



2022 Universal Registration Document

including
the annual financial report



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Universal Registration Document 2022

including the Annual Financial Report

The world's leading provider in mineral-based specialties for industry, Imerys delivers high value-added, functional solutions to a great number of industries, ranging from process manufacturing to consumer goods. The Group draws on its understanding of applications, technological knowledge and expertise in materials science to deliver solutions by benefiting its mineral resources, synthetic minerals and formulations. Imerys contributes essential properties to customers' products and their performance, including heat resistance, hardness, conductivity, opacity, durability, purity, lightness, filtration, adsorption and water repellency. Imerys meets ambitious targets to develop responsibly, focusing on people, the environment and corporate governance.



The French version of this Universal Registration Document was filed on March 22, 2023 with the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of said Regulation. The Universal Registration Document can be used for the purposes of a public offering of securities or the admission of securities to trading on a regulated market if it is supplemented by a transaction note and if necessary a summary and all the amendments made to the Universal Registration Document. The assembly then formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

The annual financial report included in the Universal Registration Document is a translation of the official version of the annual financial report which has been prepared in French, in format ESEF (European Single Electronic Format) and is available on the issuer's website.

1

Integrated report

Imerys, the world's leading supplier of mineral-based speciality solutions			
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Interview with **Patrick Kron** (Chairman of the Board) and **Alessandro Dazza** (Chief Executive Officer)



“THE GROUP IS SUCCESSFULLY REPOSITIONING ITSELF IN FASTER-GROWING MARKETS. IT IS NOW MORE FOCUSED AND DYNAMIC, AND READY FOR FUTURE PROFITABLE GROWTH.”

PATRICK KRON
Chairman of the Board

What has changed for Imerys in 2022?

— **Patrick Kron:** The business model of Imerys has proven to be resilient and profitable through various crises in recent years. After having successfully completed its organizational transformation over the past couple of years, Imerys launched important strategic moves in 2022 with the divestitures of certain businesses in order to focus on more attractive markets. The Group is successfully undergoing a profound change in terms of exposure to fast-growing markets. It is now more profitable, focused and dynamic, and ready for the future. Imerys is set to deliver superior growth and attractive shareholder return.

— **Alessandro Dazza:** We made two major steps with the divestiture of our High Temperature Solutions business area (HTS) and the planned one of most of our assets serving the paper market. These moves are important to position Imerys on its core activity: specialty minerals for fast-growing markets.

The Group is now exposed to five key markets: Construction, Consumer goods, Automotive, Energy & Electronics and Industry. Imerys is

particularly well positioned to capture growth from society megatrends in green energy, sustainable construction and natural solutions for consumer goods, which represent 85% of its revenue.

We have been investing heavily in these areas, as evidenced by recent projects: the Emili project to extract lithium in France, the expansion of our Graphite & Carbon production capacities for conductive additives for Li-ion batteries in Belgium and Switzerland, the construction of a greenfield plant in China to serve growing demand of minerals for polymers lightweighting, a further capacity expansion in the US to serve the pharmaceutical industry and the ramp up and development of our calcium aluminate-based solutions for dry mix mortars in emerging markets.

Why do you feel the new purpose and vision are important for the future development of the Group?

— **P.K.:** The articulation of Imerys purpose and vision shall guide the decisions we take every day and provide the framework for our future development. We are committed to unlocking better futures through sustainable solutions and making our planet a better place for future generations. Our vision is to lead the global specialty minerals industry. This translates into four key strategic objectives for Imerys: delivering organic growth above underlying markets, with a strong focus on fast-growing markets aligned with sustainability-related market trends, customer-driven innovation and commercial excellence; pursuing bolt-on acquisitions; leveraging our superior ESG profile as a competitive advantage and generating profitability above the industry average.

— **A.D.:** Our core values will help unlock better futures for our people, our customers and our planet. We embody them in a concrete way in our daily work, in our decision-making processes and in our actions. Firstly, every person matters. We believe our people are our greatest strength. Health & safety, listening to every voice, respect & inclusion are equally important. Building an environment where we can all thrive will unlock our collective potential.

42%

Greenhouse gas emission reduction target for 2030 versus 2021 (scopes 1 and 2, tons of CO₂ equivalent)

€720 M

Current EBITDA in 2022

€406 M

Capital expenditures in 2022

Secondly, as a partner of choice, we are committed to growing long-term value with our customers and to developing mutually beneficial relationships based on trust and innovation. Thinking about performance, we always need to strive for better. We lead with innovation to unlock the sustainable potential of minerals. We strive for continuous improvement in everything we do and help our customers meet their challenges. And last but definitely not least, sustainability. As enablers of tomorrow, we should always strive to protect the future of our people, our business, the communities in which we operate, and the world in which we live. Our ambition is to become an even more sustainable business for the long term.

How can sustainability support the growth strategy of the Group?

— **P.K.:** Minerals are essential to our societies, economies, and the daily lives of millions of people around the world. And the emergence of new technologies in response to climate change creates new needs and uses for mineral resources to support the transition to net zero economies.

It is our responsibility to meet rising expectations from all stakeholders in our industry. Employees, customers, local communities, authorities, public opinion and investors expect transparency and strong actions to reduce our global impact on our planet.

The Board of Directors carefully examines these ESG aspects and makes sure they are properly included both in our long-term strategy and in our current priorities. To that end, we have appointed Mrs Véronique Saubot, one of our Board members, as referent for all ESG matters.

— **A.D.:** Megatrends create many new opportunities but also high responsibilities for our industry. An example: an electric vehicle requires six times more minerals to be produced than a combustion engine car. Part of our mission is to embed responsible and sustainable thinking into everything we do as a business. We are the leader in sustainability



“WE ARE AMONG THE LEADERS IN SUSTAINABILITY IN OUR INDUSTRY AND WILL CONTINUE TO SET THE BAR HIGH REGARDING ENVIRONMENTAL AND SOCIAL STANDARDS TO DRIVE OUR LONG-TERM DEVELOPMENT.”

ALESSANDRO DAZZA
Chief Executive Officer

in our industry and need to continue to set the bar high regarding environmental and social standards to secure our long-term development.

We have appointed a Chief Sustainability Officer at the Executive Committee and have updated our sustainability targets for the next three years. We have submitted updated SBTi targets aligned with a 1.5 °C trajectory. The Group has committed to reduce its CO₂ emissions by 42% in absolute terms (tCO₂) by 2030 with 2021 as a base year.

Our customers' needs are changing. Not only do they ask for new products, but they are eager for sustainable solutions. We are here to support them. Innovation will play a critical role in helping them achieve their own sustainability goals. We have extended our Science & Technology capabilities with the inauguration of our first synthetic minerals pilot unit at our Lyon Technology Center in France and have developed a comprehensive network of partners among experts, universities and start-up ecosystems. Furthermore, Imerys is actively working on the recyclability and reuse of minerals.

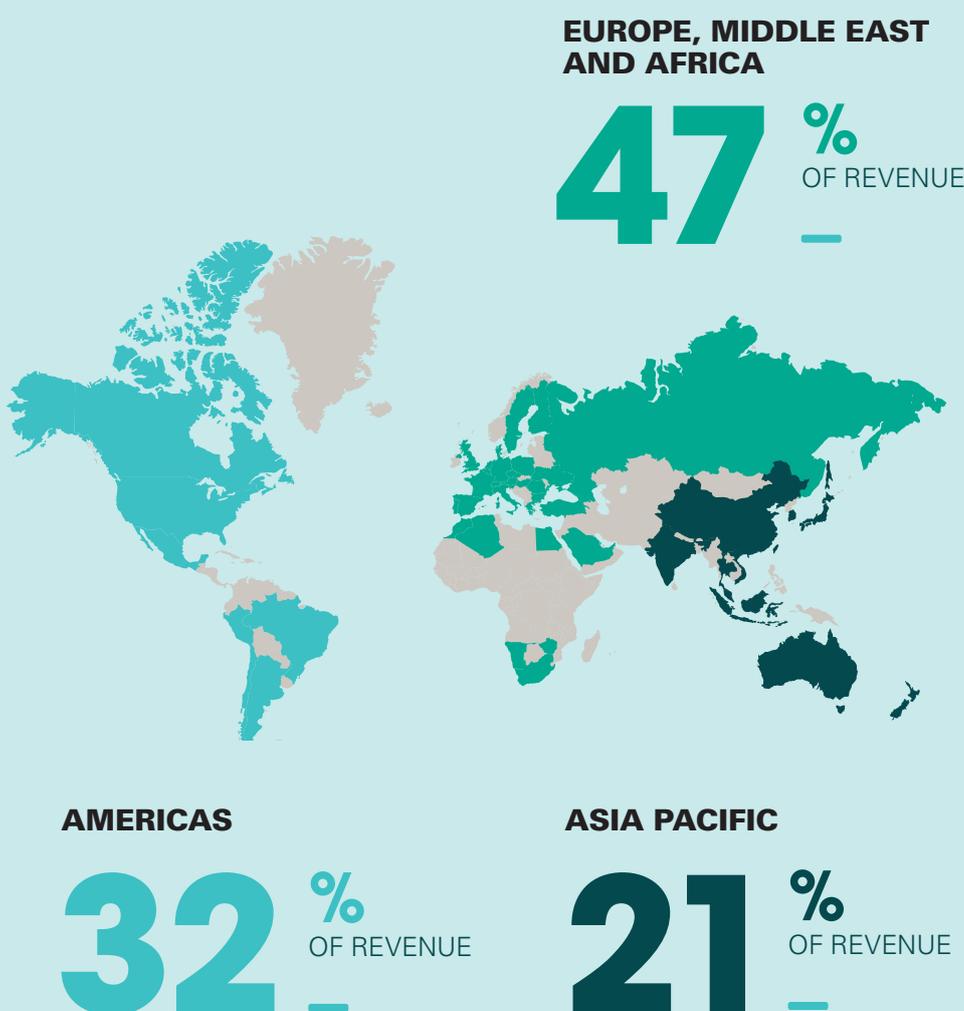
1.1 IMERYS, THE WORLD'S LEADING SUPPLIER OF MINERAL-BASED SPECIALTY SOLUTIONS FOR THE INDUSTRY

As the world's leading supplier of mineral-based specialty solutions for the industry, Imerys delivers high value-added, functional solutions to a wide variety of industries, ranging from process manufacturing to consumer goods.

The Group draws on its understanding of applications and its technological knowledge and expertise in material science to deliver innovative solutions by beneficiating its mineral resources or creating synthetic minerals and formulations. Imerys contributes essential properties to its customers' products and their performance,

including heat resistance, hardness, conductivity, opacity, durability, purity, lightness, filtration, adsorption or water repellency. The Group pursues a number of ambitious goals in terms of environment, social and governance (ESG) to achieve responsible growth over time.

2022 CONSOLIDATED REVENUE (%)



2022 KEY FIGURES

€4.3 BN
Revenue

14,000
Employees

€3.1 BN
Market capitalization (31/12)

42
Industrial presence (number of countries)

133
Commercial presence (number of countries)

30,000
Customers

#1
In 75% of markets

MAIN FINANCIAL INDICATORS*	2020	2021	2021	2022	Medium-term objectives
	Reported		Restated		
Results and profitability (€ millions)					
Revenue	3,799	4,383	3,665	4,282	Annual organic growth of 3-5% (average 2023-2025)
Change at constant scope and exchange rates	-10.7%	+15.6%	-	+12.5%	
Current EBITDA	631	761	648	720	Current EBITDA margin at 18-20% (in 2025)
Current EBITDA margin	16.6%	17.4%	17.7%	16.8%	
Current operating income	299	452	358	439	
Current operating margin	7.9%	10.3%	9.8%	10.2%	
Operating income	138	385	291	318	
Net income from continuing operations, Group share	167	288	232	284	
Net income, Group share	30	240	240	237	
Capital employed	5,174	5,253	5,253	4,700	
Data per share (€)					
Net income from continuing operations, per share	€2.03	€3.40	€2.69	€3.28	
Net income per share	€0.37	€2.83	€2.14	€2.04	
Dividend per share	€1.15	€1.55	€1.55	€3.85 ⁽¹⁾	Dividend per share growing in line with current earning per share
Balance Sheet and Cash Flow (€ millions)					
Net current free operating cash flow	373	255	216	6	
Capital expenditure	262	336	312	389	Capital expenditures to reach approx. €400 million per year between 2023 and 2025
Net financial debt	1,508	1,451	1,451	1,666	
Net financial debt/current EBITDA	2.4x	1.9x	1.9x	2.3x	
Equity	2,956	3,242	3,242	3,385	
Gearing	51%	45%	45%	49%	
Financial resources	2,81	2,86	2,86	2,71	
Moody's/Standard & Poor's rating	Baa3/BBB-	Baa3/BBB-	Baa3/BBB-	Baa3/BBB-	Commitment to Investment Grade rating

Δ For further details on the definition and reconciliation of alternative performance measures, see chapter 5, paragraph 5.5 of the Universal Registration Document.

	2021 restated	2022	Target 2022
Our commitments to our people			
Occupational health & safety:			
Total recordable accident frequency rate ⁽²⁾	2.53	2.43	< 2.50
Average level of maturity of operational sites	2.90	3.00	3.00
Diversity and inclusion: proportion of women within the Group's senior management team ⁽³⁾	26%	26%	30%
Our commitment to our customers			
Business ethics and responsible purchasing management: proportion of suppliers assessed against environmental, social and governance			
	35%	57%	50%
New Product Developments scored as SustainAgility Solutions	70%	75%	50%
Environmental, social and economic impact of products: proportion of product portfolio measured against environmental social and governance criteria			
	21%	55%	40%
Our commitment to our planet			
Environmental impact management: proportion of audits conducted against an environmental maturity matrix			
	90%	100%	100%
Biodiversity and rehabilitation: level of completion of the biodiversity improvement program			
	100%	93%	100%
Climate change strategy: % reduction in CO ₂ e emissions by million euro of revenue compared to 2018 ⁽⁴⁾			
	-10%	-31%	-23%

* Results for 2021 and 2022 have been restated to reflect the results from continuing operations excluding the High Temperature Solutions business area (HTS) whose contemplated disposal was announced on July 28, 2022. According to IFRS 5, HTS is accounted for as a discontinued operation and reported under 'Net income from discontinued activities' (its revenue, expenses and pre-tax profits are not presented in the consolidated income statement). The assets serving the paper markets whose contemplated disposal was announced on September 9, 2022, are accounted for as non current assets held for sale and therefore included in the consolidated income statement (continuing operations).

(1) Proposal made by the Board of Directors and submitted for approval at the Shareholders' General Meeting.

(2) Includes all accidents without lost time whenever a healthcare professional is involved in the treatment, even if only for first aid.

(3) The definition of Senior Manager was updated in 2020 to exclude Executive Committee members. Proportion of women on the Executive Committee is reported as a separate indicator in chapter 3 of the Universal Registration Document

(4) Scopes 1 & 2 – Greenhouse gas emissions expressed in tons of CO₂e equivalent.

1.1.1 IMERYS AND ITS BUSINESS ECOSYSTEM

1.1.1.1 WORLD'S LEADING SUPPLIER OF MINERAL-BASED SPECIALTY SOLUTIONS

WITH €4,282 MILLION OF REVENUE IN 133 COUNTRIES, IMERYS IS THE WORLD'S LEADING SUPPLIER OF MINERAL-BASED SPECIALTY SOLUTIONS.

Imerys offers value-added solutions which are designed to meet the specific, technical requirements of each customer and can be split into three categories:

- **Functional additives:** integral part of the formulation of customers' products, but account for only a minor share of the finished product manufacturing cost (e.g. talc improves the rigidity of polymers used in the automotive industry, calcium carbonate makes plastic films breathable for use in baby diapers, or calcium aluminates are used in self-leveling, quick-drying cement floor screeds).
- **Mineral components:** critical constituents in the formulation of customers' products (e.g. mineral solutions for paints and coatings, or fused alumina in industrial abrasives).
- **Process enablers:** essential in customers' manufacturing processes, but are not found in the end product (e.g. diatomaceous earth used to filter liquids or to extract proteins from blood plasma by fractionation).

HIGH ADDED-VALUE SOLUTIONS TO DIFFERENT END MARKETS

Imerys's specialty minerals solutions serve five specific end markets, supported by three megatrends: sustainable construction, green mobility and energy, and natural solutions for consumer goods.



CONSTRUCTION & INFRASTRUCTURE

- Additives for paints (such as interior decorative paints) and coatings (marine protection, facade coating, can coating, etc.).
- Components used in the construction industry, such as insulation ceiling tiles.
- Functional additives for plastics and thermoset.
- Additives for adhesives and sealants.
- High-performance binders for dry mix mortars and floor screeds in the construction industry.



CONSUMERS & HEALTHCARE

- Minerals for technical ceramics and traditional ceramics (floor and wall tiles, large slabs, sanitaryware and tableware).
- Functional additives for plastics and thermoset.
- Additives for rubber
- Fillers and coatings for board and packaging.
- Filtration agents for liquids and blood plasma.



ENERGY & ELECTRONICS

- Components for the production of high-purity silicon metal used to manufacture aluminum alloys, electronics and solar panels.
- High-tech graphite and carbon-based solutions for manufacturing and industry (i.e. lithium-ion batteries, alkaline batteries, polymers, fuel cells, carbon brushes and many others).



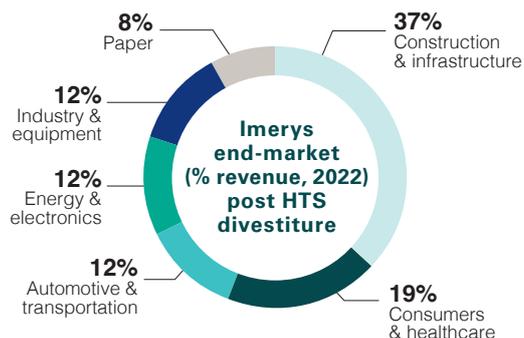
AUTOMOTIVE & TRANSPORTATION

- Functional additives for plastics and thermoset.
- Additives for rubber.
- Additives for paints.
- Ultra-fine alumina for high-performance abrasives.



INDUSTRY & EQUIPMENT

- Alumina and zirconia for abrasives (e.g. industrial cutting discs and grinding discs).
- Refractory minerals for high temperature processes (e.g. refractory linings).



Source: Imerys estimates.

1.1.1.2 A DIFFERENTIATED VALUE PROPOSITION



WE SUCCEEDED THROUGH

Best-in-class resources, operations and technologies

Customer application knowledge and market-driven innovation

Geographical footprint and growing underlying markets

Leading positions in most markets

Ambitious sustainability targets

1 High quality mineral resources and industrial assets

Imerys owns a broad portfolio of mineral resources, which effectively underpins a large proportion of its supply of raw materials, as well as highly efficient industrial assets using a wide variety of exclusive industrial technologies and processes.

Imerys operates over 83 mineral deposits throughout the world and mines and/or processes more than 30 different minerals. The Group continues to replace and develop its mineral reserves and resources, ensuring it maintains an average of 20 years of mineral reserves.

The minerals extracted from mines owned by Imerys or purchased from third parties are systematically processed or synthesized by the Group into mineral solutions designed to enhance the properties required for their end-use applications and meet the specifications of its customers.

Δ For further details on minerals, see chapter 3 of the Universal Registration Document.

2 Proprietary industrial processes and technologies

The Group masters specific expertise and know-how in the following conversion processes:

- Mechanical treatments: purification, refining, micronization, screening, drying, molding, cycloning, elutriation, classification, flotation, mixing, etc.
- Heat treatments: high temperature calcination, fusion, sinterization, etc.
- Chemical treatments: synthesis, crystallization, precipitation, coatings, etc.

The mineral solutions marketed by Imerys normally account for a relatively small portion of its customers' production costs, but they add key properties to their products or industrial processes. Imerys solutions are sold as powders, grains, granules, blends, pastes or aqueous dispersions. Depending on the product, production cycles range from a few days to several weeks.

The Group's permanent quest for excellence in its products, production

resources and assets, people and safety led it to introduce a program designed to continuously improve its industrial processes and performance, called Imerys Industrial Improvement (I-Cube).

83 Mineral deposits throughout the world

By defining common indicators and standards, as well as developing and sharing best practices, Imerys aims to optimize industrial production (through improved energy efficiency, management of resources and waste/discharges, safety, etc.), and empower employees.

As part of its operations excellence program I-Cube, Imerys is implementing an Industry 4.0 approach in its operations. So far 20 pilot sites have

paved the way towards the use of digital tools as an additional lever to accelerate improvement of processes and operations. This program will bring a host of benefits to its sites and mines, including real-time monitoring and use of data analytics for process optimization, remote control through augmented reality, quality control through computer vision and machine learning, digital mine supervision and inspection with drones imagery, fleet management optimization using smart sensors and improved safety trainings thanks to virtual reality.

3 Innovative, reliable and sustainable solutions aligned with societal megatrends

The Group's innovation strategy builds on its ability to combine minerals with applications to provide customers with creative solutions to improve the characteristics of their products. Innovation is key to help Imerys maintain its leadership position in the market and respond effectively to

the major technological challenges facing manufacturing companies going forward. In recent years, Imerys has organized its innovation efforts around end markets to better respond to customers' needs.

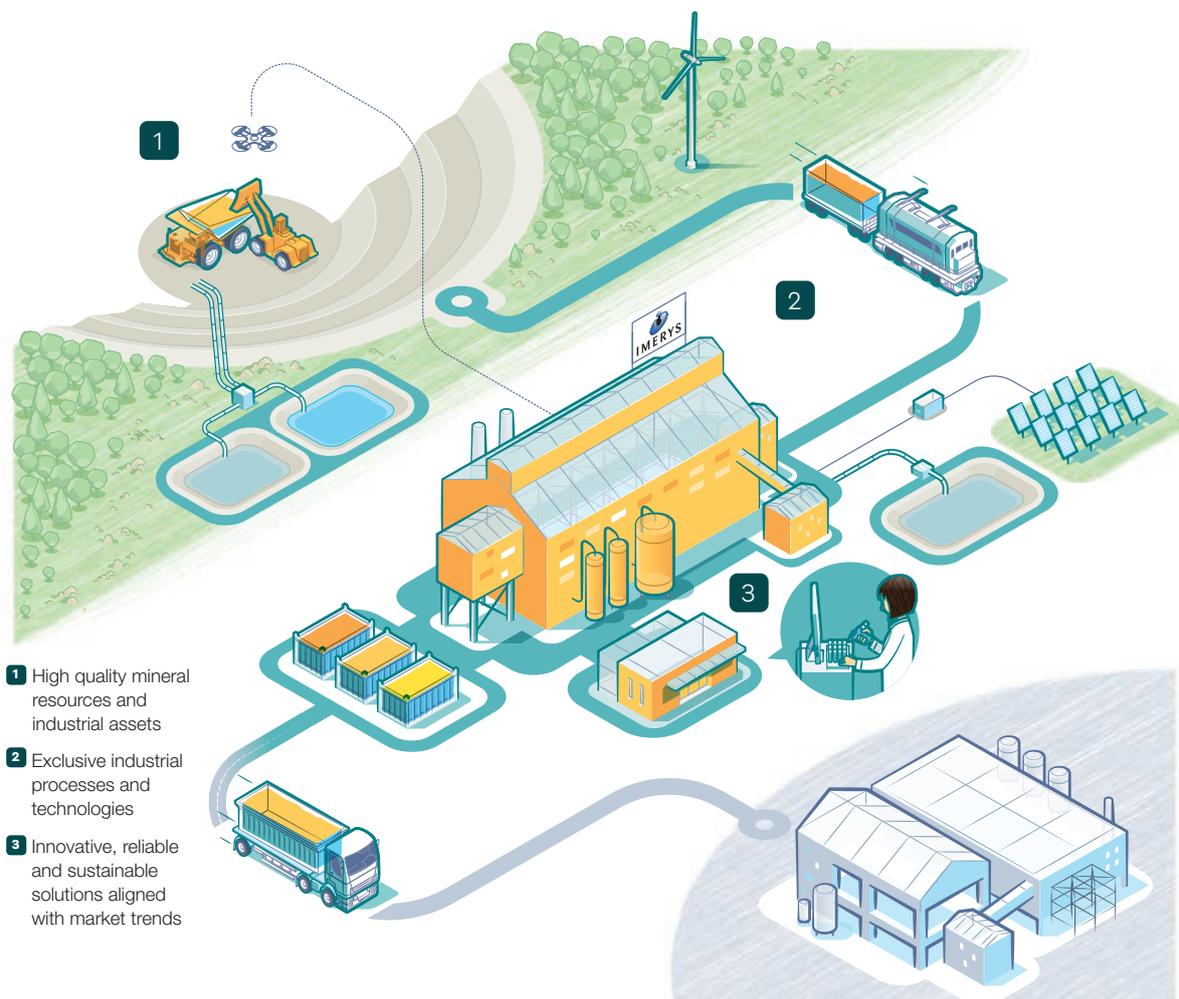
New products are the result of a continuous flow of innovations driven by new ideas and by upgrades of the existing product range. In 2022, Imerys launched more than 80 new mineral solutions improving the repositioning of the Group mainly around three megatrends: sustainable construction, green mobility and energy, and natural solutions for consumer goods.

Imerys protects its innovations as part of its intellectual property strategy: it holds over 2400 pending and granted patents and industrial models at the end of 2022.

Imerys's ambition is to proactively steer the overall product and project portfolios towards improved sustainability performance. Every new project is systematically assessed against environmental and social

Over
2,400
pending and granted patents and industrial models

criteria and the Group aims to have 75% of new products to be launched in 2025 ranked as "SustainAgility™ Solutions"⁽¹⁾. In 2021, a pilot range of Pioneer SustainAgility Solutions was launched, with clear and measurable environmental and social benefits and aligned with market megatrends. This range presently encompasses solutions for recycled plastics, cosmetics, cartonboard, reusable kiln furniture, automobile plastics, agriculture and animal feed, with the ambition to progressively expand the range. This is yet another step taken to support our customers in adopting leading sustainability solutions thanks to Imerys's product variety.



- 1 High quality mineral resources and industrial assets
- 2 Exclusive industrial processes and technologies
- 3 Innovative, reliable and sustainable solutions aligned with market trends

(1) Based on the SustainAgility Solutions Assessment framework, a "SustainAgility Solution" is a product in an application that has scored within the two highest categories of the four possible categories (A+ or A).



1.1.2 GENERAL STRUCTURE AND SEGMENTS

The market-focused organization of the Group is built around two segments:

- The Performance Minerals segment, split in EMEA (Europe, Middle East and Africa), Americas and APAC (Asia Pacific), serving the plastics, rubber, paints & coatings, board & packaging, adhesives, filtration, life sciences, ceramics, building products, and renewable energy markets.
- The High Temperature Materials & Solutions business, serving the refractory, abrasives and building & infrastructure markets on a global base.

This simplified organization with a limited number of management layers brings the Group closer to its customers and allows it to meet their needs in a more efficient way. The Senior Vice Presidents of the business areas report directly to the Chief Executive Officer.

Support functions (Finance, IT, Human Resources, Sustainability, Legal and Strategy) are centralized at Group level and operate as business partners to the different business areas, while Innovation and Operations report directly into the business areas.

The Group's organization will enable Imerys to achieve its full organic-growth potential, further improve its competitive position and create value over the long term in a highly competitive environment.

SEGMENTS	PERFORMANCE MINERALS			HIGH TEMPERATURE MATERIALS & SOLUTIONS
Business area	Performance Minerals, Europe, Middle East and Africa	Performance Minerals, Americas	Performance Minerals, Asia-Pacific	Refractory, Abrasives & Construction
Core markets	<ul style="list-style-type: none"> > Plastics, Rubber, Paints & Coatings, Adhesives, Board & Packaging > Ceramics and Building Products > Filtration & Life Sciences > Green Energy 			<ul style="list-style-type: none"> > Refractory > Abrasives > Construction & Infrastructure
2022 Revenue (€ millions)	€2,853			€1,434

Δ For further details on 2022 earnings, please see the Comments by Segment in chapter 5, section 5.3, and Information by Segment in the Consolidated Financial Statements in chapter 6 of the Universal Registration Document.

Performance minerals

The Performance Minerals segment serves five main markets.

	PERFORMANCE MINERALS AMERICAS	PERFORMANCE MINERALS ASIA PACIFIC	PERFORMANCE MINERALS EUROPE, MIDDLE EAST AND AFRICA
KEY FIGURES			
Revenue (€ millions)	1,154	588	1,336
Employees (as of December 31)	3,096	1,409	3,375
Number of industrial sites	71	33	60
Countries (industrial presence)	7	13	16
Minerals	8	11	15
CORE MARKETS (REVENUE BREAKDOWN)			
Plastics, Rubber, Paints & Coatings, Adhesives, Packaging	39%	20%	39%
Filtration & Life Sciences	22%	10%	16%
Ceramics & Building Products	21%	13%	26%
Green Energy	-	31%	-
Paper ⁽¹⁾	18%	26%	19%

(1) Planned disposal of Imerys' assets serving the paper market.

Plastics, rubber, paints & coatings, adhesives, board & packaging

PLASTICS AND RUBBER

Imerys's wide portfolio of minerals enables the Group to offer a comprehensive range of solutions to make plastics and rubber more resistant, lighter and less expensive. The shape, color, particle size and purity of Imerys's plastics and rubber mineral solutions make them effective additives to bolster the production of lightweight components for vehicles, household appliances, electronics, PVC tubes and cables, as well as hygiene, medical devices and food packaging. The mineral solutions help, for example, to minimize the weight of vehicle plastic parts and therefore reduce fuel consumption and CO₂ emissions, or to improve performance of recycled plastics. Carbon black-based Imerys solutions are used for their exceptional thermal or electrical conductivity, in particular for the future electrical vehicles. Some minerals are also used for plastic films' breathability in the hygiene and medical fields.

• MINERALS

Carbon black / Carbonate / Diatomite / Expanded graphite / Graphite / Kaolin / Mica / Perlite / Talc / Wollastonite

• MARKET POSITIONS

World #1 in minerals for breathable polymer films
World #1 in talc for plastics
World #1 in wollastonite for plastics

PAINTS AND COATINGS

Paints and coatings meet rigorous standards and growing performance expectations in terms of durability (weather and corrosion resistance, etc.), lightweight renders and facade coatings, aesthetics and healthy lifestyle. Drawing on the strength of its unique portfolio of minerals and its excellent command of optical, mechanical and rheological properties, Imerys provides manufacturers of architectural paints and industrial coatings with the fillers and functional additives that best suit the various types of paints and coatings (water- and solvent-based, powder, etc.).

• MINERALS

Carbon black / Carbonate / Diatomite / Kaolin / Mica / Perlite / Synthetic graphite / Talc / Wollastonite / Zirconia-based chemicals

• MARKET POSITIONS

World #1 in mica for high-performance coatings
World #1 in perlite for paints & coatings
World #1 in talc for paints
World #1 in wollastonite for paints & coatings
European #1 in kaolin for paints & coatings

ADHESIVES, CAULKS AND SEALANTS

Imerys offers tailor-made solutions developed by drawing on its profound understanding of manufacturing processes and industrial implementation constraints of adhesives, caulks and sealants. Precipitated calcium carbonates are used by the major sealant manufacturers to improve rheological properties, reduce costs, enhance mechanical resistance and hardness, increase the opacity and whiteness of their end product. Kaolin is used for example to increase the viscosity of vehicle window sealants.

• MINERALS

Carbonate / Kaolin

• MARKET POSITIONS

World #1 in kaolin
World #2 in natural calcium carbonate

BOARD & PACKAGING

The board and packaging industries focus heavily on improving productivity, as well as the surface durability and suitability for packaging solutions. Imerys offers a unique range of solutions to optimize the manufacturing process for producing boards using high quality, and environmentally friendly solutions. The breadth of its product range enables the Group to provide board and packaging manufacturers with the properties they require, such as durability, resilience and sustainability.

• MINERALS

Bentonite / Carbonate / Kaolin / Talc

• MARKET POSITIONS

World #1 in kaolin
World #1 in talc
World #2 in natural calcium carbonate



**REVENUE
BREAKDOWN
(% SALES 2022)**

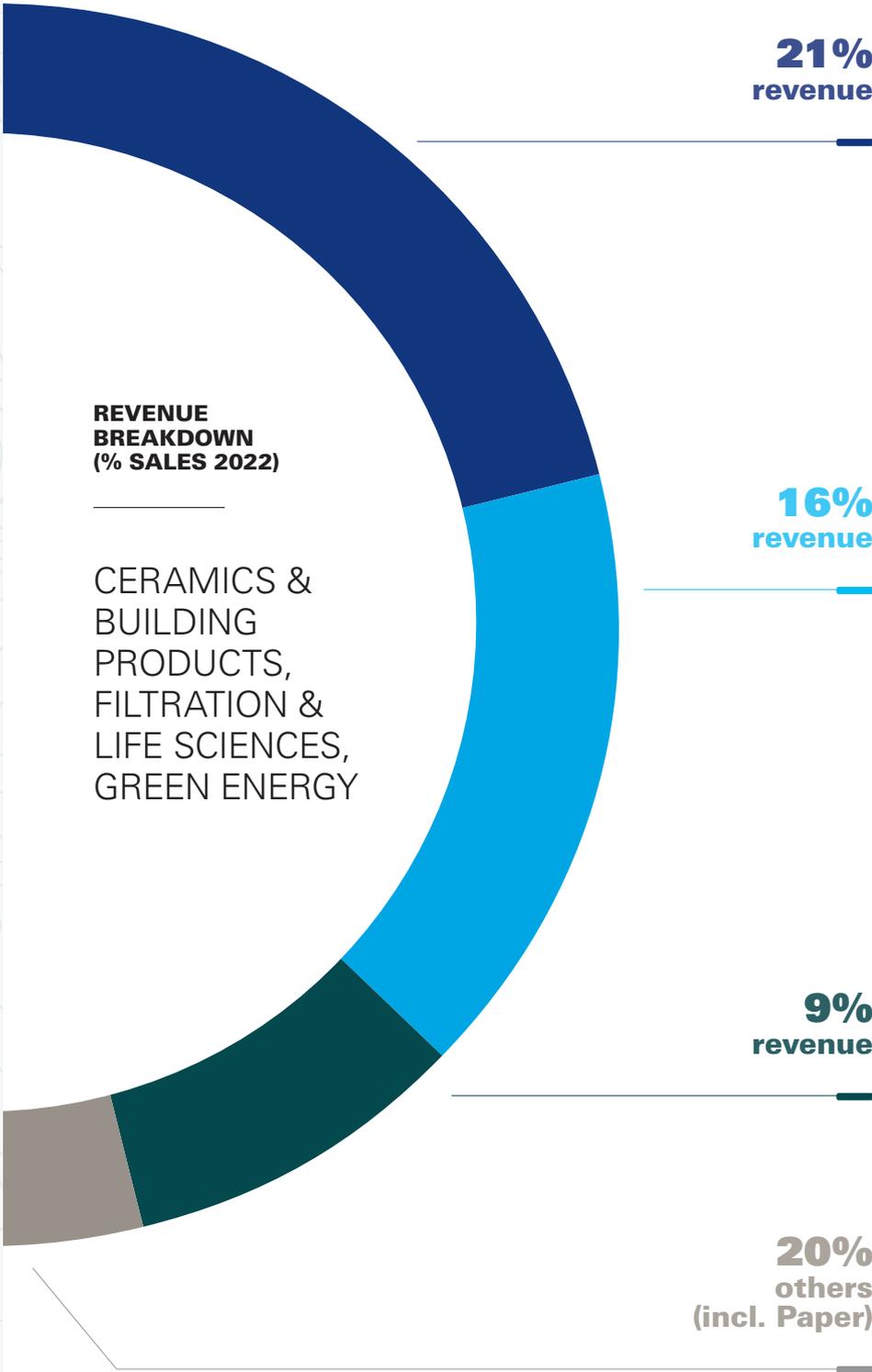
PLASTICS,
RUBBER, PAINTS &
COATINGS,
ADHESIVES,
BOARD &
PACKAGING

34%
revenue

1

Integrated report

Imerys, the world's leading supplier of mineral-based speciality solutions for the industry



Ceramics & building products



Filtration & life sciences



Green energy



Ceramics & building products

From fine dinner plates to stylish bathroom shower trays, the design and quality of ceramics influence many parts of everyone's daily life. This is why tableware, sanitaryware, tile and large surfaces manufacturers demand the highest standards for functionalities such as whiteness, mechanical strength and dimensional stability. Imerys is the world leader in mineral solutions for ceramics, prepared bodies and glazes as well as kiln furniture. The engineered mineral blends are also a key asset for unrivaled quality and high-performance solutions.

Imerys minerals (such as carbonates, sand, gravels, perlite, talc, mica) are also highly valued by the building sector for a large range of applications including acoustical ceiling tiles, insulation solutions (thermal, acoustic), roof tiles as well as decorative materials.

• MINERALS

Ball clay / Bentonite / Ceramic bodies and glazes / Chamotte / Engobes / Feldspar / Fused alumina / Halloysite / Kaolin / Kiln furniture / Mica / Pegmatite / Quartz / Talc / Wollastonite

• MARKET POSITIONS

World #1 in raw materials and ceramic bodies for sanitaryware

World #1 in kiln furniture for roof tiles

World #2 in kiln furniture for tableware

European #1 in raw materials and ceramic bodies for tableware

Filtration & life sciences

High quality functional additives are essential for many consumer goods and life science industries, including personal care, pharmaceuticals, food, animal feed, pet litter, crop protection, and for the filtration of beer, wine, sweeteners, edible oils and blood plasma. Imerys's solutions are formed using naturally occurring minerals with exceptional properties such as adsorption capacity, barrier effect, gentle abrasiveness, texturing enhancement, high level porosity etc. Innovation capabilities allow fulfilling the latest market trends linked to consumer demands on naturality and eco-responsibility in full compliance with market specifications and regulations.

• MINERALS

Diatomite / Perlite / Talc / Kaolin / Bentonite / Moler / Mica / Calcium carbonate / Wollastonite

• MARKET POSITIONS

World #1 in diatomite- and perlite-based products for filtration

World #1 in kaolin

World #1 in talc

Green energy

With a unique portfolio of graphite powders, conductive carbon blacks and tailor-made dispersions, Imerys is the leading provider of highly conductive carbon-based solutions for mobile energy. Imerys's graphite and carbon black represent the most effective conductive additives for lithium-ion batteries, alkaline batteries, advanced and standard lead-acid batteries, zinc-carbon batteries, fuel cells and conductive battery case coatings.

• MINERALS

Carbon black / Graphite

• MARKET POSITIONS

World #1 in conductive additives for lithium-ion batteries

World #1 in graphite for alkaline batteries

High Temperature Materials & Solutions

Following the planned divestiture of the High Temperature Solutions business, this segment now includes the sole Refractory, Abrasives & Construction business area.

REFRACTORY, ABRASIVES & CONSTRUCTION

KEY FIGURES

Revenue (€ millions)	1,434
Employees (as of December 31)	4,233
Number of industrial sites	40
Countries (industrial presence)	16
Minerals	8

REVENUE BREAKDOWN BY REGION

Europe, Middle East and Africa	46%
Americas	28%
Asia Pacific	26%

Refractory (including Advanced Ceramics and Investment Casting)

Each refractory application is unique to sustain high temperatures as well as extreme physical and chemical conditions. Imerys develops minerals, binders and additives that enable continuous improvement in the steelmaking, power plant incinerator, biomass boiler, glass, as well as the cement and petrochemical industries. Advanced ceramics and investment casting are used in various industries, from electrical equipment, thermal equipment to automotive, aerospace, military and medical industries. The Group's unique mineral portfolio, treatment processes and technical expertise have enabled it to develop a number of superior and sustainable solutions to answer these industries' needs and future challenges.

• **MINERALS**

Alumina / Andalusite / Ball clay / Calcium aluminate-based binders / Chamotte / Cordierite / Diatomite / Feldspar / Electrically fused aluminas / Fused mullite / Fused Silica / Fused zirconia / Graphite / Kaolin / Molochite / Mullite / Silicon carbide / Steatite / Standard ceramic bodies / Talc / Technical ceramic bodies / Wollastonite

• **MARKET POSITIONS**

World #1 in alumino-silicate minerals for refractories

World #1 in fused zirconia

World #2 in high-performance calcium aluminate-based binders for refractories



50%
Refractory

Abrasives

Imerys is the world's largest supplier of electrically fused aluminum oxide products. The Group provides highly effective solutions for all kinds of abrasives, including vitrified or resin-bonded grinding wheels and coated abrasives. Different sizes are available for each specific application, such as grinding, machining, sanding, blasting and cutting. The wear resistance and thermal properties of these abrasives mean they are generally used in the form of wheels, discs or sandpaper in the automotive, equipment, metallurgy, electricity, electronic, building and construction industries.

• **MINERALS**

Electrically fused aluminum oxide (corundum) / Sintered alumina / Sol Gel alumina

• **MARKET POSITIONS**

World #1 in fused minerals for abrasives



23%
Abrabives

Building & Infrastructure

Imerys develops cutting-edge solutions that have a wide range of applications, as well as essential properties ranging from rapid setting & drying to esthetics for the construction and civil engineering industries. Specialty calcium aluminate binders, metakaolin, smart fillers and functional additives like bentonite, perlite and ball clays offer performance to meet our customers' expectations. These highly technical products can be used in a number of applications, such as flooring, tile adhesives & grouts, technical mortars, waterproofing membranes, renders, external insulation as well as mortar & concrete for industrial flooring, wastewater sewage, tunnel boring and mining.



27%
CONSTRUCTION

• **MINERALS**

Ball clay / Bentonite / Calcium aluminate-based binders / Graphite / Kaolin / Metakaolin / Perlite / Talc

• **MARKET POSITIONS**

World #1 in calcium aluminate-based binders



1.2 OUR GROWTH STRATEGY

1.2.1 IMERY'S PURPOSE AND VALUES

1.1.1.1 WORLD'S LEADING SUPPLIER OF MINERAL-BASED SPECIALTY SOLUTIONS

Imerys has unveiled in 2022 its purpose: **Unlocking better futures, for our people, our customers and our planet.**



Why we exist | Our Purpose

UNLOCKING BETTER FUTURES FOR OUR PEOPLE, OUR CUSTOMERS AND OUR PLANET

What we aim to do | Our Vision and Mission

WE AIM TO LEAD THE SPECIALTY MINERALS INDUSTRY BY :

EMPOWERING

our people to thrive in a safe and inclusive workplace.

