experimental basis for the Lainate and Milan offices. The aim is to provide an innovative training service that supports strengthening company performance, also thanks to the easy usability and updating of the platform itself. This training service is available in addition to typical in-person training and/or webinars.

The digital platform allowed accessibility to various training contents, from compulsory training courses (e.g., GDPR, 231 organisation model) to training courses for the development/enhancement of managerial skills.

This is a continuously evolving project that involves the constant monitoring of platform functionality and satisfaction, as well as the enrichment of new content rather than digital topics.

Training activities relating to safety, prevention and quality, as well as technical, tax, legal, administrative and labour law updates, as well as training sessions for new recruits and continuing education are confirmed for 2023 as well.

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

- creating a common vision on the theme of Open Innovation and on the new work procedures;
- ensuring the development of technical and managerial skills, with a specific focus on issues emerging as priorities within the Divisions and in the CTIO and R&D Labs areas, SIO;
- developing cross-cutting and managerial skills through the internal training demand of the various corporate departments;
- ensuring the updating of knowledge on legal issues, Intellectual Property, Economics, Automotive, Environment;
- raising awareness and creating culture through Diversity & Inclusion initiatives, with the support of the associations *Valore D* and *Parks Liberi e Uguali*;
- providing space for internal intra-group communication through the SAESinTouch tool, so as to strengthen the involvement and integration of Group company employees on technical issues, current context information and soft skills;
- enriching and diversifying the Saes Digital Academy platform through both internal and external training initiatives aimed at ensuring the continuous improvement of professional skills.

In addition to training initiatives, a number of **support and professional development initiatives** were carried out in 2022, including:

- a 24/7 medical assistance service (DOC24) for the entire company population and their families;
- the application of 'Agile Work' pursuant to Italian Law 81/2017 following a trade union agreement with the trade unions, an individual agreement with the employee and the relevant Agile Work Regulations (Lainate and Milan locations);
- the Parent organised the anti-flu campaign internally to allow its workers to participate preferentially and directly at their workplace.

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

As in 2021, **95% of the workers receive regular evaluations of their performance** and are given **career development opportunities**. The continuous dialogue among the resources of the SAES Group contributes to the continuous improvement of the organisation.

EMPLOYEES RECEIVING A REGULAR PERFORMANCE AND CAREER EVALUATION (2022)

	Men	Men %	Women	Women %	Total	Total %
Managers	83	97%	18	100%	101	97%
White collars	223	92%	117	90%	340	91%
Blue collars	446	95%	215	100%	661	96%
Total	752	94%	350	96%	1102	95%

INCENTIVES AND REMUNERATION

In order to attract, motivate and retain the resources having the qualities and professional skills (both technical and managerial) necessary to achieve corporate objectives, the SAES Group annually approves the “Remuneration Policy”³⁴ which is defined in order to align the interests of top management with those of shareholders, which, by creating a strong identification with the company, pursue the challenging goal of creating sustainable value in the medium to long term.

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

- a gross annual fixed component (RAL), defined taking into account different factors, such as: labour market trends, the specific nature of the business in which the SAES Group works, the benchmarks of comparable companies, the role and relative responsibilities, length of service, competences, potential and career growth prospects of individual executives;
- a variable component divided into:
 - MBO (Management by Objectives) for the executive directors, which allows evaluating the recipient's performance on an annual basis, subject to the achievement of the “adjusted EBITDA” parameter; PfS (Partnership for Success) for executives and certain employees

³⁴ For more information, please refer to the 2022 Remuneration Policy published at www.saesgetters.com.

The Group will continue to analyse sustainability topics in order to define ESG targets, to which a part of variable remuneration may be linked.

considered strategic, with annual disbursement, achievable based on the achievement of pre-defined business/role objectives; Pdr (performance bonus) for all other employees determined on the basis of three indicators, namely production efficiency, quality and profitability.

- LTI Plan (Long Term Incentive Plan), a deferred disbursement designed to retain and motivate key corporate resources and consequently allow the Company to enjoy greater organisational stability over the medium/long-term (3 years), linked to specific objectives contained in the three-year strategic plan.

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

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

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

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

The Plan provides for the bonus issue of a certain number of phantom shares to each beneficiary, which give him or her the right to receive a cash incentive payment which is parametrised in relation to the increase in the market share price on the date on which certain predetermined events occurred (such as, for example, change of control of the Company, resignation for just cause, reaching retirement age, death, delisting), with respect to the allocation value.

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

4.3. Corporate Welfare

With the aim of guaranteeing its employees high flexibility levels and the possibility of balancing work requirements with private life, the SAES Group offers its personnel various concrete initiatives to ensure good company welfare, such as **part-time** contracts, which **18 people** benefited from in 2022.

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

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

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

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

In addition, in 2022 the well-established **Flexible Benefits** programme continued, which provides beneficiaries with a certain amount of money to purchase a wide range of educational, welfare and/or recreation services.

4.4. Employee Health and Safety

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

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

In particular for the Italian companies, the “Risk Assessment Document”³⁵ identified the appropriate prevention and protection measures and their implementation with the support of specialised figures.

The risk assessment was translated into a document containing:

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

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

A key aspect in prevention is given by the training and information activities for all workers. For this reason, within the scope of their specific tasks and competences, every worker receives continuous and adequate information and training on safety regulations, procedures concerning first aid, fire fighting, evacuation of workplaces. In particular, at the Italian level, worker safety representatives are established to facilitate worker participation and consultation on the health and safety management system.

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

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

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

During 2022, 23 workplace injuries were recorded in the Group, all of which were classified as minor, of which 20 related to employees and 3 to external collaborators. The injuries recorded were mechanical (e.g., cuts, crushing) and chemical, and no serious injuries were recorded.³⁶ The employee injury rate is slightly higher than that of 2021, but remains substantially low and connected to events with limited consequences;

³⁵ As a result of an internal monitoring activity, the need emerged for action at the subsidiary Saes Coated Films to implement corrective initiatives concerning its occupational health and safety management system.

³⁶ It should be noted that the injuries include all Group companies included in the reporting scope where production sites are located. Furthermore, it should be noted that the figures for the year 2022 also include the company SAES Rial Vacuum, which was acquired on 25 May 2022.

furthermore, the rate is particularly low in the Italian companies. With respect to hours worked, there is an increase in hours worked by employees in 2022 (+14% compared to 2021) and a decrease in hours worked by external collaborators (-19% compared to 2021)³⁷.

DATA RELATING TO INJURIES

	Employees		External collaborators	
Number of injuries	2022	2021	2022	2021
Fatal injuries	-	-	-	-
Injuries with severe consequences (excluding deaths)	-	-	-	-
Recordable injuries	20	13	3	2
Type of hazard	2022	2021	2022	2021
Mechanical	18	13	3	2
Chemical	2	-	-	-
Hours	2022	2021	2022	2021
Hours worked	2,056,263	1,808,537	118,703	146,813
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2022	2021	2022	2021
Death rate as a result of work-related injuries	-	-	-	-
Rate of injury with serious consequences (excluding deaths)	-	-	-	-
Rate of recordable injuries	9.73	7.19	25.27	13.62

³⁷ The data relating to the Health and Safety of external collaborators only includes the categories of Temporary Workers and Trainees and not other types of non-employed workers who work at the Group's sites and/or under the Group's control, in consideration of their significance and the availability of such data over which the Group does not exercise direct control.

4.5. Diversity and non-discrimination

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

The commitment promoted by the Group is also reflected in the decision to employ 364 women in its business activities, equal to 31% of the total. The figure, upward compared to 2021, shows management's intention to invest in a process of diversity, despite the traits of the industrial sector that has always been dominated by male workers.

In continuity with 2021, in the year of reporting, the Parent demonstrated its interest in the topic of Diversity & Inclusion by renewing its membership in the associations Valore D (association of companies that for 10 years has been committed to gender balance and an inclusive culture in Italian organisations, and Parks Liberi e Uguali (an association of companies created to help companies understand and maximise the business potential linked to the development of strategies and best practices that respect diversity linked to sexual orientation and gender identity).

As regards the distribution of employees by age group, the Group's personnel is also more concentrated in the age group that includes employees over the age of 50 (45%). The other age brackets contain 44% (between 30 and 50) and 11% (under 30 years old) of workforce, respectively.

DISTRIBUTION OF EMPLOYEES BY AGE GROUP

	2022				2021			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Managers	0	41	65	106	1	40	62	103
White collars	37	187	148	372	40	179	124	343
Blue collars	93	287	307	687	98	279	278	655
Total	130	515	520	1165	139	498	464	1101

Although it invests in the promotion of diversity and internationalisation as a strategy for cultural growth, the Group recognises the importance of a management class that is able to guarantee proper business

management in line with local needs. For this reason, **90% of managers are employed in their country of origin³⁸**.

³⁸ Locally hired managers is intended as the employee's national origin.

5. Our commitment to the environment³⁹

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

³⁹ The environmental figures include all the Companies of the Group included in the reporting scope where the production sites are located. On the other hand, companies with only commercial offices are excluded as they are not considered relevant. It should be noted that the environmental data relating to the management office located in Piazza Castello 13, Milan, for which a seven-year lease agreement was signed by the Parent, refer only to electricity and gas consumption, although this is negligible compared with the Group's environmental impact.

	chemical, physical and biological quality of discharges. Responsible management of hazardous and non-hazardous waste associated with the business of the Group; dissemination of a corporate culture aimed at maximising the efficiency of waste management by promoting responsible management methods and practices such as: reuse, differentiation and recycling of produced waste.		manages waste in full compliance with environmental laws and regulations, making all its employees aware of the proper delivery of waste in order to promote its recycling and recovery (e.g. waste classification and collection). Particular attention is paid to the proper management of waste from industrial processes (e.g. guidelines for the use of safer chemicals in SAES Group product and processes).
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HIGHLIGHTS

100% of the electricity purchased by the Group's Italian companies comes from renewable sources

53 t CO₂ saved at Lainate and Avezzano sites and Spectra-Mat, Inc. thanks to relamping (*)

Lainate and Avezzano plants ISO 14001 certified

36% of the waste produced by the Group intended for recycling or other recovery operations (63% at the Lainate site)

(*) Calculation of emissions based on the "Market-based" approach, whereby an emission factor defined on a contractual basis with the electricity supplier is used and the purchase of renewable electricity with Guaranteed Certificates of Origin does not imply greenhouse gas emissions. Sources of the emission factors: TERNA 2019, AIB - European Residual Mixes 2021 (Ver. 1.0, 2022-05-31).

5.1. Managing environmental impacts

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

Therefore, the **eco-friendly strategy** is guaranteed by the control of the entire life cycle of the products of the SAES Group and by the systematic approach adopted for the pursuit of environmental protection. This

method of action, in line with the best practices of the **UNI EN ISO 9001 quality management system** certification obtained for the Group's main production sites⁴⁰, is based on the following points:

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

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

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

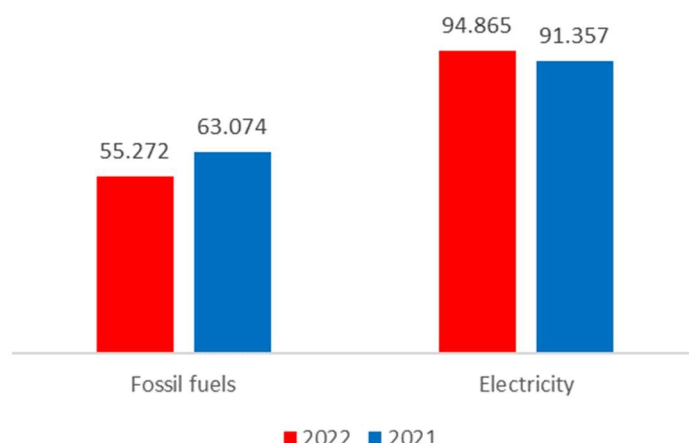
5.2. Energy Consumption

At the end of 2022, the Group's total energy consumption amounted to **150,136 GJ**, a slight decrease compared to the previous year for which a figure of **154,430 GJ** was recorded. The main consumption derives from the use of non-renewable fuel (mainly propane and natural gas) and electricity purchased for production and air-conditioning purposes. Electricity consumption increased by 4% compared to 2021, that of fossil fuels decreased by 12%. In particular, the increase in electricity consumption was due, on the one hand, to increased consumption for air conditioning in the summer months (which recorded above-average temperatures) and on the other hand, to increased production at SAES Smart Materials and SAES Coated Films. The decrease in gas consumption, on the other hand, is due to both the increase in average temperatures and the implementation of Italian regulations that imposed a delay in the ignition of boilers and a lower maximum allowed temperature than previously in use.

In 2022, 100% of the electricity purchased by Italian companies of the Group (corresponding to about 55% at Group level) came from renewable sources certified by Guarantees of Origin.

⁴⁰ The ISO 9001 certified Group companies are: SAES Getters S.p.A., Memry Corp., SAES Smart Materials, Inc., SAES Getters USA, Inc., SAES Coated Film S.p.A.; Strumenti Scientifici Cinel S.r.l.

ENERGY CONSUMPTION BY TYPE OF SOURCE (IN GJ)



The energy intensity value resulting from direct consumption for the year 2022 equals 1.03, a decrease compared to the value of 2021 (equal to 1.25). This decrease is mainly due to the increase in the cost of production⁴¹.

As far as the Group's commitment to reducing its energy consumption in relation to electricity is concerned, in 2022 the organisation saved 428 GJ (equal to 53 tCO₂)⁴² through interventions to reduce consumption and/or improve efficiency, such as relamping processes at Saes Getters S.p.A. (in the Lainate and Avezzano plants) and SpectraMat, Inc.

5.3. Atmospheric emissions

In 2022, the SAES Group produced **11,819 tCO₂e**⁴³, in line with 2021.

In reference to **direct emissions** (Scope 1), i.e., the emissions resulting from consumption relating to the use of fossil fuels, the 2022 figure is equal to **2,813 tCO₂e**, a **decrease of about 13%** compared to 2021. The decrease is due to lower use of natural gas, as explained in chapter "5.2 Energy Consumption".

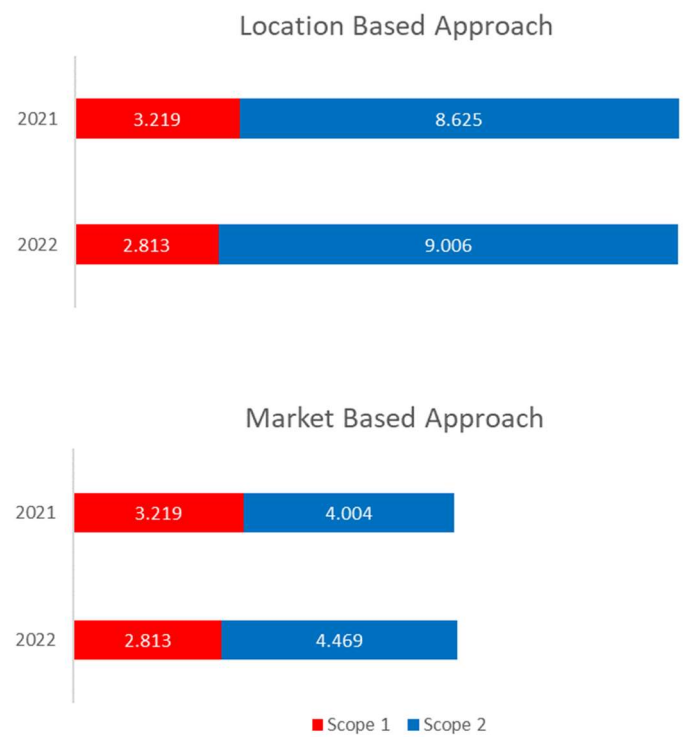
⁴¹The energy intensity resulting from direct consumption was obtained from the ratio between the value of energy consumption of fossil fuels and electricity by the organisation (in GJ) and the cost of goods sold (€), multiplied by one thousand.