APPLYING

our expertise to serve our customers with commercial and operational excellence.

LEVERAGING

our capabilities and resources to expand our presence in fast-growing markets.

INNOVATING

the products and technologies of tomorrow in a digital world.

EMBEDDING

responsible and sustainable thinking into all that we do.

As we unlock better futures, our vision and mission will drive us to outperform in our markets and create measurable, long-term value for all our stakeholders.

How we will do it | Our Values

EVERY PERSON MATTERS.

Creating a safe, healthy, and inclusive environment

PARTNER OF CHOICE.

Helping our customers solve tomorrow's challenges

STRIVE FOR BETTER.

Continuously learning, improving and innovating

ONE TEAM TOGETHER.

Collaborating for better results

ENABLERS OF TOMORROW.

Protecting the planet and the future through our actions.



Integrated report

Our growth strategy

1.2.2 PROVEN AND RESILIENT BUSINESS MODEL, DELIVERING SUPERIOR PERFORMANCE

1.2.2.1 A PROVEN AND RESILIENT BUSINESS MODEL

Bolstered by an organization structured around its core markets, mining resources, high quality industrial assets, unrivaled technological and industrial processes, innovative solutions and leading positions in most of its markets, Imerys has many strengths to guarantee sustained value creation for its key stakeholders over time.

ASSETS

HUMAN RESOURCES

14,000 employees in **49** countries
74% of employees have benefited from at least one training course

ENVIRONMENTAL RESOURCES

Signatory of the **French Business Climate Pledge** to combat climate change and emission reduction targets approved by the **Science Based Target initiative (SBTi)**
 Member of **act4nature** and 3-year partnership with UMS Patrimoine Naturel for biodiversity

PEOPLE AND SOCIETY

Signatory of the **UN Global Compact** and alignment with the **Sustainable Development Goals (SDGs)**

FINANCIAL RESOURCES

Equity: €3,385 M
Net debt: €1,666 M (49% of equity and 2.3x of current EBITDA)
Investment grade credit rating: BBB- (S&P), Baa3 (Moody's)

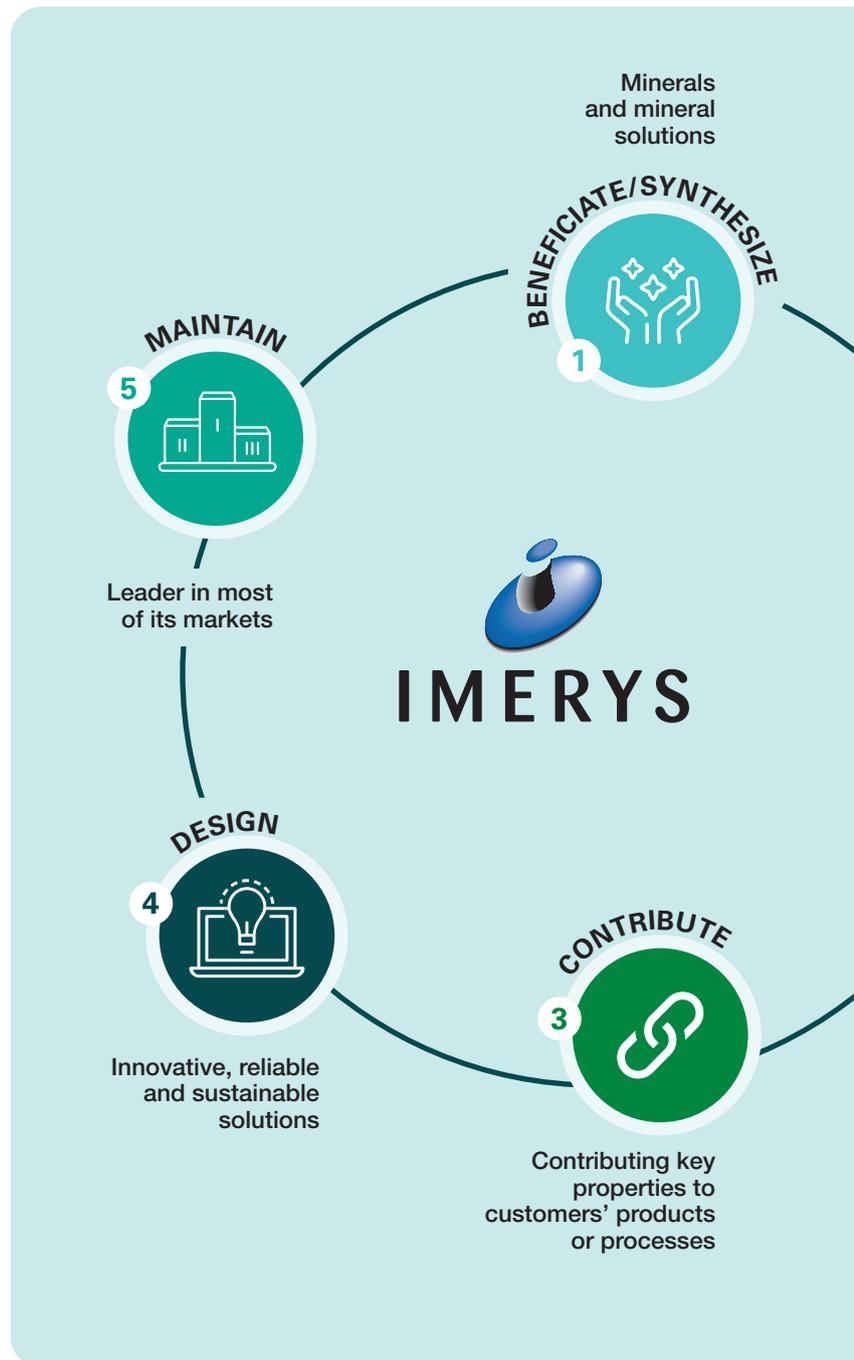
INDUSTRIAL AND COMMERCIAL RESOURCES

210 industrial sites and 83 mines in 42 countries
Investment in maintenance and development: €406 M
I-Cube industrial improvement program rolled out at 180 sites

INTELLECTUAL RESOURCES

Portfolio of 2,400 **patents**
 300 people working in 8 **R&D centers**
More than 80 new products

BUSINESS MODEL



IMPACT IN 2022

TRANSFORM



Exclusive processes and technologies

High quality industrial assets

HUMAN RESOURCES

Safety: 2.43 Total Recordable Injury Rate

Equality and diversity: 26% of women in the Group's senior management team

ENVIRONMENTAL RESOURCES

Fight against climate change:

31% reduction in tons of CO₂ equivalent emitted per euro of revenue since 2018

PEOPLE AND SOCIETY

Local community engagement:

40 new community engagement initiatives launched

Business conduct and responsible purchasing:

45% suppliers assessed

Sustainable, eco-friendly solutions:

implementation of a method to screen and assess the environmental sustainability of products

LIFE CYCLE ANALYSIS (LCA)

190 products analyzed

FINANCIAL RESOURCES

Current EBITDA: €720 M (margin on revenue 16.8%)

Net current free operating cash flow: €105 M (before strategic capex)

Dividend per share: €3.85*

INDUSTRIAL AND COMMERCIAL RESOURCES

30,000 customers across 133 countries

Market leader in 75% of its activities

* Proposal made by the Board of Directors and submitted for approval at the Shareholders' General Meeting.

VALUE CREATED FOR STAKEHOLDERS

IMERYS

€4,282 M
Revenue

SUPPLIERS

€2,681 M
(Raw materials, consumables used and external expenses)

EMPLOYEES

€873 M
Salaries and social security contributions, bonuses and investments

STATES

€142 M
(of which €104 M of corporate tax)

SHAREHOLDERS

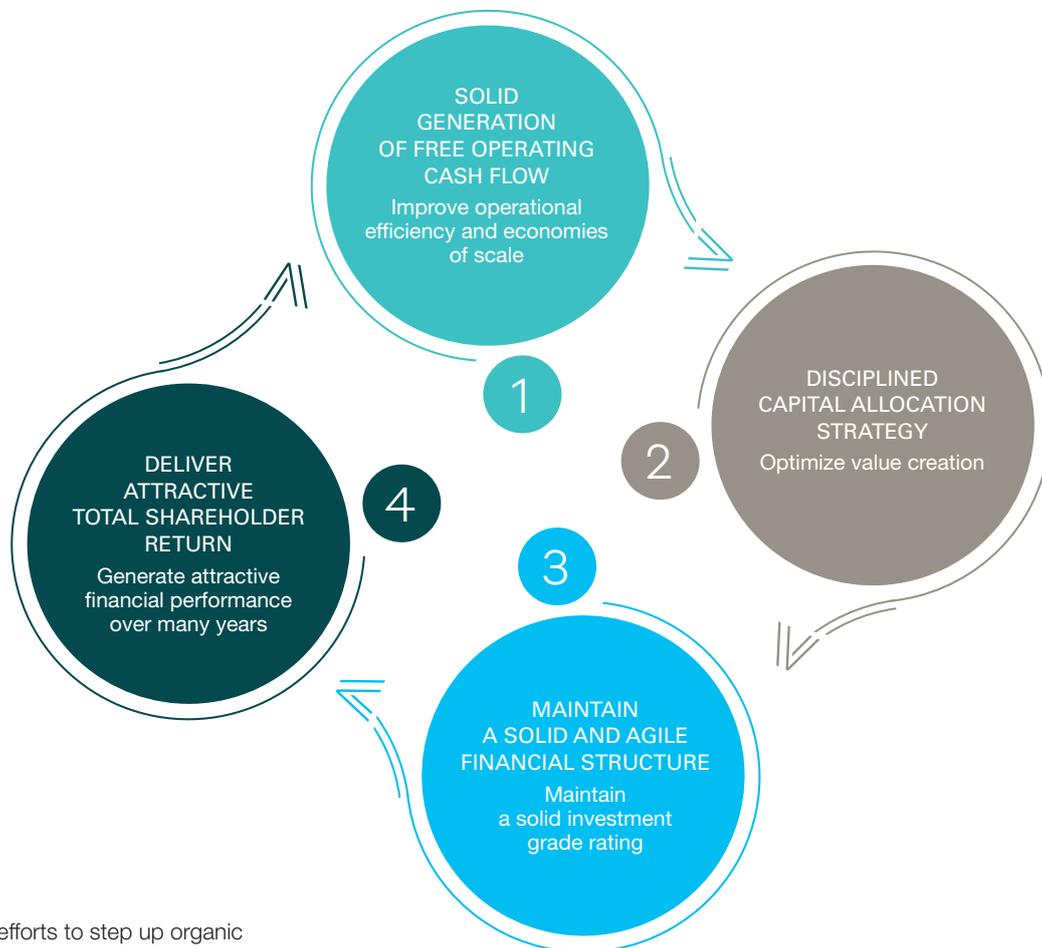
€142 M
(of which €131M of dividend)

BANKS

€36 M
(debt servicing costs)

1.2.2.2 DISCIPLINED CAPITAL ALLOCATION

The Group allocates its resources to best optimize value creation and deliver a long-term, attractive return on investment for its shareholders.



The Group's efforts to step up organic growth, strictly manage costs and its business model – built on market leading positions and mineral solutions that contribute key properties to its customers' products – will generate solid and sustainable cash flow in the future.

The cash generated by Imerys from its current operations and the proceeds from the announced and on-going business divestitures will be invested with a disciplined capital allocation strategy combining internal and external investments, both subject to strict criteria for return. Imerys will keep an attractive return to its shareholders, in the form of dividends or share buyback, which will continue to be a key priority for Imerys and its Board of Directors.

Imerys also strives to maintain a solid financial position to safeguard its independence and the long-term success of its business model.



1.2.3 A LONG-TERM, PROFITABLE AND SUSTAINABLE GROWTH

THE GROUP AIMS TO DEVELOP SUSTAINABLE AND INNOVATIVE SOLUTIONS FOR AND WITH ITS CUSTOMERS, IN A PROFITABLE WAY, WHILE PRESERVING THE PLANET AND FULFILLING ITS SOCIAL RESPONSIBILITY TOWARDS ALL STAKEHOLDERS.

Imerys is actively managing its business portfolio through a regular review of performance and strategic alignment. Next to few small disposals of non core assets, the divestiture of the High Temperature Solutions business and the contemplated divestiture of most of the assets serving the paper market would make Imerys a pure specialty minerals player, less cyclical and aligned with global megatrends. These moves will

make the Group even more resilient, profitable and faster-growing.

- A resilient business model, as market leader, with strong track record of execution, favorable price/cost balance, diverse applications and geographies;
- Focused on long-term growth and well positioned on growing underlying markets benefiting from megatrends;
- With strong cash generation from operating activities and proceeds from divestitures;
- A leader in sustainability, the reference in the specialty minerals industry;
- Offering attractive returns to shareholders;
- With further growth opportunities thanks to the Emili project (lithium extraction), rising demand for “green” minerals and opportunistic M&A for both bolt-ons and/or transformative transactions.



The Group has set strong ambitions for the medium term (2023-2025):

- uplifting organic growth to +3-5% per year on average ⁽¹⁾ through a combination of portfolio repositioning, commercial initiatives and investment in fast-growing markets;
- improving margin thanks to productivity enhancements, volumes growth and increased exposure to higher-profitability businesses;
- maintaining an investment grade rating and an attractive shareholders return.

1.2.3.1 INVESTING IN FAST-GROWING MARKETS

Imerys offers solutions that anticipate needs of fast-changing markets, driven by the emergence of:

- new lifestyles (urbanization, population aging, health and well being, mobility, recycling, etc.);
- new economic models (collaborative economy, sharing economy, automated manufacturing, etc.);
- technological progress (Internet of Things, renewable energy, 3D printing, etc.);
- changing expectations from stakeholders (sustainable development, climate change, transparency, ethical conduct, etc.).

With solutions used in a number of industries, Imerys has a central role to play at the heart of the substantial shifts the future will bring.

Following its active portfolio management efforts and completion of the announced business divestitures, Imerys will be simplified with 85% of the Group's end markets aligned with three megatrends which will drive future growth: Green mobility and energy, Sustainable construction and Natural solutions for consumer goods.

The other key end market, industry & equipment, corresponds mostly to Imerys's specialty abrasives market, supported by GDP growth, and where the Group is a global leader.

(1) Assuming no significant slowdown in 2023.

Imerys holds strong world leadership positions in green mobility and energy, such as conductive additives materials for lithium-ion batteries, lightweighting minerals for polymers, high purity quartz for photovoltaic and electronics, and minerals-based filter aids for biofuel purification. All these solutions are enablers for the decarbonization journey.

Green mobility and energy, to fight climate change

To deal with global warming, it is necessary to exercise even tighter control over the environmental footprint and develop appropriate solutions by promoting green mobility and energy.

MOBILE ENERGY

Imerys Graphite & Carbon is a specialty business producing synthetic graphite and carbon black and other graphite-based products. Imerys graphite and carbon products are prized solutions for the production of lithium-ion batteries used to power new-generation electric vehicles, where they boost energy density and shorten charging times. Conductive additives are a key ingredient for the performance of batteries even though they account for only a small share of the end product cost. Imerys graphite and carbon products are also an essential component for sustaining the rapidly growing Fuel Cells market which provides environmentally friendly solutions, e.g. for heavy duty vehicles, using hydrogen as a fuel. Graphites and carbons are also used in the production of thermally conductive polymers for auto parts serving the same trends.

Imerys benefits from:

- technological leadership, fueled by a constant R&D effort;
- leading market position serving all TOP15 battery makers but also Tier-1 players;
- a dynamic market environment, driven by strong demand for lithium-ion batteries following electric vehicle (EV) adoption.

As a result, Imerys is strongly positioned to capture future market growth and has almost doubled revenues between 2018 and 2021. Imerys has announced in 2022 €80 million investments for an additional production line for high purity carbon black at its plant in Willebroek, Belgium, as well as a new line for specialty synthetic graphite in Bodio, Switzerland. These new development projects add to the €100 million already invested over the past two years to address the strong growth of the EV market worldwide. This ambitious capacity expansion program is in progress to double Imerys Graphite and Carbon revenue again by 2025 and support the world's energy transition.

SUSTAINABLE ENERGY

Imerys offers a variety of solutions aiming at offering sustainable energy, such as high purity quartz for photovoltaic and electronics, and minerals-based filter aids for biofuel purification:

- Imerys holds a 50% share in The Quartz Corporation (TQC), a joint venture between Imerys and Norsk Mineral (a Norwegian company). TQC provides extremely high purity quartz solutions for crucibles used in the making of solar panel semiconductors and glass fibers;
- the Group is also present in the biofuel purification market. Imerys solution consists in removing through filter aids unwanted contaminants from fats, oils and greases used in bio-diesel and aviation fuel plants.

LIGHTWEIGHTING

Imerys serves the Automotive & Transportation end markets in many ways, such as talc in the tires, abrasives in the breaking pads, and carbonates in the paints or in the adhesives. One of the key contributions to safe and sustainable cars comes from high performance lightweighting solutions for

plastics. Plastics are essential for making vehicles lighter and for enhancing special functionalities such as electrical conductivity or sound damping. Imerys minerals, combined to the specific High Aspect Ratio technology, bring solutions to the compounders and automotive OEMs by ensuring high plastics mechanical performance while maintaining safety and other properties.

Imerys benefits from:

- a strong R&D leadership and continuous industrial investments and innovation to support growth;
- a fast-growing market with push and pull dynamics;
- a push from regulation to reduce vehicles CO₂ emissions through more and more stringent standards;
- a pull from the market, as demand for EVs is growing with end consumers increasingly turning to clean energy vehicles, and therefore to lighter technologies.

Imerys is the undisputed leader in this market and has announced in 2022 a €40 million investment to build a new manufacturing facility in China to produce specialty talc grades for polymers lightweighting in the automotive industry. With this investment, Imerys is poised to capture the significant growth opportunities offered by the EV industry in Asia. The commissioning of the new plant is expected in the beginning of 2023 and will support Imerys ambition in this market.

World #1
in conductive additives for lithium-ion batteries

“AN ELECTRIC VEHICLE REQUIRES SIX TIMES MORE MINERALS TO BE PRODUCED THAN A COMBUSTION ENGINE CAR.”

Sustainable construction, to help urbanization and rarefaction of resources

The world's population is expected to reach 10 billion by 2050, with the majority of people living in cities. To deal with urbanization, it is necessary to develop sustainable construction solutions that will stand up to the challenges of tomorrow, such as growing demand in the construction and renovation of infrastructure.

Imerys is a key player in Sustainable Construction, which is showing sizable development opportunities in the next 5 to 10 years driven by the need to reduce CO₂ in the construction industry. Through its wide range of innovative mineral solutions for sustainable building materials, the Group is ready to meet the challenges its customers face.

Construction & Infrastructure is the largest business of the Group, representing 40% of end markets served (in new construction, renovation and infrastructure), growing with and beyond such markets. Imerys is thus a key contributor and a partner of choice to sustainable construction thanks to a wide range of minerals and solutions, in mortars, ceramics, paints, coatings, insulation materials and other applications. Imerys is serving sustainable construction through a comprehensive range of minerals and solutions, from performing and long-lasting materials, insulating enablers up to low carbon footprint products. Imerys's unique calcium aluminates binders as well as the wide range of minerals solutions are addressing these various challenges thanks to an in-depth understanding of customers and end markets needs.

HIGH PERFORMANCE AND SUSTAINABLE BUILDING

Imerys offers unique solutions serving various end markets and enabling significant reduction of environmental footprint. Some examples are the following:

- dry mix mortar, #1 application in this business, a fast-growing market

strongly supported by the renovation industry and more specifically the progressive sophistication of the flooring technology. This product has sustainable benefits such as lower product consumption, safer working conditions, higher quality and reduction of waste;

- calcium aluminates-based solutions, contributing to an improved sustainability of waste water infrastructures from acid corrosion;
- insulation solutions, such as mineral foam insulation for buildings (insulation properties while providing fire resistance and mechanical strength) and expanded minerals (contributing to high performance
- renders for the external thermal insulation composite systems by being lightweight and fast drying).

In these markets, Imerys is delivering rapid growth driven by capacity additions.



21% Drymix mortar

19% Ceramics

18% Paints & Coatings

6% Lightweight/Insulation

36% Others

DECARBONIZATION SOLUTIONS

Imerys has a comprehensive offer to help customers in construction meet their CO₂ emissions reduction target, from concrete to flooring and from plastics to paints. Some examples are the following:

- green cement: Imerys has a unique portfolio of minerals that contribute to Cement Clinker Substitution up to 70%, while speeding up hardening time of low carbon concrete. Such minerals are kaolinite clay, metakaolin, fine grade perlite, and calcium aluminate mineral accelerator;
- minerals in plastics for construction, enabling replacement of petrochemical products while exceeding product performances in pipe, siding and appliances. Calcium carbonates have a higher thermal conductivity than polymers, which lead to higher cycle times, production efficiency and throughput.

CIRCULAR MATERIALS

Population growth places a strain on natural resources and disrupts traditional consumption models.

To deal with the rarefaction of resources, it is necessary to advocate for the sustainable use of resources and bolster environmental and ethical standards.

Imerys is working on various initiatives around the circular economy, with a focus on circular and bio sourced materials. This is obviously becoming increasingly important in all markets served. One example are the Remined™ products, a portfolio of 100% LEED certified pre-consumer recycled calcium carbonates from of Imerys's US assets. By offering a sustainable product range to industries such as carpet, flooring, mortars and adhesive, the Group enables its customers to meet sustainability targets and reduce carbon footprint, while contributing to their LEED credits (US Certification for green building).

Natural solutions for consumer goods is the 2nd largest end market for Imerys, serving packaging, food & beverage, healthcare, tableware, animal food and agriculture. It tends to be recession resilient and offers above-average growth rates. Imerys's minerals cover several applications and provide strong value while representing a small cost component for customers.

FEEDING THE WORLD

Imerys provides sustainable solutions to improve food output by increasing crop yields with mineral-based solutions to improve productivity of arable land for organic or conventional farming:

- wollastonite and diatomite-based solutions: biostimulant effects to increase plants' resistance to natural forces such as pests and diseases;
- expanded perlite: exceptional water conservation thanks to its absorbing properties;
- perlite and diatomite minerals: primary ingredients in Imerys's mechanical insecticide solutions, natural alternative to harmful chemical pesticides;
- mineral-based coatings: safely applied directly to fruits and vegetables, preventing crop damage by reflecting UV radiation and infrared heat which allows the crop to stay cooler and reduce spoilage.

Imerys mineral solutions are also used in diverse applications in animal feed, such as functional additives for adsorbing harmful toxins present in feed or for replacing chemically produced nutrient carriers.

GOOD HEALTH AND WELLBEING

Imerys offers various products to improve good health and well being:

- ultra-high purity filter aid for blood plasma fractionation, with Imerys's proprietary technology for mineral purification with state-of-the-art facility to meet strict pharmaceutical and regulatory requirements;
- natural solutions for cosmetics for replacing microplastics and chemicals in cosmetic formulations, for instance by carbonates as soft-focus agent, by kaolin as mattifying agent or replacement of titanium oxide in bar soap and toothpastes, and perlite in body and face scrubs as microbeads plastic alternative.

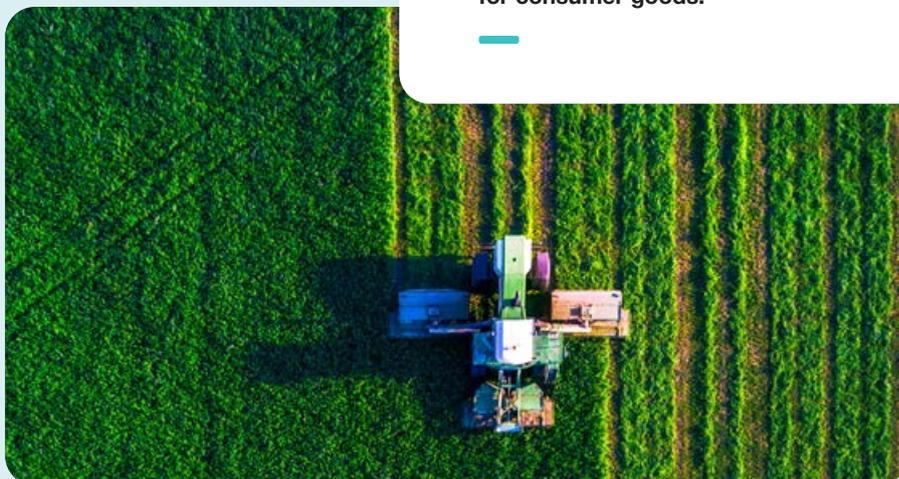
In all these markets, Imerys is running ambitious development and innovative projects with profitability above Group's average.



Application	Percentage
Board & Packaging	29%
Food & Beverage	18%
Healthcare	16%
Tableware (ceramics)	10%
Animal Food & Welfare	9%
Agriculture	7%
Others	11%

Natural solutions for consumer goods, to support demographics and healthier living

Countries are confronted with the rapid aging of their population and the explosion of healthcare costs. To deal with population growth and the increase in life expectancy, it is necessary to develop more sustainable methods of farming and innovative solutions for the pharmaceutical industry, and more generally natural solutions for consumer goods.



Lithium: a game changer

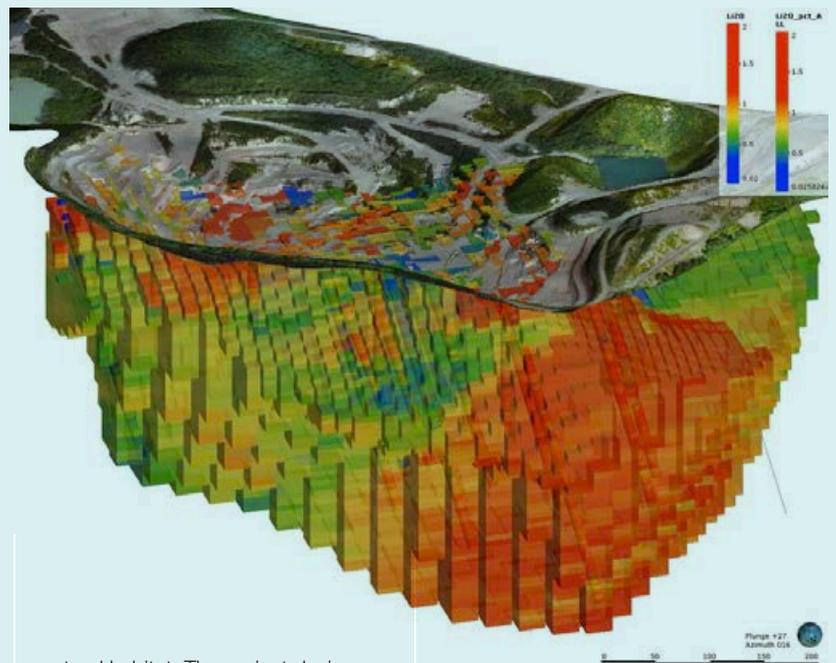
Imerys announced in October 2022 a landmark lithium exploitation project (the Emili project) at its Beauvoir site (Allier département of France), which has been producing kaolin for ceramics since the late 19th century.

Upon successful completion, the project would contribute to the French and European Union's energy transition ambitions. It would also increase Europe's industrial sovereignty at a time when car and battery manufacturers are heavily dependent on imported lithium, which is a key element in the energy transition with a consumption expected to grow exponentially in the coming years. It would be one of the European Union's largest lithium mining projects and could, once fully operational, equip the equivalent of 700,000 electric vehicles with lithium-ion batteries.

Building on its experience and knowledge of local biodiversity, Imerys intends to put forward a responsible project that respects the environment and local communities, in accordance with its code of conduct and international standards. In particular, Imerys commits to developing the project in line with IRMA Standard, which is the benchmark for responsible mining.

In this framework, the Group intends to use underground mining methods in order to minimize the impact on

Cartography of Beauvoir's lithium deposit (France)



natural habitat. The project design would be developed with the involvement of all local private and public stakeholders in order to devise a responsible industrial project.

As well as reducing the impact on its ecosystem, Imerys would target low CO₂ emissions from its operations, with the aim to produce lithium with less than half of the CO₂ emissions of typical existing hard rock lithium operations in the world. Examples of CO₂ reduction initiatives would include an electric mining fleet, transport by underground pipelines, trains, or the use of the French low-carbon electricity mix.

Once the laboratory and industrial pilot phases are completed, production and commercialization are expected to begin within the next five years. It is anticipated that 1,000 direct and indirect jobs and an international center of excellence for lithium extraction from hard rocks will be created in the Auvergne-Rhône-Alpes region.

**34,000
tons**
Production
target of lithium
hydroxide per
year from 2028

1.2.3.2 SOLID AND LONG-TERM VALUE CREATION

BEST-IN-CLASS COMMERCIAL PRACTICES

The Group is aiming to generate organic growth above underlying markets, supported by best-in-class commercial practices, an organization built around customers and markets, differentiated business mandates and priority given to high growth regions.

- Imerys's market-oriented organization helps improve proximity to customers and is supported by its commercial excellence program. The organization leverages the benefits of a broad portfolio of mineral specialties and the opportunities to cross-sell several complementary mineral products to customers ("one-stop-shop"). Commercial excellence helps take a personalized approach to key accounts and bolster partnerships with customers while optimizing value selling, pricing and opportunity management.
- The Group takes a tailored approach to managing its operations, allocating resources to markets with the most promising outlook for growth. In more mature business areas, Imerys seeks to generate cash and optimize its cost structure.

INNOVATION PUSH IN NEW PRODUCTS AND TECHNOLOGIES

Innovation has been placed within the business areas in order to develop new products in closer collaboration with customers and optimize local technical support. Imerys's innovation strategy is based on four pillars:

Driving an Innovation culture

The Group launches an average of 80 new products every year. It has built a network of international talents with PhDs and scientists coming from different industries and academic backgrounds, and collaborates with outside universities (e.g. Massachusetts Institute of Technology). Science & Technology organization is also ensuring day-to-day technical support to customers.

Sustainability as a lever for growth

Each innovation project is assessed according to the SustainAgility Solutions Assessment (SSA) framework, which is aligned with the Portfolio Sustainability Assessment (PSA) framework developed by the World Business Council for Sustainable Development (WBCSD). Imerys's target for 2025 is that 75% of new products launched will have environmental and/or social benefits. Imerys has also launched a specific label for products having the highest sustainability rating.



Addressing global challenges through a market-driven innovation

Innovation teams are organized by markets or applications to make sure the Group develops solutions, applications and services based on market trends and customers needs.

Imerys also creates development partnerships through open innovation at its customers premises and tech days. The Group has been recognized as a key innovative supplier on multiple occasions by its customers.

Exploring all mineral opportunities

The Group's innovation projects cover:

- **Natural Minerals:** majority of Imerys sales and development efforts, and include sustainable solutions for global megatrends, replacement of oil-based materials, as well as process innovations.
- **Circular Solutions:** key questions around availability of resources, recyclability and sustainability, waste reduction and regeneration.
- **Synthetic Minerals:** development of new functionalities (tailor-made solutions) for high value, niche applications, new processes with enhanced sustainability and reduced energy consumption. The Group has inaugurated in May 2022 a new pilot unit project that enables molding of very high-performance minerals. This enables Imerys to create minerals with high technology properties complementary to its existing product offering.

OPERATIONAL EXCELLENCE, SUPPORTED BY A CULTURE OF CONTINUOUS IMPROVEMENT

The Group is committed to improving its current EBITDA margin thanks to operational excellence and a culture of continuous improvement. Imerys can rely on an organization that facilitates swift decision making, as the number of managerial layers has been reduced and managers have been empowered with greater responsibility. Three key programs are supporting Imerys operational excellence: I-Cube for continuous improvement of our operations, Industry 4.0 digital transformation with pilot plants deploying the most advanced technologies for cost effective and sustainable production, and STEP for optimized purchasing through transversal expertise. The combination of these programs is supporting the Group's profitability delivering savings above 3% of costs of goods sold.

Inflation has clearly been a major topic in 2022: raw materials and logistic costs have reached unprecedented high levels, as well as energy, especially in Europe. The Group reacted rapidly and decisively to the new situation, while preserving the relationship with its customers base, and managed to deliver on profitability expectations also in such a difficult context.

80
Number of new products launched every year

1.3 LEADERSHIP IN SUSTAINABILITY

1.3.1 A FIRM COMMITMENT TO SUSTAINABILITY

INCREASING URBANIZATION, CHANGING DEMOGRAPHICS, CLIMATE CHANGE AND RISING CONSUMPTION AROUND THE WORLD ARE RESULTING IN GROWING DEMAND FOR NATURAL RESOURCES, WHICH PUTS PRESSURE ON NATURAL SYSTEMS.

As the world's leading supplier of mineral-based specialty solutions, Imerys's technical knowledge and expertise place the Group in the best position to extract and transform minerals responsibly over the long term. The Group's ambition is simple: to unlock the sustainable potential of minerals to enable better futures for all stakeholders.

The Group is committed to playing a role in society, beyond meeting its obligations to the countries and communities in which it does business; the Group aims to foster positive changes and unlock better futures.

Imerys's growth strategy and approach to creating value take into account the challenges and expectations from a wide range of stakeholders from both

within the Group and beyond, including panels of experts, professional bodies, local forums and customers.

The medium- and long-term Sustainability targets strive for continuous improvement and fall under the following main three areas in full alignment with the Group's purpose:

The SustainAgility program is built around six pillars and 15 themes, which are in line with and contribute to the United Nations Sustainable Development Goals (SDG). Imerys's teams are engaged to drive sustainability performance, transforming the business and leading the industry responsibly.

Imerys adheres to major international framework agreements such as the United Nations Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the International Labour Organization (ILO) Fundamental Conventions.

Imerys's ambition to unlock the sustainable potential of minerals through concrete actions is demonstrated by empowering our people, growing with our customers and caring for our planet.

"THE ULTIMATE GOAL TO BE ACHIEVED THROUGH SUSTAINABILITY IS TO FURTHER EMBED SUSTAINABILITY WITHIN THE GROUP STRATEGY AND DRIVE SYSTEMATIC CONTINUOUS IMPROVEMENT OF SUSTAINABILITY ASPECTS IN ALL ITS ACTIVITIES."

Imerys has launched in 2022 a new three-year plan for 2025.

EMPOWERING OUR PEOPLE

Group Safety Culture Maturity

3.3

Global Occupational Health action plan improvement rate

75%

Score of the Diversity & inclusion index (see appendix)

100%

GROWING WITH OUR CUSTOMERS

Imerys Products in Application Combinations according to sustainability criteria of Omerus product portfolio (by revenue)

75%

Group New Product Developments scored as SustainAgility Solutions

>75%

Improve the external sustainability rating of the Group compared to 2022 assessment

+7%

CARING FOR OUR PLANET

Reduce environmental impacts by assessing the maturity level of 100% of sites against environmental management requirements

100%

Water management of major sites (new water reporting requirements)

100%

Improve mineral resources efficiency by ensuring largest sites (by mineral waste volume) comply with new mineral wastes reporting requirements

80%

Impact on biodiversity by filling our act4nature commitments. Biodiversity audits on priority sites

20

Scope 1&2 greenhouse gas emissions (tCO₂eq) by 2030 from 2021 base year in alignment with a 1.5°C trajectory

- 42% (2030)

Integrated report

Leadership in sustainability

1.3.2 EMPOWERING OUR PEOPLE*

MAKING SURE EMPLOYEES STAY HEALTHY AND SAFE, SAFEGUARDING HUMAN RIGHTS AND LABOR PRACTICES, NURTURING TALENT, PROMOTING DIVERSITY AND INCLUSION AND ENGAGING WITH COMMUNITIES.

Being a safe and diverse place to work is the cornerstone of Imerys's values. The Group is fully committed to accelerating and pursuing its efforts on gender, nationality, disability and other dimensions of diversity, in full alignment with its new Diversity & Inclusion program. The Group continues to look for new ways to help employees and local communities thrive, maintaining constructive, transparent dialogue, and creating positive value through education and skills development.



HEALTH & SAFETY

**Occupational Safety Management
Occupational Health Management**



HUMAN CAPITAL

Diversity and Inclusion



1.3.3 GROWING WITH OUR CUSTOMERS*

BEHAVING ETHICALLY, OPERATING FAIRLY, ENSURING RESPONSIBLE PURCHASING, AND ADVANCING SUSTAINABLE PRODUCTS AND PROCESSES.

Imerys is scaling up efforts to deliver new solutions and opportunities to extend the life cycle of the Group portfolio, by assessing 75% of its portfolio against sustainability criteria by 2025, recognizing both the society and customer demand to produce better for longer. The Group is focusing on developing sustainable solutions, providing game changing mineral and materials solutions to help customers address the major environmental and societal challenges facing the world.



BUSINESS CONDUCT

**Business Ethics and Compliance
Responsible Purchasing**



SUSTAINABLE SOLUTIONS

Product Sustainability



1.3.4 CARING FOR OUR PLANET*

PROTECTING THE ENVIRONMENT, PROMOTING NATURAL RESOURCES EFFICIENCY, RESPECTING BIODIVERSITY AND ACTING ON CLIMATE CHANGE.



ENVIRONMENTAL STEWARDSHIP

**Environmental Management
Natural Resources Efficiency**



Biodiversity and Land Rehabilitation



CLIMATE CHANGE

Climate Change Strategy



* This list only includes the themes that were identified as a priority following the Group materiality assessment. Refer to chapter 3 for additional details.

The Group is firmly committed to play a positive role within the local ecosystem through the conservation of biological diversity and its restoration, communicating concrete actions through act4nature International⁽¹⁾ and partnering with recognised scientific experts such as UMS Patrimoine Naturel⁽²⁾. Imerys is focused on optimizing natural resource consumption, in particular with regards to mineral resources by introducing non-virgin materials.

To contribute to the global drive to combat climate change, the Group will reduce its carbon emissions (Scopes 1 and 2) by 42% by 2030 from a 2021 base year. Imerys is committed to accelerating its decarbonization roadmap, setting a new

target in line with SBTi criteria aligned with a 1.5 °C trajectory in absolute tons of CO₂. As a signatory of the French Business Climate Pledge, Imerys has committed to work to accelerate the pace of transition towards a low-carbon economy, both within its own operations as well as within its value chain and through the Group portfolio of solutions.

To drive the necessary change, Imerys continues to work closely with customers, suppliers and other stakeholders, leading the way towards a more sustainable industry, one that responds to the world's growing demand while benefiting local communities and protecting the natural environment.

1.3.5 RECOGNIZED PERFORMANCE FROM LEADING ESG RATING AGENCIES

THE GROUP'S FIRM COMMITMENT TO SUSTAINABILITY HAS BEEN RECOGNIZED BY THE LEADING ESG RATING AGENCIES. THE FOLLOWING TABLE PRESENTS A SELECTION OF THE NON-FINANCIAL RATINGS MOST RECENTLY ACHIEVED BY IMERYS.

Indices/Assessment & Latest rating (year)	Most recent rating	Relative to industry
CDP – Climate Change	B (2022)	Above industry average C Mining & Metals
EcoVadis (0 – 100)	69 (2022) - Gold medal	93 th percentile All industries
MSCI ESG (CCC to AAA)	AA (2022)	88 th percentile Construction materials
Sustainalytics (100 – 0)	32 (2022)	53 th out of 128 Specialty chemicals
ISS – oekom (D- to A+)	C (2022)	50 th percentile Construction materials
Vigeo Eiris (0 – 100)	64 (2022)	6 th out of 41 Minings & Metals
S&P (0 – 100)	57 (2022)	84 th percentile (Materials)

▲ For further details on Sustainability, see chapter 3 of the Universal Registration Document.

1.3.6 CLIMATE-RELATED RISKS AND OPPORTUNITIES

CLIMATE CHANGE HAS BEEN IDENTIFIED AS AN IMPORTANT RISK AND OPPORTUNITY FOR IMERYS, WHICH HAS THE POTENTIAL TO IMPACT THE BUSINESS IN THE MEDIUM AND LONG TERM. FURTHER DETAILS ON THE NATURE OF CLIMATE RISKS AND OPPORTUNITIES FOR IMERYS CAN BE FOUND IN CHAPTER 3 AS WELL AS IN THE 2022 CDP CLIMATE SUBMISSION.

GOVERNANCE

The integration of Environmental, Social and Governance (ESG) topics at the heart of the Group's growth strategy starts through robust governance. Within Imerys, this begins with the Board of Directors, which plays a key role in the validation of the Groups sustainability ambition. With support from its Committees and the ESG Referent Director dedicated to sustainability-related issues (as appointed in 2021), the Board of Directors has the mission to promote long-term value creation by the Company by considering the ESG aspects of the Group's activities and by ensuring strategy implemented by the Executive Management duly complies with ESG orientations defined for the Group. This includes regularly reviewing sustainability-related risks and opportunities, including

climate change as well as the measures taken accordingly. The Board oversight is complemented by the inputs of the Chief Executive Officer, the Executive Committee (with the nomination of a Sustainability Officer in 2022) and the Sustainability Committee. The latter's mission is notably to establish the level of the Group's commitment, steer the sustainability roadmap development and monitor progress on implementation. The Group's decarbonization roadmap is overseen by a dedicated Steering Committee.

RISK AND OPPORTUNITY ANALYSIS

For identifying and managing climate-related risks and opportunities, in 2021, a series of studies were conducted covering physical

and industrial risks as well as market-related risks and opportunities associated with climate change. These studies assessed the financial exposure of the Group versus a combination of three time horizons (2030, 2040 and 2050) and three International Energy Agency scenarios from the World Energy Outlook 2019⁽³⁾:

- **Current policies:** meaning no changes in policies;
- **Stated policies:** incorporating the today's policies initiatives;
- **Sustainable Development Scenario:** fully meeting goals to reach global net zero.

Policies designed to limit climate change are likely to vary widely by sector and country as governments chart a course to implement

(1) act4nature is an initiative launched by EPE (Entreprises pour l'Environnement) and a number of partners with the aim of mobilizing companies to protect, promote and restore biodiversity. <http://www.act4nature.com/en/>.

(2) UMS Patrimoine Naturel is an umbrella organization bringing together the French National Museum of Natural History (FNMNH), the French Agency for Biodiversity and the National Center for Scientific Research (CNRS) <http://www.patrinat.fr/fr/ums-patrimoine-naturel-346>.