⁴² Calculation of emissions based on the "Market-based" approach, whereby an emission factor defined on a contractual basis with the electricity supplier is used and the purchase of renewable electricity with Guaranteed Certificates of Origin does not imply greenhouse gas emissions. Sources of the emission factors: TERNA 2019, AIB - European Residual Mixes 2022 (Ver. 1.0, 2022-05-31).

⁴³The figure for Group CO₂ emissions reported in this section "Atmospheric emissions" refers to the total Scope 1 and Scope 2 emissions, the latter calculated using the location-based method. Scope 1 emissions are expressed in tCO₂e, including emissions of CO₂, NH₄ and N₂O. The Scope 2 emissions are expressed in tCO₂; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂ equivalent), as can be deduced from the relevant technical literature. For further details and for the conversion factors used to calculate greenhouse gas emissions, see the table in the annexes.

Indirect emissions (Scope 2) from the purchase of electricity compared to the year 2021 slightly increased by about 4% according to the Location-based approach and by about 12% according to the Market-based approach. The purchase of electricity from renewable sources by the Group's Italian companies resulted in the avoidance of a total of 6,582⁴⁴ tCO₂, accounting for 47% of the Group's total emissions, and 60% of Scope 2 emissions⁴⁵.

DIRECT EMISSIONS, SCOPE 1, AND INDIRECT EMISSIONS, SCOPE 2 (IN tCO₂e)



Other types of emissions released into the atmosphere by the SAES Group are mainly ethanol, volatile organic compounds (VOCs), dust and NO_x and CO from the combustion of natural gas for heating.

⁴⁴ Sources of the emission factors: AIB - European Residual Mixes 2022 (Ver. 1.0, 2022-05-31).

⁴⁵ Market-based emissions calculation.

OTHER EMISSIONS INTO THE ATMOSPHERE (2022)⁴⁶

Pollutant	Quantity (ton/year)	percentage
Ethanol	13.232	74.3%
VOC	3.897	21.9%
Total Particles	0.366	2.1%
SOx	0.168	0.9%
NOx	0.131	0.7%
Other pollutants	0.017	0.098%
Phosphoric Acid	0.00032	0.002%
CO	0.000	0.0%
Total	17.812	100%

In 2021, the Group estimated that thanks to the implementation of remote work and the consequent reduction of employee mobility for commuting to work, an annual saving of 57.4 tCO₂e⁴⁷ will be achieved in the companies Saes Getters S.p.A. and Saes Coated Films.

In order to incentivise the use of public transport, from December 2021 onwards, the Saes Getters S.p.A. Lainate site will have a Home Work Travel Plan, which gives employees the opportunity to benefit from discounts and agreements for the purchase of public transport passes.

⁴⁶ The perimeter refers only to those companies that provide for the monitoring of atmospheric emissions as required by current local regulations, and these are: SAES Getters S.p.A. - Lainate and Avezzano plants, SAES Smart Materials, Inc., SAES Coated Films SpA, SpectraMat inc. which are therefore considered relevant for the purpose of ensuring an understanding of the impacts of the Group's activities. Starting from 2019, the data relating to pollution not previously monitored, such as VOCs, at SAES Coated Films and Spectra-Mat Inc., CO and NOX at the Avezzano plant have been reported.

At the subsidiary SAES Coated Films, ethanol emission limits were exceeded once. The most suitable approaches for abatement were evaluated in 2022. The biofilter solution was found to be the most technically, economically and environmentally appropriate; it will be implemented during 2023.

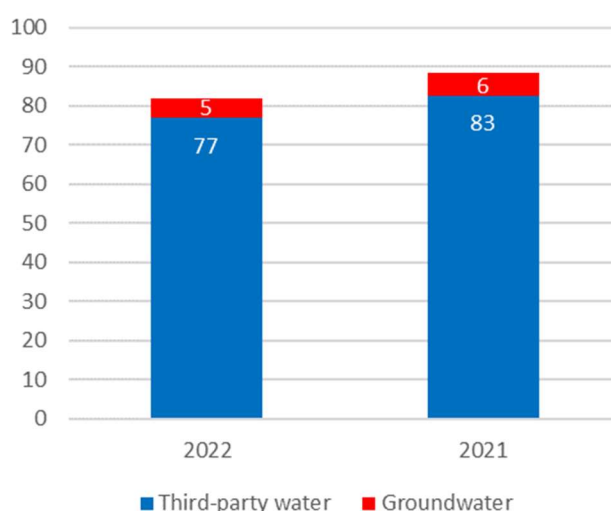
⁴⁷ The estimate is based on the results of a questionnaire conducted by the SAES Group in the year 2021 among the employees of Saes Getters S.p.A and Saes Coated Films. Sources of the emission factors: DEFRA 2021.

5.4. Water and effluents

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

During 2022, the SAES Group consumed about **81.916 MI**, a decrease of about 7% of the water used compared to 2021. In continuity with the year 2021, it should be noted that 93.84% of the water withdrawals in 2022 are attributable to third-party (aqueduct) withdrawals, while 6.26% of the withdrawals are related to groundwater. All water used by the SAES Group is classified as fresh water⁴⁸.

WATER COLLECTION BY SOURCE OF SUPPLY IN 2022 AND 2021 (MI)



The Avezzano and Colorado Springs locations (SAES Getters USA) are located in areas of high risk for water stress⁴⁹, and contribute to water consumption in the amount of 49,129 MI, equal to about 60% of the total.

At SAES Group sites, water resources are mainly for civil use (e.g., toilets, air conditioning systems, cooking food in company canteens). As far as industrial uses are concerned, only a few production processes require water as a raw material or as an auxiliary product.

Many plants are equipped with systems with closed cooling circuits, which allow the water to be recirculated internally, thus minimising water withdrawal.

Also with regard to wastewater discharge practices, the Group applies the most advanced management practices, respecting the environment and the territory. Consistent with the civilian nature of most uses, wastewater is primarily discharged into local sewers, and from there sent to local treatment plants. Where sewage treatment plants are present, the Group ensures continuous maintenance of the plants and periodic

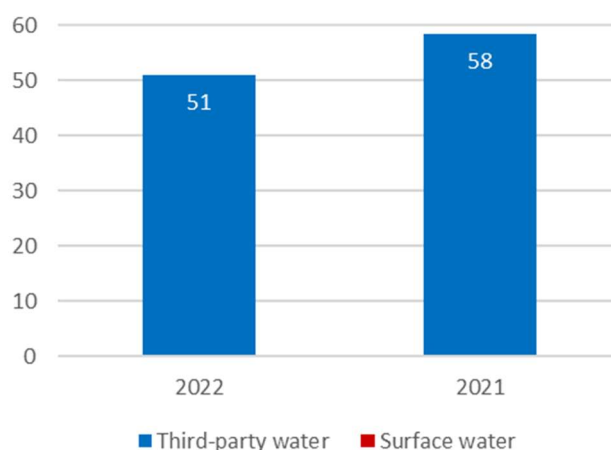
⁴⁸ Given the location of the production sites, it is assumed that the water withdrawn and discharged in 2022 belongs to the freshwater category ($\leq 1,000$ mg/l total dissolved solids).

⁴⁹ The tool Aqueduct developed by the World Resources Institute was used to determine areas with water stress.

analyses, both internal and external, to check the chemical quality of discharges, in order to confirm their compatibility with the requirements of local regulations and avoid risks to the environment. Water used as an auxiliary process product is instead disposed of as special waste.

During 2022, the Group discharged 51,020 MI of water. Wastewater is destined for the sewerage and purification system.

WATER DISCHARGE BY DESTINATION IN 2022 AND 2021 (MI)



The Avezzano and Colorado Springs sites (SAES Getters USA) are located in areas with a high risk of water stress. The water discharge of the two locations is 23,325 ml (about 46% of the total).

5.5. Waste

The responsible management of hazardous and non-hazardous waste is one of the most important points of the SAES Group's environmental protection policies.

The waste produced by the Group amounted to **2,210 tons**, an **increase of about 15%** compared to the previous year. Compared to the year 2021, waste for disposal increased by 8%. A significant part of the waste destined for disposal is linked to a single process at the Avezzano site (corresponding to 49% of the total waste destined for disposal).

The waste was divided by family, assigning each a specific hazard according to the classification in this regard, regardless of the country of origin. In line with Group policy, waste is sent for recycling whenever possible. If recycling or possible reuse is not possible, the waste is sent for disposal according to its type.

In 2022, 36% of the waste produced was sent for recycling and other recovery activities, while 64% was sent for disposal. With regard to the division between hazardous and non-hazardous waste, the former amounts to 366 tons (17% of the total), while the non-hazardous waste amounts to 1,844 tons, or 83% of the total.

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

WASTE DISPOSED BY TYPE AND DISPOSAL METHOD (TONS)⁵⁰

Method	2022							
	Hazardous			Non-hazardous			Total	Total %
	On-site	Off-site	Total	On-site	Off-site	Total		
Recycling	0.80	9.39	10.19	7.72	442.49	450.21	460.40	21%
Other recovery operations	-	2.97	2.97	-	325.87	325.87	328.84	15%
Total waste not sent for disposal	0.80	12.37	13.16	7.72	768.35	776.08	789.24	36%
Incineration with energy recovery	-	6.96	6.96	-	1.97	1.97	8.93	0%
Incineration	-	1.59	1.59	-	8.82	8.82	10.41	0%
Landfilling	-	37.56	37.56	-	63.78	63.78	101.34	5%
Other disposal operations	6.01	300.35	306.36	17.50	976.19	993.69	1,300.05	59%
Total waste sent for disposal	6.01	346.46	352.47	17.50	1,050.76	1,068.26	1,420.73	64%
TOTAL	6.80	358.82	365.63	25.22	1,819.12	1,844.34	2,209.97	100%

⁵⁰ It should be noted that when it was not possible to identify the method of waste disposal due to the unavailability of data, the quantities of waste generated were allocated to the category "Other disposal operations". The Group will endeavour to report this figure in a more timely manner in the coming years.

With reference to 2021, all the waste generated was treated off site.

Method	2021			
	Hazardous	Non-hazardous	Total	Total %
Recycling	10.39	530.95	541.34	28%
Other recovery operations	2.40	62.04	64.44	3%
Total waste not sent for disposal	12.79	592.99	605.79	32%
Incineration with energy recovery	7.62	27.84	35.46	2%
Incineration	0.59	4.86	5.45	0%
Landfilling	39.11	57.73	96.84	5%
Other disposal operations	313.44	866.09	1,179.54	61%
Total waste sent for disposal	360.77	956.53	1,317.30	68%
TOTAL	373.56	1,549.53	1,923.08	100%

Annexes

CHAPTER 1: Management of the Group's businesses

Materiality analysis - Definition of material topics

Material topic	Impact				
	Impact	Description	Type	Group involvement	Scope
Business ethics and compliance	Ethical business management	Development of fair, transparent and constructive relations with stakeholders, with direct effects on continuous improvements in ESG performance	Positive Potential	-	Group
	Anti-competitive practices	Anti-competitive behaviour and monopolistic practices with negative impacts on the economy and markets	Negative Potential	Group activities	Group
	Environmental non-compliance	Non-compliance with applicable laws, regulations, internal and external standards with related negative environmental impacts	Negative Potential	Group activities	Group
	Social non-compliance	Non-compliance with applicable laws, regulations, internal and external standards with related negative social impacts	Negative Potential	Group activities	Group
Creating shared value	Creating shared value	Economic value generation and balanced distribution to stakeholders (e.g., employees, suppliers, customers)	Positive Potential	-	Group
Diversity & Inclusion	Incidents of discrimination/ab use	Negative impacts on employee satisfaction and motivation due to discrimination (e.g., related to gender, age, ethnicity, etc.) or other non-inclusive practices	Negative Potential	Group activities	Group staff

Human capital management and employee development	Developing employees' skills	Improving workers' skills through training and professional development activities, also linked to personalised growth and evaluation objectives	Positive Current	-	Group staff
	Job creation	Job creation and valorisation of recruited resources	Positive Potential	-	Group staff
Occupational health and safety	Work-related injuries	Injuries or other incidents in the workplace with negative consequences for the health of direct employees or external collaborators	Negative Potential	Group activities	Group staff
Employee well-being	Contribution to employees' work-life balance	Implementation of initiatives to ensure work-life balance, enabling greater employee well-being	Positive Potential	-	Group staff
Product safety and quality and customer satisfaction	Safe, high quality product and customer satisfaction	Creation of a safe and high quality product in compliance with different contexts (customer needs and current legislation) with positive impacts on user health and safety	Positive Potential	-	Group customers
	Product safety risk (e.g., medical sector)	Risk to the health and safety of end-users due to production inefficiencies and ineffective product quality/compliance checks (e.g. ineffective testing of medical products)	Negative Potential	Group activities	Group customers
Data security and cybersecurity	Loss of customer data	Security breaches concerning customer privacy and loss of customer data from the management system	Negative Potential	Group activities	Group customers
Responsible management of the supply chain	Violation of human rights along the supply chain	Violation of human rights along the value chain (e.g., Right to freedom of association and collective bargaining, child labour, forced or compulsory labour)	Negative Potential	Group business relations	Group suppliers

	Enhancing the value of local suppliers	Development of industrial relations and enhancing local suppliers	Positive Potential	-	Group suppliers
Management of energy consumption, CO ₂ emissions and climate change	Generation of climate-changing emissions	Negative environmental impacts in terms of climate-altering emissions produced through the consumption of non-renewable energy (non-renewable fuels and electricity)	Negative Current	Group activities	Group
Waste and water resource management	Generation of waste in the production process	Environmental impacts related to the generation of hazardous and non-hazardous waste during production (e.g., transport, packaging, post-consumer)	Negative Current	Group activities	Group
	Water withdrawal	Negative impact on the availability of water withdrawals for the production process	Negative Current	Group activities	Group
	Generation of water discharge due to the production process	Negative impact related to the discharge of water used for the production process	Negative Current	Group activities	Group
Product sustainability and circular economy	Product environmental impact of sourcing	Marketing of products with a strong environmental footprint, due to the large amount of resources (e.g., raw materials, energy) needed in the production process	Negative Current	Group activities	Group
	Consumption of recycled and secondary materials	Selection of recycled and secondary materials in production processes to reduce the consumption of virgin raw materials	Positive Potential	-	Group

CHAPTER 2: Economic performance and business development

GRI 201-1 Statement of distribution of economic value generated by the SAES Group

Table of the Generated Value		
Determination of the Generated Value	2022	2021
	thousands of euro	thousands of euro
Directly generated economic value	255,518	195,166
Distribution of the Generated Value	2021	2021
	thousands of euro	thousands of euro
Value distributed to suppliers	97,650	76,156
Remuneration of personnel	99,389	82,158
Remuneration of lenders	16,317	2,379
Remuneration of shareholders	11,543	8,530
Remuneration of the Public Administration	13,000	8,467
Remuneration of the community	118	27
Value retained by the Company	17,501	17,449