(3) The International Energy Agency World Energy Outlook series is a leading source of strategic insight on the future of energy and energy-related emissions, providing detailed scenarios that map out the consequences of different energy policy and investment choices. <https://www.iea.org/reports/world-energy-outlook-2019>

their Nationally Determined Contributions (NDC⁽¹⁾) to reduce emissions. Imerys operates industrial sites across 40 different countries and as such is exposed to a range of climate change regulations such as carbon taxes, emissions trading schemes and other fossil fuel taxes, designed to increase the cost of greenhouse gas (GHG) emissions and stimulate action by the private sector to reduce emissions.

Imerys considers that the estimated net financial impact of the climate-related physical risks and transitional risks and opportunities on its current EBITDA in 2030 is neutral after taking into account industrial mitigation actions, like specific physical risk prevention program, resource efficiency and use of lower-emission sources of energy, as well as positive impact of commercial and marketing initiatives and increased demand for our products and services.

The Group estimates that the expansion of a low-carbon economy would have no impact, or a very limited one, on most of the products manufactured by Imerys. Many products are serving markets that offer a significant opportunity and largely offset industries where potential climate-related risks on demand have been identified. The financial figure includes net additional annual revenue resulting from climate-related opportunities in 2030 based on the Group current portfolio.

METRICS AND TARGET

As part of its decarbonization strategy, Imerys has adopted indicators that illustrate the progress achieved in the reduction of GHG emissions into the atmosphere, the use and consumption of energy from primary sources.

In 2022, the Group committed to a new objective to reduce greenhouse gas emissions by 2030 by 42% in absolute value (tCO₂e) considering 2021 as the base year, in line with the most recent SBTi target-setting criteria. This includes Scope 1 emissions (direct emissions from sources owned or controlled by Imerys) and Scope 2 emissions (indirect emissions from the production of electricity, heat or steam imported or purchased by the Group). Likewise, the Group continues to progress towards its SBTi-approved Scope 3 target to engage with 71% of suppliers (by spend) to commit to science-based targets by 2023.

OPPORTUNITIES

LOW-CARBON TRANSITION OPPORTUNITIES

Development and/or expansion of low-emission goods and services

IMERYS STRATEGY TO REALIZE THE OPPORTUNITIES

An assessment of climate-related risks and opportunities of the Group's products and markets (horizon 2050) has been conducted covering more than 80% of Imerys revenue. These studies have allowed Imerys to identify the main opportunities in the perspective of a low-carbon economy.

The large diversity of the Group's markets and locations as well as its customer-centric and market-driven organization are considered as a strength which decreases the dependency on specific markets and allows an easy adaptation to the market evolutions.

In addition, Imerys has launched its SustainAgility Solutions Assessment framework, which is embedded in all Group processes and has been designed in line with the World Business Council for Sustainable Development (WBCSD) guidelines for Portfolio Sustainability Assessments (PSA), so as to objectively measure the sustainability of Imerys's current portfolio, identify environmental and social impacts and steer the portfolio while sustainability elements into consideration.

Development of new products or services through R&D and innovation

The Group has positioned innovation at the heart of its strategy and an effective way to address risks and opportunities for its operations and portfolio related to climate change. Imerys SustainAgility Solutions Assessment framework is embedded within the innovation process, thereby ensuring that all projects in the innovation pipeline are thoroughly reviewed against defined environmental criteria, including climate change prior to approval.

The Group achieved its target of 50% of new product launches as SustainAgility Solutions in 2022, meaning a product in a given application that brings high social and environmental contribution to the downstream value chain and, at the same time, demonstrates a low environmental impact in its production phase. The new target set is to ensure that 75% of new product launches as SustainAgility Solutions by 2025.

The Science & Technology (S&T) experts and specialists of the Group develop innovative solutions and products based on identifying the global megatrends, the expectations the customers needs, including developing solutions that support the transition to a low-carbon economy.

Use of more efficient production and distribution processes

All initiatives linked to energy efficiency are gathered within the I-Nergize program, which aims to save energy and reduce carbon emissions on-site. A three-year roadmap of various types of actions is defined after an assessment for each site.

The I-Nergize program includes on-site assessments and action plans (including 66 sites by 2023, representing 80% of consolidated energy consumption), a People Academy that helps develop energy talent and equip colleagues with the skills to support the assessment teams and standard reporting tracking the results of the project.

(1) Nationally Determined Contribution (NDC), is a climate action plan to cut emissions and adapt to climate impacts. Each Party to the Paris Agreement is required to establish an NDC and update it every five years.



71%
Suppliers (by spend) engaged to commit to science-based targets by 2023

RISKS

MATERIAL CLIMATE-RELATED RISKS

IMERY'S STRATEGIC RESPONSE

Emerging regulations with carbon pricing mechanisms (Transition Risk)

Imerys has defined emissions reduction targets aligned with a 1.5 °C trajectory that have been submitted to the SBTi⁽¹⁾. The Group had developed a clear decarbonization roadmap to work towards the new absolute emission reduction target, focusing on energy efficiency, conversion of its fuel mix, integration of low carbon electricity as well as process innovation amongst other levers. In addition to launching the I-Nergize assessment program, the Group carries out a centralized monitoring to evaluate its CO₂ position in the EU-ETS and is investigating projects related to carbon capture and storage of CO₂.

Furthermore, the Group uses a shadow cost for carbon (internal carbon price) that is systematically integrated to analyze all the CAPEX of energy-related projects and the CAPEX above 150k€ for projects impacting CO₂ emissions by approximately or more than 1000t.

Changes in precipitation patterns and extreme variability in weather patterns (Physical Risk)

The actual risk of water stress linked to the resource access concerns 75 Imerys sites, which are at high and very high risk. They are located on the West coast of America, in South Africa, India and around the Mediterranean basin.

Among them, only 12 sites have medium (> 100,000 m³) to high (> 1 Mm³) water consumption. To respond to this risk, Imerys has established comprehensive Water Management requirements, which include a description of current water use, water balance analysis, water accounting, water risk assessment and pertinent action planning to manage high-priority water issues. In addition, various Imerys sites have implemented projects linked to water recycling or water efficiency, especially as part of our continuous improvement program.

Increased severity and frequency of extreme weather events such as cyclones and floods (Physical Risk)

Regarding the management of risks which can cause property damage and operating losses associated with extreme weather events, a specific process has been put in place by the Industrial Risk and Insurance Departments with the support of an insurance company renowned for its expertise in loss prevention engineering.

The process integrates a study of the vulnerability of industrial sites to extreme weather events and natural disasters. Around 100 of the Group's industrial sites are regularly inspected. The risk prevention program is supplemented by an interdisciplinary working group tasked with identifying and prioritizing key industrial risks and defining risk prevention plans. In addition, for four years, Imerys has launched a Business Continuity Planning (BCP) exercise focusing on the most important Imerys assets in terms of contribution to the Group gross margin. Every year three to five sites are selected to perform a BCP in order to carry out a Business Impact Analysis that identifies and evaluates potential effects of events on operations.

(1) Science-Based Target initiative.

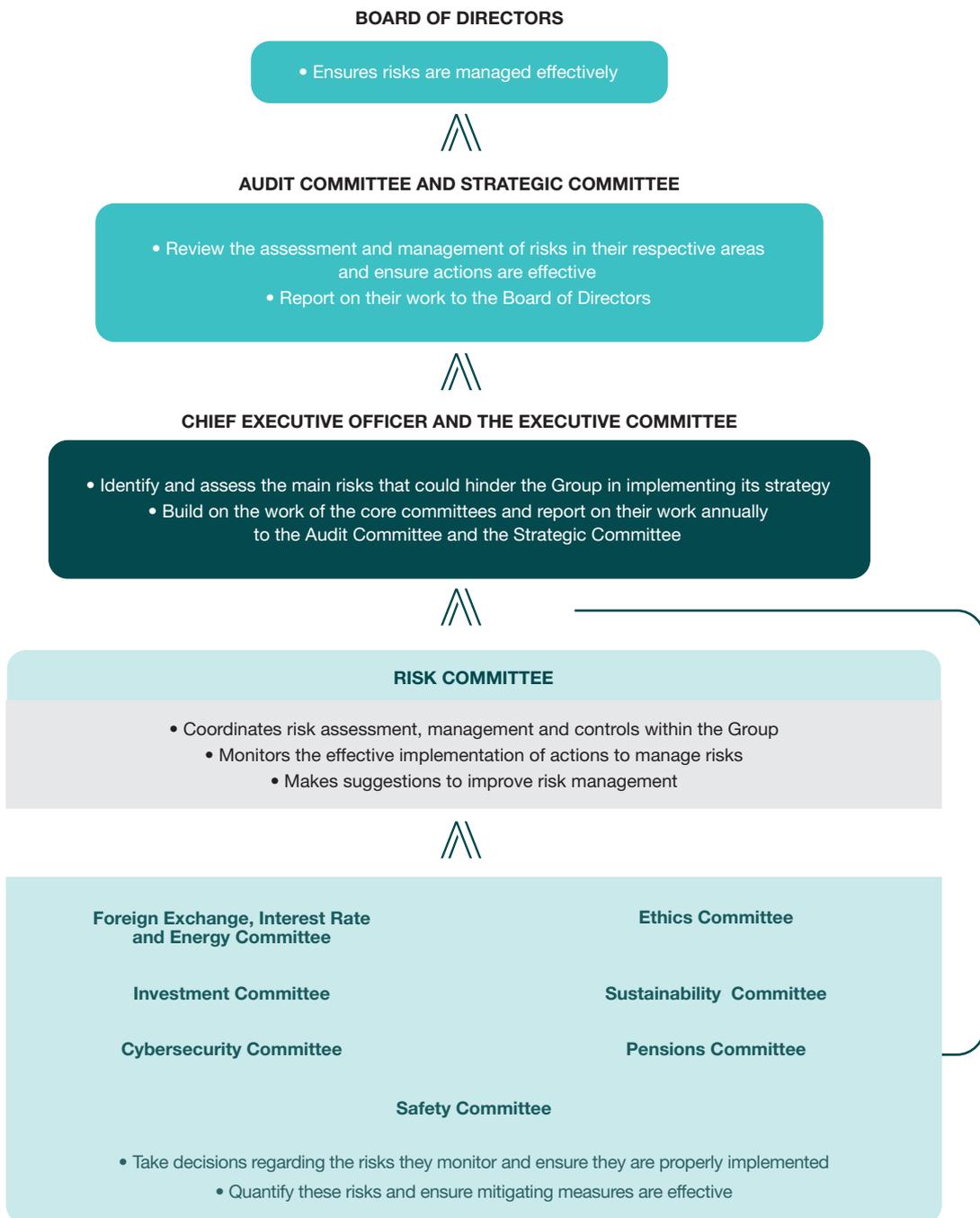
1.4 AN EFFECTIVE RISK MANAGEMENT

To best manage the risks it faces, the Group relies on the following key tools:

- a rigorous and effective approach to risk management, which is regularly reviewed by senior management;
- a detailed map setting out the main risks the Group might be exposed to, identifying in particular any evolution or change of key elements and ensuring the suitability and implementation of actions to mitigate them.

These tools allow the Group to identify and assess the key risks, as set out in the following pages. These risks are addressed with mitigating plans, which are detailed in [chapter 2 of the Universal Registration Document](#).

1.4.1 OVERVIEW OF RISK MANAGEMENT GOVERNANCE AT IMERYS



1.4.2 THE RISK MAPPING PROCESS

The risk mapping process is carried out in accordance with the following principles:

- It is conducted once every three years and includes a detailed review of the Group's main risks and the mitigation actions put in place to manage them. The assessment of the impact and level of control of the risks is reviewed yearly.
- It involves all internal stakeholders, i.e. the people responsible for the Group's main risks and the committees tasked with reviewing and validating their work.
- The risk management action plans drawn up after mapping are updated and reviewed each year.

1.4.3 THE MAIN RISKS IDENTIFIED BY THE GROUP AND HOW THEY HAVE CHANGED OVER RECENT YEARS

The following table sets out the main risks the Group faces by type and degree:

- Risks are categorized as either strategic (that could impact the structure of the Group over the medium to long term), operational (that could affect the Group's ordinary course of business) or legal (that may result in Group's liability).
- Amongst the 26 risks identified by the Group as part of the risk mapping process, eight are deemed priorities.
- These risks are presented taking into account the estimated impact of their occurrence and the effectiveness of their associated mitigation measures.

		Degree	Moderate	Significant	High
Type					
 Strategic⁽¹⁾				Climate change Digital transformation	
 Operational⁽¹⁾	Mineral reserves and resources Employee health & safety			Product stewardship Environment	Cybersecurity
 Legal⁽¹⁾				Compliance	

(1) The description of the strategic, operational and legal risks can be found in [chapter 2, section 2.1 of the Universal Registration Document](#).

1.5 CORPORATE GOVERNANCE

A DISSOCIATED GOVERNANCE

Since 2018⁽¹⁾, the governance organization involves a dissociation of duties of the Chairman of the Board of Directors and those of the Chief Executive Officer. This split ensures that Imerys's governance bodies operate effectively and fosters the development of complementary skills. The reduction achieved in the last years of the number of directors sitting on the Board has helped improve the Board's agility and effectiveness.

Patrick Kron acts as Chairman of the Board and Alessandro Dazza acts as Chief Executive Officer.

▲ For any further details related to the governance dissociation, please refer to [chapter 4](#).



(1) Save for a 3-month interim period between October 2019 and February 2020 following departure of former Chief Executive Officer.

1.5.1 THE CHIEF EXECUTIVE OFFICER AND THE EXECUTIVE COMMITTEE

THE GROUP'S MANAGEMENT TEAM IS HEADED BY ALESSANDRO DAZZA, CHIEF EXECUTIVE OFFICER, AND ASSISTED BY THE EXECUTIVE COMMITTEE.

1.5.1.1 THE EXECUTIVE COMMITTEE

The Executive Committee is made up of the Chief Executive Officer, the heads of Group corporate services and the Senior Vice Presidents of the RAC segment and the Performance Minerals' three business areas. Its main role is to implement the strategic priorities set by the Board of Directors and ensure the value creation targets are achieved.

The Executive Committee is collectively responsible for the overall performance of Imerys and seeks to promote the Group's interests.

1.5.1.2 STRUCTURE OF THE EXECUTIVE COMMITTEE

At the date this Universal Registration Document was filed, the Executive Committee was composed of:

6

Nationalities

12.1 years

average time spent
within the group

52.4 years

average age of executive
committee members



Alessandro Dazza
Chief Executive Officer

Member of the Group and the Executive Committee since February 2020*



Anastasia Amvrosiadou
Group Chief Human Resources Officer

Member of the Group since 2015 and the Executive Committee since 2022



Philippe Bourg
Senior Vice President Refractory Abrasives & Construction

Member of the Group since 1996 and the Executive Committee since 2018



Jean-François Claver
Chief Industrial Officer

Member of the Group since 2015 and the Executive Committee since 2016



Guillaume Delacroix
Senior Vice President Performance Minerals EMEA

Member of the Group since 2004 and the Executive Committee since 2018



Jim Murberger
Senior Vice President Performance Minerals Americas

Member of the Group since 1996 and the Executive Committee since 2018



Olivier Pirotte
Chief Strategy Officer

Member of the Group and the Executive Committee since 2015



Sébastien Rouge
Chief Financial Officer

Member of the Group and the Executive Committee since 2020



Leah Wilson
Chief Sustainability Officer

Member of the Group since 2017 and the Executive Committee since 2022

General Counsel & Secretary of the Board is also a member of the Executive Committee**

* Alessandro Dazza has been previously within Imerys from 2002 to 2018. Since 2022, Alessandro Dazza supervises the Performance Minerals APAC activities.

** Following Frédérique Berthier-Raymond's departure in October, 2022, this position is ensured temporarily by Denis Musson, former General Counsel & Secretary of the Board of the Group since 2018.

1.5.1.3 A REGULAR DIALOGUE BETWEEN THE CHIEF EXECUTIVE OFFICER, THE EXECUTIVE COMMITTEE AND THE BOARD OF DIRECTORS

The regular dialogue between the Chief Executive Officer, the Executive Committee and the Board of Directors plays a decisive role in defining and implementing the Group's strategy. The constructive interaction among the parties is fostered through and encouraged by: regular presentations of the Group's business areas and key projects given by the members of the Executive Committee to the Board of Directors and its committees; the creation when needed of dedicated ad hoc sub-committees of the Board of Directors, comprising members of the Board and key personnel from within the Group, reporting directly to the Board; members of the Board having unrestricted access to all relevant information to allow them to properly carry out their duties; and visit of key operations sites of the Group by Board members.



1.5.1.4 COMPENSATION: A BALANCED APPROACH TO FOSTER VALUE CREATION OVER THE LONG AND SHORT TERM

Imerys's compensation policy remunerates its senior management team and a large number of its employees based on the long and short-term individual and Group performance sustaining value creation.

The criteria on which the variable compensation of the senior management team is determined are aligned to support the achievement of the Group's financial targets but also take into account non-financial parameters, including environmental, social and governance targets.

Compensation subject to performance conditions applicable to Executive Committee members for 2022 (excluding the Chief Executive Officer)

	Variable (short term)		Variable (long term)	
Performance conditions	Quantitative (financial)	Current operating income Free operating cash flow Organic growth	Quantitative (financial)	Net income from current operations Free operating cash flow
	Qualitative	Personal targets		
Performance assessment period	Annual		Three years	
Type of compensation	Cash		Performance shares	

Δ For further details on the Chief Executive Officer, the Executive Committee and the compensation paid to corporate officers, see chapter 4, sections 4.1 to 4.4 of the Universal Registration Document.

Δ For further details on the duties and work of the Board of Directors and its Committees, see chapter 4, section 4.1 of the Universal Registration Document.

1.5.2 BOARD OF DIRECTORS AND ITS COMMITTEES

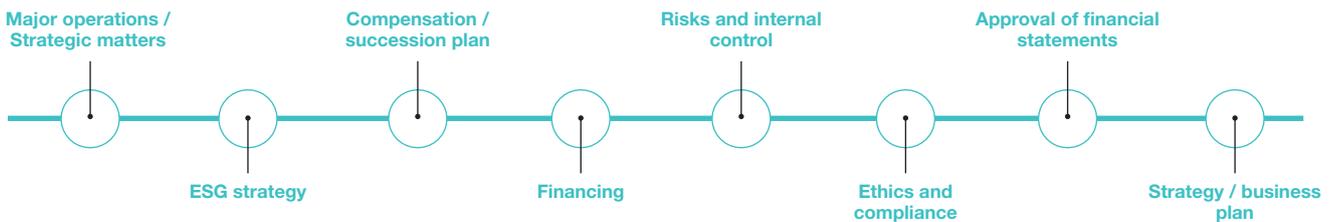
IMERY'S BOARD OF DIRECTORS IS HEADED BY PATRICK KRON, CHAIRMAN OF THE BOARD SINCE JUNE 25, 2019.

1.5.2.1 DUTIES OF THE BOARD OF DIRECTORS

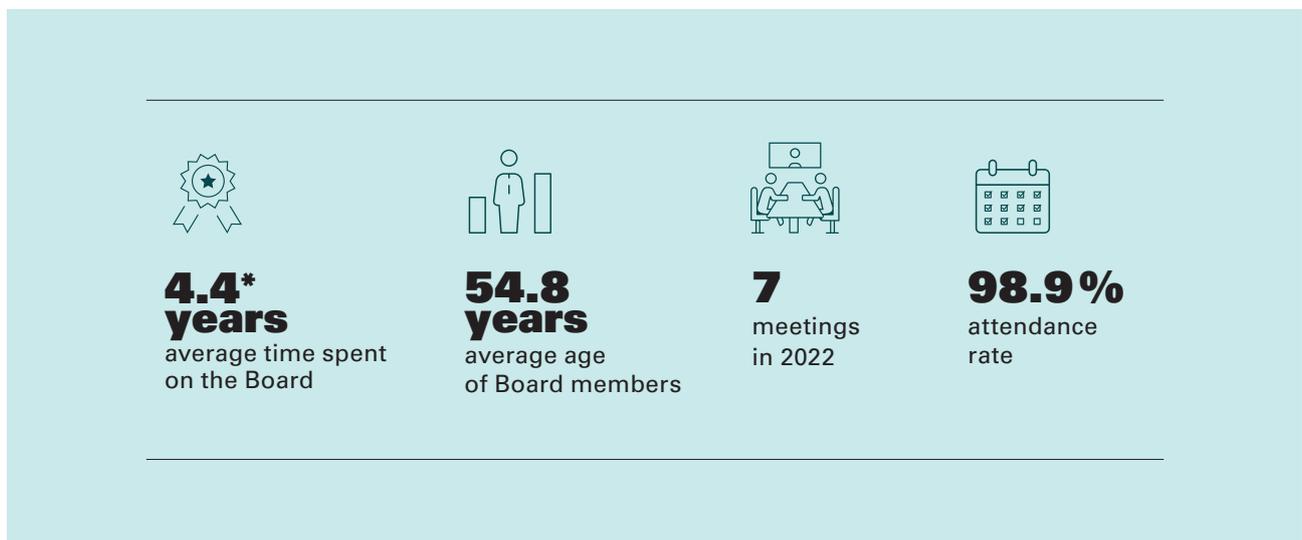
With the support from its Committees, the Board of Directors exercises permanent control over the management of the Group, approving its strategic priorities as well as the main focuses of its ESG strategy. The Board also approves any significant operation affecting the Group's future and ensures its governance structure is fit for purpose.

The Board of Directors meets as often as required to best serve the interests of the Group. The rights and responsibilities of the members of the Board of Directors as well as the rules governing the fulfillment of their duties during their term of office are set out in Imery's by-laws and the Internal Charter of the Board of Directors. During their term of office, each member must also comply with the Code of Business Conduct & Ethics in force within the Group, which applies to all its employees.

1.5.2.2 DUTIES OF THE BOARD OF DIRECTORS



1.5.2.3 EXPERIENCED AND DILIGENT MEMBERS OF THE BOARD



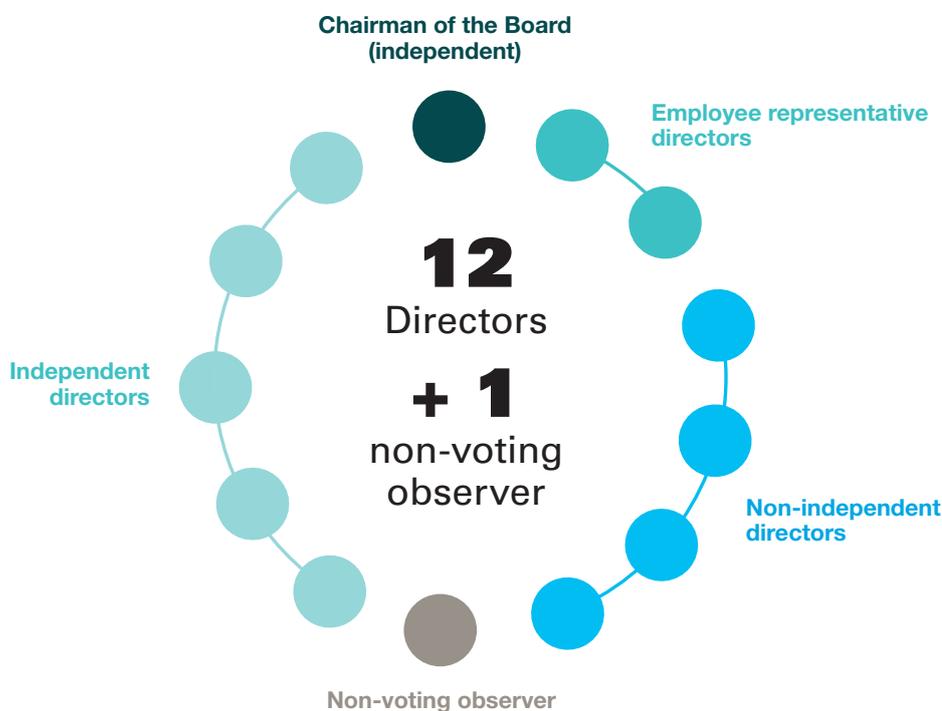
* Figure rounded half up or down, as the case may be.

1.5.2.4 STRUCTURE OF THE BOARD OF DIRECTORS

A diverse and balanced international body.

At the date of this Universal Registration Document was filed, the Board of Directors was made up of:

12 Directors including 2 directors representing employees	4 female directors	6 independent directors	1 non-voting observer (attending in an advisory capacity)	5 nationalities including directors representing employees and non-voting observer
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The composition of the Board of Directors allows the Group to take advantage of the diverse spectrum of capabilities and professional experience accumulated by its members from across a variety of industries and countries.

Fully aware of the strategic importance of ESG issues, the Board of Directors appointed, in 2021, an independent Director as referent dedicated to these topics.

The duties of the ESG Referent Director as well as the report on his or her activity during 2022 are more fully detailed in chapter 4, section 4.1 of the Universal Registration Document as well as in the Charter of the Board of Directors available on the Company's website.

Δ For further details on the existing composition and proposed changes, duties and operating procedures of the Board of Directors, see chapter 4, section 4.1 of the Universal Registration Document.

1.5.2.5 COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has set up a number of Committees to improve its effectiveness and assist it in preparing its decisions by making recommendations or giving opinions.

At the date this Universal Registration Document was filed, the Committees were as follows:

STRATEGIC COMMITTEE	AUDIT COMMITTEE	APPOINTMENT COMMITTEE	COMPENSATION COMMITTEE
5 Members	4 Members	3 Members	4 Members
2/5 Independence	3/4 Independence	2/3 Independence	2/3* Independence
4 Meetings in 2022	5 Meetings in 2022	2 Meetings in 2022	1 Meeting in 2022
95.83% Attendance rate	100% Attendance rate	100% Attendance rate	100% Attendance rate

1. Strategy

- Formulate and approve the Group's long-term industrial, commercial and financial strategic orientations and how to pursue them.
- Ensure the long-term strategy implemented by the management is in line with the orientations approved by the Board.
- Analyze and make recommendations on:
 - the Group's budget;
 - the operations likely to significantly modify the purpose or scope of business of the Group, including investments or acquisitions worth more than €20 million per transaction:
 - material commercial or industrial agreements,
 - any financing operation for amounts likely to substantially modify the Group's financial structure,
 - the general orientations of the ESG and innovation policies.

2. Risk

- Analyze matters relating to the way the Chief Executive Officer identifies, measures and monitors the main challenges and potential risks facing the Group.

- Ensure the relevance, consistency and proper application of, and compliance with, the accounting standards adopted to prepare the Group's consolidated and statutory financial statements.
- Verify the Group's external financial communications prior to publication.
- Analyze the accounting and financial treatment of material acquisitions or divestitures.
- Monitor the application and effectiveness of all processes designed to improve internal control within the Group.
- Ensure compliance with the rules, principles and recommendations safeguarding the independence of Statutory Auditors.
- Oversee the selection procedure to appoint or re-appoint Statutory Auditors.
- Keep abreast of the Group's financial position and the overall orientation of the Group's financial and tax policies.
- Keep abreast of insurance policies, IT governance, IT security and cybersecurity.

- Examine and submit opinions and recommendations to the Board concerning prospective candidates for the positions of Chairman, Chief Executive Officer, Deputy Chief Executive Officers (if any), Directors, and members of Committees.
- Present a succession plan for executive corporate officers and the Executive Committee.
- Review the independent status of directors.
- Consider draft responses to any requests from regulatory authorities (French Financial Market Authority or France's High Committee for Corporate Governance, the HCGE).
- Make recommendations to the Board to comply with best practice in governance and the recommendations set out in the AFEP-MEDEF Code.

- Examine and submit opinions and recommendations to the Board concerning:
 - the amount of and allocation method applied to determine compensation for directors;
 - the comprehensive compensation policy for executive corporate officers, which the Board submits for approval at the Shareholders' General Meeting;
 - the comprehensive compensation policy for the Group's senior executives;
 - all components of compensation, sign-on bonuses, severance packages and benefits of any kind owed or likely to be owed to each executive corporate officer;
 - the Group's policy on employee share ownership.

Δ For further details on the existing composition and proposed changes, duties and operating procedures of the Committees, see chapter 4, section 4.1 of the Universal Registration Document

* Excluding director representing employee.

2

Risk factors and internal control

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2.1 RISK FACTORS

The Imerys group operates throughout the world in a constantly changing economic and political climate that is by nature unpredictable. Such uncertainty may lead to major changes that could have a material negative impact on the Group's operations or financial situation, as well as on external stakeholders.

The risks facing the Group that are material and specific, as identified by the risk mapping process (described in *chapter 1, paragraph 1.2.5*), as well as the methods applied to manage them, are summarized in the following table and detailed below.

Type \ Degree		Degree		
		Moderate	Significant	High
 Strategic			Climate change	
			Digital transformation	
 Operational	Mineral reserves and resources	Product stewardship		
	Employee health & safety	Environment		Cybersecurity
 Legal		Compliance		

These risks are split into broad categories. Within each category, risk factors are ranked in order of importance, based on their probable impact, the frequency with which they are likely to occur and the related risk management actions. The risks of the following developments are presented in detail in descending order of importance in each category. These developments describe each risk and the key risk control measures, some of which were taken by the Group before or after risk mapping. The key risk control measures already applied at the date of risk mapping have been taken into account in the estimation of the importance of the risk in question.

Other risks the Group has not yet identified or which are currently considered to be immaterial could nevertheless exist and, if they were to arise, may have a material negative impact. Further information on the environmental, social and governance risks for external stakeholders associated with Imerys' operations, as well as the measures taken to mitigate such risks, are presented in *chapter 3 of the Universal Registration Document*. Additional information on financial risks are presented in *chapter 6 of the Universal Registration Document*.

2.1.1 STRATEGIC RISKS

CLIMATE CHANGE

Description

Group operations generate greenhouse gas emissions directly through the consumption of energy generated from fossil fuels or the production of emissions linked to industrial processes. Indirect emissions are generated through purchased energy as well as various other activities within the value chain, in particular by transporting and procuring raw materials. Climate change may also have operational and financial consequences caused by damage to industrial facilities or injury to employees. Furthermore, the absence of a Group commitment to reduce its carbon footprint could also reduce the appeal of its products and lead to a loss of trust among stakeholders, in particular investors and customers.

Key risk control measures taken

- In accordance with the recommendations set out by the Task Force on Climate-Related Financial Disclosures (TCFD), the Group used scenario analysis in the disclosure of climate-related risks and opportunities, which was integrated into its risk mapping process.

- The Group defined its direct and indirect emissions targets, which were approved by the Science Based Target initiative (SBTi) in 2019; and updated to be aligned with a 1.5°C trajectory. As such, Imerys has committed to reduce its greenhouse gas emissions of 42% by 2030 from a 2021 base year.
- Imerys launched the "I-Nergize" multi-year program to evaluate the sites energy performance and improve energy efficiency, with a particular focus on top 60 energy consuming sites, which account for 80% of Group consumption.
- The Group has implemented a method to measure the environmental and social impact of its products, that includes their carbon footprint. Furthermore, Imerys integrates a Group carbon price in its decision processes regarding investment (including decisions about acquiring new entities) and new product development.

For further details on the Group's objectives, targets and programs to manage climate risks, see *chapter 3, section 3.5 of the Universal Registration Document*.

DIGITAL TRANSFORMATION

Description

In 2016, Imerys launched its multi-year digital transformation program with a view to upgrading IT and data management systems, tools and operational processes. Certain projects have been completed, while others are still ongoing, such as the deployment of a single ERP within the Group. Imerys is therefore exposed to the risk of such projects being poorly planned and/or executed, which could potentially cause completion to be delayed, certain projects to run over-budget, and may even affect operations if the tools stop working.

2.1.2 OPERATIONAL RISKS

CYBERSECURITY

Description

The day-to-day management of the Group's operations requires reliable technical IT infrastructure, management systems, data processing, and industrial control systems. As cyberattacks are being carried out with increasing frequency, the consequences of which can be extremely damaging for certain businesses targeted, there is now a considerable risk of core IT infrastructure or systems malfunctioning or shutting down and affecting Group operations, and a greater need to protect confidential data, as well as financial and non-financial reports. Furthermore, the threat level against manufacturing systems is on the rise and could have a material impact on the Group facilities' production capacity or cause damage to equipment, potentially leading to consequences for the environment, health and safety.

Key risk control measures taken

- An action plan was drawn up in 2018 and its implementation was reviewed the following year. Since an IT security team was put together in 2018, many improvements have been made, including the deployment of new IT security systems able to withstand the threat of ransomware, as well as improvements to protect the network, the email system, security clearance, and cell phones. Furthermore, surveillance capabilities and the response to security incidents were enhanced.
- The Cybersecurity Committee, chaired by the Group's Chief Financial Officer, monitors the cyber program and reviews its priorities on a quarterly basis in order to factor in emerging threats and supplement the system where necessary. An independent firm conducted a comprehensive assessment of IT security in 2022 and found the Group's level of maturity had improved in line with its roadmap, and Imerys is continuing to implement the program designed.
- These plans are presented to both the Group's Executive Committee and Audit Committee.

Key risk control measures taken

- Imerys has put in place a coherent governance structure and a robust management procedure with support from internationally renowned specialized consulting firms. Regular progress meetings are held among project steering committees and the Group Executive Committee.
- In addition to the considerable financial resources invested over a period of many years, key people from within the Group (business areas and IT) have been working full time on these projects.
- Internal audit assignments are regularly conducted to ensure that, both in terms of applications and infrastructure, projects are deployed in line with best practice.

PRODUCT STEWARDSHIP

Description

Imerys manufactures mineral-based products that, in some cases, can contain hazardous impurities. In addition, some products use chemicals as processing aids or as additives. These impurities and chemical additives may potentially have an adverse effect on health under uncontrolled use conditions, or if used inappropriately in certain sensitive applications. Exposure to these risk factors can occur through direct contact or inhalation. Uncontrolled exposure to these risk factors could lead to a breach of regulatory compliance and therefore make Imerys liable for fines, trade exclusions, litigation and ultimately, risks the reputation of the Group. Even in the absence of specific regulations, this risk could make the Group liable to litigation in respect of its stakeholders.

Key risk control measures taken

- The Group has established a product stewardship function. Headed by the Group Product Stewardship Vice-President, it is represented in each business area by an experienced director who leads a team of product stewardship managers and regulatory compliance experts for each region and market. In addition, a Product Stewardship Steering Committee, chaired by the Group Chief Executive Officer, meets regularly to ensure overarching governance of the Group product stewardship program.
- Since 2018, a product stewardship policy and supporting protocols, define the objectives, roles and responsibilities, guiding principles and specific requirements, as well as continuous improvement processes to be followed.
- The Group employs state-of-the-art analytical methods, equipment, and testing to ensure that product assessments and associated decisions are driven first and foremost by sound science. For minerals that have the geological potential to contain impurities, the Group applies the Mine to Market Mineral Management (M4) program, both for owned and external deposits. The program, which has been developed over a number of years and is regularly reviewed and enhanced, involves strict quality control at all stages of the process, from mining to manufacturing. The Group continually evaluates testing protocols and invests in innovation to ensure continuous improvement in quality and compliance. Furthermore, product stewardship risks are fully factored into the new product development process, as well as acquisition decisions, using specially designed tools and check lists.

For further details, see chapter 3, paragraph 3.4.2 of the Universal Registration Document.

ENVIRONMENT

Mining operations have a direct impact on soils and biodiversity. The Group takes action to avoid, reduce and offset this impact and restore natural environments (over time or at the end of the mining cycle). Although industrial mineral processing techniques are mainly physical (crushing, grinding and sorting) and generally require very few chemicals, industrial mining and mineral processing activities also involve water use and thermal processes such as calcination and fusion, which may impact the environment (for example the water resource and production of atmospheric emissions).

As a result, the Group may incur additional expenses to cover industrial equipment upgrades, industrial site rehabilitation or environmental cleanups. In addition, failure to comply with environmental regulations applicable to the Group's industrial and mining operations may lead to potential civil or administrative sanctions or even criminal prosecution.

Key risk control measures taken

- An Environmental Management System (EMS) is used to identify, prioritize and roll out checks to manage all potentially material environmental impacts resulting from the Group's industrial operations. It is supplemented by environmental protocols that set out the minimum requirements with which all sites must comply and a maturity matrix to facilitate continuous improvement at every site. It also includes compliance audits (*see chapter 3, paragraph 3.5.1 of the Universal Registration Document*).
- A dedicated team has been formed, overseen by the Group Chief Environmental Officer, with representatives in each business area and environment correspondents at each Imerys site.
- The key potential risks inherent to each site operated by the Group were studied and analyzed in 2021.
- A regulatory watch system has been deployed at industrial sites in the Group's main operating countries.
- The Group has also committed to biodiversity pledges with *Act4nature*, and established a scientific partnership with the French Natural History Museum.

For further details on the Group's objectives, targets and programs to manage environmental risks, see *chapter 3, section 3.5 of the Universal Registration Document*.

MINERAL RESERVES AND RESOURCES

Description

As the main source of mineral raw materials to the Group's industrial plants, the mineral reserves and mineral resources are one of the Group's most important assets. The integrity of the resource and reserve estimation is critical to the management

and development of Imerys' operations, and therefore profitability. Any unexpected changes in ore quality or depletion of its mineral reserves could impact the continuity of some of its activities. As a result, processes and resources are required to ensure the reliability of assessments of these mineral reserves and mineral resources that may be impacted by unforeseeable changes in technical, regulatory or economic parameters.

Key risk control measures taken

- The data regarding the Group's mineral resources and mineral reserves are aligned with the PERC Reporting Standard (Pan-European Reserves & Resources Reporting Committee).
- The Group has acquired detailed knowledge of its mineral reserves and mineral resources through its network of experts operating under the supervision of the Mining & Resource Planning Vice-President, who in turn reports directly to the Chief Industrial Officer. These experts compile the annual consolidated review of the mineral reserves and mineral resources for each site.
- The mineral reserve and mineral resource assessments carried out by each site are audited over a three- to six-year cycle by central in-house experts. The assessment system also undergoes a third party audit every five years.
- Regular reviews are conducted to anticipate the drilling investments required to both increase mineral resources and to ensure the optimal conversion of mineral resources into mineral reserves.
- Furthermore, the Group adapts its internal procedures to obtain, maintain and renew mining licenses in order to accommodate the greater technical focus of impact studies and potentially longer application processes.

The processes and resources devoted to supplement, improve the reliability of and estimate the Group's mineral reserves and resources are reviewed each year by the Executive Committee and the Audit Committee.

For further details, see chapter 3, paragraph 3.6.2 of the Universal Registration Document.

HEALTH AND SAFETY

Description

The industrial nature of the Group's operations entails potential workplace health and safety risks. For example, the personnel (whether employed by Imerys or not) are exposed to high-risk situations and even the risk of serious and fatal accidents when working in the vicinity of operations such as industrial processes releasing dust particles, driving heavy mobile equipment, using high-voltage electrical equipment and carrying out maintenance on industrial equipment.

Key risk control measures taken

- The Group has set up the “Imerys Safety System”, which was built around three pillars – (i) compliance, including procedures and standards to be implemented in all Group operations (the “29 safety protocols”, the “seven procedures” to handle the most severe risks and verifications as part of an audit program); (ii) continuous improvement for example through annual safety culture self-assessments; and (iii) regular communication and training about these protocols, in particular through the “Safety Universities” and “Safety Alerts”.
- The system is supplemented with the introduction of procedures to systematically assess safety risks at each site, new safety protocols and campaigns to raise awareness of the risk of fatal and serious accidents. A system to collect safety data has been deployed across the entire Group.

- The Imerys Industrial Hygienist has put together a process to review the risk of industrial operations on occupational exposure, which has been rolled out to all Imerys sites. Furthermore, protocols to address key risks have been set up by the Group’s occupational health managers appointed in each business area.

Each month, the Executive Committee reviews the Group’s safety performance. It also periodically examines all health and safety performance indicators and the results of compliance audits. The Board of Directors reviews the Group’s safety performance at each of its ordinary meetings and all the other programs implemented are presented to them at least once a year.

For further details on the Group’s objectives, targets and programs to safeguard health and safety, see chapter 3, paragraph 3.3.1 of the Universal Registration Document.

2.1.3 LEGAL RISKS

COMPLIANCE

Description

Given the nature of its operations (in particular mining natural resources and its industrial activity, which may require official authorizations, such as mining or environmental permits), its geographic footprint and its sourcing and sales in many countries around the world, the Group is exposed to a risk of non-compliance. With the increasing legalization, extensive powers granted to regulatory bodies and the extraterritorial application of certain regulations by certain jurisdictions, non-compliance with laws and regulations such as antibribery laws, antitrust laws, international economic sanctions and data protection regulation, as well as the duty of care and/or liability claims against the Group and/or its executives with respect to these regulations would expose the Group to civil or administrative sanctions or even criminal prosecution, and damage to its reputation and appeal.

Key risk control measures taken

- The Group’s Code of Business Conduct and Ethics sets out a firm expectation for all employees and stakeholders to comply with all applicable laws and regulations, and states zero tolerance for behavior that goes against international or national law in matters of bribery and antitrust.

- Under the responsibility of the Group’s Legal Department, policies and procedures dealing with antibribery, antitrust, international economic sanctions, duty of care and personal data protection (“Compliance”) supplement the Code of Business Conduct and Ethics. They are regularly reviewed and enhanced as part of the continuous improvement program in order to ensure they meet all applicable national and international standards.
- The Group regularly organizes communication campaigns regarding its compliance programs and whistleblowing system for any suspected breach of the Group’s Code of Business Conduct and Ethics and mandatory training for Group employees considered to be at the greatest risk of compliance matters. Disciplinary sanctions have been set out in the event compliance policies or procedures are found to have been breached.
- The Ethics Committee is responsible for ensuring the various compliance programs are both fit for purpose and properly applied.

To the best of Imerys’ knowledge, at the date the present Universal Registration Document was filed there was no risk of any compliance breach that could potentially have a significant financial impact on the business.

√ *For more information on the Code of Business Conduct and Ethics, see paragraph 2.2.4 of the present chapter and paragraph 3.4.1 of chapter 3.*

2.1.4 INSURANCE – RISK COVERAGE

To protect its earnings and assets against identifiable risks, the Group seeks the most suitable insurance solutions on the market that offer the best balance between the cost and coverage provided.

The coverage of major risks that are common to all operating activities is almost exclusively integrated into international Group “All risks, with exceptions” insurance policies, which are taken out by Imerys on the market with highly reputed insurers that are internationally recognized for their financial soundness.