GRI 408-1 Operations and suppliers at significant risk for incidents of child labour and GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour⁵¹

SUPPLIERS ASKED TO COMPLETE QUESTIONNAIRES ON CONFLICT MINERALS IN 2022 AND 2021						
	2022			2021		
Geographical area ⁵²	Suppliers subject to the Conflict Minerals Regulation ⁵³	Total Suppliers	%	Suppliers subject to the Conflict Minerals Regulation ⁵⁴	Total Suppliers	%
Europe	3	762	0.4	3	538	0.6
USA	4	139	2.9	6	163	3.7

GRI 204-1 Proportion of spending on local suppliers⁵⁵

SAES GROUP						
Type of purchases	2022			2021		
	No. of suppliers	Value of annual expenditure [€]	% expenditure	No. of suppliers	Value of annual expenditure [€]	% expenditure
Purchases from local suppliers	2,766	70,865,686	68.8%	2,334	57,471,389	72.0%
Purchases from other suppliers	485	32,101,873	31.2%	374	22,372,103	28.0%
Total	3,251	102,967,559	100%	2,708	79,843,491	100%

⁵¹ In 2022, the Group identified a total of seven suppliers of goods that contain or may contain conflict minerals; these suppliers were then required to declare the presence and origin of the metals.

⁵² The geographical area refers to the region to which Group company belongs, which asked its suppliers to fill in the questionnaires on conflict minerals. It should be noted that in both 2022 and 2021, the companies in the Europe region that asked their suppliers to complete the conflict minerals questionnaires were Italian companies.

⁵³ and ⁵² It should be noted that the number of total suppliers refers to the category "Raw materials, semi-finished and finished products, external processing" of the SAES Group companies based in Europe and the United States, respectively.

⁵⁵ Depending on the scope of operations, "local suppliers" are those based within the region in question.

EUROPE						
Type of purchases	2022			2021		
	No. of suppliers	Value of annual expenditure [€]	% expenditure	No. of suppliers	Value of annual expenditure [€]	% expenditure
Purchases from local suppliers	1,869	40,891,058	59.9%	1,400	31,968,858	64.1%
Purchases from other suppliers	399	27,320,648	40.1%	298	17,910,225	35.9%
Total	2,268	68,211,706	100%	1,698	49,879,083	100%

USA ⁵⁶						
Type of purchases	2022			2021		
	No. of suppliers	Value of annual expenditure [€]	% expenditure	No. of suppliers	Value of annual expenditure [€]	% expenditure
Purchases from local suppliers	795	29,440,566	86.0%	829	24,997,297	84.9%
Purchases from other suppliers	86	4,781,225	14.0%	76	4,461,878	15.1%
Total	881	34,221,791	100%	905	29,459,175	100%

⁵⁶ It should be noted that in the case of the geographical area USA, purchases from suppliers in Canada were also considered as purchases made locally.

ASIA						
Type of purchases	2022			2021		
	No. of suppliers	Value of annual expenditure [€]	% expenditure	No. of suppliers	Value of annual expenditure [€]	% expenditure
Purchases from local suppliers	102	534,062	100.0%	105	505,234	100.0%
Total	102	534,062	100%	105	505,234	100%

Distribution of suppliers by geographical area (SAES Group)

Suppliers				
Product segment	2022		2021	
	No. of suppliers by category	Value of total annual expenditure by category [€]	No. of suppliers by category	Value of total annual expenditure by category [€]
Europe	2,167	52,427,611	1,614	39,783,682
Asia	147	3,219,063	147	1,625,031
Middle East	1	1,574,000	1	33
America	931	45,733,055	945	38,434,746
Oceania	5	13,830	-	-
Australia	-	-	-	-
Total	3,251	102,967,559	2,707	79,843,492

GRI 207-4⁵⁷ Country-by-country reporting (Euro thousands)

	Tax jurisdictions in which the Group operates							
	South Korea	Germany	Japan	Italy	Luxembourg	P.R. of China	USA	Taiwan
Names of resident entities	SAES Getters Korea Corporation	Memry Corporation Zweigniederlassung Deutschland (Memry Branch) SAES Coated Films S.p.A. Zweigniederlassung Deutschland SAES Getters S.p.A. Zweigniederlassung Deutschland	SAES Getters S.p.A. - Japan (Branch)	SAES Innovative Packaging S.r.l. SAES Coated Films S.p.A. SAES Getters S.p.A. SAES Nitinol S.r.l. Strumenti Scientifici Cinel S.r.l. SAES RIAL Vacuum S.r.l. Memry Corporation Italian Branch Office	Saes Investments S.A.	SAES Getters (Nanjing) Co., Ltd.	Memry Corporation SAES Getters Export, Corp. SAES Getters USA, Inc. SAES Smart Materials, Inc. Spectra-Mat, Inc.	SAES Getters S.p.A. - Taiwan (Branch)
Main activities of the organisation	Local distribution of products of other Group companies	Production and marketing	Local distribution of products of other Group companies	Holding functions Production and marketing	Cash management Centralised treasury and provision of services to Group companies	Local distribution of products of other Group companies	Production and marketing	Local distribution of products of other Group companies
Number of employees	3	3	8	544	0	7	597	3
Revenues from sales to third parties	1,672	-	-	87,513	-	2,331	158,740	9
Revenues from intercompany transactions with other tax jurisdictions	8	-	-	53,909	-	-	11,423	42
Pre-tax profit/loss	44	38	-76	25,915	-12,158	469	55,594	-397
Tangible assets other than cash and cash equivalents	-	-	11	46,913	-	11	45,517	16
Corporate income taxes paid on a cash basis	-	4	-8	26	167	-72	-12,335	3
Corporate income taxes accrued on profits/losses	-	9	31	1,720	106	119	11,199	-

⁵⁷ Income statement figures refer to the financial year from 1 January to 31 December 2022; the number of employees and total tangible assets other than cash and cash equivalents refer to 31 December 2022. For the 2021 data, please refer to the 2021 Consolidated Non-Financial Statement, published in the Sustainability section of the site www.saesgetters.com.

CHAPTER 3: Technology at the Service of Innovation

Number of complaints by product type

Complaints		
	2022	2021
Getters	22	18
Shape Memory Alloy	268	205
Vacuum Pump	48	37
Dispensers	-	4
Dryers	-	1
Coated films	21	25
Cathodes	45	62
Vacuum chambers and components	13	-
Scientific Instruments	7	-
Total	424	352

Number of complaints by type

Complaints		
	2022	2021
Non-compliant product (products with functional or dimensional problems)	249	264
Logistics (Problems related to transport, invoicing, shipping documentation)	163	77
Packaging (problems related to primary or secondary packaging)	12	11
Total	424	352

CHAPTER 4: The people of the SAES Group⁵⁸

GRI 2-7 Employees ⁵⁹

SAES GROUP						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Permanent	799	362	1161	759	333	1092
Fixed term	2	2	4	4	5	9
Total	801	364	1165	763	338	1101

ITALY						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Permanent	399	142	541	359	127	486
Fixed term	1	2	3	3	3	6
Total	400	144	544	362	130	492

⁵⁸ It should be noted that the employees of the geographical area Italy also include the employee of SAES Getters S.p.A. Zweigniederlassung Deutschland and SAES Coated Films S.p.A. Zweigniederlassung Deutschland which therefore coincide with the employees of the geographical area Europe. It should also be noted that the employees in the US region also include the employee of Memry Corporation-Germany Branch and the two employees of Memry Italian Branch Office.

⁵⁹ With reference to the reporting year, the Group does not employ any employees on non-guaranteed hours.

ASIA						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Permanent	14	6	20	13	7	20
Fixed term	1	0	1	1	2	3
Total	15	6	21	14	9	23

USA						
Total number of employees by type of contract and gender						
Type of employment contract	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Permanent	386	214	600	387	199	586
Fixed term	0	0	0	0	0	0
Total	386	214	600	387	199	586

SAES GROUP						
Total number of employees broken down by full-time and part-time employees						
Full-time/Part-time	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Full-Time	798	349	1147	761	319	1080
Part-time	3	15	18	2	19	21
Total	801	364	1165	763	338	1101

GRI 2-21 Annual total compensation ratio⁶⁰

Total annual salary ratio	
	As at 31 December 2022
Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all of the organization's employees excluding the highest-paid individual	10.99

GRI 2-30 Collective agreements⁶¹

Percentage of total employees covered by collective bargaining agreements		
	As at 31 December 2022	As at 31 December 2021
Group percentage	46.9%	45%
Group percentage excluding USA and Asia data ⁶²	100%	99.6%

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

Percentage of senior management hired from the local community						
	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Group	89%	94%	90%	89%	94%	89%
Italy	98%	100%	98%	98%	100%	98%
USA	76%	89%	79%	74%	89%	77%
Asia	100%	100%	100%	100%	100%	100%

⁶⁰ The ratio between the percentage increase in the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all of the organization's employees excluding the highest-paid individual is not available for the year 2022.

⁶¹ With regard to employees not covered by collective agreements, negotiations take place directly between the company and the employee, according to local regulations.

⁶² Excluding USA and Asia since there are no national collective bargaining agreements.

GRI 401-1 New employee hires and employee turnover

SAES GROUP										
New hires										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	31	44	17	92	11%	34	37	32	103	13%
Women	11	32	10	53	15%	22	26	17	65	19%
Total	42	76	27	145	12%	56	63	49	168	15%
Rate	32%	15%	5%	12%		40%	13%	11%	15%	
Outgoing										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	21	26	27	74	9%	16	24	29	69	9%
Women	11	14	11	36	10%	6	11	12	29	9%
Total	32	40	38	110	9%	22	35	41	98	9%
Rate	25%	8%	7%	9%		16%	7%	9%	9%	

ITALY										
New hires										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	9	17	4	30	8%	5	4	1	10	3%
Women	3	8	2	13	9%	7	9	0	16	12%
Total	12	25	6	43	8%	12	13	1	26	5%
Rate	29%	11%	2%	8%		32%	5%	0%	5%	
Outgoing										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	3	6	7	16	4%	0	4	4	8	2%
Women	0	2	2	4	3%	1	3	7	11	8%
Total	3	8	9	20	4%	1	7	11	19	4%
Rate	7%	3%	3%	4%		3%	3%	5%	4%	

ASIA										
New hires										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	0	1	0	1	7%	0	0	0	0	0%
Women	0	0	1	1	17%	0	0	1	1	11%
Total	0	1	1	2	10%	0	0	1	1	4%
Rate	0%	10%	10%	10%		0%	0%	9%	4%	
Outgoing										
Number of persons	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	0	0	0	0	0%	0	0	0	0	0%
Women	0	2	2	4	67%	0	0	0	0	0%
Total	0	2	2	4	19%	0	0	0	0	0%
Rate	0%	20%	20%	19%		0%	0%	0%	0%	

USA										
New hires										
	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	22	26	13	61	15%	29	33	31	93	24%
Women	8	24	7	39	18%	15	17	16	48	24%
Total	30	50	20	100	16%	44	50	47	141	24%
Rate	34%	18%	8%	16%		44%	19%	21%	24%	
Outgoing										
	From 1 January to 31 December 2022					From 1 January to 31 December 2021				
	<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Men	18	20	20	58	15%	16	20	25	61	16%
Women	11	10	7	28	13%	5	8	5	18	9%
Total	29	30	27	86	14%	21	28	30	79	13%
Rate	33%	11%	11%	14%		21%	11%	13%	13%	

GRI 403-9 Work-related injuries⁶³

SAES Group				
	Employees		External collaborators ⁶⁴	
Number of injuries	2022	2021	2022	2021
Fatalities	-	-	-	-
High-consequence injuries (excluding fatalities)	-	-	-	-
Recordable injuries	20	13	3	2
Type of hazard	2022	2021	2022	2021
Mechanical	18	13	3	2
Chemical	2	-	-	-
Hours	2022	2021	2022	2021
Hours worked	2,056,263	1,808,537	118,703	146,813
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2022	2021	2022	2021
Rate of fatalities as a result of work-related injuries	-	-	-	-
Rate of high-consequence injuries (excluding fatalities)	-	-	-	-
Rate of recordable injuries	9.73	7.19	25.27	13.62

⁶³ It should be noted that the data related to injuries include all Group companies included in the reporting scope where production sites are located. Furthermore, it should be noted that the figures for the year 2022 also include the company SAES Rial Vacuum, which was acquired on 25 July 2022.

⁶⁴ The data relating to the Health and Safety of external collaborators only includes the categories of Temporary Workers and Trainees and not other types of non-employed workers who work at the Group's sites and/or under the Group's control, in consideration of their significance and the availability of such data over which the Group does not exercise direct control.

ITALY				
	Employees		External collaborators	
Number of injuries	2022	2021	2022	2021
Fatalities	-	-	-	-
High-consequence injuries (excluding fatalities)	-	-	-	-
Recordable injuries	2	3	1	-
Type of hazard	2022	2021	2022	2021
Mechanical	2	3	1	-
Chemical	-	-	-	-
Hours	2022	2021	2022	2021
Hours worked	845,321	782,040	64,694	50,742
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2022	2021	2022	2021
Rate of fatalities as a result of work-related injuries	-	-	-	-
Rate of high-consequence injuries (excluding fatalities)	-	-	-	-
Rate of recordable injuries	2.37	3.84	15.46	-

USA				
	Employees		External collaborators	
Number of injuries	2022	2021	2022	2021
Fatalities	-	-	-	-
High-consequence injuries (excluding fatalities)	-	-	-	-
Recordable injuries	18	10	2	2
Type of hazard	2022	2021	2022	2021
Mechanical	16	10	2	2
Chemical	2	-	-	-
Hours	2022	2021	2022	2021
Hours worked	1,210,942	1,026,497	54,009	96,071
Multiplier	1,000,000	1,000,000	1,000,000	1,000,000
Rate	2022	2021	2022	2021
Rate of fatalities as a result of work-related injuries	-	-	-	-
Rate of high-consequence injuries (excluding fatalities)	-	-	-	-
Rate of recordable injuries	14.86	9.74	37.03	20.82

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

Hours of training						
	2022 ⁶⁵					
	Hours Men	Average hours/men	Hours Women	Average hours/women	Total Hours	Average hours/category
Managers	740	9	251	14	991	10
White collars	3114	13	1256	10	4370	12
Blue collars	3147	7	1269	6	4416	6
Total	7001	9	2776	8	9777	8
Hours of training						
	2021					
	Hours Men	Average hours/men	Hours Women	Average hours/women	Total Hours	Average hours/category
Managers	845	10	313	20	1158	11
White collars	2725	12	1530	13	4255	12
Blue collars	1976	4	661	3	2637	4
Total	5546	7	2504	7	8050	7

⁶⁵ It should be noted that in reference to Memry Corporation and SAES Smart Materials, the training hours were estimated considering the average training for each employee.