This means the Group benefits from extensive coverage with high limits, while optimizing costs. As part of the active external growth policy implemented by the Group, steps are taken to ensure that acquired businesses are immediately integrated into existing Group insurance policies or benefit from coverage that is at least equivalent, in which case, they will be added only to the coverage offered by Group policies that exceeds the local insurance policies.

Imerys companies also use the local market, via the services of the brokers in charge of managing the Group's insurance policies, to cover the specific risks inherent to some of their non-recurrent activities or operations or when such insurance is made compulsory by applicable local regulations.

The Group considers its current insurance coverage to be appropriate, in terms of scope, value insured and limits of guarantees, for the most important risks related to its ability to continue conducting business worldwide.

The two main Group insurance policies cover general liability as well as property damage and business interruption.

GENERAL LIABILITY

The purpose of this first insurance policy is to cover liability claims against the Group in the event of bodily injury, property damage or consequential damages that arise during operations or after the delivery of products.

The Group's business is first and foremost covered by local policies taken out in each country (level one), supplemented by a "master" policy agreed in France and three additional "excess" policies with higher limits of cover than the "master" policy.

The "master" and "excess" policies are also used to extend the limits and coverage of several specific sub-policies, particularly in North America, for Automobile Liability and Employer Liability coverage, or in addition to the mandatory Employer's Liability insurance issued in the UK.

The coverage provided by the Group General Liability policy, minus the exclusions that are common practice on the insurance market for this type of risk and the sub-limits applied to certain specified events, amounts to €150 million per claim per year.

PROPERTY DAMAGE AND OPERATING LOSSES

This second insurance policy aims specifically to cover sudden and accidental property damage affecting the insured property as well as any resulting business interruption.

The Group's activities are insured against property damage and business interruption under a "master" policy agreed in France that applies directly in most European countries and supplements local policies in other countries, subject to regulations.

Imerys has kept "high-frequency" risks within a captive reinsurance company consolidated in the Group's accounts with an annual aggregate claims ceiling of €4 million.

The "master" policy provides the Group, minus the exclusions that are common practice on the insurance market for this type of risk and the sub-limits applied to certain defined events, with coverage for property damage and business interruption of €200 million per claim per year.

By assigning its property damage and business interruption program to an insurance provider renowned for its expertise in loss prevention engineering, Imerys intends to continue its extensive efforts in raising awareness and protecting from risk across its operational units. Around 100 of the Group's industrial sites are regularly inspected by loss prevention engineers from the insurance company. Imerys uses the subsequent recommendations to improve its industrial risk management.

The risk prevention program is supplemented by an interdisciplinary working group tasked with identifying and prioritizing key industrial risks as well as defining and monitoring the implementation of risk prevention plans, which is overseen by the Industrial Department.

OTHER GROUP-WIDE INSURANCE

The Group's other main insurance policies aim to cover the following risks, which are common to all its legal entities or several of its businesses, such as directors' and corporate officers' liability; commercial auto fleet insurance (Europe, US); as well as environmental and transportation risks (marine cargo and charterer's liability).

2.2 RISK MANAGEMENT AND INTERNAL CONTROL

2.2.1 INTRODUCTION

OBJECTIVES

The Group uses the framework on risk management and internal control systems in addition to the application guide published in 2010 by the French financial markets authority (*Autorité des marchés financiers*, AMF) to define its risk management and internal control systems and structure its approach.

The Imerys risk management and internal control systems covers all controlled entities in the Group's scope of consolidation, including newly acquired companies. By implementing this

system in all its businesses, Imerys ensures it has the means, behaviors and procedures needed to manage the different risks that may arise and provide reasonable assurance that its:

- financial information is reliable;
- activities comply with the laws and regulations in force;
- operating, industrial, environmental, health and safety and other processes are efficient and effective;
- assets are protected, in particular against fraud.

These systems therefore help the Company protect its value for shareholders and employees and achieve the strategic, financial, compliance and operational goals it sets.

However, by definition, this type of system cannot provide an absolute guarantee that the risks facing Group are completely under control, nor that it will reach its goals.

2.2.2 A STRUCTURE FIT FOR PURPOSE

ORGANIZATIONAL MODEL

The Imerys' internal control system is underpinned by the Group's operational structure and support departments that are directly or indirectly responsible for controlling the risks faced by the Group or that may impact external stakeholders associated with Imerys' operations. The Executive Committee ensures the internal control mechanisms are correctly implemented throughout the Group.

The control system put in place within the Group guarantees the effective circulation of information as well as the transparency and traceability of decisions, while conserving the principles of subsidiarity and decentralization that are deemed essential to the optimal management of Group industrial and commercial operations. It requires a high level of commitment and accountability from all operational and support managers, who must adopt the policies and procedures defined at business area and Group level, make sure they are implemented and followed and enrich them with appropriate measures given the distinct nature of their operations or areas of responsibility.

The Board of Directors exercises control over the way in which the Chief Executive Officer manages the Group. To assist in this task, the Board has created four specialized committees – the Strategic Committee, the Appointments Committee, the Compensation Committee and the Audit Committee – which carry out their duties under the Board's responsibility. The Board also appointed an independent Director as ESG Referent Director with the mandate to assist the Board and its Committees to ensure that strategic orientations set by the Board adequately integrate long term environmental and social risks and opportunities.

The Strategic Committee and the Audit Committee are responsible for identifying and managing risks, as well as monitoring certain internal control mechanisms, as presented in *chapter 4, section 4.1 of the Universal Registration Document*.

PEOPLE INVOLVED IN THE INTERNAL CONTROL SYSTEM

Executive Management and the Executive Committee

The Chief Executive Officer has the operational and functional responsibility to implement the strategy defined by the Board of Directors in all the Group's operations. In particular, they are responsible for effectively implementing control mechanisms within the Group.

PRINCIPLES

In line with the objectives outlined above, the Imerys internal control system is based on the following core principles:

- a structure fit for purpose and made up of skilled, accountable professionals;
- a periodic analysis of the Group's main risks;
- appropriate control activities.

The Chief Executive Officer is supported by an Executive Committee, which is made up of the Chief Executive Officer, the Senior Vice-Presidents of support departments and the Senior Vice-Presidents of the Group's business areas. The Executive Committee, under the authority of the Chief Executive Officer, is in charge of implementing the strategic orientations set by the Board of Directors and ensuring that all its members comply with the main decisions that fall within their individual scope of responsibility in relation to the Group's organization or general conduct of its business (*see chapter 4, section 4.2 of the Universal Registration Document*).

Operational departments

In accordance with the Group's decentralized operating principles, the directors of each business area have the necessary powers to organize, manage and oversee their internal control system at all times and delegate these operations in similar conditions to the operating managers reporting to them.

The directors of each business area are responsible for adopting internal control mechanisms that are consistent not only with its organization, but also with the Group's principles and rules.

Support departments

The role of the Group's support departments is to both:

- organize and oversee the Group's operations in their respective areas of expertise; and
- provide technical assistance to the operational departments in these areas when necessary.

These departments enable the Group to not only benefit from economies of scale as a result of its size and better skill sharing, but also ensure all operations related to their areas of expertise are conducted in a common framework of secure, consistent management and control processes and systems. The Group experts or shared support services that constitute the support departments significantly contribute to the Group's internal control mechanisms. Most of the Group's support managers have hierarchical authority if not functional authority over the operating managers whose responsibilities come under their area of expertise.

Support departments	Main internal control responsibilities
Finance & IT Systems and Internal Procedures	<ul style="list-style-type: none"> • Implement tools to continuously monitor the Group's results and operating performance • Participate in preparing the budget and quarterly progress review • Oversee financial performance at all operating levels of the organization • Analyze and approve capital expenditure requests made by business areas or other similar investment projects • Define the policy for funding, market risk control and banking relationships for the entire Group, including via Sustainability-Linked Bonds • Ensure local tax regulations are properly applied in each country in which the Group operates • Define Group policies and best practice for IT systems including computer network security • Manage Group-wide IT projects, monitor and check IT networks and infrastructure (servers, telecoms, etc.) • Use IT systems to develop standardization, automation and efficiency of certain shared internal control processes in the Group
Legal	<ul style="list-style-type: none"> • Identify and assess the main legal risks facing the Group and each of its business areas • Define and implement suitable policies and controls to manage these legal risks and comply with applicable laws and regulations, in particular implement antibribery and antitrust compliance programs, as well as ensure compliance with international economic sanctions, duty of care and personal data protection. The Group General Counsel is the Group Chief Compliance Officer and chairs the Group Ethics Committee • Provide legal advice to operating and support managers to (i) safeguard the rights and interests of the Group and its business areas and comply with legal obligations and (ii) contribute to achieving their objectives with appropriate legal solutions • Identify need and define, implement and manage Group insurance policies to cover or mitigate potential losses resulting from major incidents or liabilities
Strategy, Mergers & Acquisitions and Commercial Excellence	<ul style="list-style-type: none"> • Identify and evaluate Group-wide strategic, marketing and commercial risks, including climate change risks • Identify and assess – with support from relevant internal or external experts – the main potential risks or liabilities associated with acquisitions or disposals of assets or businesses, and factor them into the value and terms and conditions of the proposed transactions • Assist the potential geographic expansion of the Group, with a specific focus on monitoring and controlling risks when opportunities are identified in emerging markets
Industrial	<ul style="list-style-type: none"> • Lead and coordinate the Group Purchasing Department by selecting suppliers, negotiating and renegotiating contracts, implementing optimization initiatives and enhancing internal organization • Support, review and approve all material industrial projects proposed by the business areas • Lead and coordinate the implementation of the Imerys industrial improvement program in all operating plants, ensure energy efficiency and reduce greenhouse gas emissions • Lead and coordinate Group standards relating to health, safety and product stewardship • Lead and coordinate Group standards in managing mineral reserves and resources • Identify and assess the main industrial risks within the Group by regularly carrying out risk mapping • Monitor the application of the Health & Safety, Industrial Excellence and Geology guiding principles through audits
Human Resources and Communication	<ul style="list-style-type: none"> • Develop policies to ensure employees have the required skill level for their responsibilities • Put in place checks to ensure the integrity of salary setting and payment processes and supervise the implementation of employment benefits • Monitor compliance with applicable labor laws, regulations and agreements • Develop policies for international mobility and employee travel
Sustainable Development	<ul style="list-style-type: none"> • Define the Imerys sustainable development roadmap in liaison with all the functions concerned, including in particular the road map related to the Group's decarbonization • Identify the material Environmental, Social and Governance challenges, define, implement and monitor the Group's sustainable development programs • Promote and coordinate Group environment standards and long-term portfolio management • Ensure the Group's overall compliance with its sustainable development obligations and objectives • Implement tools to continuously monitor the Group's non-financial performance and ensure compliance with regulatory requirements and extra-financial reporting

Risk Committee

The Risk Committee coordinates risk assessment, management and controls within the Group. It is made up of representatives of the Board committees (the Ethics Committee, the Foreign Exchange, Interest Rate and Energy Committee, the Investment Committee, the Cybersecurity Committee, the Sustainable Development Committee and the Safety Committee), as well as representatives from the support departments and operational activities. It is headed by the Internal Audit & Control Director. The Risk Committee contributes in particular to the identification and assessment of the main risks facing the Group by drawing up a risk map every three years. The most recent risk assessment was completed in December 2021, and the risk map was presented to the Audit Committee. The risk assessment is updated every year taking into account any material event. The last update was conducted in 2022 and presented to the Audit Committee.

Internal Audit & Control Department

The role of the Internal Audit & Control Department is to regularly check the quality and efficiency of the Group’s internal controls and make recommendations to improve them if needed. It alerts management of any internal control failures and produces recommendations to correct them. These reviews are also conducted for newly acquired entities, usually six to 18 months after being integrated into Imerys.

The Internal Audit & Control Department is independent of the operational and support activities that it audits. The Internal Audit & Control Director therefore reports directly to the Chief Executive Officer and the Audit Committee. A complete report on the activities of the Internal Audit & Control Department is presented and discussed every six months with the Executive Committee, then at an Audit Committee meeting attended by the Statutory Auditors.

The Internal Audit & Control Department has 11 staff, working in the areas of internal audit, risk management and internal control.

Internal Audit & Control Department	Main responsibilities	Reference framework and/or mechanisms
Internal audit	<ul style="list-style-type: none"> • Ensure operating entities comply with the principles and rules defined by the Group • Perform IT system audits • Identify and share best practice in the Group • Investigate incidents of fraud • Monitor the implementation of action plans following audits • Review the reliability of self-assessments 	<ul style="list-style-type: none"> • Audit cycle of four to seven years • Annual audit plan approved by the Audit Committee • 21 audits conducted in 2022 • Structured audit methodology • Fraud investigation reports • Anti-fraud training and awareness-raising • Dashboard for quarterly follow-up of action plans • Limited audits
Internal control	<ul style="list-style-type: none"> • Define and maintain Group internal control standards • Provide internal control training 	<ul style="list-style-type: none"> • Group policies and procedures • Internal control training material • Self-assessment questionnaires
Risk management	<ul style="list-style-type: none"> • Develop risk management methodology • Define and update the Group’s risk universe • Map the main risks facing the Group • Review the implementation of action plans defined during risk mapping • For further details, see paragraph 2.2.3 of the present chapter 	<ul style="list-style-type: none"> • Update of the risk identification process in 2021 and approval from the Audit Committee • Annual assessment of the impact and level of control of risks • Annual review of the risk management action plans

2.2.3 PERIODIC ANALYSIS OF THE MAIN RISKS FACING THE GROUP

OBJECTIVES

By analyzing risk, Imerys is able to identify the incidents that could seriously threaten the achievement of its strategic, financial and operational goals and/or pose a risk of non-compliance of its operations with applicable local laws and regulations. Risk assessment also makes it possible to identify the events that, if they were to come to pass, could have a negative impact on the Group’s external stakeholders.

Through a structured process designed to enable the Group to understand and analyze its main risks, Imerys can assess the suitability of its existing internal control mechanisms, set up relevant action plans to improve their efficiency and, more generally, better protect the Group’s value in accordance with applicable laws and regulations and the expectations of its stakeholders.

STRUCTURE

The risk analysis process is split over three levels:

- all operating and support managers must constantly seek to identify, analyze and manage risks in their areas of responsibility. The identification and management of these risks are periodically reviewed and discussed by the Chief Executive Officer and the Chief Financial Officer as part of the budget process, quarterly income statement reviews and monthly management reporting;
- furthermore, the Group follows a formal, recurrent process to analyze its main risks by preparing a map showing the potential impact of the identified risks and the extent to which they are under control. Key central support and

operational managers take part in this process. Results are reviewed and approved by the Executive Committee and presented to the Audit Committee. New actions are then set out to reinforce the Group's control of certain identified risks. The main risks to which the Group is exposed and their management and control methods are detailed in *section 2.1 of the present chapter*;

- lastly, the Risk Committee reviews and coordinates risk and control analysis. It also verifies management activities within the Group and suggests potential measures to improve them (*see paragraph 2.2.2 of the present chapter*). The Internal Audit & Control Director regularly reports on its work to the Executive Committee and the Audit Committee.

2.2.4 APPROPRIATE CONTROL ACTIVITIES

Control activities are adapted to the goals set by the Group and intended to ensure that the risks related to a given operating or support process are correctly covered.

FRAMEWORK

Internal rules

Imerys' internal control system is formally referred to in the Code of Business Conduct and Ethics and the Ethics Committee Charter, as well as in a number of other charters (including the Board of Directors Charter, Corporate Social Responsibility Charter, Health & Safety Charter and Inclusion & Diversity Charter) that apply to the whole Group. These sets of rules aim to create a positive control environment, based on robust principles and experience in Corporate Governance as well as behavior that complies with laws, regulations, ethics and the Group's strategic objectives.

Moreover, the Group's policies developed by the central support departments define the specific organization, responsibilities and operating and reporting principles for their respective areas of expertise.

Lastly, the Group's internal control manual defines the main principles and core activities to be carried out as part of the Group's operating and financial processes.

The Group's charters, manuals, policies and procedures are grouped together in the "Blue Book", which all employees can consult on the Group Intranet Onelmerys. This fundamental set of rules forms the framework for the Group's operations and applies to all the companies Imerys controls. Certain communications are subject to electronic certification, through which employees must certify they have read the information

and pledge to enforce the internal controls in their area of responsibility.

A second set of rules applies to the Group's operations and defines their specific procedures and reporting principles. In line with Group policies, procedures are adapted to each setup, the management of mining, industrial and commercial activities and any risks related to these activities. They take into account specific requirements set out in applicable local laws and regulations.

Code of Business Conduct and Ethics

The Imerys Code of Business Conduct and Ethics summarizes the ethical behavior that the Group expects from all its employees, especially its senior managers, as well as its contractors, suppliers and other partners with whom it maintains close relations. It is designed so that everyone not only complies with local legislation in their daily work, but also adopts an attitude in line with the Group's values, principles and rules with respect to responsibility, integrity, transparency, fairness and openness. All newly recruited managers at Imerys attend an introductory class on the Code of Business Conduct and Ethics as part of their induction to ensure all Group employees are aware of and follow these rules.

The Code of Business Conduct and Ethics reflects Imerys' firm commitment to ethical business conduct, aligning the Group with the most rigorous international standards. The Group has also put in place a whistleblowing system through an online platform and a reporting hotline managed by an independent organization, ensuring confidentiality throughout the process.

√ *For further details, see chapter 3, paragraph 3.4.1 of the Universal Registration Document.*

IT SYSTEMS

Effective IT systems help ensure reliable and improved management of support and operating processes.

The Group's policy consists of integrating and monitoring as much of its value chain (particularly sales, distribution, purchasing, inventory, fixed assets, production, supply chain and finance) with its enterprise resource planning (ERP) system. Imerys strives to use integrated ERP control systems to ensure an optimal level of control while meeting the specific requirements of how to best manage its operating activities.

Imerys uses several ERP systems that have been selected to create synergy between support and maintenance as well as satisfactory consistency, while taking into account the size of operations and the regions in which they are rolled out. As described in *paragraph 2.1.1 of the present chapter*, the Group has launched a project to streamline and standardize its operating processes under a single ERP system.

Imerys uses a single software package in all its entities to report and consolidate its accounting and financial information.

In addition, tools for consolidating and monitoring the most important non-financial data have been set up across the Group. They help to:

- gain a clearer view of the performance of the Group's different operations, prevent or resolve difficulties and promote or measure improvement (e.g. reporting and consolidating HR or non-financial indicators);
- improve the accuracy of data processing and help monitor operational compliance with applicable legal or regulatory obligations, contractual commitments and Group rules (e.g. reporting and consolidating legal and administrative information related to the Group's subsidiaries, equity interests and corporate officers as well as, managing and monitoring the approval and fulfillment of contractual commitments).

HUMAN RESOURCES MANAGEMENT

Recruitment and development

To make sure recruitment is consistent and appropriate, the Human Resources Department defines standards and regularly checks the quality of its practices.

In order to develop employee skills in line with the needs of operations, the Group has rolled out several processes described in *chapter 3, paragraph 3.3.2 of the Universal Registration Document*, including an annual individual assessment (Performance Appraisal and Development – PAD) and succession plans for key positions.

The recruitment and career development processes are now managed through a single system, which simplifies and standardizes HR processes as well as improves the Group's ability to identify its global talent pool and develop talent internally.

The results and main analysis of human resources and skills management are regularly presented to the Executive Committee.

Training

In addition to the training programs organized by the operational departments, the Imerys Learning Center organizes Group training sessions (*see chapter 3, paragraph 3.3.2 of the Universal Registration Document*) to help employees develop their professional expertise (for example in finance, geology, marketing, project management, etc.) and encourage them to share best practices.

Compensation & benefits

Compensation is reviewed annually, focusing mainly on base salary and individual bonuses.

In addition, the key components of social security – especially health and life insurance (death, long-term illness or disability) – are continuously assessed and improved in line with local or regional market practices.

Detailed information on both principles is provided in *chapter 3, paragraph 3.3.2 of the Universal Registration Document*.

RELIABLE ACCOUNTING AND FINANCIAL INFORMATION CONTROL

The same control mechanism and procedures for preparing accounting and financial information are used throughout the Group. This mechanism is made up of a Group-wide accounting setup, consistent accounting standards, a single consolidated reporting system and central quality control of the internal and external financial and accounting information produced.

Organization of the accounting and financial departments

Accounting and financial operations are managed by the Group Finance Department. Its central structure includes:

- an Accounting, Consolidation and Reporting team, responsible for preparing and presenting the Company's financial statements, monthly management reports and the Group's consolidated financial statements;
- a Management Control and Budgetary Control team, which prepares and consolidates budget data and analyzes operating performance in relation to budget targets and prior year comparatives;

- a Cash and Finance team, in charge of preparing and consolidating data on financial debt and the Group's financial income in particular. Its main duties include centrally managing and optimizing the Group's debt and financial resources, as well as managing liquidity, interest rate, currency and local energy supply price volatility risks, primarily through hedge instruments;
- a Tax team, whose responsibilities include monitoring the local tax consolidation applied in the Group, estimating the subsequent amount of tax payable and checking overall consistency.

Furthermore, shared service centers have been set up in Europe and the Americas to manage all accounting transactions.

Accounting framework

The general accounting rules are described in the "Blue Book" (see paragraph 2.2.4 of the present chapter) and apply to all the Group's entities. In accordance with the IFRS adopted within the European Union, they include:

- a reminder of the general accounting principles and recommendations to follow;
- a single detailed accounts template adapted to the size and materiality of the Group's transactions;
- a definition of the Group's accounting methods that apply to the most important items and/or operations.

These documents are updated regularly – whenever an amendment is made or new accounting standards are applied – by the Accounting, Consolidation and Reporting team, after being reviewed by the Audit Committee and approved by the Statutory Auditors. This team also has an advisory role within the Group and is responsible for providing periodic training to the local financial controllers.

Multi-year strategic plan

The long-term strategic focus of each business area and the subsequent financial forecasts are formally defined and monitored as part of a multi-year strategic plan for the Group and periodic strategy reviews for each business. They are drawn up under the control and supervision of the Chief Executive Officer. The conclusions are reviewed by the Executive Committee before being presented to the Strategic Committee and submitted to the Board of Directors for approval.

Annual budget and monitoring its execution

Imerys has put in place an annual budget process and monthly report cycle for all Group entities to ensure management information is reliable and consistent. Consistency between accounting data and reporting information is key to ensuring accurate accounting and financial information.

The Group uses the reporting system to accurately monitor monthly results (income and cash flow statements) and financial data for operating activities and compare them with the budget and results for the prior year. The management indicators are reviewed and commented by the Finance Vice-Presidents for each business area, as well as by their teams and the Group Control team.

Consolidation process

A single accounting consolidation system processes all information from across the Group's operating and legal entities.

To guarantee the quality and accuracy of its financial data, Imerys has set up a unified reporting and consolidation system to collect budget and management information and produce consolidated financial statements. Deployed across the entire Group, the system uses local accounting data, either retrieved via an interface with the financial modules of the entities' ERP systems or input manually. This system makes it possible to check some reported and/or consolidated data automatically.

Earnings review

Every month, each business area examines its management results and analyzes any significant variations on the prior year or budget, deciding any corrective actions that it deems necessary and monitoring their implementation. The Executive Committee reviews and checks the performance of each business area, as well as the comments provided by their financial controllers to explain the main changes.

Earnings are also reviewed at quarterly meetings, where business area directors present their results to the Chief Executive Officer and the Chief Financial Officer. A summary of each of those reviews is also presented to the Strategic Committee and, if necessary, to the Board of Directors.

Lastly, the consolidated financial statements, accounting procedures and complex financial transactions are systematically reviewed by the Executive Committee. The half-yearly and annual consolidated financial statements are then approved by the Board of Directors after examination by the Audit Committee, which also reviews the quarterly consolidated earnings prior to publication.

3

Sustainability

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3.1 AN INTEGRATED APPROACH TO SUSTAINABILITY

3.1.1 VISION AND AMBITION

The growing demand for the minerals that are essential to our lives, our homes and our economies means pressure on natural systems. The Group’s purpose and core values are presented in *chapter 1, section 1.2.1 of the Universal Registration Document*, and in full alignment with this Imerys aims to extract and transform minerals and materials responsibly over the long term and deliver sustainable solutions that benefit society. The Group is committed to playing a role in society, to meeting its obligations to the countries and communities within which it does business, to acting as a responsible environmental steward and to contributing to sustainable development through its operations and portfolio of solutions.

In 2018, the Group launched its sustainability program named SustainAgility. The SustainAgility program was developed duly considering the 2030 Agenda for Sustainable Development⁽¹⁾ and major international framework agreements such as the United Nations Guiding Principles on Business and Human Rights, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the International Labour Organization (ILO) Fundamental Conventions.

The SustainAgility program is articulated around three axes:



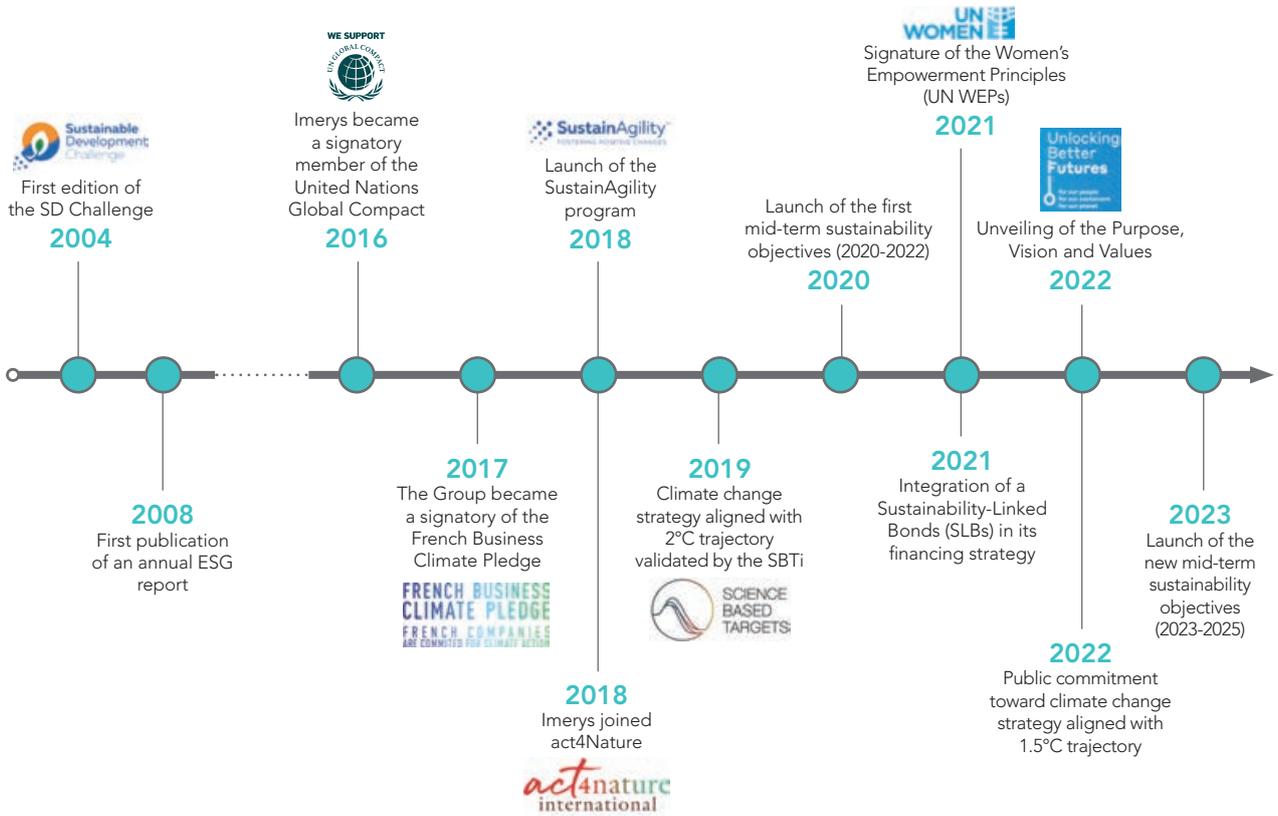
Empowering our people	Growing with our customers	Caring for our planet
Making sure employees stay healthy and safe, safeguarding human rights and labor practices, nurturing talent, promoting diversity, equity and inclusion and engaging with local communities.	Behaving ethically, operating fairly, ensuring responsible purchasing, and advancing sustainable products and processes.	Protecting the environment, promoting natural resources efficiency, respecting biodiversity and acting on climate change.

SustainAgility articulates the Group’s comprehensive approach to doing business in a way that creates value for internal and external stakeholders. This approach is supported by a series of dedicated programs that are developed and rolled-out in an iterative fashion. The ultimate goal to be achieved through SustainAgility is to further embed sustainability within the Group strategy and drive systematic continuous improvement of environmental, social and economic aspects in all Group activities,

thereby continuing to reduce risks, create new opportunities and build capacity for long-term shared value creation to Unlocking Better Futures. A continuous improvement approach, new projects, and scientific studies continue to be developed and deployed based on a reinforced framework of solid policies, procedures, improved tools, training, as well as a series of maturity matrices upon which Group sites are assessed and against which action plans are developed.

⁽¹⁾ The 2030 Agenda for Sustainable Development, with the Sustainable Development Goals (SDGs) at its core, was adopted by member States of the United Nations in September 2015. The 2030 Agenda is a commitment to eradicate poverty and achieve sustainable development by 2030 worldwide.

KEY MILESTONES IN IMERY'S SUSTAINABILITY JOURNEY



3

Sustainability

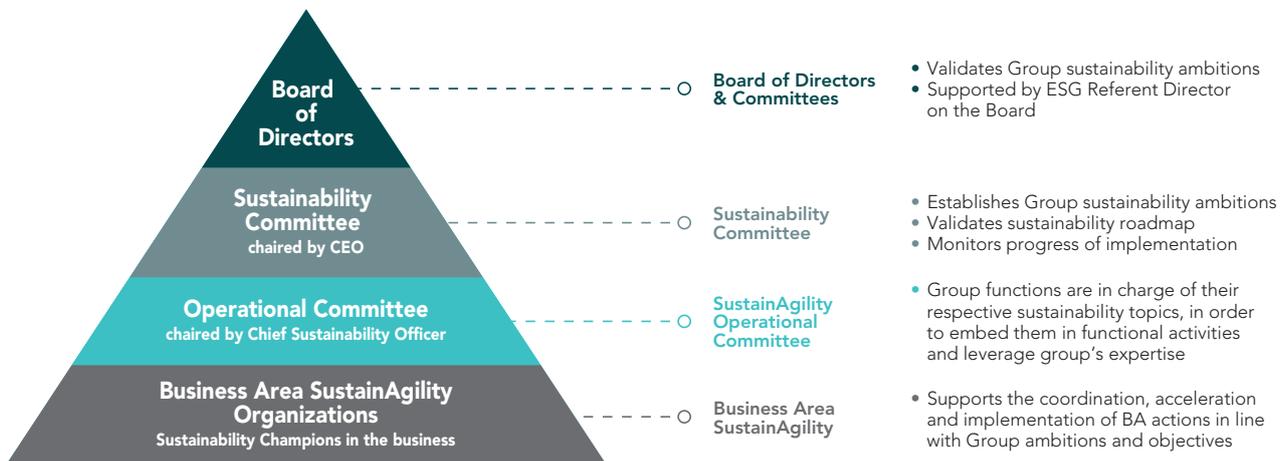
An Integrated Approach to Sustainability

3.1.2 A ROBUST GOVERNANCE

Imerys' Executive Committee, under the stewardship of the Board of Directors, defines the ambition and objectives of the Group with respect to Environmental, Social and Governance (ESG) matters in order to promote long-term value creation through the SustainAgility program. In 2021, the Board of Directors appointed an independent Director as ESG Referent Director with the mandate to assist the Board and its Committees (Strategy, Appointments, Compensation and Audit) to ensure that the strategic orientations set by the Board adequately integrate long term environmental and social risks and opportunities. The Board of Directors reviews the Group ESG performance and programs twice annually as a minimum, in addition to any specific review related to an ESG topic that falls within the remit of each of the Committees (i.e. the Nomination Committee's review of diversity performance, the Audit Committee's review of risks, including climate-related risks, and the Strategic Committee orientation and monitoring of the SustainAgility program). In addition, in 2022, Imerys nominated a Chief Sustainability Officer to the Executive Committee.

The SustainAgility program, led by the Chief Sustainability Officer, is overseen by a Sustainability Committee that is chaired by the Group CEO. The Sustainability Committee meets quarterly and has the responsibility to establish the Group sustainability ambition, validate key milestones and guide and monitor implementation on progress towards the Group objectives. The SustainAgility Operational Committee helps to build on the progress achieved over the past years and to accelerate the implementation of a consistent and comprehensive approach to sustainability within the six pillars of SustainAgility. This SustainAgility Operational Committee, chaired by the Group Chief Sustainability Officer and composed of functional leaders as well as sustainability directors and sponsors of each Business Area, is responsible for coordinating the implementation of the SustainAgility program.

√ For more information on the Group Governance, see chapter 4 of the Universal Registration Document.



3.1.3 CONTRIBUTION TO THE UN SUSTAINABLE DEVELOPMENT GOALS

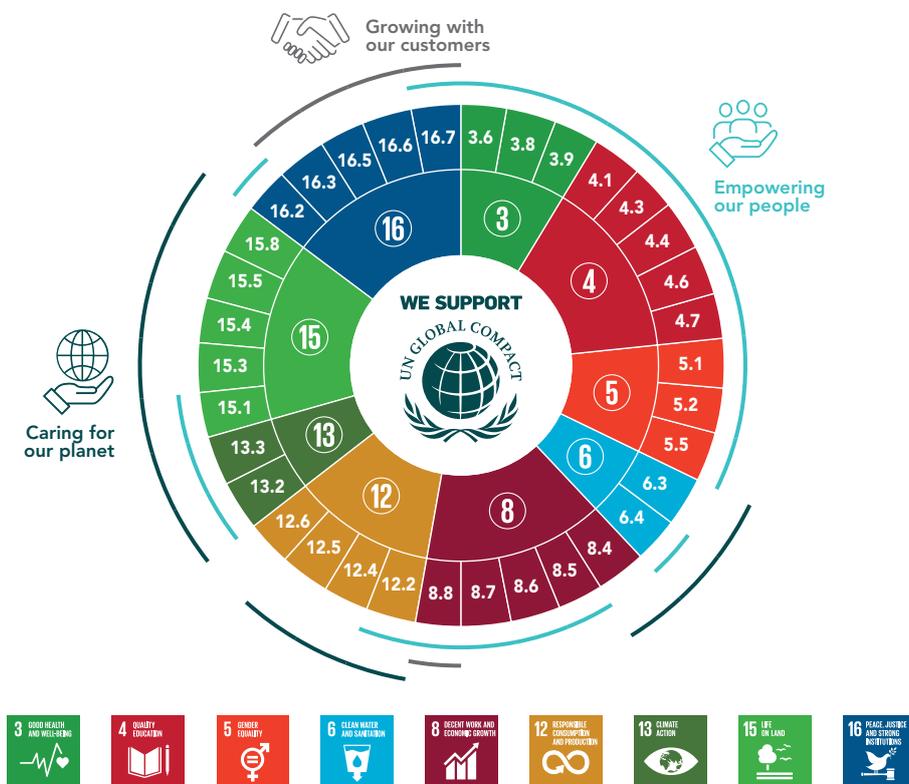
In 2016, Imerys became a signatory member of the United Nations Global Compact (UNGC) and has committed to supporting and base its business approach on the 10 Principles of the UNGC derived from the Universal Declaration of Human Rights, the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption. In accordance with these Principles, the Group is committed to publish its annual Communication on Progress (COP).

In September 2015, 193 member States of the United Nations adopted 17 Sustainable Development Goals (SDGs) with the aim to end extreme poverty, protect the planet and ensure

prosperity for all within a new universal agenda. Imerys supports the ambitions of this global program and has duly identified within the SustainAgility program policies and practices within its operations that directly or indirectly contribute to the SDGs.

The Group is specifically focusing on concretely contributing directly to the nine SDGs listed below, which indirectly contribute to the rest of the SDGs as well.

Within this chapter, the Group sustainability commitments, objectives and results against 2022 objectives, as well as new objectives and targets for 2025, are presented in the context of continuous progress made towards the UNGC Principles and the nine UN SDGs.



√ For more information on Imerys’ contribution to the SDGs, see the film “Fostering positive changes in the world of industrial minerals”.

3.1.4 STAKEHOLDER ENGAGEMENT

3.1.4.1 FOSTERING CONSTRUCTIVE DIALOGUE AND ENGAGEMENT

The Group depends on the solid long-term relationships it develops with its key stakeholders; respecting the countries, communities and environments across the globe where its operations are located. As such Imerys considers itself accountable to a wide variety of stakeholders, both internal and external. Identifying stakeholders and gaining an understanding of their needs and expectations is a critical step to foster constructive dialogue and engagement.

The list of stakeholders groups with whom Imerys engages in various capacities across the globe includes but is not limited to: customers; government authorities; employees and employee representative bodies; local communities; non-governmental organizations (NGOs) and associations; rating agencies, experts

and analysts; scientific research and educational institutions; shareholders, investors & banks; and suppliers and subcontractors.

Imerys faces both challenges and opportunities in its interactions with the communities surrounding its sites, which need to be continuously identified, assessed and managed. More generally, Imerys contributes to a multitude of regional, national and international economies and through local employment and purchasing, it creates concrete socio-economic benefits to employees, to suppliers and subcontractors, thus, helping to fight poverty and contribute to sustainable development.

√ For more information on the local community engagement, see section 3.3.2.4 of the present chapter.

The table below represents the major dialogue channels with stakeholders. It is not exhaustive.

Stakeholder	Major Dialogue Channels	Department
 Customers	Co-innovation programs Online publication of environmental information on products seller/customer meetings Customer service assistance	Quality, Customer service, Science & Technology, Operations, Sales, Sustainability
 Government authorities	Communication on Progress via the United Nations Global Compact Periodic meetings with public authorities, legislators Contribution to public policy through open consultations (via professional associations)	Sustainability, Legal, Operations,
 Employees & employee representative bodies	Periodic employee satisfaction survey Regular communication and dialogue (in-person and digital) Social dialog with employee representation bodies	All functions, Communications, Human Resources
 Local communities	Consultation meetings Community programs Open days Grievance mechanisms	Sustainability, Operations, Human Resources
 NGOs & associations	Consultation meetings Local and national partnerships Employee volunteering	Sustainability, Health and Safety, Operations
 Rating agencies, experts & analysts	Quarterly conference calls analysts to present financial and extra-financial information Response to extra-financial rating questionnaires Periodic meetings to discuss performance	Sustainability, Finance, Investor Relations
 Scientific research and educational institutions	Partnership programs Research collaboration Internships and research grant projects Sponsorship and charitable projects Employee volunteering	Science & Technology, Human Resources, Sustainability, Operations, Businesses, Finance
 Shareholders, Investors & banks	Capital Market Day Quarterly press release and conference calls with investors and analysts to present financial and extra-financial information Regular meetings with shareholders and institutional investors to present strategic developments	Finance, Investor Relations, Sustainability
 Suppliers and subcontractors	Purchaser/supplier meetings Suppliers' Day Supplier visits and audits	Procurement, Science & Technology, Businesses, Operations, Sustainability, Legal

3.1.4.2 EXTERNAL AND INTERNAL RECOGNITION

Imerys aligns its strategy on key issues under the United Nations Sustainable Development Goals (SDGs) and global climate scenarios in coherence with its business model and global footprint. This holistic approach to sustainability allows the Group to greatly mitigate risks and also brings tangible value added through a greater attractiveness to its internal and external stakeholders. The Group's firm commitment to sustainability has been recognized by leading ESG rating agencies. The non-financial ratings most recently achieved by Imerys are presented in *chapter 1, section 1.3.5 of the Universal Registration Document*.

For the past 19 years the Group has organized a company-wide competition called the Sustainable Development Challenge (SD Challenge), which serves as an impetus to develop and share best practices, innovations, and technological solutions, each

contributing to the Group sustainability commitments and supporting progress towards several UN Sustainable Development Goals. In total, over 2,096 initiatives have been submitted in the competition since it was launched. The 2022 edition saw a record participation with 429 SD Challenge projects submitted, up from 343 entries in 2021. To be considered for the SD Challenge, a project must have concretely contributed to specific sustainability themes and focused on creating shared value, contributing to sustainable innovation, and achieving long-term sustainable results together with local partners. Imerys is committed to ensuring that the Group SD Challenge continues to inspire greater awareness and understanding of material sustainability themes and continues to serve as a platform to support the realization of the Group sustainability ambition.

√ For more information on Group SD Challenge initiatives, see www.imerys.com.

3.2 STRATEGY AND PERFORMANCE

3.2.1 DOUBLE MATERIALITY SUSTAINABILITY RISKS AND OPPORTUNITIES

In 2022, in the context of the definition and preparation of the new mid-term objectives (2023-2025), Imerys conducted a **double materiality assessment**⁽¹⁾ in order to:

- further integrate stakeholder expectations on environmental, social and governance (ESG) topics;
- consider financial and extra-financial threats and opportunities facing the Group;
- define material sustainability priorities for the next 3-year cycle of objectives (2023-2025).

The materiality assessment has been conducted in collaboration with Imerys's stakeholders through several means of consultations, including one-to-one interviews, global surveys, trend analysis, regulatory landscape reviews, and desk research. Stakeholders including customers, employees and employee representatives, professional associations, banks and investors, throughout the regions and markets in which Imerys operates were consulted in the process. Nearly 100 targeted stakeholders were consulted and provided insights.

METHODOLOGY 2022

The process followed can be summarized in three phases: **framing, engagement** and **analysis and validation**.

The **first phase of framing** focused on the research and analysis required to identify and verify a list of potentially significant ESG issues, including but not limited to: the identification of megatrends potentially affecting Group business in the future, the *2030 Agenda for Sustainable Development*, an assessment of operational risks related to sustainability themes as well as a review of selected climate change, biodiversity, responsible purchasing, diversity, equity and inclusion, and circular economy approaches. This research was supplemented by an assessment against

the applicable Sustainability Accounting Standards Board (SASB) Industry Standards, the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, a review of external ESG rating agencies indices, feedback on Imerys sustainability performance and a review of the Group senior leadership seminar takeaways and feedback to identify the perception of strengths and areas for improvement. As a result, a preliminary list of potentially significant issues was elaborated and validated by internal operational and functional experts.

A **second phase of engagement** with both external and internal stakeholders was then conducted. The Imerys global employee engagement survey launched in early 2021 was used to gain confidential and anonymous insights and feedback from across the Group. Consultation on the sustainability themes from senior managers, employee representatives and stakeholders was gained through a survey questionnaire and face-to-face meetings.

The **third phase involved analysis and validation**. In this last phase additional desk research on the evolution of the EU regulatory framework, as well as societal megatrends were integrated into the analysis. Each topic has been assessed on a scale from "Stable" to "High" based on the perceived trend in stakeholder expectations, where "Stable" represents expectations remaining steady over the next 5 years and "High" represents rapidly evolving and growing stakeholder expectations over the next five years. The results are visually represented in the materiality matrix by the size of the bubble associated with the topic. Finally, the results of the second and third phases were superimposed on the results of the Group risk mapping to obtain the double materiality. The final assessment and the results were then presented and validated by the Sustainability Committee, the Executive Committee, and the Board of Directors.

(1) The concept of double materiality requires that both impact materiality and financial materiality perspectives be applied in their own right without ignoring their interaction. This definition is published in the report of the EFRAG, 2021.

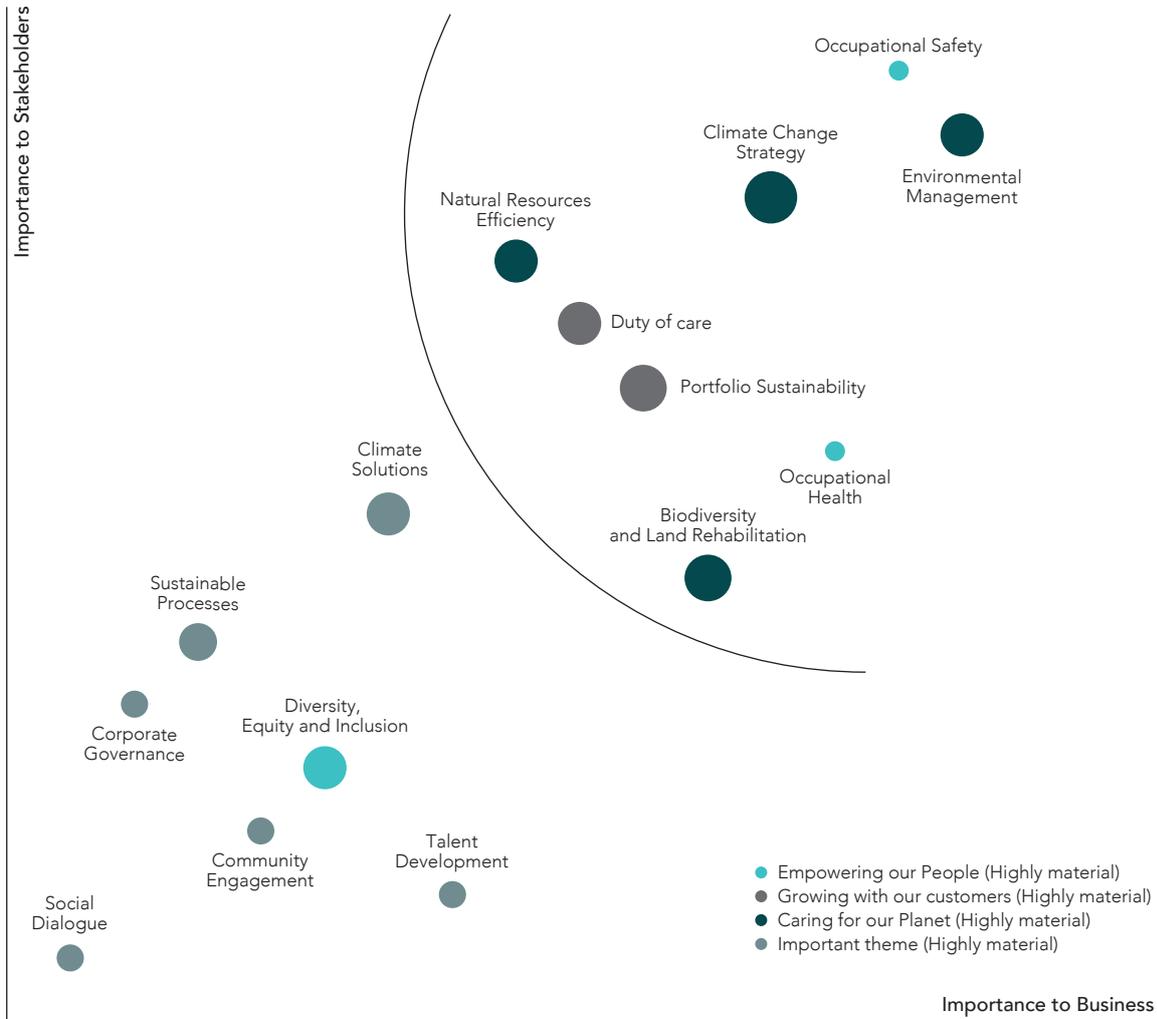
DEFINITION OF THE TOPICS

Imerys material sustainability challenges and opportunities are summarized below under the six SustainAgility pillars:

Axis	SustainAgility pillar	Potential sustainability challenges and opportunities	Materiality	5 years trend evolution
Empowering our people	 <p>Safety & Health</p>	<p>Occupational Safety: Ensuring a safe place to work for employees and contractors.</p>	✓ Core value	Stable
		<p>Occupational Health: Managing workplace health and wellbeing of employees and contractors by defining an internal framework for identifying, evaluating, controlling and mitigating common occupational health risks.</p>	✓ Core value	Stable
		<p>Diversity, Equity and Inclusion: Creating a consciously inclusive workplace, where all employees feel valued and are offered equal opportunities, and to extend our inclusive culture throughout our supply chain. Promoting and supporting diversity, equity and inclusion within Imerys activities, covering age, disability, nationality, religion, gender and sexual orientation among others.</p>	✓ Core value	High
	 <p>Human Capital</p>	<p>Talent Development: Creating opportunities for employees, empowering them within the organization, helping them to develop professional capabilities and benefit from diverse career paths. Supporting internal evolution and career moves across the Group.</p>		Stable
		<p>Community Engagement: Identifying, assessing and managing interactions with the communities surrounding its sites. Contributing to regional, national and international economies and through local employment and purchasing, to create concrete socio-economic benefits to employees, to contractors and suppliers, thus, helping to fight poverty and contribute to sustainable development.</p>		Stable
		<p>Social Dialogue: Building constructive, open dialogue with its employees and their representatives in accordance with local regulations and implementing best practices in matters of workforce management. Establishing and maintaining this open dialogue to reduce inequality within and among countries.</p>		Stable
Growing with our customers	 <p>Business Conduct</p>	<p>Duty of Care includes Labor Practices (Human Capital), Responsible Purchasing (Business Conduct) and Business Ethics & Compliance (Business Conduct). Complying with local legislation where Imerys operates and respecting internationally-recognized human rights particularly in terms of non-discrimination, privacy, child labor, forced labor, compensation and working hours; incorporating environmental, social and governance requirements into Imerys operations and purchasing processes to reduce risks and help Imerys ensure our own and the ethical performance of supplier partners.</p>	✓	High
		<p>Corporate Governance: Ensuring the Group continually improves its functioning and management, in an atmosphere of transparency, duly respecting the expectations of investors and other stakeholders.</p>		Stable
		<p>Portfolio Sustainability: Identifying risks and opportunities and developing products that provide sustainable solutions to society (in terms of environmental and/or social benefits) over their whole life cycle, from the extraction of raw materials until the end-of-life, including but not limited to climate, circularity, etc.</p>	✓	High
	 <p>Sustainable Solutions</p>	<p>Sustainable Processes: Developing economically-sound processes that minimize negative environmental and social impacts of products while conserving energy and natural resources.</p>		Medium

Axis	SustainAgility pillar	Potential sustainability challenges and opportunities	Materiality	5 years trend evolution
Caring for our planet 	Environmental Stewardship 	Environmental Management: Identifying and reducing the environmental risks and impacts of operational activities.	✓	High
		Natural Resource Efficiency: Reducing the consumption of natural resources during operations, such as mineral resources and water.	✓	High
	Climate Change 	Biodiversity & Land Rehabilitation: Respecting the ecosystems surrounding Group operations and preserving biodiversity throughout the life of a mine, including the rehabilitation.	✓	High
		Climate Change Strategy includes Climate Change Adaptation and Mitigation . Reducing greenhouse gas emissions, including direct emissions, indirect emissions from consumption of purchased electricity, as well as any other indirect emission from purchased materials or transportation.	✓	High
		Climate Solutions: Developing low-carbon disruptive innovations aiming to significantly reduce GHG emissions.		High

IMERY'S DOUBLE MATERIALITY RESULTS 2022



√ For more information on Group Sustainability Reporting Methodologies, see section 3.6 of the present chapter.

3.2.2 IMERYS' SUSTAINABILITY ROADMAP

The results of the 2022 materiality assessment show a strong alignment between internal and external stakeholders expectations. The materiality assessment results confirm that the topics that had been defined as highly material priorities in 2018, remain highly material in 2022 (nine of the ten 2022 highly material topics were also defined as highly material in 2018). In addition to the highly material topics identified in 2018, Imerys stakeholders, and in particular Imerys customers, have expressed growing expectations with regards to the circular economy, which is

evidenced by a significant move of Natural Resource Efficiency in the materiality matrix. The most significant changes relative to 2018 were noted for Climate Change, Duty of Care and Natural Resources Efficiency, all of which increased in importance for both business and external stakeholders.

At the end of 2022, the results of the materiality assessment described in *section 3.2.1 of the present chapter* were used to define four strategic focus areas encompassing the Group mid-term sustainability objectives:

Empowering our people	Growing with our customers		Caring for our planet
1. Reinforce our maturity on core values	2. Sustain business ethics in the whole value chain	3. Accelerate the development of sustainable solutions	4. Strengthen our commitments to preserve the planet

1. Reinforce our core values

Ensuring the **Safety & Health** of Group employees as well as contractors is a core value. Being a safe place to work is also a cornerstone of Imerys' sustainability. Due to the inherent nature of industrial activities, Imerys employees, contractors, customers' employees may be exposed to risks that, in the event of failings in the safety management hierarchy of controls summarized in *section 3.3.1 of the present chapter*, could result in a fatality, life-changing injury, occupational accident, or health effects. The highest risks activities managed through the "Serious 7" protocols are related to the risk of contact with hazardous energy, interaction with mobile equipment and machinery, working at heights, as well as ground control in surface mines. Occupational health risks in mineral mining and processing activities include ambient dust, noise and vibration. Limited quantities of chemicals are also used during industrial processes and in the laboratories for quality assurance and research and development. Certain jobs also involve manual handling or repetitive tasks with the potential to cause ergonomic problems.

Ensuring a diverse, equitable and inclusive environment is part of the same core value with safety and health and is crucial to the Group's long-term strategy. While in the 2018 and in 2022 materiality assessment, **Diversity, Equity and Inclusion** were not assessed as the most material, the Group is fully committed to accelerate and pursue its efforts on gender, nationality, disability and other dimensions of diversity, in full alignment with its new Diversity, Equity and Inclusion program and industry best practices presented in *section 3.3.2.3 of the present chapter*.

2. Sustain business ethics in the whole value chain

Ensuring ethical business conduct in a rapidly evolving global business environment is achieved through strong corporate governance, which is the foundation upon which the Group is built. Yet as business practices and regulations evolve, risks emerge with regards to **Business Ethics and Compliance** and **Responsible Purchasing**. The Group may inadvertently be linked to partners who do not respect the Group Code of Business Conduct and Ethics ("the Code") and the specific Group Environmental Social and Governance Standards applicable for suppliers. This risk requires continual adaptation of Group systems and processes and has been an area of particular focus since 2017. Through the reinforcement of

internal controls and Group compliance programs, this risk has been significantly reduced. Yet the risk of Group suppliers not identifying compliance risks and not preventing serious violations of human rights, fundamental freedoms, health & safety of people and environment in their organization and in their own purchasing is still considered material. Additional details on these risks and a focus on their identification is presented in *section 3.4.1 of this chapter*.

3. Accelerate the development of sustainable solutions

Imerys is fully aware of stakeholder expectations for the Group to reduce the environmental footprint of its products while at the same time to provide sustainable solutions aligned to global megatrends. **Portfolio Sustainability** that incorporates environmental and societal criteria contributes to the development of sustainable business opportunities. The technological expertise within Imerys places the Group in an excellent position to continuously improve the process efficiency and production methods of its operations. At the same time, the Group's innovation capacity together with its awareness of global megatrends enables the Group to harness opportunities for new product developments, duly considering sustainability drivers and stakeholders' expectations.

4. Strengthen our commitments to preserve the planet

Imerys' extractive activities have the potential to modify natural habitats. Group operations may have adverse impacts on local ecosystems and biodiversity, or on water resources in the event of accidental environmental incidents, which may for example, cause the release of discolored water or the release of dust. The techniques used for processing industrial minerals are primarily physical (crushing, milling, and sorting) but also include thermal processes such as calcination and fusion, which result in water consumption, waste and air emission generation. Through sound **Environmental Management**, the Group ensures responsible environmental stewardship in full compliance with environmental obligations, duly identifying environmental risks and mitigating impacts. Group operations are required to have an effective Environmental Management System (EMS) to identify and control significant environmental

risks, optimize resource consumption and ensure **Natural Resources Efficiency**, whether processing of minerals or water consumption, and preserve **Biodiversity**⁽¹⁾.

Imerys is conscious of the urgent, global, systemic and irreversible risks associated with climate change and is aware of the global trend towards an economy that is low carbon or carbon neutral. Group operations generate greenhouse gas emissions directly through consumption of energy generated from fossil fuels or production of emissions linked to industrial processes. Indirect emissions are generated through purchased energy as well as through various other activities within the value chain, in particular through transportation and purchase of materials. Imerys is committed to reducing the impacts of its activities on **Climate Change**. For the transformation of industrial minerals, this requires ensuring greater energy efficiency

through new technologies and processes as well as integration of renewable energy sources amongst other levers to combat climate change. While potential climate change impacts linked to Group operations did not emerge amongst the most material topics in the 2018 materiality assessment, in 2022 climate change emerged as a highly material theme. As such, Imerys shall continue to focus on this theme as a high priority in line with the long-term emission reduction targets that have been set and are described in *section 3.5.2 of this chapter*. In 2021 the Group performed a climate risk and opportunity scenario analysis in line with the recommendations of the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD), which are presented in *section 3.5.2 of this chapter*. The climate risk and opportunity scenario analysis was used to inform the Group risk mapping exercise presented in *chapter 2, section 2.1.2 of the Universal Registration Document*.

3.2.3 OBJECTIVES AND PERFORMANCE

In 2022, the Group defined mid-term sustainability objectives based on the double materiality assessment process and results presented in *sections 3.2.1 of the present chapter*. The Group sustainability commitments, specific objectives for each of the **sustainability priority themes** as well as the performance indicator and timeline to achieve the objective are presented in the following table and sections together with their alignment to UNGC Principles and the UN Sustainable Development Goals to which they contribute. Each of the Group's sustainability mid-term objectives has been translated to objectives for each Business Areas with a dedicated action plan and monitoring in place. These mid-term objectives and targets likewise serve as the basis for individual performance targets linked to variable compensation for the Group CEO, Executive Committee, senior management as well as other managers across the organization as summarized in *section 3.3.2.2 of the present chapter and chapter 4, section 4.3 of the Universal Registration Document*.

During 2022, the Group made a series of acquisitions and divestitures, which are described in *chapter 1, section 1.1 of the Universal Registration Document*. The potential impacts of these modifications in the Group operating perimeter for the periods ended on December 31, 2021 and December 31, 2022 on non-financial indicators have been restated to reflect the results from continuing operations excluding the High Temperature Solutions (HTS) business area to present a perimeter consistent with the Consolidated perimeter of the Group as per IFRS 5. Although prior-year restatements have not been subject to external auditing, total balance of continuing operations and HTS business in footnotes can be reconciled with prior year data selected for limited assurance review. The Group mid-term objectives and 2022 targets are not impacted by the divestiture and therefore have not been restated.

Contribution to SDGs	Group Objectives	Performance 2022	Target 2022	Target 2025
Empowering our people				
Health & Safety				
	Safety	Improve Group Safety Culture Maturity ⁽¹⁾ across all Business areas		
		3.0	3.0	3.3
	Health	Improve Group occupational health performance against 2019 baseline assessments		
		+33%	+30%	-
		Increase the global Occupational Health action plan improvement rate		
		New	-	75%
Human Capital				
	Diversity, Equity & Inclusion	Increase the number of women in senior management		
		26%	30%	-
		Fully implement the Group Diversity and Inclusion 3-year program		
		83%	100%	-
		Increase the score of the Diversity, Equity & Inclusion Index ⁽²⁾ (including KPIs related to Gender, Nationality, Disability and inclusion)		
		New	-	100%

(1) Other environmental aspects such as hazardous substances and noise and vibration may be significant at a local level and as such are managed accordingly within the site Environmental Management System. They are not considered material at the global level.

Contribution to SDGs	Group Objectives	Performance 2022	Target 2022	Target 2025
Growing with our customers				
Business Conduct				
Ethics and Compliance	Improve the external sustainability rating of the Group compared to 2022 assessment	69	> 64	+7%
 				
Responsible Purchasing	Deploy a sustainability rating scheme of Group suppliers (by spend)	53%	50%	75%
 				
Sustainable Solutions				
Product sustainability	Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria ⁽³⁾	55%	40%	75%
 				
	Ensure the Group New Product Developments are scored as SustainAgility Solutions ⁽⁴⁾	75%	50%	75%
Caring for our planet				
Environmental Stewardship				
Environmental Management	Reduce environmental impacts through the deployment of a continuous improvement program and conduct 100% of environmental audits using the environmental maturity matrix	100%	100%	-
  				
	Reduce environmental impacts by assessing the maturity level of sites against environmental management requirements ⁽⁵⁾	New	-	100%
Natural resource efficiency	Improve water management by ensuring major sites ⁽⁶⁾ comply with new water reporting requirements	New	-	100%
  				
	Improve mineral resources efficiency by ensuring priority sites (by mineral waste volume) comply with new mineral wastes reporting requirements	New	-	80%
Biodiversity & land rehabilitation	Achieve all objectives defined within Group Act4nature commitment and renew engagement for an additional midterm cycle by the end of 2021	100%	100%* * 2021	-
				
	Ensure that 100% of Group sites with quarries or mines will have defined a Biodiversity Action Plan in line with the requirements of the Group biodiversity protocol.	93%	100%	-
	Reduce impact on biodiversity by filling our Act4nature commitments and conducting biodiversity audits on the priority sites	New	-	20
Climate Change				
Climate Change Strategy	Reduce Group scope 1 & 2 greenhouse gas emissions by 36% relative to revenue (tCO ₂ eq/€M) by 2030	-31%	-	-23%
				
	Reduce Group scope 1 & 2 greenhouse gas emissions (tCO ₂ eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030	New	-	-42%* * 2030
	Engage our suppliers (by spend) to have science based targets	49%	71%* * 2023	-

Notes:

- (1) Maturity Level 3 corresponds to Proactive level on the Imerys Safety Culture Maturity Matrix where Imerys Safety System is "fully implemented, employees are engaged and contribute actively".
- (2) Imerys' Diversity, Equity & Inclusion Index is a composite metric used to track diversity, equity and inclusion across a range of dimensions including gender balance, pay equity, nationality, disability, as well as inclusion.
- (3) The Group portfolio is assessed using the SustainAgility Solutions Assessment methodology, which is based on the World Business Council for Sustainable Development's Portfolio Sustainability Assessment framework.
- (4) Based on the SustainAgility Solutions Assessment framework a "SustainAgility Solution" is a product in an application that has scored within the two highest categories of the four possible categories.
- (5) Environmental Management requirement as defined by Imerys protocols and measured by the environmental maturity matrix, which is based on leading international environmental standards.
- (6) Major sites refer to withdrawal > 1 Mm³ or located in water stress zones.

3.3 EMPOWERING OUR PEOPLE

3.3.1 SAFETY & HEALTH

Imerys' Commitment

Ensure that Health and Safety is a core value by developing and continually improving our health and safety culture and systems, with all our partners, to achieve an injury-free workplace

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2025
 Safety	Improve Group Safety Culture Maturity ⁽¹⁾ across all Business Areas	3.0	3.0 ⁽¹⁾	3.3
 Health	Improve Group occupational health performance against 2019 baseline assessments	+33%	+30%	-
 	Increase the global Occupational Health action plan improvement rate	New	-	75%

(1) Maturity Level 3 corresponds to Proactive level on the Imerys Safety Culture Maturity Matrix where Imerys Safety System is “fully implemented, employees are engaged and contribute actively”.

Safety & Health are core values for all Imerys operations worldwide. The Group is committed to developing a proactive Safety & Health culture through partnerships amongst management, employees, contractors, suppliers, visitors and the communities in which it operates. The Group is likewise committed to a continuous improvement cycle of Safety & Health performance; setting objectives, reporting, auditing and reviewing. The personal involvement of each individual within Imerys is considered essential to achieving an incident-free workplace. The Safety & Health framework is fundamental to the Group's success and contributes to SDG 3 to ensure healthy lives and promote well-being for all at all ages and concrete contributes to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

3.3.1.1 OCCUPATIONAL SAFETY

The Group has a dedicated Safety Committee, chaired by the CEO and composed of each of the Business Area Senior Vice-presidents and functional Senior Managers of the Group. The Safety Committee meets at least twice a year and monitors the Group progress on all Safety objectives and programs. Main health and safety indicators are reviewed on a monthly basis during every Executive Committee meeting.

Imerys requires each operation to have an effective Safety Management System (SMS). Programs are built within the Group Imerys Safety System framework (ISS) based on 3 pillars: compliance, continuous improvement and training & communication. The ISS risk management framework is based on the hierarchy of controls (elimination, substitution, engineering controls, administrative controls and personal protective equipment). To support the development of an effective safety culture, the Group has developed a Safety Culture Maturity (SCM) matrix based on four key elements: leadership and accountability, compliance and continuous improvement, Behavior-Based Safety (BBS) and an integrated approach. The

SCM matrix, built considering internationally recognized standards for safety management and aligned to the fundamentals of the Imerys safety protocols and procedures, helps operations to conduct gap analyses and drive their improvement plans in partnership with industrial teams and safety professionals. In 2019, the occupational safety maturity of all Group operations were categorized using the SCM matrix. As a result of the comprehensive assessment, sites have continued to develop specific site-level safety action plans. **The mid-term 2022 target was for the Group Business Areas to achieve a Level 3 maturity by the end of 2022, which corresponds to ‘Proactive’ level, where the Imerys Safety System is fully implemented, employees are engaged and contribute actively to safety.** At the end of 2022, the result of the most recent assessment shows the Group Business Areas maturity of 3.0, which represents an achievement of the Group's mid-term objective for 2022. The SCM matrix was revised at the end of 2022 in order to update requirements, integrate additional tools and practices, and prepare the referential to be used for the next Safety Culture Assessment cycle to be started in 2023.

From the beginning of the Covid-19 outbreak, Imerys focused on ensuring the safety of its employees and partners while maintaining business continuity. Imerys established a dedicated Crisis Management Team to handle the unprecedented situation and set up a strict monitoring process under the supervision of the Executive Committee. Local management teams adapted activities daily based on the guidelines from the Crisis Managements Team. The Group developed a Covid-19 specific protocol, compliant with international and national authorities. This Protocol outlines recommendations for the management and control of the specific Covid-19 epidemic within all Group operations, technology centers and offices. The situation and its evolution continued to be followed throughout 2022 with measures adapted as needed.

Given the importance of Behavior-Based Safety as an essential component within an effective safety culture, Imerys' operations either implement specialized BBS programs or integrate behavioral factors into regular safety inspections. Improvement in BBS is also supported by a dedicated section in the aforementioned Group Safety Culture Maturity matrix.

Safety compliance requirements for each Imerys operation include not only local laws and regulations, but also the Group's policies, protocols and procedures. The Group Environment, Health and Safety (EHS) Audit Team conducts approximately 60 comprehensive onsite EHS compliance audits or Safety Culture Maturity Assessments annually. For 2022, of the 63 audits and assessments planned for the year, 54 were completed, which represents 86% of the plan. Corrective actions are tracked by Corporate and Business Area EHS teams through to completion using a web-based software system.

Training and awareness of the Group Safety & Health system are achieved through various communication and training activities often developed in local languages. These activities include: Safety Summits, Imerys Safety University (ISU), web seminars, the digital learning paths delivered through the Group e-learning platform "Imerys Learning Hub" and the Group Welcome Sessions for new managers. Other initiatives are managed at regional, hub or site level and include job-related safety training and regular safety toolbox meetings. Training on EHS topics increased by 17% in 2022 relative to 2021 (see section 3.3.2.2 within the present chapter). The Group safety training focuses in particular on the "Serious 7" to address highest risk areas: lock out, tag out, try out, electrical safety, machine guarding and conveyor safety, mobile equipment, working at heights, ground control and forklift safety.

The Group recognizes the pivotal role that senior management plays within the Group safety culture. Their ability to effectively engage with all employees at site level on safety is fundamental to continually improve safety performance. The Group Safety Summits focus on strengthening Visible Felt Leadership (VFL) within the most senior leadership, while the Imerys Safety University focuses on a tailored approach to coach site managers on how to cascade Visible Felt Leadership within their supervisory teams. At the end of 2022, 35,666 VFL and BBS interactions were recorded through our Group Health and Safety reporting platform.

In 2021, the Group launched Safer Together, in order to build on the progress achieved over the past years and to strengthen the implementation of a consistent and comprehensive approach to Health and Safety. Safer Together aims to promote a strong

Health and Safety culture within 4 new key pillars that will help to structure the Health & Safety projects – Being positive about Safety, Placing health and safety above all, Taking responsibility and Looking out for each other. Safer Together encompasses all the existing Imerys Health & Safety programs such as protocols, training, Take 5, Serious 7, safety alerts and accident analysis, Safety Connect Day and Visible Felt Leadership.

In 2022, the annual Imerys Connect Day (formerly Safety Connect Day) brought together all employees and subcontractors across industrial sites, laboratories, and offices to focus on the theme "The Challenges of a Changing World". The 2022 edition saw employees and subcontractors coming together to discuss the important topics of Workplace Safety, Process Safety, Mental Health as well as Climate Change.

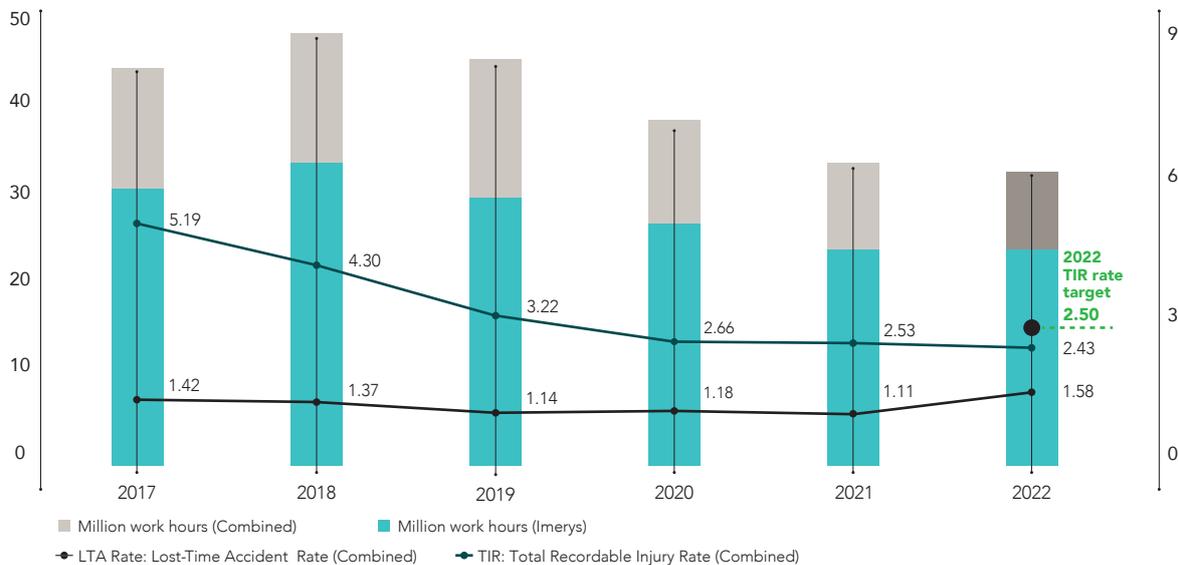
The Group has an internal Safety & Health incident reporting process. Imerys tracks and analyzes safety performance for both employees and contractors on a monthly basis using lagging indicators for fatalities, life-changing injuries, lost-time and non-lost-time accidents at all levels of the Group. The Group likewise collects and assesses leading indicators such as near misses, at-risk conditions or behaviors reported, the number of workplace inspections or risk assessments performed, the percentage of site employees that have attended safety training events or safety meetings, and the number of safety observations or interventions. The platform facilitates the collection of details related to any incident, helps to identify the critical factors to prevent further accidents and strengthens the management of incidents across the Group.

Incident investigations are conducted and corrective actions are implemented at site level with follow-up by Business Area teams. Safety alerts are issued whenever a fatality, a life-changing injury or a Significant Potential Incident (SPI) occurs to share root causes and lessons learned. An SPI is any reported incident that has the potential to result in a fatality regardless of the actual severity. Where appropriate, corrective actions identified through an incident investigation are directly integrated into the next update of Group safety protocols to reduce the risk of recurrence. In 2022, 51 safety alerts related to SPIs were shared across the Group.

√ *For more information on Group safety reporting methodologies and metrics, see section 3.6 of the present chapter.*

√ *For more information on Supplier Health and Safety requirements, see section 3.4.1 of the present chapter.*

GROUP LOST TIME ACCIDENT RATE



As of December 2022, the combined LTA rate of the Group was 1.58 and the combined Total Recordable Injury Rate (TRIR)⁽¹⁾ was 2.43. Despite a strong rebound of the production activity from the pandemic in almost all Imerys industrial sites, the Group achieved the 2022 target TRIR, which was set at 2.50 and continues to observe continuous improvement across Group operations. The increase of the combined LTA rate in 2022 is mostly due to more hand-related incidents, slips and falls compared to the previous years. Regular awareness campaigns on these subjects were implemented during the year to limit additional incidents. Tragically, a fatal incident occurred in Imerys Bauxite underground mine in Greece on October 5, 2022. The Group shall continue its unyielding focus on continuously improving safety performance and work towards its goal to achieve an injury-free workplace.

3.3.1.2 OCCUPATIONAL HEALTH

For Imerys, managing workplace health and wellbeing of the Group’s employees and contractors is a core value. Imerys occupational health protocols outline an internal framework for controlling and mitigating common occupational health risks. Imerys operations identify the range of occupational health risk scenarios, evaluate and risk assess them and develop control plans proportional to the risk. As part of this program, appropriate information, instruction and training are provided. Occupational health practices are systematically reviewed to look for improvement, simplification and standardization. Compliance with regulations and the Group’s Occupational Health protocols are reviewed regularly through the Group EHS audit program.

In 2019, led by the Group Industrial Hygienist, the Group defined its occupational health strategy starting with a comprehensive baseline assessment and gap analysis. The baseline assessment focused on industrial workplace health risk identification, assessment, control, monitoring and review processes. The baseline assessment was performed to have an objective evaluation of practices and performance at a site level and provides the information needed to generate an action plan to close out any gaps, focusing on short, medium and longer term actions. By the end of 2020, all sites across the Group were assessed against the baseline assessment criteria. Based on the completed assessments the Group developed a comprehensive 5-year occupational health action plan, focusing on the following four pillars: risk and general management, systems, training and protocols. **The Group mid-term occupational health performance target was to improve by 30% against the first baseline assessments.** At the end of 2022, the Group occupational health performance improved by 33% against the baseline assessments. As such, the 2022 mid-term target was met.

The Group developed an Occupational Health Maturity Matrix which will, as with the other matrices in the Group “I-Cube” and SustainAgility programs, be used to support the global program deployment in a continuous improvement cycle.

The Group occupational health programs implemented cover a range of health and hygiene aspects, with a particular emphasis placed on the management of airborne contaminants, vibration and noise. Across Group locations, health plans and programs are based on site occupational health risks, which integrate wellness initiatives. Wellness and occupational health campaigns are supported by Human Resources, external occupational health nurses/physicians and internal health and safety personnel as well as communication teams.

(1) TRIR: A recordable injury is an injury that requires medical treatment other than first aid.

All Group operations participate in the European Social Dialogue Agreement (SDA) on workers' health protection through the good handling and use of crystalline silica and products containing it and have reported on specific aspects of their implementation through participation in a program organized

by the European Network for Silica (NEPSI)⁽¹⁾. NEPSI reporting campaigns are conducted every two years. In 2022, when the last campaign was conducted, all of Imerys' concerned sites reported into NEPSI.

GROUP REPORTED OCCUPATIONAL ILLNESSES

	2022	2022 discontinued activities	2021
Occupational illnesses with lost time	1	0	0
Occupational illnesses without lost time	0	0	0
Total	1	0	0

3.3.2 HUMAN CAPITAL

Imerys' Commitment

Develop our Human Capital by respecting internationally recognized human rights and labor practices as set out in our Code of Business Conduct and Ethics, investing in the talent and skills of our employees, engaging in constructive social dialogue and fostering a culture of workplace diversity, equity and inclusion based on mutual respect

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2025
  	Increase the number of women in senior management	26%	30%	-
	Fully implement the Group Diversity and Inclusion 3-year program	83%	100%	-
	Increase the score of the Diversity, Equity & Inclusion Index ⁽¹⁾ (including KPIs related to Gender, Nationality, Disability and inclusion)	New	-	100%

(1) Imerys' Diversity, Equity and Inclusion Index is a composite metric developed to track diversity, equity and inclusion across a range of dimensions including gender balance, pay equity, nationality, disability, as well as inclusion.

Human capital is at the heart of Imerys' business success. Imerys seeks to create an environment that promotes employee's development as a key element of growth and transformation. The Group HR policies and practices are based on fairness, openness and mutual respect. The long-term objectives of the Group are to identify, attract, select and retain talented people; develop and provide essential competencies; share ideas, projects and best practices across the organization; and ensure transparency and compliance with both legal requirements and Imerys' policies and processes. Through constant engagement on these subjects the Group contributes to SDG 4 to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all; to SDG 5 to achieve gender equality and empower all women and girls; and to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

3.3.2.1 LABOR PRACTICES

Imerys strives to promote mutual respect in all practices and dealings with its employees, and outside contractors. Imerys recognizes that management of relations with employees is critical to the creation of an environment in which all employees can excel. The Group is committed to comply with local legislation in force in the countries where it operates and to respect internationally-recognized human rights, as set out in the International Bill of Human Rights and provisions of the fundamental conventions of the International Labour Organization

(ILO), particularly in terms of non-discrimination, privacy, child labor, forced labor, compensation and working hours. The Group is committed to respect human rights, avoid complicity in human rights abuses and provide access to remedy, in line with the UN Guiding Principles on Business and Human Rights. Imerys endeavors to have a positive impact through its employment practices upon the welfare of employees, which likewise has both indirect and induced positive impacts also on surrounding communities and thereby contribute to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

The Group Code of Business Conduct and Ethics spells out the fundamental principles and shared commitments to ethical behavior, including respect of human rights and labor practices. The Code applies to all Imerys employees, including those of its subsidiaries, as well as Imerys business partners. Managers at Imerys have a particular responsibility to ensure its daily application because of their roles and responsibilities with regards to Group operations. Imerys recognizes the right to freedom of association and the right to collective bargaining, which is clearly articulated within the Group Code as well as within the related HR policies, protocols and procedures. Approximately 67% of Group employees are covered by Collective Bargaining Agreements (CBAs). These CBAs commonly include subjects such as health and safety, work organization and working hours, training, compensation and benefits, and equal opportunities.

(1) NEPSI: the European Network for Silica is composed of employees and associations of European companies that have signed the multi-sectoral social dialogue agreement.

Imerys is fully committed to taking effective measures to end discrimination and to eradicate child labor and forced labor. Compliance with the Code and protocols on human rights and labor practices, including preventing child labor and forced labor, is included within due diligence assessment for new projects and within the scope of internal auditing missions for the Group existing activities. Protocols on prohibition of child labor and forced labor have been in place since 2009.

Since 2019, the Group has offered training and awareness raising sessions on Human Rights based on UN Guiding Principles. The purpose of these sessions is to train groups of employees on human rights and the UN Guiding Principles and support the identification of any potential human rights risks in. As in-person training sessions remained a challenge for much of 2022 due to a range of Covid-19 restrictions, e-learning modules related to Human Rights were made available to employees. Dedicated sessions will be delivered in the future to progressively cover specific countries and key functions.

The Group has developed a global and comprehensive program (Global Benefits Management) and has mapped all the healthcare,

death and disability benefits provided to its employees to ensure that the corresponding levels of coverage are progressively harmonized across the Group, in line with local regulations and market practice and managed in a structured and efficient way.

The Group Pension Committee governance principles, objectives and operating modes are applicable to all Imerys units.

To support mental health and well-being of employees the Group has developed a mental health guide for employees and for managers to help them support their teams. Mental health and wellbeing was likewise one of the focus themes for the Imerys Connect Day in 2022. The Group is also committed to raise awareness on the importance of physical activity and the benefits it provides on mental health. Depending on the country, employees have access to gyms located in the workplace, have discounts on entrance to gyms, or even have their sports subscription reimbursed. Some local initiatives related to running programs and walking challenges are also implemented for example in South Africa and China.

√ *For more information on the Code of Business Conduct and Ethics, see section 3.4.1. of the present chapter.*

EMPLOYMENT

	2022	2022 discontinued activities	2021 ⁽²⁾
Registered employees	13,892	3,096	13,822
of which permanent employees	13,028	2,625	12,960
of which non-permanent employees (fixed term)	864	471	862
External employees (Full-Time Equivalent)⁽¹⁾	3,532	2,395	3,793

(1) *External employees refer to all non-Imerys companies or independent contractors who agree to perform services on Imerys facilities regardless of duration. Total worked hours done by external employees are converted by Full-Time Equivalent.*

(2) *2021 Total registered employees related to discontinued activities represented 3,086 employees.*

At the end of 2022, compared to December 2021, the Group's registered headcount remains stable. The external recruitment, the mutual agreements and retirements are equivalent to 2021. While 2021 redundancies were still impacted by the Group transformation program from 2018, in 2022 redundancies decreased by 24%. The voluntary departures increase by 23%, which is explained by the COVID crisis as this limited the number of departures during 2021. In 2022, in addition to the divestiture of HTS, 233 employees left the Group as a result of other divestitures.

Social Dialogue and Employee Engagement

The Group strives to build constructive, open dialogue with its employees and their representatives in accordance with local regulations and implements best practices in matters of workforce management. Establishing and maintaining this open dialogue is a means to contribute to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

Internal communication campaigns aim to provide all employees with information that can help them understand the Group's strategy, environment and activities, build their sense of belonging and help to strengthen the Group identity. Information is actively shared across the Group via various means, including through a collaborative digital platform "OnImerys", which supports daily communication and collaboration. This platform hosts essential information, documentation and protocols, but also social feeds and workspaces, tools and business applications. The intranet is optimized to enable employees to use tools and resources in an agile way – including smartphone access to Group level applications. The intranet facilitates the sharing of projects, initiatives and successes throughout the Group. It is likewise a platform to share information and support discussion on specific topics within specialized communities.

To "communicate and collaborate" is a central part of Imerys' Leadership Behaviors, and as such the Group privileges regular managerial face-to-face dialogue to share key information within teams. To complement this form of dialogue, the Group launched various video messages and question and answer sessions with the Group CEO and senior leaders to facilitate open exchange with employees.

In April of 2017, Imerys launched its first global employee engagement survey “Your Voice”. In 2021, the Your Voice survey was conducted again and extended to include deskless and remote workers in addition to the digital workers who were included in the 2017 survey. The survey was conducted confidentially and anonymously offering employees to express their position on a wide range of topics. The questionnaire, available in 26 languages, was shared with all employees across all Imerys countries and businesses. The global response rate reached 88% (over 13,000 employees), which provided the Group with clear signals on employee engagement levels and on Group strengths and areas for improvement. The results of the survey showed high levels of engagement and enablement across the Group (68% and 73% respectively), driven by a strong loyalty to Imerys (71%), which is 10 points above the industrial norm. When compared to the industrial benchmark of data collected from over 2.4 million employees in 195 organizations operating across industrials sector, feedback from Imerys employees is above the benchmark for nearly all topics. The Your Voice results provide rich insights to help guide the development of global and local improvement action plans.

Imerys is committed to engaging in constructive dialogue with employee representatives. In Europe, the European Works Council (EWC) covers Group employees in 20 countries: Austria, Belgium, Bulgaria, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Luxembourg, the Netherlands, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom.

The employee delegation consists of 15 members, each representing different nationalities. In 2022, one plenary session was held and the EWC’s five officers met five times during the year. The EWC officers act as liaison between representatives and Imerys management. The EWC is informed and consulted on Group strategic decisions, including major projects such as the divestiture of HTS, for which, three meetings were held and upon which the EWC gave an opinion. The EWC has also been associated with other key projects related to changes in the Group’s activities.

A EWC agreement was signed on May 24, 2022, covering 2022-2026. The term of office of elected representatives of the EWC is four years. Discussions with the EWC likewise include updates with regards to business performance, safety, environment, employee engagement, and diversity, equity and inclusion amongst other topics.

Notwithstanding efforts to engage in constructive social dialogue, labor strikes may still occur. In 2022, 2,925 hours were lost due to labor strikes (20,723 in 2021), of which 1,240 hours in Greece, 1,064 hours in Italy, 392 hours in France, 188 hours in Belgium and 41 hours in Spain.