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

SAES GROUP						
Number of persons	as at 31 December 2022					
	Men	Men %	Women	Women %	Total	Total %
Managers	83	97%	18	100%	101	97%
White collars	223	92%	117	90%	340	91%
Blue collars	446	95%	215	100%	661	96%
Total	752	94%	350	96%	1102	95%
Number of persons	as at 31 December 2021					
	Men	Men %	Women	Women %	Total	Total %
Managers	84	97%	16	100%	100	97%
White collars	212	94%	108	92%	320	93%
Blue collars	431	96%	197	96%	628	96%
Total	727	95%	321	95%	1048	95%

GRI 405-1 Diversity of governance bodies and employees

SAES GROUP						
Personnel of the Group by employee category and gender						
	as at 31 December 2022			as at 31 December 2021		
	Men	Women	Total	Men	Women	Total
Managers	88	18	106	87	16	103
White collars	242	130	372	226	117	343
Blue collars	471	216	687	450	205	655
Total	801	364	1165	763	338	1101

SAES GROUP								
Personnel of the Group by employee category and age								
Number of persons	as at 31 December 2022				as at 31 December 2021			
	<30 years	30-50 years	>50 years	Total	<30 years	30-50 years	>50 years	Total
Managers	0	41	65	106	1	40	62	103
White collars	37	187	148	372	40	179	124	343
Blue collars	93	287	307	687	98	279	278	655
Total	130	515	520	1165	139	498	464	1101

SAES GROUP				
Personnel of the Group by employee category and gender				
	as at 31 December 2022		as at 31 December 2021	
	Men	Women	Men	Women
Managers	83%	17%	84%	16%
White collars	65%	35%	66%	34%
Blue collars	69%	31%	69%	31%
Total	69%	31%	69%	31%

SAES GROUP						
Personnel of the Group by employee category and age						
	as at 31 December 2022			as at 31 December 2021		
	<30 years	30-50 years	>50 years	<30 years	30-50 years	>50 years
Managers	0%	39%	61%	1%	39%	60%
White collars	10%	50%	40%	12%	52%	36%
Blue collars	14%	42%	45%	15%	43%	42%
Total	11%	44%	45%	13%	45%	42%

GRI 405-2 Ratio of basic salary and remuneration of women to men

SAES GROUP		
Ratio of basic salary of women to men		
	as at 31 December 2022	as at 31 December 2021
Managers	0.04	0.04
White collars	0.47	0.47
Blue collars	0.77	0.55
Total	0.40	0.39

SAES GROUP		
Ratio of total remuneration of women to men		
	as at 31 December 2022	as at 31 December 2021
Managers	0.05	0.04
White collars	0.45	0.44
Blue collars	0.68	0.55
Total	0.38	0.38

CHAPTER 5: Our commitment to the environment⁶⁶

GRI 302-1 Energy consumption within the organization

Energy consumption					
Type	Unit of measurement	2022		2021	
		Total	Total GJ	Total	Total GJ
Fossil fuels					
Natural Gas	m³	1,367,957	54,395	1,568,265	62,283
Propane	m³	4,115	407	4,013	397
Petrol for vehicle engines	l	6,730	231	5,212	179
Automotive diesel	l	6,264	239	5,610	214
Electricity					
Purchased electricity	kWh	26,351,357	94,865	25,376,860	91,357
of which from renewable sources	kWh	14,402,860	51,850	14,671,624	52,817

Total energy consumption			
Energy consumption	Unit of measurement	2022	2021
		Total	Total
Fossil fuels	GJ	55,272	63,074
Purchased electricity	GJ	94,865	91,357
Total	GJ	150,136	154,430

⁶⁶ The environmental figures include all the Companies of the Group included in the reporting scope where the production sites are located. On the other hand, companies with only commercial offices are excluded as they are not considered relevant. It should be noted that the environmental data relating to the management office located in Piazza Castello 13, Milan, for which a seven-year lease agreement was signed by the Parent, refer only to electricity and gas consumption, although this is negligible compared with the Group's environmental impact.

GRI 302-4 Reduction of energy consumptionSAES Getters S.p.A. –Lainate site

Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Relamping Lainate external	kWh	2021	11,706
	GJ	2021	42
Total energy savings (kWh)			11,706
Total energy savings (GJ)			42

SpectraMat, Inc

Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Relamping	kWh	2021	14,261
	GJ	2021	51
Total energy savings (kWh)			14,261
Total energy savings (GJ)			51

SAES Getters S.p.A. – Avezzano site

Initiative	Unit of measurement	Year of reference	Estimate of savings achieved
Relamping	kWh	2021	92,231
	GJ	2021	335
Total energy savings (kWh)			92,231
Total energy savings (GJ)			335

GRI 303-3 Water withdrawal⁶⁷

Water withdrawal							
	2022				2021		
Source	Unit of measurement	Volume	Of which from areas at risk of water stress		Volume	Of which from areas at risk of water stress	
Third-party water	MI	76.857	49.129	63.9%	82.585	53.297	64.5%
Groundwater	MI	5.059	-	-	5.812	-	-
Total	MI	81.916	49.129	60.0%	88.397	53.297	64.5%

GRI 303-4 Water discharge⁶⁸

Wastewater discharge							
	2022				2021		
	Unit of measurement	Volume	Of which from areas at risk of water stress		Volume	Of which from areas at risk of water stress	
Third-party water	MI	51.020	23.325	46%	57.838	24.388	42%
Surface water	MI	-	-	-	-	-	-

⁶⁷ Given the location of the production sites, it is assumed that the water withdrawn and discharged in 2022 belongs to the freshwater category ($\leq 1,000$ mg/l total dissolved solids). The tool Aqeduct developed by the World Resources Institute was used to determine areas with water stress.

⁶⁸ The tool Aqeduct developed by the World Resources Institute was used to determine areas with water stress.

Total	MI	51.020	23.325	46%	57.838	24.388	42%
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GRI 305-1 / GRI 305-2 Direct (Scope 1) and indirect (Scope 2) greenhouse gas emissions

Scope	Unit of measurement	2022	2021
Scope 1	tCO ₂ e	2,813	3,219
Scope 2 (Location-based)	tCO ₂ ⁶⁹	9,006	8,625
Total	tCO₂e⁷⁰	11,819	11,845

Scope 2 emissions (2022)	
Location-based method	Market-based method
tCO ₂	tCO ₂
9,006	4,469

Scope 2 emissions (2021)	
Location-based method	Market-based method
tCO ₂	tCO ₂
8,625	4,004

⁶⁹The Scope 2 emissions are expressed in tCO₂; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂eq), as can be deduced from the relevant technical literature.

⁷⁰The Scope 2 emissions are expressed in tCO₂; the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO₂eq), as can be deduced from the relevant technical literature.

“Location-based” electricity emission factors					
Country	Unit of measurement	2022		2021	
		Factor	Source	Factor	Source
USA	kg CO ₂ /kWh	0.374	Terna International Comparisons 2019	0.374	Terna International Comparisons 2019
Italy	kg CO ₂ /kWh	0.315	Terna International Comparisons 2019	0.315	Terna International Comparisons 2019
Market based electricity emission factors					
Country	Unit of measurement	2022		2021	
		Factor	Source	Factor	Source
USA	kg CO ₂ /kWh	0.374	Terna International Comparisons 2019	0.374	Terna International Comparisons 2019
Italy	kg CO ₂ /kWh	0.457	AIB - European Residual Mixes 2021	0.459	AIB - European Residual Mixes 2020
Natural gas emission factors					
Country	Unit of measurement	2022		2021	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/m ³	2.01574	Defra 2022	2.02135	Defra 2021
Italy	kg CO ₂ eq/m ³	2.01574	Defra 2022	2.02135	Defra 2021