3.3.2.2 TALENT DEVELOPMENT

Talent and skill management is essential to maintain an innovative, engaged and motivated workforce and to ensure strong long-term growth within the Group. The Group talent road map continues to improve Human Resources processes focusing on talent acquisition, employer branding, internal mobility,

professional learning, development and retention. All of these processes contribute to the development of human capital in Imerys and thus work towards SDG 4 to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

The Group aims to create opportunities for employees, empowering them within the organization, helping them to develop professional capabilities and benefit from diverse career paths. Supporting internal evolution and career moves across the Group is a priority. Imerys is committed to ensuring its employees’ development and specialized committees meet regularly to discuss internal mobility and promotions.

Imerys Leadership Behaviors, in consistency with the Group values, are an integral part of the entire talent management cycle, including recruitment, onboarding, performance, as well as development and succession plans. In order to develop leadership and managerial skills, annual reviews are composed of a shared evaluation between employees and their line managers based on these principles.

To ensure that Imerys not only attracts the right people for the right positions, but also that the process generates a positive candidate experience, fosters diversity among our workforce and facilitates integration within Imerys, the Group applies a global recruitment policy. This policy addresses five key stages in the recruitment process: preparation, sourcing, selection, decision and onboarding.

The Group is committed to continuously diversify and increase the Group’s training program through a blended learning approach, enabling employees to actively lead their own development and learning experience. The Group’s entire learning offer was redeveloped in 2021 and is hosted on a platform called the “Learning Hub”, which brings together all in-class training and digital learning courses. The Learning Hub is accessible to all Imerys employees with Imerys email accounts, which represents over 10,000 employees across the Group. In-class training and e-learning courses cover safety, environment, finance, management and leadership, project management, commercial excellence and industrial marketing, and basics of geology and mining amongst other topics. Learning resources are available in English and many are also available in other languages including French, Brazilian Portuguese, German and Chinese. Since 2020, the Group has continued to invest in the development of multiple new digital courses. Traditional in-person training programs, such as those related to mining and resource planning, have been designed to be delivered in a virtual format. Global training courses that support fundamental topics of the Group Code of Conduct, including training on environmental management, cybersecurity, and range of diversity, equity and inclusion themes, while open to all, are made mandatory for targeted populations. For example, at the end of 2022, 79% of senior managers and people managers were trained on unconscious bias, 44% of senior managers, people managers and functional experts completed the training on environmental topics, and 75% of connected workers completed a series of cybersecurity courses. Imerys likewise promotes the use of the [UN Global Compact Academy^{\(1\)}](#) as a means to enrich the training offering on numerous ESG topics for all the Group digital learners through the Learning Hub.

(1) The UN Global Compact Academy provides Participating companies of the UN Global Compact with access to digital expert-led and interactive how-to sessions designed to help companies align their business strategy with the Ten Principles of the UN Global Compact and the UN SDGs.

The Group is committed to continuously invest in its workforce and provide opportunities for its employees to develop new skills. Since 2020, the Group has used a digital global onboarding program to create global consistency for onboarding of new recruits, and offer a streamlined and supportive approach and a centrally managed process, which give each newly recruited employee clear knowledge about Imerys in their first 90 days. The onboarding program guides new recruits through valuable information including: Imerys' organization and tools, markets, customers, mandatory training (including the Code of Business Conduct and Ethics, safety, diversity, equity and inclusion, cybersecurity, and sustainability) as well as Business Area, function, and country-specific content. This onboarding is linked to the Learning Hub training platform, with a dedicated workflow that ensures that all new connected workers receive key messages and information directly after arrival. The Group also runs an onboarding program for operational workers across the Group. This onboarding defines the minimum requirements to control health and safety risks related to the onboarding period for new operational workers for which Imerys has managerial authority, and/or can influence strongly and directly, at any Imerys industrial sites. The aim of the onboarding program is to ensure that all new workers are adequately trained and competent to safely perform their assigned tasks.

The Group likewise focuses on induction training for Imerys' new plant managers to help them understand the Group's approach to operational excellence and continuous improvement, covering topics such as safety, processes, finance, HR, environment, as well as I-Cube.

A global internal mobility policy provides a streamlined process to develop employees by exposing them to new challenges and new businesses within Imerys; to respond to employees' aspirations to evolve; to facilitate the collaboration between all businesses; and contribute to reinforce the Group culture and mindset.

The Group compensation and benefits systems and policies aim at ensuring both market competitiveness and internal consistency, while being driven by a clear pay-for-performance objective. Imerys uses a Position Evaluation System to define roles based on a systematic grading approach. Using common grades throughout the world, Imerys ensures internal consistency by providing equal pay for work of equal value and provides a rational basis for the maintenance of its pay structure. This process uses data to benchmark remuneration against the market, which helps drive Imerys principle of equal opportunities and drive transparency and consistency in compensation practices across Business Areas, Functions and Departments.

Fixed compensations are reviewed on a yearly basis under the close coordination of the Human Resources Function, supported by regular local and/or sectorial surveys, and conducted with strict financial discipline. In order to reward both personal and collective financial performance, short-term variable pay schemes consist of both individual and shared objectives. In 2022, the Imerys CEO, all of the Executive Committee and most senior managers had individual objectives linked to the achievement of the Group's mid-term sustainability objectives. Long-term compensation programs are fully aligned to the Group's long-term financial objectives. The Group endeavors to align its remuneration practices across the world with international standards.

√ For more information on the Executive Compensation, see chapter 4, section 4.3 of the Universal Registration Document.

GROUP TRAINING HOURS

	2022	2022 discontinued activities	2021 ⁽¹⁾
Number of trained employees	12,170	2,882	12,969
Number of training hours by year	234,840	32,935	220,499
Environment, Health & Safety	123,563	14,484	105,961
Technical skills	89,446	13,472	98,415
Management	21,831	4,980	16,122

(1) 2021 Total number of trained employees and training hours related to discontinued activities represented respectively 2,778 employees and 37,374 hours.

In 2022, 74% of employees⁽¹⁾ in the Group have benefited from at least one training program in the year. The total number of training hours increased in 2022 by 6.5% relative to 2021, as new digital learning courses continued to be developed and delivered.

(1) The training hour's percentage is based on the number of employees during the year.

3.3.2.3 DIVERSITY, EQUITY AND INCLUSION

The Group is committed to promote a culture based on mutual respect and appreciation at all levels, where the value and contribution of each individual is welcomed and recognized. Imerys does not tolerate any form of discrimination or harassment towards its employees, contractors or candidates for employment on the basis of gender, age, nationality, citizenship, ethnicity, religious status, educational background, sexual orientation, physical and mental abilities, marital and parental status, political affiliation or any other dimension. The Group's long-term ambition is to create a consciously inclusive workplace, where all employees feel valued and are offered equal opportunities, and to extend an inclusive culture throughout our supply chain. While the Group has not yet reached its full ambition, it is fully committed to accelerate its efforts to promote diversity, equity and inclusion at all levels across the Group and as such contribute further to SDG 5 to achieve gender equality and empower all women and girls and SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

The Diversity and Inclusion Charter, signed by the Group CEO, has been translated in 22 languages and is posted across Group sites. The Charter clearly articulates the shared commitment to achieving greater diversity, as well as inclusion across the Group. Starting from 2019, with broad participation from employees across functions and geographies, the Group has analyzed the key drivers and challenges and structured its first 3-year Diversity and Inclusion program (2020-2022). The Group has a Diversity, Equity and Inclusion Steering Committee in place, composed of four Executive Committee members as well as functional Senior Managers, to ensure the program is successfully implemented and the objectives achieved. The Diversity, Equity and Inclusion Steering Committee is facilitated by the Group Diversity, Equity and Inclusion team, who is responsible for the planning, coordinating and implementing the defined actions in close collaboration with Business Areas and functions. **The Group's mid-term Diversity and Inclusion specific and time-bound objective was twofold: to increase the number of women in senior management to 30% and to fully implement the Group Diversity and Inclusion program by the end of 2022.** This program sets out the building blocks of a more inclusive workplace, addressing areas for improvement centered around: decision process and governance, training and awareness, human resources policies, communication and physical accessibility of Group sites. The deployment of the 3-year program began in 2020. At the end of 2022, the third year of its deployment, 26% of senior managers were female and 83% of the 3-year plan had been implemented, including the creation and animation of an internal network of Diversity and Inclusion Ambassadors, the offer of customized training sessions on diversity and inclusion at all levels across the Group and the launch of numerous awareness and communication campaigns across Group sites.

While the Group's diversity and inclusion targets were not fully achieved by the end of 2022, Diversity, Equity and Inclusion continues to be a material topic and will remain a priority for the next mid-term cycle, in order to ensure continued progress towards the Group's longer term ambition. During the course of 2022, the Group defined its new 3-year Diversity, Equity and Inclusion program (2023-2025), with a specific focus on equity added to the new program. The design of the program involved analyzing current data, engaging with employees across hierarchical levels and geographies, identifying the current maturity level and envisioning the diversity, equity and inclusion maturity level of 2025, as well as the necessary intermediate steps.

The Group has set targets for 2025 that are ambitious yet achievable in the defined time frame. A composite metric approach – a Diversity, Equity and Inclusion Index – will be used to track diversity, equity and inclusion in the areas of gender balance, pay equity, nationality, disability, as well as engagement scores deriving from employee engagement surveys.

The Group is committed to develop programs focused on achieving greater diversity as well as inclusion both at global and local levels and to respect and promote the principle of non-discrimination and equal opportunity, in particular with regards to human resources management. To this effect, Group HR policies and practices are a key element of the diversity, equity and inclusion plan and are regularly updated to include specific diversity, equity and inclusion principles and requirements at the appropriate steps within each process, ensuring that these updates are also reflected in country HR policies. Diversity, equity and inclusion requirements are likewise a key component of the Group Leadership Behaviors, the behavioral model against which the Group formal performance appraisals are conducted.

To create a truly inclusive culture, the Group continues to work to eliminate barriers, to raise awareness on the effects of implicit or unconscious bias and to help employees develop effective strategies for ensuring that such biases do not undermine Group efforts to ensure a diverse and fulfilling workplace for all. To this effect the Group focuses considerable efforts on various training courses, from the onboarding program for new employees, to the provision of additional resources and tools within the Learning Hub – the Group internal learning platform. Training on anti-discrimination was rolled out in 2020 to all our employees with access to Imerys Learning Hub, followed by a training on Unconscious Bias in 2021 and a training on Implementing Diversity into the daily working life in 2022. At the end of 2022, 62% of senior managers and people managers completed the training. Internal workshops were offered to functional management teams to raise awareness and provide concrete actions on how to lead by example on inclusive behaviors. The Group leadership programs were also adapted to include dedicated sessions focusing on unconscious bias and conscious inclusion and 81% of senior managers completed a 3.5 hour inclusive Leadership training to support their capacity to drive inclusive leadership. The same training was also conducted for the Executive Committee members, indicating the top management commitment on the topics of diversity, equity and inclusion.

The Group launched three communication and awareness campaigns in 2022 focusing on gender, LGBTQ+ and disability. These campaigns were accompanied by dedicated toolkits for all employees including foundational elements, Group’s position and actions on these dimensions and individual tangible actionable points. Group’s internal network of ambassadors also ensure continuous improvement towards key diversity, equity and inclusion issues by acting as messengers, enablers and role-models towards a consciously inclusive workplace. On March 14, 2022, the Group CEO, on behalf of Imerys, signed the United Nations Women’s Empowerment Principles (WEPs). By signing the WEPs, Imerys commits to take bold steps to advance gender equality in the workplace, marketplace and community and accelerate its efforts to create a more gender-inclusive and equal organization aligned with the Group’s long-term ambition. Imerys also started using the WEPs gender gap analysis tool, to measure progress over time, benchmark against industry standards, and leverage equality resources in a continuous improvement cycle.

In 2022, management teams held open diversity and inclusion discussions sessions with their employees across several Group sites. A series of workshops on disability inclusion were also conducted. The key takeaways from these workshops were used as input points in the new Group Diversity, Equity and Inclusion program (2023-2025). The Group also defined the purpose and guiding principles for Employee Resource Groups (ERGs) with the aim to launch them in the years to come.

Within the Purchasing policy, and in keeping with the commitments outlined in the Group Diversity and Inclusion Charter, the Group has also articulated its ambition to ensure inclusive sourcing. Inclusive sourcing is the proactive business process of sourcing

products and services from previously under-used suppliers, including but not limited to, local Small Medium Enterprises (SMEs), suppliers that are certified as at least 51% owned, operated and controlled by one or more minority, woman, LGBTQ+, veteran, person with a disability, aboriginal-indigenous person, or a historically underutilized business defined by the local country. This process helps to create competitive intelligence and advantage whilst sustaining and progressively transforming part of the Group supplier panel to quantitatively reflect the demographics of the community in which it operates by recording transactions with diverse suppliers. The intent of inclusive sourcing is not to promote positive discrimination towards diverse suppliers, but to ensure potential suppliers are identified and given the opportunity to compete to win based on merit on a level playing field.

Within the context of the 2022 SD Challenge, diversity, equity and inclusion commitments continue to be given greater visibility, encouraging employees across the Group to develop and submit concrete projects. Initiatives were carried out in China, South America, the United States, India and South Africa covering a wide range of dimensions, each essential to achieve a more diverse, equitable and inclusive mindsets in the workplace. As an example, in 2022 the winning project submitted in the SD Challenge Diversity and Inclusion category in the United States involved the creation of a Women’s Empowerment Forum. Another focused on the development of a women in mining program for women in South Africa and a third involved the development of a dedicated action program for all employees of a specific business area.

√ For more information on the Imerys 2020 Gender Equality Index, see www.imerys.com.

GENDER DIVERSITY

Percentage of Registered headcount by gender	2022	2022 discontinued activities	2021
Percentage of female Board members	40%	-	40%
Percentage of female Executive Committee members ⁽¹⁾	20%	0%	10%
Percentage of females in Senior Management roles ⁽²⁾	26%	31%	26%
Percentage of females in Manager/Expert/Professional roles	31%	18%	30%
Percentage of females in Paraprofessional roles	13%	12%	13%
Percentage of females in the Group	19%	14%	18%

(1) The Group General Counsel is part of the Executive Committee. Following the departure of Frédérique Berthier-Raymond in October 2022, this function is assumed on a provisional and interim basis by Denis Musson, former Group General Secretary until 2018. As such, Denis Musson is excluded from this figure, as he is not part of Imerys registered headcount.

(2) The definition of Senior Manager within this table excludes Executive Committee members, as they are presented above as a separate category.

In 2022, the number of female senior managers as a proportion of all senior managers reduced slightly due to a small number of departures, as well as the internal promotion of two senior managers to the Executive Committee. These appointments increased the number of females on the Executive Committee,

but reduced the number of females in the senior manager population. The overall proportion of women in other roles within the Group have remained relatively stable over the past years. Efforts to increase the proportion of women in all levels of the organization shall continue in the coming years.

DISABILITY

	2022	2022 discontinued activities	2021 ⁽¹⁾
Number of employees with a disability	189	41	195
Percentage of Registered headcount with a disability	1.4%	1.3%	1.4%

(1) 2021 Total number of employees with a disability related to discontinued activities represented 45 employees.

The Group remains committed to creating an environment where employees of all physical and mental abilities are accepted and valued and this shall remain a key element of the Group Diversity, Equity and Inclusion program for the years to come. The percentage of the Group's registered headcount with a declared disability has remained stable over the past several years. In 2020, the Group launched a baseline assessment related to the accessibility of all Group sites for people with physical disabilities. Following this initial assessment, the Group

aims to progressively work to identify facilities where appropriate investments shall be made to increase accessibility, and subsequently create additional opportunities for employees with physical disabilities. The Group also launched its first awareness campaign on disability inclusion in 2022 and is committed to increase the percentage of registered headcount with a disability, having set a specific metric target for 2025, as part of the Diversity, Equity & Inclusion Index.

AGE AND SENIORITY

	2022	2022 discontinued activities	2021
Percentage of Registered headcount by age bracket			
Less than 30 years	12%	13%	12%
From 30 to 39 years	26%	28%	26%
From 40 to 49 years	28%	30%	27%
From 50 to 54 years	14%	13%	14%
More than 55 years	20%	17%	21%
Percentage of Registered headcount by seniority			
Less than 10 years	58%	60%	55%
More than 10 years	42%	40%	45%
of which more than 20 years	20%	15%	20%

The Group age pyramid structure has remained relatively stable over the past years, which provides a solid basis for the Group to continue to grow and develop internal skills and competencies and ensure solid technical and managerial expertise. To further support and build on the benefits of an age-diverse workforce, Imerys continues to recruit across all age brackets. In 2022, 41% of new permanent recruits were less than 30 years old and 5% were over 50 years of age.

In addition to the dimensions of diversity that are summarized above, a total of over 92 different nationalities are represented within the Group permanent employee headcount, and 16 different nationalities are represented amongst senior managers.

3.3.2.4 COMMUNITY ENGAGEMENT

Imerys commits to building a legitimate 'social license to operate' in the communities and countries in which it operates. The Group sees this as an essential foundation for its business activity. Imerys therefore aims to enter into dialogue and engage with key stakeholders in a spirit of transparency and good faith. Working around the world, Imerys' operations and employees are part of the local communities that surround Group sites and are seen as representatives of the Group. As such, the Group actively encourages sites and employees to contribute to the socio-economic development of their

respective communities by not only identifying and understanding stakeholders' needs and expectations, but also by actively contributing talents and skills and supporting initiatives that create shared value. Working in a collaborative and constructive manner with local partners, communities, associations and other stakeholders helps the Group contribute to numerous SDGs through its operations.

LOCAL STAKEHOLDER ENGAGEMENT

Imerys recognises that proactive, inclusive, accountable, and transparent stakeholder engagement is more likely to result in optimal outcomes for both communities and the Group.

The Group Stakeholder Management and Community Relations framework, by defining the roles and responsibilities of all parties involved, provides a process for mapping stakeholders and defining appropriate engagement and communication plans per stakeholder group. It includes a local grievance process in addition to the Group alert mechanism described in [section 3.4.1. of the present chapter](#). Each stakeholder group is assessed considering several parameters such as role, involvement, potential impact/issues, and expectations in order to measure their interest in and influence on Imerys activities as well as impact of Imerys operations on each stakeholder group.

Since its creation, the SD Challenge has helped develop and share best practices in stakeholder and local community engagement. For example, the winner in the Community Engagement category in 2022 was the Mission Urja. Imerys invested in the generation and distribution of clean electricity to 50 families in India, by using a nearby waterfall. The project improved the local living conditions, and contributed to safety, education and business employment opportunities. So far, the investment has led to 61,600 kWh per year being generated. In addition, a carbon emission study was carried out to calculate the carbon footprint of the project.

In Canada, one of Imerys sites is close to the First Nations Atikamekw community of Wemotaci. In 2022, Imerys and the “Conseil des Atikamekw de Wemotaci” signed a Development Agreement that will be valid for the entire life of the mine. This framework outlines Imerys’ long-term commitment to instill open, constructive dialogue and generate economic opportunities for the local community, not only through financial contribution to support development of a cultural heritage center but also through employment and local sourcing opportunities for community members.

COMMUNITY SPONSORSHIP AND CHARITABLE DONATIONS

Contributions to local communities in the form of local sponsorship and charitable donations are common practice in the business world as they can facilitate constructive local relationships, generate positive impacts by supporting the activities of local associations and help ensure that engagement actions are developed and rolled-out via partners who have local knowledge and expertise as well as a long term mandate. The Group’s Community Sponsorship and Charitable Donations process ensures that the Group’s approach to community sponsorship and charitable donations is aligned with the Group’s Stakeholder Management and Community Relations framework and also that appropriate reporting, accounting and approvals to avoid the risks of improper conduct are in place.

Through its community engagement efforts, Imerys’ priority is to support education within neighboring communities, promote equal opportunities and focus its actions towards young adults, women and girls, and people in socially fragile situations in the areas surrounding the Group operations.

In addition to the direct efforts made locally through the Group operations across the world, Imerys continues to sponsor and collaborate with education partners operating in France and internationally. At Group level, partnerships have been established with *Alliance pour l’Éducation – United Way*⁽¹⁾. Imerys is a member of the Alliance pour l’Éducation – United Way Coordination Committee together with other large French companies. In September 2017, Alliance pour l’Éducation – United Way launched a new program: “Défi Jeunesse”. Built upon the

framework established by the French Ministry of National Education, the program aims to support young people in secondary school through personalized training, internships, orientation sessions and discovery of the professional world. Since 2020, Imerys has collaborated with Alliance pour l’Éducation – United Way to offers high school students the possibility to complete the mandatory program *Stages de 3^{ème}*, a work experience created by the Ministry of Education of France to provide students with the opportunity to discover the professional world, to confront the concrete realities of work, and to discover their vocational orientation.

Imerys has likewise supported the *Fonds Dan Germiquet* since its creation. The Dan Germiquet Fund provides merit-based scholarships to international students who have chosen to integrate l’École Nationale Supérieure de Géologie de Nancy (ENSG). The Dan Germiquet Fund was established ten years ago to honor the memory of Dan Germiquet, who was for many years Imerys’ Vice President for Geology and Mine Planning. Education was close to Dan Germiquet’s heart and he was closely involved with the life of the National School of Geology and its students. Since 2014, 43 students have graduated as a result of the scholarship provided through the Dan Germiquet Fund. By financing international students to obtain their diplomas from the National School of Geology, the Fund also provides a valuable springboard for long and fruitful careers. Engineers who graduate from the school are highly employable scientific experts who often move to leading positions in the mining sector. The intellectual skills acquired at the school, including handling complex data and uncertainty, also equip students for a range of other careers in industry, management, and research. In December 2022, the Group signed a five-year agreement as a founding member of the newly created *Geol Nancy Foundation*. This new Foundation will host Imerys’ long-term commitment to the Dan Germiquet Fund.

Since 2020, Imerys has participated in the *Chaire Industrie Minérale et Territoires*, which supports an interdisciplinary approach to scientific research related to mining and geology with four leading French universities. The main objective is to develop a new methodological corpus integrating human and social sciences with the fundamental scientific and technical disciplines inherent in the extractive sector.

In 2022, Imerys signed a new academic-industrial partnership with Beijing University of Chemical Technology (BUCT) – Paris Curie Engineer School that opens the doors to international careers for young talent with valuable local insight and skills. The French-made internship program has been designed to match European equivalents, in line with European Union standards, allowing local students to gain international experience before deciding to take their skills abroad. Interns will also be offered French classes and will be able to work in French half-time as their language skills progress.

(1) Alliance pour l’Éducation – United Way is a non-profit organization whose mission is to co-build programs through which private, public and solidarity actors commit to collectively address education, health, economic stability issues across France.

3.4 GROWING WITH OUR CUSTOMERS

3.4.1 BUSINESS CONDUCT

Imerys' Commitment

Ensure exemplary Business Conduct by maintaining the highest standard of business ethics and compliance, respecting and implementing fair operating practices, ensuring responsible purchasing.

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2025
Ethic and compliance  	Improve the external sustainability rating of the Group compared to 2022 assessment	69	> 64	+7%
Responsible Purchasing  	Deploy a sustainability rating scheme of Group suppliers (by spend)	53%	50%	75%

Ethical business conduct is the foundation upon which Imerys' business is built. At its core, Imerys is Unlocking Better Futures together with stakeholders through ethical behavior and fair operating practices and by ensuring it collaborates with responsible value chain partners. This solid foundation is also a guarantee and a source of confidence for Group employees, customers and society at large, as exemplary conduct is proof of reliability and long-term sustainability. In addition to all the other SDGs referred to in this chapter, Imerys' commitment to responsible business conduct contributes to SDG 16 to promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

Imerys is committed to sound corporate governance as a means to ensure the Group continually improves its functioning and management, in an atmosphere of transparency, duly respecting the expectations of investors and other stakeholders. Regular dialogue between the Chief Executive Officer, the Executive Committee and the Board of Directors plays a decisive role in defining and implementing the Group's strategy, including with regards to the Group's sustainability ambition. Imerys follows the recommendations of the *AFEP-MEDEF Corporate Governance Code* applicable to French-listed companies.

√ For more information regarding Corporate Governance, see chapter 4 of the Universal Registration Document.

3.4.1.1 ETHICS AND COMPLIANCE

Imerys is committed to exemplary business conduct, ensuring ethical behavior and fair operating practices throughout all Group activities. In the spirit of continuous improvement, Imerys assesses its sustainability policies, actions and results annually through a comprehensive EcoVadis⁽¹⁾ sustainability assessment, sharing these results openly with internal and external stakeholders. Imerys has been assessed annually by EcoVadis since 2014. **The mid-term target for the Group was to improve its sustainability rating based on the EcoVadis assessment (relative to 2019).** At the end of 2022, the Group's EcoVadis assessment results corresponded to 69 out

of 100, placing Imerys in the 93rd percentile of all companies assessed and thereby meeting the mid-term improvement target set for 2022.

The Group has a dedicated Ethics Committee, chaired by the Group General Counsel and composed of Executive Committee members and functional Senior Managers of the Group. The Ethics Committee sets out ethics-related priorities, monitors the achievement of the related objectives, ensures the adequacy, effective dissemination of and training on ethics-related codes, policies and procedures and ensures the adequacy of the systems in place for confirming compliance. The Ethics Committee is likewise responsible for monitoring ethics-related misconduct, reported either via the alert system or other channels. The Ethics Committee meets regularly throughout the year, reviews the updated bribery and Duty of Care risk maps every two years or every year if there is an event triggering a yearly update, reviews the Vigilance Plan every year and provides a report to the Board Audit Committee at least annually.

Imerys Code of Business Conduct and Ethics (the Code) summarizes the principles of ethical behavior the Group expects from all of its employees, suppliers, and other partners. The umbrella principles set forth in the Code are supported by a series of policies and protocols applying to both the general conduct of Imerys and the individual conduct of each employee. The subjects covered by the Code include compliance with laws and regulations, protection of environment and human rights, relations with local communities and trade unions, safety & health, diversity, equity and inclusion, confidentiality, prevention of fraud, prevention of corruption, prevention of insider trading and conflicts of interest, protection of the Group's assets, fair competition, transparency, and integrity.

The Code is a "living document", regularly reviewed and updated, under the supervision of the Ethics Committee, in order to take into account internal and external changes and developments in applicable international regulations. This Code, introduced by the Group CEO, and translated into 23 languages, applies to all Imerys employees, Imerys controlled joint ventures, and partners with whom Imerys does business.

(1) EcoVadis is a recognized leader used across industries to assess sustainability performance based on 4 pillars: environment, labor and human rights, ethics and sustainable procurement.

The Group works continuously to strengthen its programs related to ethics and compliance. The purpose of these programs is to identify risks, implement preventive measures and detect non-compliance with local and international rules and regulations related to the fight against corruption and anti-competitive behaviors, the respect of international sanctions and embargoes, and the protection of personal data, human rights, health, safety and environment in Group operations around the world as well as within the Group value chain.

The Group compliance programs are supported by numerous policies and procedures linked with the Code of Business Conduct and Ethics, including but not limited to, the Group Antibribery, Antitrust, Personal Data Protection, Gifts and Hospitality, Conflict of Interest, Duty of Care, Donations, and Stakeholder Management and Community Relations policies and procedures. All the aforementioned policies and procedures as well as other policies and procedures clearly outline the process, reporting and necessary levels of control to ensure compliance with the policies and procedures.

The Group tax policy is fully in line with the best international standards with respect to anti-tax avoidance and tax evasion practices. The Group operates in countries chosen solely for industrial or commercial purposes and does not enter into artificial arrangements for tax planning purposes. It is committed to full compliance with its tax obligations, paying the right amount of tax in the right country at the right time.

Imerys fully supports the principle of open and accountable management of mineral resources. To this effect, and in accordance with the provisions of article L. 225-102-3 of the French Code of Commerce, Imerys reports on payments greater than or equal to €100,000 made in favor of governmental authorities by Group entities conducting activities in exploration, prospecting, discovery, development or extraction of minerals. This report is filed with the French Register of Commerce and available on the website of the Company as per the conditions prescribed by the Law.

√ For more information on the Group Code of Business Conduct and Ethics and Imerys Supplier ESG Standards, see www.imerys.com.

√ For more information on the Audit Committee, see chapter 4 of the Universal Registration Document.

√ For more information regarding Imerys Report on payments to governments in 2022, see www.imerys.com.

3.4.1.2 RESPONSIBLE PURCHASING

Imerys believes that high standards in all environmental, social and governance areas are essential for all of its business operations across the globe. The Group expects its Suppliers to adhere to the same principles as elaborated within the Group Code.

In 2018, Imerys launched its Supplier Environmental, Social and Governance Standards ("Supplier ESG Standards"). These Supplier ESG Standards, based on the Group Code and Sustainability Charter and aligned with Imerys' SustainAgility ambition, have been translated into 23 languages. The Supplier ESG Standards, which must be acknowledged and complied

with, are applicable to all Suppliers and form an important part of the Group Purchasing policy. Based on The Code, Group requirements for all suppliers are clearly defined within the Supplier ESG Standards. The Group Purchasing policy clearly defines the roles and responsibilities, requirements, reporting and necessary approvals of the purchasing processes.

In 2019 the Group began the roll-out of a comprehensive responsible purchasing program. A key element of this iterative program was based on the assessment of supplier sustainability performance based on a comprehensive review of human rights, labor, ethics, environmental and supply-change management practices. **The mid-term target for the Group was to deploy a sustainability rating scheme covering at least 50% of Group Suppliers (by spend) by the end of 2022.** At the end of 2022, the Group supplier sustainability rating scheme based on EcoVadis covered 53% of Group suppliers (by spend), thus surpassing the mid-term target set for 2022.

3.4.1.3 VIGILANCE PLAN

In accordance with article L. 225-102-4 of the French Commercial Code, the Vigilance Plan (the "Vigilance Plan") aims to set out the reasonable measures of vigilance put in place within the Group to identify risks of and prevent severe impacts on human rights, fundamental freedoms, human health and safety and the environment resulting from the activities of the Group as well as those of Group subsidiaries as defined in point II of article L. 233-16 of the French Commercial Code, as well as the activities of subcontractors and suppliers, in France and abroad with which Imerys has an established commercial relationship, where such activities are linked to this relationship (hereafter collectively referred to as Suppliers). This Vigilance Plan summarizes the key elements of the Group's "Duty of Care" program.

The Group has established a Duty of Care Protocol setting out Imerys' approach to protecting human rights, fundamental freedoms, human health and safety and the environment and the structure and functioning of its Duty of Care program. It provides guidance to Imerys' employees regarding their Duty of Care responsibilities and identifies how Duty of Care is to be managed within the Group.

GOVERNANCE

Every Imerys Associate has a key role to play in preventing and detecting human rights, health and safety and environmental risks related to Imerys' operations and its Suppliers in his/her daily work. In addition, a clear allocation of responsibilities has been established to design, implement and monitor an adequate and effective Duty of Care program.

- **Audit Committee:** every year, the Audit Committee reviews the performance and effectiveness of the Duty of Care program through the Ethics Committee's report.
- **Executive Committee:** the Executive Committee has established the Ethics Committee to assist the Executive Committee in ensuring the Group's operations are conducted ethically, in particular in accordance with Duty of Care regulations. It is regularly informed of the performance and effectiveness of the Duty of Care program by the Chair of the Ethics Committee.

- **Ethics Committee:** the Ethics Committee is accountable for the design and monitoring of the Duty of Care program. This includes ensuring that the Duty of Care protocol and related documents are adequate, monitoring the Duty of Care risk mapping, validating the Vigilance Plan, monitoring training plans and other awareness-raising measures, ensuring that sufficient human and financial resources are available to efficiently implement the program, assessing the performance and effectiveness of the program, and identifying new ideas to improve this program. The Ethics Committee provides an annual report to the Audit Committee of the Board of Directors.
- **Antitrust & Compliance General Counsel:** the Antitrust & Compliance General Counsel reports to the Group General Counsel & Company Secretary. S/He is responsible for the Duty of Care program. This includes defining and rolling out the Duty of Care protocol and related procedures, defining and implementing the Duty of Care objectives which are part of the Ethics & Compliance road map, monitoring training and communication plans, providing the Ethics Committee with indicators to assess the performance and effectiveness of the program. S/he is supported by the Group Chief Sustainability Officer, the Group Chief Human Resources Officer, the Group Health and Safety Vice President and the Group Sustainable Purchasing Director in the designing and monitoring of the duty of care program.

DUTY OF CARE RISK MAPPING PROCESS

The Group operates in different geographies across the world, with its largest operational footprint in Europe (approximately 47%) and North America (approximately 32%). Risk mapping is essential to monitor risks related to human rights, health and safety and the environment. The Group has established a specific risk mapping process to identify, assess and prioritize, human rights, health, safety and environmental risks within its operations and those of its subsidiaries as well as those of its Suppliers in different geographical areas, herein referred to as the "Duty of Care risk mapping process". The results of the Duty of Care risk mapping process are integrated as appropriate with the Group overall risk mapping as presented in *chapter 2, section 2.2.3 of the Universal Registration Document*.

A series of dedicated interviews with key representatives of both businesses and support functions were conducted starting in 2017 to design the initial version of the duty of care risk frameworks, including potential risk scenarios. These interviews were complemented by additional consultations with external agencies and non-governmental organizations to collect feedback on the framework and process. The consolidated risk framework was presented to the Executive Committee and validated, and on this basis a first list of potential human rights, health, safety and environmental risk scenarios was developed.

The initial Group Duty of Care risk mapping for two first pilot geographic areas were conducted in 2018. These workshops brought together experts representing diverse functions, including but not limited to legal, operations, sales, purchasing, logistics, human resources, sustainability, and finance within the geographic area being assessed. These first workshops confirmed the validity of the Duty of Care risk mapping framework in addition to generating the assessment's results. The second phase of geographic mapping was conducted in 2018 through questionnaires and interviews with business leaders from each of the remaining geographic areas where the Group operates. Between 2019 and 2020 additional risk mapping workshops were conducted to continue to reinforce the level of assessment done in the geographic areas initially covered by the expert reviews, thereby completing the full cycle of risk mapping for the five geographic areas (Europe, North America, Asia-Pacific, South America, and Middle East & Africa). In 2021 the risk mapping was updated for South America.

The purpose of these workshops are to assess the effectiveness of current mitigation measures of each risk scenario for the Group operations and to identify the highest Supplier-related risks per purchasing categories (criticality). The risk mapping workshops systematically include a review and eventual update of the risk scenarios to ensure that the list is comprehensive.

As of 2021 when the last risk mapping was updated, Duty of Care risk register, covering the human rights, health, safety and environmental risks includes 15 potential risk scenarios.

The potential human rights risk scenarios covered: forced labor/human trafficking/modern day slavery, child labor, freedom of association and the right to collective bargaining, diversity/discrimination/equal opportunity, living and working conditions, management of security forces as well as various health, safety and environmental risks. These risks are considered across a range of potentially impacted parties, including the Imerys employees, third-party employees, local communities, as well as specific populations such women, children, indigenous people, and migrant workers.

In order to prioritize actions with regards to Imerys' Suppliers, the criticality risk of each human rights, health, safety and environmental scenario was ranked by taking into account a "composite country index" based on the EcoVadis Country risk score⁽¹⁾, which combines a range of indices including but not limited to the *Corruption Perceptions Index*⁽²⁾, *Human Freedom Index*⁽³⁾ and *Environmental Performance Index*⁽⁴⁾. These country risks are then scored using the economic weight of purchased goods and services to assess the final risk impact and exposure.

(1) The EcoVadis Country risk score is a composite Index that covers risks across four themes: environment, health & social, human rights and governance.

(2) The Corruption Perceptions Index is published annually by Transparency International and ranks 180 countries and territories by their perceived levels of public sector corruption according to experts and business people, uses a scale of 0 to 100, where 0 is highly corrupt and 100 is very clean.

(3) The Human Freedom Index is published by the Fraser Institute in conjunction with the Economic Freedom Network, a group of independent research and educational institutes in 90 nations and territories worldwide. It presents human freedom based on a broad measure that encompasses personal, civil, and economic freedom.

(4) The Environmental Performance Index is produced jointly by Yale University and Columbia University in collaboration with the World Economic Forum and ranks 180 countries on 24 performance indicators across ten issue categories covering environmental health and ecosystem vitality.

The risk map updates are reviewed and approved by the Ethics Committee. The Duty of Care risk map is updated every two years, with an optional update every other year in case of the occurrence of a triggering event⁽¹⁾. The next risk map update is planned to be conducted in 2023.

√ For more information on the Group risk management process, see chapter 2 of the Universal Registration Document.

√ For more information on the evaluation of climate-related risks related to Group operations, see section 3.6.2 of the present chapter.

ASSESSMENT AND MAIN CONTROLS

The Group assesses its operations and the situation of its Suppliers taking into account, *inter alia*, the Duty of Care risk maps developed through the risk management process.

Imerys operations and Group subsidiaries assessments and main controls

The Group assesses human rights, health and safety and the environmental risks within Group operations, including identification, analysis and ranking processes. To mitigate and prevent these risks, Imerys implements high standards and strict rules relating to human rights, health and safety and the environment (amongst other themes) in all Group operations across the globe. These standards and rules are expressed in the Imerys Code of Business Conduct and Ethics and Sustainability Charter, completed by policies, protocols and procedures. This framework defines clear requirements for all Group operations. Implementation of Group policies, protocols and procedures are the responsibility of all business and support functions. The effectiveness of these control measures is regularly assessed as part of the Duty of Care risk mapping process (part 1 of the risk mapping). In addition, the Group assesses its sustainability policies, actions and results annually through a comprehensive independent Ecovadis sustainability assessment, sharing the results with internal and external stakeholders.

Details on the management of occupational Safety & Health risks are presented in *section 3.3.1.1 and 3.3.1.2 of this present chapter*, management of human rights risks are presented in *section 3.3.2 of this present chapter* and management of environmental risks are presented in *section 3.5.1 and 3.5.2 of this present chapter*.

Imerys Suppliers assessments

Based on the Duty of Care risk mapping process covering human rights, health, safety and environmental scenarios associated with Supplier categories, and the country risk index, the Group has identified potential salient human rights, health, safety and environmental risks within its value chain. At Group level, four salient risks identified include:

- potential impacts on Supplier workers exposed to occupational health or safety risks;
- potential impacts on Supplier workers related to labor practices, including wages, working time, general work conditions;
- potential increases in air or land pollution due to Supplier operations; and
- potential impacts on Supplier workers due to discriminatory practices.

Following the assessment of each purchasing category, for all the human rights, health, safety and environmental scenarios assessed, the “most-at-risk” Supplier category is considered related to the supply of talc, bauxite and mica within the Raw Material Supplier category.

At the individual Supplier level, the Group regularly assesses its Suppliers at the onboarding stage and throughout the business relationship, focusing on most-at-risk and strategic Suppliers.

The individual Supplier assessment process comprises:

1. the assessment of Suppliers at the onboarding stage. This process is defined in the Group Purchasing policy. It includes a Suppliers’ Compliance Due Diligence procedure to decide whether or not to enter or renew a business relationship with a Supplier. The procedure takes into account the result of the Duty of Care risk mapping and Supplier’s sustainability rating (e.g. EcoVadis score). This procedure has been applied to the existing most-at-risk Suppliers above a certain spend;
2. the assessment of our Supplier panel above a certain spend through a sustainability rating scheme (e.g. Ecovadis). The Group Sustainable Purchasing Director is in charge of designing and monitoring the deployment of this process.

At the end of 2022, 53% of Group Suppliers by spend have been assessed. These assessments cover over 968 Suppliers and represent all categories of Suppliers, including over 61% of raw material Suppliers by spend.

(1) A triggering event is considered a significant horizontal integration (leading to new country or business), a significant vertical integration (leading to new business and or new purchase category), or a significant incident highlighting the existence of a new scenario and/or important change in the criticality of potential impact assessment.

Imerys Suppliers risk prevention and mitigation measures

The Group implements prevention and mitigation measures, in particular:

- suppliers are required to acknowledge and comply with the Group Imerys Supplier ESG Standards and the Supplier EHS Policy;
- in case of doubt on compliance with Imerys Supplier ESG Standards, Imerys may verify the alignment of Suppliers with the Supplier ESG Standards through the use of self-declaration, self-assessments, or assessments by Imerys teams;
- while Imerys is fully committed to support Suppliers' development and continuous improvement, Suppliers must be able to demonstrate that they can meet the minimum criteria and where any gaps are identified, through formal or informal assessments or audits, Suppliers must be willing to develop a Corrective Action Plan within an agreed timeframe;
- the Group focuses in particular audits of Suppliers ranked as "most-at-risk" based on the Group risk mapping and assessment process described above. In specific cases the Group may conduct additional due diligence or specialized external third-party audits prior to or after contract award.

Within the most-at-risk category of raw material Suppliers, the purchasing organization has launched an audit program with both internal and external auditors. Internal auditors have been trained and completed SA8000 Social Accountability⁽¹⁾ Auditing training. External third party audits are conducted by certified auditors against SA8000 Standard. In 2022, nine audits were performed, representing 33% of targeted most-at-risk Suppliers.

In 2022, the Group likewise launched a dedicated campaign to ensure compliance with the United States Uyghur Forced Labor Prevention Act (UFLPA).

ALERT MECHANISM

Enabling stakeholders, internal and external, to safely voice concerns and having the infrastructure and support in place to hear and deal with those concerns is a cornerstone of good governance and is the core of Imerys' Code. The Group's "Speak up!" system enables reporting *via* internal channels, albeit *via* the employee's manager, HR, or other functions, or directly *via* a dedicated digital platform at www.speak-up.imerys.com. The Group digital alert system, operated by an independent qualified third party and open to all employees and external parties, enables the reporting of any suspected violations of the Group Code. Reports can be made either by telephone or *via* the Speak up! platform. Both telephone and web platform reporting are available in all main Imerys languages 24 hours per day, seven days per week. This platform safeguards confidentiality throughout the entire process.

Based on the facts presented in all preliminary reports, the Group assigns an investigative team of trained, in-house professionals in the relevant fields to conduct the investigation. The investigative team collects and reviews documents, conducts interviews, and performs any other tasks necessary to come to a conclusion about the allegations in the report. Imerys encourages its employees and stakeholders to share any information believed to represent a threat to the ethical conduct of its business. Communication and awareness raising campaigns are conducted to ensure information on Speak up! is well known and the information is visible externally on the Group website. Accordingly, Imerys and its employees shall take no action in retaliation against any person for making a good faith report or participating in an investigation under the alert system policy.

The Ethics Committee is responsible for the alert system and establishes a periodic assessment of all reported cases in its Annual Report that is presented to the Audit Committee.

MONITORING AND EVALUATION OF THE EFFECTIVENESS OF CONTROL MEASURES

In 2022, 38 cases of suspected violations of the Group Code were reported through Speak up! Ten of these cases were reported by external stakeholders. The reported cases were thoroughly reviewed and investigated as per the Group policy. Following investigation, six of the reported cases were confirmed to be cases of violations of the Group Code. The confirmed violations related to suspicions of moral harassment (3), safety (1), and two cases of non-compliance with internal policies (2). Once the reported cases are confirmed, appropriate remedial actions are defined, implemented and are monitored by the Internal Audit and Control department.

Another means of measuring the effectiveness of control measures takes place during the Duty of Care risk mapping workshops where participants review the mitigation effectiveness of existing control measures for each of the human rights, health, safety and environmental risk scenarios. The consolidated review of internal mitigation effectiveness assessed the level of current control as "adequate" for nearly all scenarios and in some cases as "requires minor improvements". For scenarios where minor improvements are required, specific actions have been identified and are monitored by the Ethics Committee as well as by the functional teams responsible for each action.

The verification of compliance with the Group Code and other Group policies and protocols is conducted through different internal assessment processes at both local and Group level. Such processes are led by different functions within the Group organization, including but not limited to Legal, Sustainability, Health and Safety, Mining and Resources Planning and Internal Control as described in *chapter 2, section 2.2 of the Universal Registration Document*.

√ *For more information with regards to the requirements of the "Duty of Care" law, see the correlation table included in chapter 9, section 9.5.5.2 of the Universal Registration Document.*

(1) *The SA8000 Standard is an auditable certification standard that measures the performance of companies in eight areas of social accountability in the workplace: child labour, forced labour, health and safety, free association and collective bargaining, discrimination, disciplinary practices, working hours and compensation. <https://sa-intl.org/programs/sa8000/>.*

3.4.2 SUSTAINABLE SOLUTIONS

Imerys' Commitment

Innovate and grow the Group portfolio by assessing the sustainability of products, processes and services in order to contribute solutions for society

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2025
 	Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria ⁽¹⁾	55%	40%	75%
	Ensure the Group New Product Developments are scored as SustainAgility Solutions ⁽²⁾	75%	50%	75%

(1) The Group portfolio is assessed using the SustainAgility Solutions Assessment methodology, which is based on the World Business Council for Sustainable Development's Portfolio Sustainability Assessment framework.

(2) Based on the SustainAgility Solutions Assessment framework a "SustainAgility Solution" is a product in an application that has scored within the two highest categories of the four possible categories.

Imerys is committed to providing high-quality products to its customers, and indirectly, to end-users through sound, responsible and sustainable product management. By identifying and understanding the implications and opportunities linked to the global market trends presented in *chapter 1, section 1.1.1.2 of the Universal Registration Document*, the Group is able to maximize the positive impacts linked to its business and satisfy current and future market and customers' needs. The Group's commitment to sustainable portfolio management and sustainable processes is a means to contribute to SDG 12 to ensure sustainable consumption and production patterns and to SDG 13 to take urgent action to combat climate change and its impacts.

3.4.2.1 PRODUCT SUSTAINABILITY

The overarching goal of Imerys' portfolio management is to identify and minimize the health, safety, environmental, and social impacts of all of Group products throughout their lifecycle, while maximizing their economic benefits and positive impacts to customers and their end consumers.

PRODUCT STEWARDSHIP

Imerys is committed to the safety of its products in their intended applications and to meeting the regulatory requirements of the markets in which the Group operates, which is achieved through the Group product stewardship organization and program. Overall product stewardship governance is the responsibility of the Product Stewardship Governance Committee. The committee, which meets on a quarterly basis, is chaired by Imerys' CEO and is composed of members of the Executive Committee as well as the Global Product Stewardship VP and functional leaders. Imerys' Product Stewardship program is delivered through a dedicated product stewardship organization.

The Group employs state-of-the-art analytical methods, equipment, and testing to ensure that product regulatory assessments and associated decisions are driven first and foremost by sound science. The Group continually evaluates testing protocols and invests in innovation in health, safety, and sustainability across product ranges, locations, and production processes to ensure

continuous improvement. These measures enable the Group to produce high-quality products, meet customers' expectations and operate in a stringent, dynamic regulatory environment.

For certain minerals, the Group applies the Mine to Market Mineral Management (M4) program, both for owned and external deposits. Owned deposits are those the Group operates itself. Those deposits are thoroughly vetted for geological properties and employ careful mine planning. The Group may also source from a select number of high-quality external deposits. During the vetting stage, thorough preliminary testing is conducted to ensure the site meets the M4 program standards. Thorough ongoing testing is then conducted before any material from these sites is accepted and materials that do not meet quality standards at any point are rejected.

ASSESSING PRODUCT PORTFOLIO AGAINST SUSTAINABILITY CRITERIA

Going beyond compliance, Imerys is committed to developing materials and expertise to deliver relevant and innovative market-driven solutions to support the growth of the Group while at the same time delivering sustainable solutions to society. The capacity to quantify the environmental and social impacts and steer the Group's product portfolio to ensure long-term product sustainability is a key theme within the Group SustainAgility program. Imerys launched its SustainAgility Solutions Assessment framework, which has been designed in line with the World Business Council for Sustainable Development (WBCSD)⁽¹⁾ guidelines for Portfolio Sustainability Assessments (PSA)⁽²⁾, so as to objectively measure the sustainability of Imerys products and identify their environmental and social impacts. The SustainAgility Solutions Assessment (SSA) framework provides a systematic, high quality, scientifically robust and transparent approach to review products and services based on several criteria, ultimately scored on two factors: **Sustainable Value Creation** – the balance between the economic value created and the environmental impact and **Market Alignment** – the level of sustainability-related benefits or challenges (based on an evaluation of public data and thorough review from key stakeholders).

(1) The WBCSD is a global, CEO-led organization of over 200 leading businesses working together to accelerate the transition to a sustainable world by making more sustainable businesses more successful.

(2) Portfolio Sustainability Assessments (PSA) is a methodological framework to proactively steer product portfolios towards improved sustainability outcomes https://docs.wbcsd.org/2017/10/Framework4Port_Sustainability.pdf.

3 Sustainability

Growing with our customers

Within the SustainAgility Solutions Assessment framework, the Sustainable Value Creation is based on the quantification of the products' environmental footprints or eco-profiles from "cradle-to-gate", using a Life Cycle Assessment (LCA) methodology following the requirements of ISO 14040 & ISO 14044⁽¹⁾ as well as recognized tools, software and LCA public databases. Imerys manages its own product database, which is continuously updated to include the most recent industrial or innovation data. Including the new assessments done in 2022, 189 product eco-profiles have been completed since 2018, covering the full range of Imerys mineral and product families, including Kaolin, Refractory minerals, Talc, Perlite, Diatomaceous Earth, Mica, Carbonate, Wollastonite, Bentonite, Calcium aluminates, Graphite and Carbon Black. In 2022, Imerys also joined ScoreLCA⁽²⁾ to participate in the future development of Life Cycle Assessment practice thanks to a collaboration between industrial, institutional and scientific actors.

SustainAgility Solution Assessments and Product Life Cycle Assessment are overseen by the Group Climate and Portfolio Sustainability VP and managed by a dedicated team both at corporate level and in the different Business Areas with direct links to all other functions (marketing, operations, product stewardship, Sciences & Technology, etc.). Having a dedicated SSA team makes it possible to develop a high level of competencies needed for in depth analysis of results, for systematic assessment of new products and for data sharing with customers.

The mid-term target was to assess Imerys Products in Application Combinations (PACs) against sustainability criteria, covering at least 40% of Imerys product portfolio (by revenue), and to ensure at least 50% of Group New Product Developments were scored as "SustainAgility Solutions" by the end of 2022. As of the end of 2022, 55% of the Group portfolio by revenue was assessed, which represents more than 350 Product in Application Combinations (PACs). Within the innovation portfolio, 75% of the launched projects (in 2022) have been rated as SustainAgility Solutions, in the top 2 categories ranked A+ and A. As such both of the mid-term targets for 2022 were achieved.

PORTFOLIO MAPPING

For both the Sustainable Value Creation and the Market Alignment assessments, each Product in Application Combination (PAC) is given a rating, ranging from A+, indicating a PAC that demonstrates an extremely positive result or strong sustainability-related benefits, to C, indicating a PAC that requires improvement or presents sustainability-related risks. The ratings of both the Sustainable Value Creation and the Market Alignment assessments are combined and used to determine the final scoring within the four categories below:

		SustainAgility Solutions
Pioneer (A+)	The highest rating, for products and services with an outstanding sustainability performance compared to the reference on the market	Products ranked in both A and A+ categories (PIONEER and ENABLER) are considered as SustainAgility Solutions
Enabler (A)	A sustainable product or service aligned with sustainability market trends	
Transitioner (B)	A product or service that is neutral from a sustainability perspective, and creates value in the market it serves	
Learner (C)	A product or service with an existing or potential sustainability challenge in one or both factors, and that requires improvement	

Based on the results of the deployment of the SSA methodology, Imerys is able to objectively categorize a portion of its portfolio based on sustainability criteria. The main findings of the 2022 mapping, based on 55% of the Group portfolio by revenue, show that 86% of the PACs that have been assessed are rated as SustainAgility Solutions, meaning that a large portion of the Group's portfolio deliver measurable sustainability benefits to society. As this is a partial assessment of the Group's portfolio, the revenue breakdown will evolve over time as additional PACs are assessed.

Revenue Breakdown by SSA Matrix Categories	Turnover 2022 (€M)
SustainAgility Solutions – Pioneer	265
SustainAgility Solutions – Enabler	1,768
Transitioner	127
Learner	210
Not yet evaluated	1,912

(1) ISO 14040: 2006 describes the principles and framework for life cycle assessment and ISO 14044: 2006 specifies requirements and provides guidelines for life cycle assessment.

(2) SCORELCA is a French association that aims to promote a positive, shared and recognised evolution of global environmental quantification methods at the European and international level, in particular of life cycle assessment (LCA). <https://scorelca.org>.

METHODOLOGY UPDATE

Based on the first phase for the implementation of the SSA methodology, the shadow costs used for the impact valuation of Climate Change and Water Use have been updated in 2022 respectively from €80 to €100 per metric ton CO₂ eq. and from €1/m³ to €3/m³ of water to reflect latest updates in the literature and the greater importance of these indicators.

The new shadow cost for climate change has been determined based on the future CO₂ prices estimated by the International Energy Agency (IEA) in its World Energy Outlook published in 2021, following different scenarios. The value of €100 per metric ton CO₂ eq has been selected to be aligned with Imerys' commitments on Climate Change, *i.e.* following the 1.5°C trajectory. Shadow cost used in this process of Portfolio Sustainability Assessment is based on a medium term approach (5-10 years horizon), and thus the calculation methodology differs from the one for carbon price (set at €80/tCO₂eq) used for decisions of investment (CAPEX approval process).

New water stress shadow cost has been calculated thanks to the Total Economic Value (TEV) methodology using the global average water stress index calculated by the United Nations' Food and Agriculture Organisation (FAO) adapted to Imerys' sites localisation.

√ *For more information on the Imerys SustainAgility Solutions Assessment framework and methodology, see www.imerys.com.*

SUSTAINAGILITY SOLUTIONS: PIONEER CERTIFICATE

The Group aims to help drive sustainable innovation in the specialty minerals industry, pushing the boundaries of Group products to meet customers' needs while at the same time offering sustainable solutions that meet global environmental and social challenges. The **Pioneer certificate**, introduced in 2021, facilitates the identification of sustainable solutions for Imerys customers and stakeholders. It aims to provide

quantitative and qualitative information about the environmental and social footprint of solutions with outstanding sustainability performance, helping customers to straightforwardly consider such criteria in their purchasing decisions.

Whether it's supporting carbon-free mobile energy or sustainable construction, developing alternative packaging or more sustainable food production, or designing longer-lasting solutions to reduce materials consumption across a range of industries, the Group is continually advancing its product portfolio and assessing it against sustainability criteria to adapt to changing customer needs. Within the context of the 2022 SD Challenge, the focus on this ambition continued to increase. A total of 17 new initiatives were submitted across the Group covering a wide range of markets and final applications including bioplastics, board packaging, paint, agriculture, cosmetics, water filtration, refractories and animal feed. As an example, the winner of the product sustainability category is the recent innovative Sewper® Liner Solution for Wastewater Infrastructure, a dry, ready-to-use, high-performance mortar that serves as a protective coating against H₂S biogenic corrosion for newly-casted concrete wastewater infrastructure assets, such as wastewater treatment plant lift station, channels and reservoirs exposed to H₂S liberated from incoming wastewater. Imerys carried out an in-depth year-long comparison with the most commonly used alternative, BPA epoxy resin, and found many clear environmental advantages to using mineral solutions to protect mineral assets. The LCA study concluded that, as a result of superior durability and a reduction in waste generated, Sewper® Liner scored better on all impact categories, including greenhouse gas (GHG) emissions, primary energy consumption, air acidification and water consumption. It also shows reduced human and environmental exposure to harmful and/or toxic substances, as BPA is an endocrine disruptor and contains VOC.

√ *For more information on the Group strategy and growth drivers, see chapter 1, section 1.2.2 of the Universal Registration Document.*

3.4.3 EU SUSTAINABLE FINANCE TAXONOMY

3.4.3.1 REPORTING SCOPE

Turnover, capital expenditure (CapEx) and operating expenditure (OpEx) considered for this reporting cover the full array of Imerys's activities and correspond to the scope of consolidation of its financial statements.

3.4.3.2 ELIGIBILITY OF IMERYS ACTIVITIES

The analysis of the eligibility of Imerys activities was carried out with regard to the European Regulation 2020/852 of June 18, 2020 on the establishment of a framework to facilitate sustainable investment within the European Union ("the Taxonomy Regulation"), and the Delegated Act Climate of the Taxonomy Regulation ("the Disclosures Delegated Act"). As per the Disclosures Delegated Act, two activities of the Group are currently eligible: the Manufacture of carbon black and the Manufacture of cement clinker, cement or alternative binder.

Both of the aforementioned eligible activities are considered to significantly contribute to the environmental objective related to climate change mitigation. The Group considers that these two eligible activities do not contribute substantially to the climate change adaptation objective and therefore the Group has focused exclusively on reporting towards the climate change mitigation objective. The climate change adaptation objective has nevertheless been assessed together with the other "Do No Significant Harm" (DNSH) criteria.

As per Article 10 (2) of Regulation (EU) 2020/852, these activities are classified as transitional activities, in so far as they are activities for which there are no technologically and economically feasible low-carbon alternatives, but that support the transition to a climate-neutral economy in a manner that is consistent with a pathway to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.

MANUFACTURE OF CARBON BLACK⁽¹⁾

Classified under NACE code C20.13, the manufacture of carbon black is an essential component in the value chain to transition to electric vehicles for the mobile energy market. Transitioning to electric vehicles is a key priority in the fight against climate change. Imerys is the leading supplier of highly conductive carbon-based solutions for lithium-ion batteries used in electric vehicles. These value-added solutions contribute to the transition from fossil fuel based energy to sustainable energy, by providing crucial materials which boost energy density and shorten charging times of lithium-ion batteries.

MANUFACTURE OF CEMENT (CEMENT CLINKER, CEMENT OR ALTERNATIVE BINDER)⁽²⁾

Classified under NACE code C23.51, the manufacture of those products are part of Refractories, Abrasives and Construction business activity. They support the transition to sustainable construction by providing building chemicals solutions. Building chemicals are experiencing strong growth today, as they reduce the carbon footprint of cement and concrete. An essential point when the building sector alone represents 40% of CO₂ emissions. Imerys produces calcium aluminates for the building industry, wherein these additives improve the productivity of concrete, in particular by accelerating their hardening. Imerys also manufactures calcium aluminate based mortar to protect sewer systems against biogenic corrosion, offering an extended service life, and as a consequence lowering consumption of raw material, reduced labor and less trucking needs reducing the utility owners greenhouse gas emissions, as well as reduced asset down time increasing productivity and lowering the risk for untreated water to be released into the environment.

3.4.3.3 NON ELIGIBLE ACTIVITIES – IMERYS MINING AND TRANSFORMATION ACTIVITIES

The Taxonomy Regulation defines eligible activities as those that have the greatest impact on climate change and thus offer the greatest potential for reducing greenhouse gas emissions. Currently these include, in particular, the production and sale of energy, means of transport and transportation services, and real estate development and renovation.

Imerys main activities, *i.e.* Mining and quarrying, are not within the current scope of eligible activities addressed by the Disclosures Delegated Act.

Consequently, given the restricted list of eligible activities defined at this stage, Imerys' climate-related initiatives are not fully reflected in the key performance indicators presented herein.

However, the June 2019 Taxonomy Technical Report recognised the contribution that the sector must play in meeting the objective of a climate-neutral Europe by 2050 and recommended analysis of the sector's role in the delivery of raw materials in a sustainable and responsible way. These activities are therefore within the prioritized sectors covered within work of the European Commission's Platform on Sustainable Finance as they are enabling other activities to make a substantial contribution to one or more of the six objectives.

As a matter of fact, mineral exploration can provide a significant contribution to the achievement of the European Green Deal. It is considered that mineral exploration, when conducted according to international best practices, can play a significant role in the future sustainability of the continent when measured against the four criteria specified in the Taxonomy Regulation:

- to reach the goals of the Paris Agreement requires a quadrupling of mineral raw material requirements for clean energy technologies by 2040;
- responsibly conducted mineral exploration of the resource potential has a direct impact on climate adaptation by reducing dependence on trans-global supply chains;
- recycling may relieve some of the pressure on primary supply. Nevertheless, given increasing demand for mineral raw materials recycling will not eliminate the need for continued development of new resources;
- discovery of resources and development of new mining operations within a well-regulated resource jurisdiction, including Europe will, by example, have a global impact on promulgating best practice and the adoption of best available technologies.

Technical Screening Criteria (TSC) for mining and quarrying activities do not yet exist for the environmental objectives to which these activities contribute. As such, the Group's mining-related economic activity are not reflected within the financial figure presented above. These figures are likely to evolve as a function of the evolution of the eligibility scope.

√ *For additional details on the sustainable solutions within Imerys' portfolio, see section 3.4.2.1 of the present chapter.*

3.4.3.4 FINANCIAL INDICATORS AND METHODOLOGY

In accordance with Article 8 of the Taxonomy Regulation (EU) 2020/852, Imerys' disclosure covers the taxonomy eligibility of the activities described in section 3.4.3.2. For the quantification of eligible activities as well as alignment the revenue, capital expenditure (CapEx) and operating expenditure (OpEx) resulting from products or services associated with eligible economic activities have been determined as per the definitions of Annex I of the Delegated Act supplementing Article 8 of the Taxonomy Regulation.

(1) Section 3.11 of the annex 1 of the Commission Delegated Regulation (EU) 2021/2139.

(2) Section 3.7 of the annex 1 of the Commission Delegated Regulation (EU) 2021/2139.

The Group has presented its activities related to climate change mitigation. The Group activities have not been reported as substantially contributing to climate change adaptation and Technical Screening Criteria do not exist for the other four environmental objectives for Imerys' eligible activities, thus there is no risk of double counting of the Revenue, CapEx or OpEx indicators reported below. Likewise, Imerys' two eligible economic activities are separate business activities as indicated above in section 3.4.3.2, and as such there is no risk of double counting of the reported taxonomy KPI.

- **Revenue:** Revenue recognized in accordance with IFRS standard (IAS 1).
- **CapEx:** CapEx constituting expenses related to eligible activities calculated based on the increases in tangible and intangible assets for the year before revaluation, Depreciation and Amortization and excluding changes in fair value and increases related to business combinations (IAS 16, IAS 38, IAS 40, IAS 41, IFRS 16).
- **OpEx:** Non-capitalized direct costs related to research and development, building renovation measures, short-term leases, maintenance and repair and any other direct expenditures related to the day-to-day servicing of items of property, plant and equipment that are necessary to ensure the continued and effective functioning of such assets.

Revenue, capital expenditure and operating expenditure presented in the tables below have been retrieved directly from financial statements, without estimations. Revenue and capital expenditures are reported as per section 6.1 of the Consolidated financial statements. The capital expenditure reported is related to assets or processes that are associated with Taxonomy-eligible economic activities, and to some capex plan that will enable some eligible activity to be aligned within 5 years. No individual capital expenditure other than those associated with the Taxonomy-eligible economic activity reported above have been identified as of December 31, 2022.

Market practice on the application and interpretation of certain terms under the Taxonomy Regulation and its Disclosure Delegated Acts has not yet settled as the legislation is new. It may be that, as market practice develops and the Taxonomy is developed further, Imerys' disclosures may evolve over time. Efforts to ensure a comparable reporting are assured through explanations of KPIs (Key Performance Indicators) variances presented below the results.

3.4.3.5 ELIGIBILITY KEY PERFORMANCE INDICATORS

In 2022, Imerys eligible activities represent 14% of Revenue, 21% of CapEx and 11% of OpEx, as shown in the summarized table below:

(€M and %)	2022						2021 restated*					
	Revenue		Capex		Opex		Revenue		Capex		Opex	
Taxonomy Non Eligible activity	3,664	86%	341	79%	215	89%	3,141	86%	316	84%	197	92%
Taxonomy Eligible activity	617	14%	90	21%	28	11%	524	14%	60	16%	17	8%
Total all activities*	4,282		431		242		3,665		376		214	

* Results for FY 2021 and FY 2022 have been restated to reflect the results from continuing operations excluding the High Temperature Solutions Business Area (HTS) whose contemplated disposal was announced on July 28, 2022.

Revenue, CapEx and OpEx of eligible activities increased in 2022 compared to 2021. The significant increase in eligible revenue is due in particular to the increase in carbon black sales, supported by the growth in the mobile energy market. Likewise, the increase in CapEx is mainly due to the increase of investment in carbon black production capacity to meet the increasing demand for its specialty conductive additives, in particular for lithium-ion batteries.

3.4.3.6 ALIGNMENT OF ELIGIBLE ACTIVITIES

The assessment of compliance has been done with the criteria set out in Article 3 of Regulation (EU) 2020/852 and the Technical Screening Criteria, included in the Disclosure Delegated Act related to the mitigation climate change objective.

The following tables show the results of eligibility and alignment of Imerys' activities with the Taxonomy Regulation. Their formats correspond to those of the templates for Key Performance Indicators for non-financial companies in Annex II of the Commission Delegated Regulation (EU) 2021/2178 of July 6, 2021.

REVENUE

Economic Activities	NACE Code/ Taxonomy code	Absolute Turnover €M	Proportion Turnover %	Substantial Contribution criteria		DNSH Criteria (Do No Significant Harm)							Taxonomy Aligned proportion Turnover Year N %	Taxonomy Aligned proportion Turnover Year N-1 %	Category Enabling Activity/Transitional Activity (E/T)
				Climate change mitigation %	Climate change adaptation %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and Marine Resources Y/N	Circular Economy Y/N	Pollution prevention Y/N	Biodiversity and Ecosystems Y/N	Minimum Safeguards Y/N			
A. Eligible Activities															
A.1 Eligible Taxonomy Aligned															
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	498.2	11.6%	100.0%	0.0%		Y	Y	Y	Y	Y	Y	11.6%		T
Turnover of eligible Taxonomy-aligned Activities (A.1)		498.2	11.6%										11.6%		
A.2 Eligible Not Taxonomy-aligned activities															
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	6.9	0.2%										0.0%		
<i>Manufacture of carbon black</i>	3.11/C20.13	112.0	2.6%										0.0%		
Turnover of eligible not Taxonomy-aligned activities (A.2)		118.9	2.8%										0.0%		
Total Eligible activities (A.1+A.2)		617.2	14.4%										11.6%		
B. Non-Eligible Activities															
Turnover of non-eligible activities (B)		3,664.4	85.6%												
Total (A+B)		4,281.6	100.0%												

CAPEX

Economic Activities	NACE Code/ Taxonomy code	Absolute Capex €M	Proportion of Capex %	Substantial Contribution criteria		DNSH Criteria (Do No Significant Harm)							Taxonomy Aligned proportion of capex Year N %	Taxonomy Aligned proportion of capex Year N-1 %	Category Enabling Activity/Transitional Activity (E/T) E/T	
				Climate change mitigation %	Climate change adaptation %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and Marine Resources Y/N	Circular Economy Y/N	Pollution prevention Y/N	Biodiversity and Ecosystems Y/N	Minimum Safeguards Y/N				
A. Eligible Activities																
A.1 Eligible Taxonomy Aligned																
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	35.2	8.2%	100.0%	0.0%		Y	Y	Y	Y	Y	Y	8.2%			T
<i>Manufacture of carbon black</i>	3.11/C20.13	1.2	0.3%	100.0%	0%		Y	Y	Y	Y	Y	Y	0.3%			T
Capex of eligible Taxonomy-aligned Activities (A.1)		36.4	8.4%										8.4%			
A.2 Eligible Not Taxonomy-aligned activities																
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	0.6	0.1%										0.0%			
<i>Manufacture of carbon black</i>	3.11/C20.13	53.4	12.4%										0.0%			
Capex of eligible not Taxonomy-aligned activities (A.2)		54.0	12.5%										0.0%			
Total Eligible activities (A.1+A.2)		90.4	21.0%										8.4%			
B. Non-Eligible Activities																
Capex of non-eligible activities (B)		340.9	79.0%													
Total (A+B)		431.3	100.0%													

OPEX

Economic Activities	NACE Code/ Taxonomy code	Absolute Opex €M	Proportion of Opex %	Substantial Contribution criteria				DNSH Criteria (Do No Significant Harm)					Minimum Safeguards Y/N	Taxonomy Aligned proportion of capex Year N %	Taxonomy Aligned proportion of capex Year N-1 %	Category Enabling Activity/Transitional Activity (E/T)
				Climate change mitigation %	Climate change adaptation %	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and Marine Resources Y/N	Circular Economy Y/N	Pollution prevention Y/N	Biodiversity and Ecosystems Y/N					
A. Eligible Activities																
A.1 Eligible Taxonomy Aligned																
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	24.0	9.9%	100.0%	0.0%		Y	Y	NA	Y	Y	Y	9.9%			T
Opex of eligible Taxonomy-aligned Activities (A.1)		24.0	9.9%										9.9%			
A.2 Eligible Not Taxonomy-aligned activities																
<i>Manufacture of cement clinker, cement or alternative binder</i>	3.7/C23.51	0.2	0.1%										0.0%			
<i>Manufacture of carbon black</i>	3.11/C20.13	3.4	1.4%										0.0%			
Opex of eligible not Taxonomy-aligned activities (A.2)		3.6	1.5%										0.0%			
Total Eligible activities (A.1+A.2)		27.6	11.4%										9.9%			
B. Non-Eligible Activities																
Opex of non-eligible activities (B)		214.6	88.6%													
Total (A+B)		242.2	100.0%													

The tables above show that a majority of Imerys eligible activities are aligned with the EU Taxonomy Requirements.

- In 2022, 14.4% of Imerys activities are eligible under the EU Taxonomy.
- 11.6% of Imerys activities are aligned according to the Technical Screening Criteria applicable to their respective economic activities.

SUBSTANTIAL CONTRIBUTION CRITERIA

- Nearly all Imerys **cement clinker activities** (corresponding to 99% of cement clinker revenue) are contributing substantially to climate change mitigation.
 - Only one production site is marginally above the threshold of 0.7222 tCO₂e per tonne of product; the Group is launching feasibility studies to improve the energy efficiency of this site in order to comply with EU GHG emission criteria in the future.
- Imerys **carbon black activities** are eligible but not aligned with the European Taxonomy on the climate change mitigation criteria.
 - The Technical Screening Criteria is based on the EU ETS product benchmark for the manufacture of “furnace carbon black” used for the tyres industry.
 - Imerys’ high value added “conductive carbon black” has different properties to furnace carbon black and is not generated through the same process.
 - However, in line with its efforts to continuously reduce greenhouse gas emissions, Imerys is pursuing an energy recovery project planned to be completed by 2025, which will reduce emissions to meet the criteria.
 - Imerys began the energy recovery project in 2022. Consequently, while no revenue associated with the carbon black activity is aligned, the CapEx related to the energy recovery project (€1,2 million, out of the €54.6 million invested in 2022 for carbon black activities) is considered part of a “CapEx plan” to allow Taxonomy-eligible economic activities to become Taxonomy-aligned within a period of five years. Therefore, this portion of the CapEx has been isolated and reported as “aligned”.

DO NO SIGNIFICANT HARM CRITERIA

With regard to the “Do No Significant Harm” (DNSH) criteria set out in Article 3 of Regulation (EU) 2020/852 for the applicable environmental objectives, Imerys has verified and validated that all its eligible activities comply with the DNSH criteria, local and internal requirements on the following environmental objectives:

- Climate change adaptation;
- Sustainable use and protection of water and marine resources;
- Pollution prevention and control;
- Protection and restoration of biodiversity and ecosystems.

The DNSH criteria related to the “Transition to a circular economy” objective is not applicable to the manufacture of carbon black or the manufacture of cement clinker, cement or alternative binder as per the Disclosure Delegated Act.

MINIMUM SAFEGUARDS

With regard to the criteria “Minimum Safeguards”, as set out in its Code of Business Conduct and Ethics, Imerys is committed to respect internationally recognized human rights and standards, in particular the International Bill of Human Rights, the Guidelines of the Organisation for Economic Co-operation and Development (OECD), the provisions of the fundamental conventions of the International Labor Organization (ILO), the U.N. Guiding Principles on Business and Human Rights and to comply with local legislation in force in the countries where it operates.

The Group sustainability program and reporting approach is based on these frameworks. Through the “Duty of Care” program Imerys has validated the alignment of its eligible activities to the Minimum Safeguards.

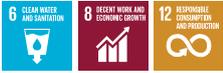
√ *For more information on the Group Vigilance Plan and Duty of Care program, see section 2.4.1.3 of the present chapter.*

3.5 CARING FOR OUR PLANET

3.5.1 ENVIRONMENTAL STEWARDSHIP

Imerys' Commitment

Act as responsible environmental stewards by assessing environmental risks and continually improving control measures to reduce adverse environmental impacts, maximizing the efficient use of natural resources and conserving and creating biodiversity value

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2025
Environmental Management	Reduce environmental impacts through the deployment of a continuous improvement program and conduct 100% of environmental audits using the environmental maturity matrix	100%	100%	-
	Reduce environmental impacts by assessing the maturity level of sites against environmental management requirements ⁽¹⁾	NEW	-	100%
Natural resource efficiency	Improve water management by ensuring major sites ⁽²⁾ comply with new water reporting requirements	NEW	-	100%
	Improve mineral resources efficiency by ensuring priority sites ⁽³⁾ (by mineral waste volume) comply with new mineral wastes reporting requirements by the end of 2025	NEW	-	80%
Biodiversity & land rehab.	Achieve all objectives defined within Group Act4nature commitment and renew engagement for an additional midterm cycle by the end of 2021	100%	100%* * 2021	-
	Ensure that 100% of Group sites with quarries or mines will have defined a Biodiversity Action Plan in line with the requirements of the Group biodiversity protocol.	93%	100%	-
	Reduce impact on biodiversity by filling our Act4nature commitments and conducting biodiversity audits on 20 priority sites ⁽³⁾	NEW	-	20

(1) Environmental Management requirement as defined by Imerys protocols and measured by the environmental maturity matrix, which is based on leading international environmental standards

(2) Major sites refer to withdrawal > 1 Mm³ or located in water stress zones.

(3) Priority sites for mineral waste are defined by volume. Priority sites for biodiversity audits have been defined as sites with a quarry that extract more than 1 million tons per year, or are located within a radius of 5 km in an area classified as IUCN⁽¹⁾ category I, II or III, or are located in a biodiversity hotspot within a radius of 5 km in an area classified IUCN category IV.

Imerys is committed to respect regulations, to minimize negative environmental impacts associated with its operations and to ensure an environmental conservation approach. For this purpose, Imerys ensures it has identified and assessed the environmental risks related to its activities and implemented measures and controls to prevent and limit negative impacts. The efficient use of resources such as minerals and water is therefore at the core of the Group's concern. In parallel, aware of the importance of maintaining functional ecosystems where it operates, Imerys places a special focus on biodiversity preservation. By efficiently exploiting the resources at its disposal and creating positive biodiversity value in the long term, Imerys is committed to SDG 6 to ensure availability and sustainable management of water, to SDG 12 to ensure sustainable consumption and production patterns and SDG 15 to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

3.5.1.1 ENVIRONMENTAL MANAGEMENT

Imerys' Environmental Charter, signed by the Group CEO and reviewed regularly, forms the basis of the approach taken to the monitoring and continuous improvement with regards to the environment. Environmental stewardship rests upon the implementation of a robust Environmental Management System (EMS), which is a key factor to improve operating efficiency while reducing environmental impacts. Imerys requires each operation to have an effective EMS enabling it to identify and establish controls for significant environmental risks. The mandatory EMS requirements for all activities are covered by Group-wide environmental protocols, which include eight pillars aligned to the core elements of international standards for environmental management systems: policy, aspects and impacts, legislative and regulatory requirements, objectives and targets, roles and responsibilities, training, emergency response, and auditing. The environmental protocols specify the internal requirements applicable to all operations. They define the responsibilities of site-level and senior managers and Environment, Health and Safety (EHS) personnel in managing and controlling potential exposures and risks in order to prevent adverse environmental impacts and to reduce the environmental footprint of operations.

(1) International Union for Conservation of Nature (IUCN) is an environmental organization that focuses on conserving nature and accelerating the transition to sustainable development. They classified protected areas into six different management categories (I to VI). The definition of the management categories are available in the IUCN guidelines hereunder. <https://portals.iucn.org/>.

To continue to strengthen environmental management across the Group, a maturity matrix covering the critical elements of sound environmental management is used. This maturity matrix which, as with the other continuous improvement matrices deployed across the Group, is used to assess site level environmental performance and guide the development of action plans. To confirm compliance and conformity with regulations and Group protocols, Imerys operations are audited at regular intervals as per the Group auditing protocol.

The mid-term environmental management target was for the Group to deploy the continuous improvement program and ensure that environmental audits were based on the defined maturity matrix. The Group began the roll-out of the environmental maturity matrix and while the number of Environmental Management System audits conducted in 2021 was impacted by Covid-19 restrictions, as of 2022 100% of the environmental audits that were completed were based on the environmental maturity matrix, thereby achieving the mid-term target set for 2022.

In addition to implementation of mandatory EMS requirements, which are fully aligned with international standards, the Group encourages ISO 14001 and Eco-Management and Audit Scheme (EMAS) certifications. As of the end of 2022, 98 of 204 (48%) of Group operations are ISO 14001 or EMAS certified by external certification organizations.

Imerys tracks and analyzes environmental performance on a quarterly and annual basis at all levels of the Group.

Since 2018, the Group has been progressively deploying a new integrated solution to manage environmental legal compliance and regulatory monitoring. This solution supports the development of updated environmental legal registers, with regular alerts, register updates and regulatory assistance by environmental legal specialists for each country. To date approximately 79% of Group sites, including France, China, Greece, Netherlands, Thailand, US and Brazil sites are covered by dedicated tools for monitoring regulatory compliance. In addition to the new solution developed at Group level, sites across Imerys use various other tools to support regulatory monitoring locally.

ENVIRONMENTAL INCIDENTS

The Group's ultimate aim is to have zero incidents, but when they do occur, each incident is thoroughly investigated as an opportunity to learn and prevent recurrence. The Group has a structured internal environmental incident reporting process. The Group incident reporting process is integrated in a digital platform to support the continuous improvement approach by helping operational teams to gain additional knowledge and understanding of the typologies and causes of the environmental incidents when they do take place and facilitate greater sharing of improvement actions across the Group.

The Group's environmental incident reporting includes detailed information and investigation of the environmental incidents, including its classification related to any release of dust, air emissions, noise, vibration, water, waste, harm to biodiversity, ground and soil or any other type of environmental incidents identified through any internal control, external inspection, or complaint from surrounding communities.

ENVIRONMENTAL INCIDENTS

	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Number of environmental incidents (Level 3, 4 and 5) ⁽²⁾	14	1	9

(1) 2021 None of the environmental incidents were related to the discontinued activities. However, two incidents that occurred in December 2021 were reported late in January 2022. The number of incidents in 2021 has been updated accordingly.

(2) Environmental incidents severity is determined by evaluating, financial, regulatory and reputational consequences from Level 1 (minor impacts) to Level 5 (catastrophic impacts).

In 2022, fourteen environmental incidents were reported within the Group with Level 3, 4 or 5 environmental impacts based on the Group incident reporting protocol, which consists of five reporting levels.

All the environmental incidents reported in 2022 were categorized as Level 3 (limited short-term harm to the environment, or non-conformity with a company or administrative standard) according to the Group reporting protocol. The incidents occurred in Switzerland, France, Brazil, Belgium, the United States and the United Kingdom, and were due to temporary exceedance of SO_x limits as a results of a problem with the gas treatment system, subcontractor removal of topsoil prior to authorized planning, accidental discharge of water water effluents, and dust in the air due to a talc spillage out of silo, a small oil leak from near a fuel storage area. Incident investigations were conducted and all corrective actions were identified as per the Groupe protocol.

Incident investigations were conducted and all corrective actions were completed and incident reports closed as per the Group protocol.

✓ For detailed information on environmental incident reporting, see Sustainability Reporting Principles 2022.

WASTEWATER MANAGEMENT

Wastewater discharge is managed and reviewed in the site-specific EMS in compliance with the corresponding regulatory limits. Any release of water that has a potential to create a nuisance is required to be reported into the Group environmental incident reporting platform described above. Each wastewater discharge incident is investigated as per Group protocol, and corrective action plans are followed until closure.

WASTEWATER DISCHARGE INCIDENTS

	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Number of environmental incidents related to wastewater discharge	9	0	6

(1) 2021 None of the wastewater discharge incidents were related to the discontinued activities. However, two incidents that occurred in December 2021 were reported late in January 2022. The number of incidents in 2021 has been updated accordingly.

Nine wastewater and/or storm water discharge incidents occurred in 2022, all categorized as Level 3. They are associated with the environmental incidents described above: temporary exceedance of suspended solid discharge thresholds, which were the result of strong rain and runoff events in particular and accidental discharge of effluents.

The Group continues to explore solutions to improve discharged water quality through the introduction of new technology and through improved monitoring on water discharge quality.

WASTE MANAGEMENT

Imerys processes minerals using methods that are primarily mechanical and physical. As such the Group's activities generate relatively small quantities of domestic and industrial wastes. The Group is nevertheless committed to reduce waste generation through prevention, reduction, recycling and reuse as a means to contribute further to SDG 12 on sustainable consumption and production patterns.

Mineral waste, such as overburden and internal mining waste (tailings, off-specification materials, etc.) are usually stored on or near production areas at the quarries. Overburden and unused minerals are also used in many cases as backfilling or re-profiling materials in post-mining restoration work. As such, this material is not classified as waste.

In addition, Imerys' commitment to sound mineral resources management, technological improvements and newly-developed applications makes it possible to transform low-grade materials or tailings into marketable resources. The Imerys ReMined™ products, for example, produced from calcitic white marble, are 100% certified as pre-consumer recycled materials and eligible for various green building credits in the United States (e.g., LEED® Program, National Green Building Standard, NSF/ANSI 140).

WASTE GENERATION AND RECYCLING

	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Total industrial waste (tons) of which:	122,182	20,891	152,900
Non-recycled hazardous industrial waste	1,878	545	3,315
Recycled hazardous industrial waste	1,380	118	1,818
Non-recycled non-hazardous industrial waste	80,876	16,252	90,505
Recycled non-hazardous industrial waste	38,049	3,976	57,262
Industrial waste generation/revenue (kg/€)	0.03	0.02	0.04

(1) 2021 Total Industrial waste related to the discontinued activities represented 13,273 tons.

The Group's activities generated 122 kt of industrial waste in 2022, 97% of which was non-hazardous. The decrease in waste generation compared to 2021 is primarily due to a decrease of the production. Secondly, the implementation of new reporting indicators allowed a better identification and separation of industrial wastes and mineral wastes generated due to plants and mines activity.

The industrial waste generation rate per Euro of revenue was 0.03 kg/€ in 2022. The intensity of waste generation has remained steady at a relatively low level for several years. The small amount of hazardous waste generated by most Imerys operations is principally chemical additives, residual oils and associated packaging waste.

The Group is committed to raise awareness on the importance of reducing food waste and organic waste, however, this impact is not material at Group level. The Group has approximately 2,033 employees in France at 30 operations. While most of these operations have dedicated areas where employees can

take breaks and eat their meals, the majority do not have canteens that provide prepared food. Some of the largest sites provide access to catered canteens, which are operated by third-party vendors. The waste generated from these third-party canteen facilities is not presently monitored. Likewise, the Group operations do not impact on animal welfare or responsible, equitable and sustainable food purchasing and as such these subjects are not reported on within *this Universal Registration Document*.

AIR EMISSIONS MANAGEMENT

Several of the Group's mineral conversion processes use calcination, which can emit nitrogen oxide (NO_x) and sulfur dioxide (SO₂). The Group emission estimation methodology is described within a dedicated energy, emissions & production reporting protocol.

√ For more information on Group Sustainability reporting methodologies, see section 3.8 of the present chapter.

GROUP SO_x AND NO_x EMISSIONS

(tons)	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Sulfur dioxide (SO _x)	2,566	253	3,243
Sulfur dioxide generation/revenue (tons/€M)	0.60	0.26	0.88
Nitrogen oxide (NO _x)	6,444	257	5,603
Nitrogen oxide generation/revenue (tons/€M)	1.51	0.26	1.53

(1) 2021 Total SO_x and NO_x related to the discontinued activities represented 110 and 115 tons respectively.

In 2022, due to minor adjustments on the calculation methodology implemented in the reporting tool, the 2021 total SO_x and NO_x emissions have been restated, which explains the slight difference with the total reported emissions in 2021.

The Group SO_x and NO_x emissions are mainly calculated from fuel consumption and are strongly linked to the changes of the fuel mix. At the end of 2022, the evolution of the fuel mix compared to 2021 led to an increase of NO_x and a decrease of SO_x. The Group continues its efforts to reduce both SO_x and NO_x emissions related to its operations through technological upgrades and investments.