Propane emission factors					
Country	Unit of measurement	2022		2021	
		Source	Factor	Source	Factor
USA	kg CO ₂ eq/GJ	59.5	Defra 2022	59.6	Defra 2021
Italy	kg CO ₂ eq/GJ	59.5	Defra 2022	59.6	Defra 2021
Diesel emission factors					
Country	Unit of measurement	2022		2021	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/GJ	67.0	Defra 2022	65.8	Defra 2021
Italy	kg CO ₂ eq/GJ	67.0	Defra 2022	65.8	Defra 2021
Gasoline emission factors					
Country	Unit of measurement	2022		2021	
		Factor	Source	Factor	Source
USA	kg CO ₂ eq/GJ	63.1	Defra 2022	63.8	Defra 2021
Italy	kg CO ₂ eq/GJ	63.1	Defra 2022	63.8	Defra 2021

305-7 Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions⁷¹

Pollutant	U.M.	2022	2021
Ethanol	Ton/year	13.232	13.232
VOC	Ton/year	3.897	3.924

⁷¹ The perimeter refers only to those companies that provide for the monitoring of atmospheric emissions as required by current local regulations, and these are: SAES Getters S.p.A. - Lainate and Avezzano plants, SAES Smart Materials, Inc., SAES Coated Films SpA, SpectraMat Inc. which are therefore considered relevant for the purpose of ensuring an understanding of the impacts of the Group's activities. Starting from 2019, the data relating to pollution not previously monitored, such as VOCs, at SAES Coated Films and SpectraMat Inc., CO and NOX at the Avezzano plant, have been reported.

Total Particles	Ton/year	0.366	0.523
NOx	Ton/year	0.131	0.279
SOx	Ton/year	0.168	0.219
Other pollutants	Ton/year	0.0174	0.025
Methylmethacrylate	Ton/year	-	0.015
Phosphoric Acid	Ton/year	0.00032	0.0003
CO	Ton/year	-	0.00004
Total	Ton/year	17.812	18.217

GRI 306-4 and GRI 306-5 Waste by type and disposal method ⁷²

Method	2022							
	Hazardous			Non-hazardous			Total	Total %
	On-site	Off-site	Total	On-site	Off-site	Total		
Recycling	0.80	9.39	10.19	7.72	442.49	450.21	460.40	21%
Other recovery operations	-	2.97	2.97	-	325.87	325.87	328.84	15%
Total waste diverted from disposal	0.80	12.37	13.16	7.72	768.35	776.08	789.24	36%
Incineration with energy recovery	-	6.96	6.96	-	1.97	1.97	8.93	0%
Incineration	-	1.59	1.59	-	8.82	8.82	10.41	0%
Landfilling	-	37.56	37.56	-	63.78	63.78	101.34	5%
Other disposal operations	6.01	300.35	306.36	17.50	976.19	993.69	1,300.05	59%

⁷² It should be noted that when it was not possible to identify the method of waste disposal due to the unavailability of data, the quantities of waste generated were allocated to the category "Other disposal operations". The Group will endeavour to report this figure in a more timely manner in the coming years. With reference to 2021, all waste generated was treated off site.

Total waste directed to disposal	6.01	346.46	352.47	17.50	1,050.76	1,068.26	1,420.73	64%
TOTAL	6.80	358.82	365.63	25.22	1,819.12	1,844.34	2,209.97	100%

Method	2021			
	Hazardous	Non-hazardous	Total	Total %
Recycling	10.39	530.95	541.34	28%
Other recovery operations	2.40	62.04	64.44	3%
Total waste diverted from disposal	12.79	592.99	605.79	32%
Incineration with energy recovery	7.62	27.84	35.46	2%
Incineration	0.59	4.86	5.45	0%
Landfilling	39.11	57.73	96.84	5%
Other disposal operations	313.44	866.09	1,179.54	61%
Total waste directed to disposal	360.77	956.53	1,317.30	68%
TOTAL	373.56	1,549.53	1,923.08	100%

GRI Content Index

Declaration of use	The SAES Group reports in accordance with the GRI Standards for the period 1 January - 31 December 2022.
Used GRI 1	GRI 1 - Fundamental Principles – Version 2021
Relevant GRI sector standards	N/A

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



SAES Getters S.p.A.

2022 consolidated non-financial statement

(with independent auditors' report thereon)

KPMG S.p.A.

31 March 2023



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the consolidated non-financial statement pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 and article 5 of the Consob Regulation adopted with Resolution no. 20267 of 18 January 2018

*To the board of directors of
SAES Getters S.p.A.*

Pursuant to article 3.10 of Legislative decree no. 254 of 30 December 2016 (the "decree") and article 5.1.g) of the Consob (the Italian Commission for listed companies and the stock exchange) Regulation adopted with Resolution no. 20267 of 18 January 2018, we have been engaged to perform a limited assurance engagement on the 2022 consolidated non-financial statement of the SAES Getters Group (the "group") prepared in accordance with article 4 of the decree and approved by the board of directors on 14 March 2023 (the "NFS").

Our procedures did not cover the information set out in the "EU taxonomy (Regulation (EU) 2020/852) and related delegated regulations" section of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.

Responsibilities of the directors and board of statutory auditors ("Collegio Sindacale") of SAES Getters S.p.A. (the "parent") for the NFS

The directors are responsible for the preparation of an NFS in accordance with articles 3 and 4 of the decree and the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), which they have identified as the reporting standards.

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

Moreover, the directors are responsible for the identification of the content of the NFS, considering the aspects indicated in article 3.1 of the decree and the group's business and characteristics, to the extent necessary to enable an understanding of the group's business, performance, results and the impacts it generates.



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The directors' responsibility also includes the design of an internal model for the management and organisation of the group's activities, as well as, with reference to the aspects identified and disclosed in the NFS, the group's policies and the identification and management of the risks generated or borne.

The *Collegio Sindacale* is responsible for overseeing, within the terms established by the Italian law, compliance with the decree's provisions.

Auditors' independence and quality control

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

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the NFS with the requirements of the decree and the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the NFS is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the NFS are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the NFS, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

1. Analysing the material aspects based on the group's business and characteristics disclosed in the NFS, in order to assess the reasonableness of the identification process adopted on the basis of the provisions of article 3 of the decree and taking into account the reporting standards applied.
2. Analysing and assessing the identification criteria for the reporting scope, in order to check their compliance with the decree.
3. Comparing the financial disclosures presented in the NFS with those included in the group's consolidated financial statements.



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4. Gaining an understanding of the following:

- the group's business management and organisational model, with reference to the management of the aspects set out in article 3 of the decree;
- the entity's policies in connection with the aspects set out in article 3 of the decree, the achieved results and the related key performance indicators;
- the main risks generated or borne in connection with the aspects set out in article 3 of the decree.

Moreover, we checked the above against the disclosures presented in the NFS and carried out the procedures described in point 5.a).

5. Understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the NFS.

Specifically, we held interviews and discussions with the parent's management personnel and personnel of Memry Corporation. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the NFS.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and subsidiaries level:
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the NFS and, specifically, the business model, the policies applied and main risks for consistency with available evidence,
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited the Lainate and Avezzano sites of SAES Getters S.p.A. and the Bethel (Connecticut, USA) and Menlo Park (California, USA) sites of Memry Corporation, which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet (either in presence or remotely) their management and obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2022 consolidated non-financial statement of the SAES Getters Group has not been prepared, in all material respects, in accordance with the requirements of articles 3 and 4 of the decree and the GRI Standards.

Our conclusion does not extend to the information set out in the "EU taxonomy (Regulation (EU) 2020/852) and related delegated regulations" of the NFS required by article 8 of Regulation (EU) 852 of 18 June 2020.



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Other matters

The NFS presents the corresponding figures included in the 2021 consolidated non-financial statement for comparative purposes, on which other auditors performed a limited assurance engagement and expressed their unqualified conclusion on 29 March 2022.

Milan, 31 March 2023

KPMG S.p.A.

(signed on the original)

Daniele Urso
Director of Audit