3.5.1.2 NATURAL RESOURCES EFFICIENCY

The technological know-how of Imerys, as a world leader in industrial minerals, enables the Group to be in an excellent position to improve the yield of its mineral resources. At the same time, the strength of the Group's commercial network and strong innovation capacity maximize Group production value and capacity to optimize resource use efficiency across the globe, thereby contributing to SDG 12 to ensure sustainable consumption and production patterns. The Group is continuously improving the production processes by analyzing the environmental impacts associated with Group operations and exploring opportunities to contribute to a more circular economy.

MINERAL RESOURCES OPTIMIZATION

Establishing and maintaining effective management of mineral resources is the core of what Imerys does. Mineral resources management is defined through a series of mining and resources planning policies, procedures and protocols, which are reviewed regularly. Each mining operation is required to have a Life of Mine Plan (LOM Plan) and create a detailed Five-Year Mine Plan. This approach enables the operations to maximize the efficient use of mineral resources.

In 2019, the Group updated the maturity matrices used to audit mineral assets. These matrices now focus on "Mineral Resources" and "Mineral Reserves" and are used to audit sites on a three to five year-cycle. As with other matrices in the "I-Cube" program

are used to drive continuous improvement and the development of action plans. Mineral resources and mineral reserves reports are aligned with the PERC⁽¹⁾ Standard for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the 'PERC Reporting Standard') as described in *section 3.8.2 of the present chapter*. Imerys has aligned its internal standards to and is continuously improving its operations in line with the Global Industry Standard on Tailings Management⁽²⁾.

The Group aims to contributing to the Circular Economy by increasing 'Resource Recovery' as defined by the OECD⁽³⁾ definitions of circular economy business models. Imerys contributes to Resource Recovery by finding new destinations for mineral wastes in another industry to avoid them becoming a waste, by supplying secondary materials to other industries/customers and by valorising bi-products from mineral waste streams. Furthermore, the Group continues to identify opportunities across its markets where it is able to introduce reclaimed raw materials within existing product solutions in substitution of virgin raw materials, thereby contributing to a Circular Economy through a 'Circular Supply business model'.

Opportunities to optimize mineral resource consumption are identified continuously during the implementation process of the "I-Cube" program and through other ongoing initiatives, including the Group SD Challenge. The Group is constantly seeking to develop ways to create a more sustainable, circular value chain and still produce high-performance end-products for customers. An example of this approach is demonstrated by four sites in the United Kingdom, which have recovered an estimated of 1.2 ktpa by applying dust and clay recovery management techniques, or the Mica recovery beneficiation process created in Kings Mountain (US), which increased mica recovery from 66% in 2014 to 84% in 2020. Similar projects are being investigated and developed in other areas across the Group.

(1) Pan-European Reserves & Resources Reporting Committee (PERC) is the organization responsible for setting standards for public reporting of exploration results, mineral resources, and mineral reserves by companies listed on markets in Europe.

(2) The United Nations Environment Programme (UNEP), the Principles for Responsible Investment (PRI) and the International Council on Mining and Metals (ICMM) launched the Global Industry Standard on Tailings Management in the context of the Global Tailings Review.

(3) OECD: Business Models for the Circular Economy Opportunities and Challenges for Policy <https://www.oecd.org/environment/business-models-for-the-circular-economy-g2g9dd62-en.htm>.

The industrial minerals industry is working in partnership with downstream industries on processes to increase recyclability. In 2018, IMA-Europe published a report entitled “*Recycling Industrial Minerals*”, where they studied publicly available data on recycling of glass, plastic, concrete and paper and concluded that a total of 40% to 50% of all minerals consumed in Europe are recycled⁽¹⁾. While recycling rates of industrial minerals are relatively high, the Group is committed to continue to identify recycling opportunities and assess circular economy solutions, recognizing the global need to produce with less, for longer and smarter.

√ For more information on *Mineral Reserves and Resources*, see section 3.8.2 of the present chapter.

√ For more information on the “I-Cube” program, see chapter 1, section 1.1.1.1. of the *Universal Registration Document*.

GROUP WATER WITHDRAWAL

	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Total water withdrawals (<i>millions of cubic meters</i>)	68.13	0.64	56.97
Total operational water withdrawals (<i>millions of cubic meters</i>)	45.32	0.32	
Water withdrawn from water groundwater	40%	40%	45%
Water withdrawn from suppliers	8%	27%	7%
Water withdrawn from surface water	36%	33%	43%
Water withdrawn from other sources ⁽²⁾	16%	0%	5%
Water withdrawn/revenue (<i>liters/€</i>)	15.91	0.65	15.55

(1) 2021 Total Water withdrawals related to the discontinued activities represented 0.28 Millions of cubic meters.

(2) Water obtained from sources other than water suppliers, groundwater or surface water (i.e. collection of rainwater or water obtained from customers).

Imerys continues to improve water withdrawal reporting. In 2022 new definitions were introduced within the internal water reporting requirements. As a result Total water withdrawal changes between 2021 and 2022 are in part related to the change in definitions, which makes comparison with previous years difficult.

The top 10 water users in the Group account for approximately 53% of total annual operational water withdrawal. Site-specific water management plans have been established at these sites. The plans include a description of current water use, water balance analysis, water accounting, water risk assessment and pertinent action planning to manage high priority water issues.

In 2021 Imerys used the World Resources Institute (WRI) “Baseline Water Stress” indicator within the Water Risk Filter (WRF) to assess current exposure to water stress. The WRI’s “Baseline Water Stress” risk indicator measures the ratio of total annual water withdrawals to total available annual

WATER MANAGEMENT

The Group is committed to ensure effective water management and to minimize the impact of its operations on water resources quantity and quality.

Imerys aims to continuously improve water management and water reporting based on leading international standards. Water withdrawals consist of ‘operational water withdrawal’, which refers to water that enters the operational water system and ‘other managed water’, which refers to water that is actively managed without intent to supply the operational water demand. Other managed water is, for example, water that is pumped from pits to allow production works. This water is not impacted by Imerys operation and is progressively distinguished from operational withdrawal in the reporting. Operational water withdrawals may be from a range of sources including groundwater, surface water, water from suppliers and other sources.

renewable supply, accounting for upstream consumption. Based on the baseline assessment results, Imerys identified 65 sites with high or very high risk related to water stress. They are located on the West coast of America, in South Africa, India and around the Mediterranean basin. Among them, 11 have medium (> 100,000 m³) to high (> 1 Mm³) water (use or withdrawal). These sites have been defined as the priority for efforts to reduce water consumption.

Imerys also reports the amount of water recycled by its operations as recycling water reduces the amount of water being removed from natural habitats, thereby reducing the Group’s water withdrawal. The Group is working towards the identification of innovative ways to reduce its water withdrawal. As an example, Imerys launched an internal contest in 2022, which aims to collect the best practices regarding water recycling, water conservation and water management. More than 40 sites participated and as an example the winner, the Zhejiang site implemented a project that reduced their water withdrawal by 50% by implementing a recycling process.

(1) IMA Europe report on *Recycling Industrial Minerals* gathers publicly available data on the recycling rate of the main applications and products in which industrial minerals are used as primary raw materials.

GROUP WATER RECYCLING

	2022	2022 (discontinued activities)	2021 ⁽³⁾
Total water recycled ⁽¹⁾ (millions of cubic meters)	40.39	0.04	37.81
Number of sites reporting recycled water	54	7	60
Recycled water rate ⁽²⁾	0.47	0.11	0.40

(1) "Recycled water" as per the Group environmental reporting protocol is defined as used water or wastewater that is reintroduced back in the process or reused for another purpose.

(2) Recycled water rate: total recycled water/(total water withdrawal + total recycled water).

(3) 2021 Total Water recycled related to the discontinued activities represented 0.06 Millions of cubic meters.

3.5.1.3 BIODIVERSITY AND REHABILITATION

The question of impacts on the living world arises during the entire life cycle of a quarry, whether for the choice of the site, its operation, its rehabilitation or its post-rehabilitation land use. Imerys activities cause direct and indirect impacts on biodiversity. Imerys has a major responsibility to operate without net biodiversity loss. Aware of this responsibility, Imerys has been committed to preserving biodiversity for many years. Given the serious global threat to biodiversity, Imerys is committed to further structure and harmonize its approach in order to continue mobilizing the Group and its teams around this major issue. Imerys has designed and is implementing its biodiversity program to continue to contribute to SDG 15 to protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.

Rehabilitation is integrated into the Life of Mine (LOM) plan of each quarry operation at Imerys and is considered throughout the conduct of its activity until closure. Rehabilitation planning starts from the very initial phase of mine permitting as it is included in the environmental impact assessment of the projected site operations. As most countries define the regulatory framework for the preparation, submission, consultation and approval of environmental impact assessments for resource operational permits, in most cases rehabilitation plans are disclosed through a public consultation process prior to final approval.

Starting in 2017, the Group began performing a new assessment of the biodiversity issues associated with its operations, in collaboration with key stakeholders based on the EBEvie⁽¹⁾ approach, which resulted in a program designed to respond to the identified challenges. To support the development and implementation of the program, Imerys entered into a three-year scientific partnership (2018-2021) with the UAR Patrimoine Naturel⁽²⁾ ("PatriNat"), an umbrella organization bringing together the French National Museum of Natural History (MNHN), the French Agency for Biodiversity and the National Center for Scientific Research (CNRS). In addition, Imerys has committed to Act4nature International⁽³⁾ initiatives

that have been launched by "Entreprises pour l'Environnement" (EpE)⁽⁴⁾ and other partners with the aim of mobilizing businesses to protect biodiversity. **The mid-term target was for the Group to achieve all objectives defined within Group Act4nature commitment and renew engagement for an additional midterm cycle by the end of 2021.** At the end of 2020, as 93% of the objectives had already been achieved, Imerys enlarged the scope of its commitment by joining Act4nature International for a second phase (2020-2024). The Group completed 100% of the objectives defined in 2018 and likewise renewed the Group's scientific partnership with PatriNat for an additional three-year cycle (2021-2024). **Thus an additional one year target was set for 2022, to ensure that 100% of Group sites with quarries or mines had defined a Biodiversity Action Plan in line with the requirements of the Group biodiversity protocol.** Throughout 2022 and beyond, Imerys continued to work to fulfill its commitments under Act4nature International and as of the end of 2022, 65% of the 2024Act4nature International commitments have already been completed and 93% of Group sites have defined their Biodiversity Action Plans.

Within the context of Act4nature International, member partners have established ten common commitments to engage businesses to include biodiversity in their global development strategy. As a member of Act4nature international, Imerys renewed its signature related to the ten common goals and articulated its own program into specific commitments linked to the Act4nature International engagements. Imerys individual commitments have been built taking into account its own impact on biodiversity. These individual commitments are articulated around four pillars: scientific expertise & environmental strategy, actions against the causes of biodiversity loss, research and development and engagement with our stakeholders.

Progress in the development of the program has enabled Imerys to improve technical and scientific knowledge on biodiversity and roll-out actions to address the identified challenges toward each of the specific commitments made. Progress towards the 2021-2024 commitments made under Act4nature International are summarized below.

(1) EBEvie is a tool for assessing the interdependencies between companies and biodiversity developed by the French Ministry of Ecology, Sustainable Development and Energy.

(2) <http://www.patriinat.fr/fr/ums-patrimoine-naturel-346>.

(3) Act4nature is an initiative launched by EPE (Entreprises pour l'Environnement) and a number of partners with the aim of mobilizing companies to protect, promote and restore biodiversity.

(4) "Entreprises pour l'Environnement" (EpE), is a forum that gathers nearly 40 large French and international companies from all sectors of the economy to work together to better integrate the environment into both their strategies and their day-to-day management. <http://www.epe-asso.org/en/>.

CONTINUOUSLY IMPROVE IMERYS ENVIRONMENTAL STRATEGY AND SCIENTIFIC EXPERTISE

In line with the commitments established and in order to ensure the continued integration of biodiversity stakes within Group operations, the Sustainability Committee ensures formal oversight of Imerys' biodiversity performance, where progress is reviewed quarterly. In addition, a dedicated Steering Committee with PatriNat has been established to govern the activities undertaken within the scientific partnership. This Steering Committee with PatriNat gathers together bi-yearly to follow-up on the program's status and to define actions to reach Group targets.

The diversity of Imerys' activities and geographic location translate into very diverse ecological, regulatory and maturity contexts depending on the site. In close collaboration with PatriNat, key tools are being developed to evaluate, integrate and monitor the operational management of biodiversity in quarries and plants. In 2021, the Group began the roll-out of a new environmental protocol governing biodiversity management across Imerys sites. The protocol outlines the management system requirements for taking into account all the impacts of Group operations on natural habitats, fauna and flora, at all sites and in all stages of a plant and/or mine life cycle with the ultimate goal of no-net-loss of biodiversity.

Working together with PatriNat Imerys co-developed internal guidelines that outline the actions to be implemented to ensure the protection of biodiversity throughout the life of Group quarries. In addition to the protocol, and supporting guidelines, Imerys designed a maturity matrix that aims to support sites in the assessment of biodiversity performance, this matrix offers also opportunity for the sites to go beyond the standards requirements and to implement improvement actions

In order to better evaluate its impacts, Imerys, with the support of PatriNat, carried out an assessment of its "Corporate Biodiversity Footprint (CBF). The Biodiversity footprint has been assessed on all the company's value chain (Scope 1, 2 and 3). The results of this first Group level assessment indicate that the main impact of Imerys activities is on land occupation.

IMPLEMENT ACTIONS AGAINST THE MAJOR CAUSES OF BIODIVERSITY LOSS

The five causes of biodiversity loss are: habitat loss and degradation, species overexploitation, climate change, pollution, Invasive Alien Species (IAS). Imerys' commitment is to reduce the Group's impact on the main causes of biodiversity loss.

The baseline of reducing Group impacts on **habitat loss** is to be aware of risk sensitivity regarding sites location. The mapping of biodiversity stakes associated with Imerys operations is a fundamental starting point within the Group's biodiversity roadmap. Since 2019 Imerys has been collecting ecological data from its sites in France to assess the challenges and their ecological quality, as well as their potential to promote local

fauna and flora. Imerys has completed sensitivity mapping for all Group quarries across the world using the World Database of Protected Areas⁽¹⁾. In 2022, this mapping was updated and extended to cover all Group sites including plants.

In addition, PatriNat has developed a multi-criteria tool to evaluate the sensitivity of Imerys' French mining sites at a national scale. This tool named "CARPO" for "Cartographie des potentiels écologiques" has been deployed on french sites, and will support the development of a multi criteria tool for an international tool.

The implementation and experimentation of biodiversity indicators is key for Imerys. Indicators are needed to measure the state of biodiversity and to support biodiversity action plan deployment. Trials have been launched with: "IQE" (*Indicateur de qualité écologique*) and with "BIRS"(Biodiversity indicator and reporting system), it will be tested in other sites worldwide in 2023.

The Groups approach to preserving biodiversity is based on the Mitigation Hierarchy⁽²⁾, which is a stepwise analysis that aims to avoid a net loss of biodiversity, manage biodiversity impacts and avert risk (avoid or prevent, minimize, rehabilitate, offset). Multiple trainings have been organized in order to raise awareness of the employee with the mitigation hierarchy, more particularly with the mining and resource planning team.

Main impact of the Group is on habitat loss and degradation. In order to reduce this impact, Imerys implement progressive rehabilitation where it is possible. This action is integrated in the biodiversity protocol and a specific follow up is consolidated at Group level in order to manage effectively rehabilitation surfaces.

The Group continues to work to integrate prevention and control measures on **Invasive Alien Species** and privilege the use of native species for revegetation. Additionally, Imerys works on the reduction of **chemical inputs** towards a zero pesticides policy on its green areas. The management of IAS as well as efforts to reduce chemical inputs are integrated in the environmental management system protocols, guidelines and maturity matrix described above.

INITIATE AND CONDUCT STUDIES AND RESEARCH ON BIODIVERSITY AND ITS PRESERVATION

Contributions to scientific biodiversity research and development projects are key to addressing the global threats to biodiversity and Imerys is committed to supporting these efforts. Imerys defines an array of pilot sites in different biogeographical and regulatory backgrounds, in order to implement long term projects aiming to provide a solution to biodiversity issues. Imerys deployed pilot projects across sites in Brazil, Greece, and France. **Symbiosis** is an international project gathering scientific experts (*Institut de recherche pour le développement*, IRD, and local universities) and Imerys for the development of a Nature Based Solution allowing to improve soil property and revegetation in rehabilitation areas with the use of symbiotic microbes.

(1) World Database on Protected Areas (WDPA) is the most comprehensive global database on terrestrial and marine protected areas. It is a joint project between the United Nations Environment Programme (UNEP) and the International Union for Conservation of Nature (IUCN), managed by UNEP World Conservation Monitoring Centre (UNEP-WCMC).

(2) Mitigation hierarchy is a widely used scientific approach that aims to limit the negative impact on biodiversity based on a step methodology of avoiding, mitigating, rehabilitating and finally offsetting the impact.

PatriNat also deployed **ECOVAL** (“Évaluation de l'équivalence écologique”) in various pilot sites. This analysis tool aims to compare biodiversity losses on impacted sites and the biodiversity gains in offsets areas. This allows Imerys to assess the ecological equivalence and the effectiveness of the ecological operations.

A territorial mitigation strategy has been defined for a site in France with the support of PatriNat and is currently being implemented. This project aims to integrate the mitigation hierarchy at each level of the mine life cycle and at a territory scale working together with a network of stakeholders.

RAISE AWARENESS, TRAIN AND INVOLVE INTERNAL AND EXTERNAL STAKEHOLDERS

Imerys has implemented numerous activities with internal and external stakeholders to initiate greater awareness of biodiversity. The Group developed a pedagogical film on biodiversity for Group employees to share details on the program and raise awareness on biodiversity. An internal environmental community has been created and the Group organized educational sessions on biodiversity with employees which shall support the dissemination of good practices and biodiversity knowledge across the Group.

To support the objective to avoid a net loss, prevent and avoid negative impacts, Imerys continues to train staff on the application of the mitigation hierarchy in the preservation of biodiversity, including through a digital training course on biodiversity. The biodiversity course was mandatory for all Senior Managers as well as specific function and operational teams, and was also made openly available to all other employees. At the end of 2022, more than 600 employees had completed this training. The main objective of the module is the understanding of the impacts of Imerys' activities on biodiversity and gain insight into the strategy and actions implemented.

In 2021, an interactive workshop “Caring for our planet” focusing on biodiversity was conducted across all Group sites, offices and laboratories. The attendees participated in dedicated workshops that explained the causes of biodiversity loss and consisted of collaborative sessions where all employees worked to identify actions and solutions to reduce potential impacts. Imerys continues to participate in numerous external forums dedicated to biodiversity together with other industrial actors and associations, including in 2021, where Imerys participated in the International Union for Conservation of Nature (IUCN) World Conservation Congress.

PatriNat supports Imerys in the creation and conduct of training for Imerys employees and stakeholders. Conferences and workshops in 2022 focused on the dynamic management of biodiversity in active quarries and the conception of biodiversity action plans.

In parallel with the development of the Group biodiversity roadmap, sites across Imerys have continued to develop local initiatives aimed at supporting biodiversity and promoting innovative rehabilitation projects, both during and after mining activities. In 2022, the number of biodiversity initiatives in the SD Challenge competition continued to grow, with 37 entries, up from 27 in 2021.

Furthermore, as a result of the scientific studies undertaken in collaboration with partners on Imerys sites, 2,351 data entries on biodiversity were published in The National Inventory of Natural Heritage⁽¹⁾ and in the Global Biodiversity Information Facility (GBIF), thereby contributing to the dissemination of biodiversity data.

√ For more information on Imerys' 2021-2024 Act4nature International commitments, see www.imerys.com.

3.5.2 CLIMATE CHANGE

Imerys' Commitment

Reduce the impacts of climate change through the implementation of a long-term climate change strategy to support international commitments and global targets

Contribution to SDGs	Group Objective	Performance 2022	Target 2022	Target 2023	Target 2025	Target 2030
	Reduce Group scope 1 & 2 greenhouse gas emissions by 36% relative to revenue (tCO ₂ eq/€M) by 2030 compared to a 2018 baseline ⁽¹⁾	-31%	-	-	-23%	-36%
	Reduce Group scope 1 & 2 greenhouse gas emissions (tCO ₂ eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030	New	-	-	-	-42%
	Engage our suppliers (by spend) to have science based targets	49%	-	71%	-	-

(1) In line with the Group GHG Recalculation Policy, the change in perimeter due to 2022 discontinued activities did not trigger the recalculation of the 2018 base year.

Imerys recognizes that climate change is a global, systemic, and urgent challenge. In 2017, on the occasion of the international One Planet Summit, the Group became a signatory of the French Business Climate Pledge. Imerys remains fully committed members of The *French Business Climate Pledge*⁽²⁾.

Through this Pledge, Imerys publicly affirms its engagement to contribute to the collective efforts, drawing up a roadmap compatible with the international commitments formulated in the Paris Agreement and work towards SDG 13 to take urgent action to combat climate change and its impacts.

(1) The INPN is the reference information system for data related to Nature <https://inpn.mnhn.fr/accueil/donnees-referentiels>

(2) The French Business Climate Pledge is a public commitment made by French Companies to reduce greenhouse gas emissions.

The Group has been working to address climate change as a priority theme within the SustainAgility program since 2017. Cross-functional working groups have conducted comprehensive climate change benchmarks, assessed risks and opportunities, defined relevant KPI and targets and identified concrete levers for carbon reduction in the context of the long-term climate change strategy. The defined strategy covers every domain: organization, equipment, methods, technology, supplies, transportation, and renewable energies. The Group has defined Scope 1⁽¹⁾, 2⁽²⁾ and 3⁽³⁾ emissions reduction targets, which were all approved by the SBTi in 2019. The Group has recently updated and resubmitted its Scope 1 and 2 targets to be aligned with a more ambitious 1.5°C trajectory. SBTi validation is expected by mid-2023.

The Group has aligned its 2022 climate disclosure with the Recommendations of the TCFD⁽⁴⁾. For the past 14 years, Imerys has participated in the CDP⁽⁵⁾. The Group 2022 CDP performance score is ranked as Level B, which places the Group in the second highest band, corresponding to management of climate issues in a concrete and systematic way. Imerys' comprehensive climate reporting through the CDP is publicly available.

√ For more information on Imerys reporting alignment with the TCFD, see section 3.8 of the present chapter.

√ For more information on Imerys' climate specific reporting, see Imerys' 2022 CDP report.

3.5.2.1 GOVERNANCE

Within its mission to promote long-term value creation, the Board of Directors, with the support from its Committees and the ESG Referent Director dedicated to sustainability-related issues, provides specific oversight with regards to climate risks and opportunities. The Group's climate strategy is validated and reviewed by the Board of Directors and progress towards established targets is included within the regular Board ESG updates. The Audit Committee has an oversight of climate-related risks through the review of the Group risk mapping exercise.

The Board oversight is complemented by the inputs of the Chief Executive Officer, the Executive Committee and the Sustainability Committee, led by the Chief Sustainability Officer.

The latter's mission is notably to establish the level of the Group's commitment, initiate and review climate-related risk and opportunity assessments, steer the climate change strategy development and monitor progress on implementation. The Climate and Portfolio Sustainability VP, under the Chief Sustainability Officer's responsibility, leads the climate change working groups and supports the assessment and implementation of the climate targets, actions plans and results. Each member of the Executive Committee has oversight of the climate-related risks and opportunities under their responsibilities, including but not limited to the Chief Financial Officer, responsible for ensuring the integration of climate risks and opportunities within Group financial planning and monitoring, the Chief Industrial Officer, responsible for integrating climate-related considerations within operations and purchasing processes, and the Senior Vice Presidents, responsible for managing climate-related risks and opportunities within their Business Areas.

To support the Group's shared decarbonization ambition, the annual variable compensation of the Group Chief Executive Officer and the long-term compensation shares are linked to the Groups GHG emission reduction targets. In the same manner, the Group's Executive Committee, senior managers and many functional and operational managers have annual variable compensation linked GHG emission reduction KPIs.

√ For more information on the Executive Compensation, see chapter 4, section 4.3 of the Universal Registration Document.

3.5.2.2 STRATEGY

The principle climate-related risks and opportunities identified are associated with transitional risks linked to current or emerging regulatory requirements, increasing tax or carbon quotas, or costs of energy and raw materials in the market, and shifting customer preference, which may lead to the growth of existing products and services with lower emissions options and/or opportunities for new products and services. The Group is likewise exposed to physical risks due to climate change. The type and level of each risk determines the management method to mitigate, transfer, accept, adapt or control. These material risks and opportunities, their potential impacts as well as how they are taken into consideration within the business strategy and financial planning are described in the following sections.

(1) Scope 1: direct emissions from sources owned or controlled by the Group.

(2) Scope 2: indirect emissions from the consumption of purchased energy.

(3) Scope 3: all indirect emissions (not included in scope 2) that occur in the Group value chain, including both upstream and downstream emissions.

(4) The Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) Recommendations published in 2017 are a widely adopted and accepted reference for disclosing clear, comparable and consistent information about the risks and opportunities presented by climate change.

(5) The CDP is a global environmental impact non-profit organization, providing a platform for all companies and cities to report information on their climate impacts.

CLIMATE CHANGE OPPORTUNITIES

Primary climate-related opportunity driver	Impact of climate-related opportunities and resilience of Group strategy
Development and/or expansion of low emission goods and services	<p>An assessment of climate-related risks and opportunities of the Group's products and markets has been conducted covering more than 80% of Imerys revenue in order to identify and quantify the main risks and opportunities (increase of volumes, better sales point) in the perspective of a low-carbon economy.</p> <p>Based on the results of the study, the expansion of a low-carbon economy would have no or a very limited impact on many of the products manufactured by Imerys. Some products, which represent approximately 29% of consolidated revenue, serve markets that offer significant climate-related opportunities. Performance Minerals are relatively low carbon products as most of them require a limited energy processing before being delivered to the market. Their various physical properties enable them to compete with chemical-based products in many applications. Among the main markets addressed by Imerys, plastics for automotive and life sciences for agriculture present significant climate opportunities for Imerys products. The drive towards a more circular economy is also providing opportunities across markets for Imerys products that can favor recycling of applications. Imerys' graphite and carbon product offering is driven by the strong growth of the electric vehicle automotive market, mainly for Li-Ion batteries but also for thermoplastics that represent great climate opportunities, combined with other mobile energy opportunities in electricity and energy storage. The calcium aluminate cement products within the Group portfolio likewise contribute to improve the CO₂ performance of building materials during the 'use phase' in the construction market (doubling lifetime or requiring less material).</p> <p>The large diversity of the Group's markets and locations as well as its customer-centric and market-driven organization are considered strengths, decreasing the dependency on specific markets and allowing an easier adaptation to market evolutions.</p> <p>In addition, Imerys has launched its SustainAgility Solutions Assessment framework, which is embedded in all Group processes and has been designed in line with the World Business Council for Sustainable Development (WBCSD) guidelines for Portfolio Sustainability Assessments (PSA), so as to objectively measure the sustainability of Imerys current portfolio, identify their environmental and social impacts and help continue to steer the Group portfolio towards low-carbon solutions.</p>
Development of new products or services through R&D and innovation	<p>In addition to the opportunities for the development and expansion of existing low emission goods and services quantified above, the Group has identified opportunities linked to the innovation of new products beyond the current portfolio. These latter opportunities, while identified, have not yet been quantified.</p> <p>The Group has positioned innovation at the heart of its strategy and an effective way to address risks and opportunities for its operations and portfolio related to climate change. Imerys SustainAgility Solutions Assessment framework is embedded within the innovation process, thereby ensuring that all projects in the innovation pipeline are thoroughly reviewed against defined environmental criteria, including climate change prior to approval. The Group set and achieved its target of 50% of new product launches as "SustainAgility Solutions" by the end of 2022, meaning a product in a given application that brings high social and environmental contribution to the downstream value chain and, at the same time, demonstrates a low environmental impact in its production phase. Innovation in this context includes Imerys' investment in adequate technology, development of new products to meet market needs and investment in industrial facilities using new manufacturing processes or new product lines. The Science & Technology (S&T) experts and specialists of the Group develop innovative solutions and products based on identifying the global megatrends, customers' expectations and needs, including developing solutions that support the transition to a low-carbon economy.</p>
Use of more efficient production processes	<p>All initiatives linked to energy efficiency are gathered together within Operational Excellence, under the I-Nergize program, which aims to save energy and reduce carbon emissions on-site. A three-year roadmap of various actions has been defined after an assessment for each site (68 sites assessed by 2022, representing 79% of consolidated energy consumption). The program also includes a People Academy that helps develop the skills and competencies to support the assessment teams and standard reporting of results.</p> <p>The potential financial impact of more efficient production and distribution processes has been taken into account as a mitigation lever in the net financial impact of the climate-related transitional risks. These risks are linked to emerging regulations with carbon pricing mechanisms reported below.</p>

CLIMATE CHANGE RISKS

**Transitional risks
& primary
climate-related
risk driver****Impact of climate-related risks and resilience of Group strategy****Industrial risk
and emerging
regulations with
carbon pricing
mechanisms**

In 2021, Imerys estimated that the negative net financial impact of the climate-related transitional risks on its current EBITDA in 2030 (after accounting for industrial mitigation actions such as energy efficiency and use of lower-emission energy sources, but before positive impact of commercial and marketing initiatives and increased demand for products and services) is between €15 million (for the Stated Policies Scenario) and €83 million (for the Sustainable Development Scenario). This represents an estimated net financial impact range between 2% and 11% of the current EBITDA (2021) of the Group. It is important to note that this estimate does not take into account other mitigation levers such as proactive actions that the Group is already implementing and will accelerate for tackling climate change and adapting its commercial strategy, which are expected to offset this risk. This study is based on 2020 and 2021 data and will be updated in 2023 to reflect the new Group operating perimeter and most recent IEA scenarios.

To build resilience to climate change within the Group strategy, in 2019 Imerys defined its Scope 1 and 2 emission reduction target aligned with a 2°C trajectory, which were validated by the SBTi. Imerys has since updated and resubmitted its Scope 1 and 2 reduction targets to be aligned with a more ambitious 1.5°C trajectory. The Group has also launched a dedicated energy efficiency program "I-Nergize". Imerys carries out a centralized monitoring to evaluate its CO₂ position in the EU-ETS. All of the Group EU ETS concerned sites are integrated into I-Nergize. For the sites that generate process emissions, the Group is investigating carbon capture and storage technologies. A short-term milestone is a proven technology to reduce CO₂ emissions by working on a mineralization route that allows the formation of stable minerals; a long-term solution is to capture and use/store the carbon. Furthermore, the Group applies an internal carbon price (set at €80/tCO₂eq) for all energy-related projects and capital expenditure (CAPEX) projects impacting CO₂ emissions by ~1,000 tons (for projects over €150,000). Likewise, an evaluation of the CO₂ impact is integrated into all merger, acquisition and divestiture activities of the Group. Additional details on the Group's roadmap to achieve the targets set are provided within this chapter.

**Physical Risks
& primary
climate-related
risk driver****Impact of climate-related risks and resilience of Group strategy****Chronic physical
risk due to changes
in precipitation
patterns and
extreme variability
in weather patterns**

At the 2050 horizon under moderate (RCP 4.5 – 6) and high scenarios (RCP 8.5), the risk of water stress linked to the resource access will increase for 43 of the sites where actual risks of water stress have been mapped and 22 additional sites could have an increase of drought occurrence. Among the sites at risk of water stress, only eleven sites have medium (> 100,000 m³) to high (> 1 M m³) water withdrawal. The estimated impact of this risk is between 0 and €4 million.

To respond to this risk, for the sites located in water scarcity areas, Imerys has defined specific requirements including the establishment of a comprehensive Water Management Plan (WPA) with a description of current water use, water balance analysis, water accounting, water risk assessment and pertinent action planning to manage high priority water issues. Additionally, various Imerys' sites have implemented projects linked to water recycling or water efficiency within the context of the Group's continuous improvement program.

**Acute physical risk
due to increased
severity
and frequency
of extreme weather
events such as
cyclones and
floods****Flooding**

At the 2050 horizon under a moderate scenario (RCP 4.5 – 6) and a high scenario (RCP 8.5), the risk of flooding will increase for Group sites where a risk of flooding already exists. This increase, however, is only to a low to medium extent. The current risk of river flooding and/or sea level rise concerns 27 sites, with a total loss potential estimated at ~€120 million. The projected change in flood occurrence will significantly increase for one site located in China.

Cyclones

15 Imerys sites are exposed to a high risk of tropical cyclones. They are mostly located in Southeast Asia, and in the US. In 2050 under a high scenario (RCP 8.5) the sites at risk remain the same but the risk level increases for wind and flood hazards, which may increase the financial impact. The estimated impact of these risks is between 0 and €2 million.

Regarding the management of risks which can cause property damage and operating losses associated with extreme climatic events, a specific process has been put in place by the Industrial Risk and Insurance Departments with the support of an insurance company renowned for its expertise in loss prevention engineering. The process integrates a study of the vulnerability of industrial sites to extreme weather events and natural disasters. The Group's industrial sites are regularly inspected. The risk prevention program is supplemented by an interdisciplinary working group tasked with identifying and prioritizing key industrial risks and defining risk prevention plans. In addition, Imerys conducts a Business Continuity Planning (BCP) exercise focusing on its most important assets in terms of contribution to the Group gross margin. Three to five sites are selected annually to perform a BCP in order to carry out a Business Impact Analysis that identifies and evaluates potential effects of events on operations which includes the implementation of appropriate recovery plans.

√ For more information on Imerys' climate risk and scenario analysis, see Imerys' 2022 CDP report.

In 2021, Imerys reiterated its confidence in its decarbonization roadmap by linking its financing strategy to its sustainability ambitions. Imerys became the first industrial minerals and mining company to include Sustainability-Linked Bonds (SLBs) in its financing strategy through the issuance of an €300 million SLB. The Group published its sustainable finance strategy within its Sustainability-Linked Financing Framework. For its first Sustainability-Linked Bond, Imerys' used its SBTi approved target to reduce greenhouse gas (GHG) emissions by 36% relative to revenue (tCO₂/€M) by 2030 from a 2018 base year as a Specific Performance Target (SPT) and likewise set an intermediate SPT to reduce its greenhouse gas emission intensity by 22.9% by the end of 2025. The Group's sustainability program, as well as KPIs and action plans to achieve them, were thoroughly reviewed by an independent third-party auditor, Cicero Shades of Green, who issued a Second Party Opinion (SPO) confirming alignment with the International Capital Market Association (ICMA) Sustainability-Linked Bond Principles (SLBP).

Within the Group financial statements a number of estimates and judgments relating to the recognition and valuation of Imerys' assets and liabilities are stated. Within this context, the risks and opportunities related to climate change, together with other environmental consideration have been integrated within the estimates and judgements as described in *note 4 to the consolidated financial statements*.

✓ For more information on Imerys' 2021 Sustainability-Linked Bond, see www.imerys.com.

✓ For more information on climate risks and opportunities in Group financial planning, see chapter 6, note 4 Estimates and Judgements of the Universal Registration Document.

3.5.2.3 RISK MANAGEMENT

In 2021 Imerys conducted a stress test and scenario analysis based on the International Energy Agency's (IEA) 2019 World Energy Outlook Report⁽¹⁾. The risk and opportunity scenario analysis covered transitional risks (industrial risks, market-related risks and opportunities) as well as physical risks, the latter of which was updated in 2022. These studies assessed the financial exposure of the Group versus a combination of three time horizons (2030, 2040 and 2050) and three IEA scenarios.

- Current policies scenario (RCP 8.5) – continuation of the present path, without any additional changes in policy (>4°C).
- Stated policies scenario (RCP 4.5 – 6) – a sector-by-sector look at what has been put in place, as well as announced by governments around the world, to reach climate and other energy-related objectives (~3°C).
- Sustainable development scenario (SDS) (RCP 2.6) – a well-below 2°C pathway, the SDS represents a scenario to the outcomes targeted by the Paris Agreement (<1.5°C).

INDUSTRIAL RISK ASSESSMENT

Policies designed to limit climate change are likely to vary widely by sector and country as governments chart a course to implement their Nationally Determined Contributions (NDC) to reduce emissions. Imerys operates 204 industrial sites across 42 different countries and as such is exposed to a range of climate change regulations including carbon taxes, emissions trading schemes and other fossil fuel taxes, designed to increase the cost of GHG emissions and stimulate action by the private sector to reduce emissions. Based on the energy intensity and carbon intensity associated with the Group's operations, the risk was quantified for 2030 and 2040 for each of the 3 IEA scenarios. The assessment presents the intrinsic risks as well as the net risks for the Group's EBITDA while considering i) the projected evolution over time of the energy and CO₂ prices and ii) the mitigation measures such as emission reduction levers towards the SBTi validated targets and increased energy efficiency.

TRANSITIONAL MARKET RISK AND OPPORTUNITY ASSESSMENT

An assessment of climate-related risks and opportunities of the Group's products and markets has been conducted covering more than 80% of Imerys revenue and based on: end-markets trends analysis in the perspective of a low-carbon economy assessment of the potential risks and opportunities in the application of Imerys products, calculation of the carbon footprint of Imerys' products and estimation of their added-value in the final products. These studies have helped identify and quantify the main risks and opportunities (increase of volumes, better sales point) in the perspective of a low-carbon economy.

PHYSICAL RISK ASSESSMENT

Acute physical risks can impact Group operations, potentially resulting in costs, asset damages and operating losses. An assessment of Imerys' exposure to climate-related physical risks has been carried out for Group-owned assets and facilities across the globe. The inherent risk has been quantified against climate change hazard maps representing the relative level of risk for various acute physical indicators (hurricanes, flooding, heatwave, sea level rise, coldwave, water stress, wildfire). The study includes scenario analysis considering two time horizons (2020 and 2050) versus a moderate scenario (RCP 4.5 – 6) and a high scenario (RCP 8.5). The experts consider that the low scenario (RCP 2.6) is no longer achievable by 2050; therefore, it has not been taken into account in the assessment.

The results of the climate risk and opportunity scenario analysis were used as primary input information within the Group's overall risk management approach, which was reviewed in 2022 and is presented in *chapter 2, sections 2.1.2 of the Universal Registration Document*.

(1) The International Energy Agency is an autonomous intergovernmental organization established in the framework of the Organisation for Economic Co-operation and Development in 1974. The World Energy Outlook report provides strategic insight on the future of energy and energy-related emissions, providing detailed scenarios that map out the consequences of different energy policy and investment choices.

3.5.2.4 METRICS AND TARGETS

Imerys signed up to the Science Based Targets initiative (SBTi)⁽¹⁾ in 2018 and set greenhouse gas (GHG) emissions reduction targets, which were subsequently approved by the SBTi in 2019.

Imerys aligned its climate change strategy to a 2°C trajectory scenario⁽²⁾ committing to reduce Scopes 1 and 2 emissions by 36% relative to revenue by 2030 (from a 2018⁽³⁾ base year) and for Scope 3 indirect emissions engaging with its suppliers to align with a science-based low-carbon trajectory by 2023. At the end of 2022, Scope 1 and 2 emissions relative to revenue decreased by 31% from the 2018 base year, while 49% of the Group suppliers have already confirmed science-based emission reduction targets based on the first phase of the Group's supplier project initiated mid-2020. **Furthermore, Imerys has recently updated its Scope 1 and 2 emissions reduction targets to be aligned with a 1.5°C trajectory. As such, Imerys has committed to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030 from a 2021 base year.** The new, more ambitious targets have already been submitted to the SBTi and the validation process is in progress.

SCOPE 1 AND 2 EMISSIONS

The Group's Scope 1 emissions considered as direct emissions are generated both from the combustion of fuels to produce thermal energy and from chemical reactions of certain processes. Scope 2 emissions considered as indirect emissions are related to purchased electricity and steam consumption. Combined Scope 1 and 2 emissions represent approximately 45% of the Group's total emissions. As such, the strategy and action plans for both scopes are addressed by improving energy efficiency, switching to less carbon-intensive fuels (including biomass residues and electrification of processes), increasing the use of renewable energy and investing in research and development to reduce process-related emissions.

During the 2022 Imerys Connect Day, all employees and subcontractors across Imerys industrial sites, laboratories, and offices participated in a climate change workshop under the theme of "The Challenges of a Changing World". The Climate Change workshop initiated discussions on the cause and consequences of human activities on the climate, and on individual and collective actions. Participating groups discussed mitigating actions and adaptation strategies the Group can take for a better and more sustainable future.

ENERGY EFFICIENCY

Imerys has an operational energy demand, especially in its mineral transformation processes that use thermal technologies

and its quarrying activities that use heavy equipment. Energy efficiency improvement makes it possible to use less energy to achieve the same level of productivity and consequently to contribute to climate change mitigation efforts. The Group energy efficiency strategy is based on three pillars from Group to plant level: management system, technical performance, and behavior. The management system structures the vision, objectives, performance tracking, policy and procedures. Technical performance is driven by asset optimization, operational performance as continuous improvement and technology change. Behavior is about awareness and the promotion of energy efficiency, which is reinforced with training, seminars, knowledge-sharing and a dedicated energy efficiency community.

Initiatives are driven collaboratively between the different operational and functional groups at Corporate, Business Area and site levels, including operations, industrial management, environment, geology and mining. The Group Corporate energy team is responsible for supporting plants with a dedicated energy efficiency methodology, defining the analysis and reporting standards and providing the necessary training to ensure consistency and reliability of the reported results. Detailed energy efficiency analysis is disclosed in a quarterly energy report. This analysis, together with the improvement plans, is reviewed by the Group senior management.

In 2019, the Group launched the "I-Nergize" program to evaluate sites' energy performance and improve energy efficiency, with a particular focus on top 68 energy consuming sites representing 79% of the Group's consumption. This program is based on an assessment methodology covering six main items: vision, process, maintenance, purchasing, renewables, and Energy Management System. The outcome of this program is to define a three-year roadmap of energy actions for each plant in order to improve energy efficiency and reduce GHG emissions. While the possibility to complete the site energy assessments was impacted by Covid-19 travel restrictions, as of the end of 2022, 68 sites have been assessed. These assessments have identified nearly 90 kt of CO₂e that may potentially be saved.

Energy-related digital training modules are available within the Learning Hub to provide an overview of Imerys' energy strategy as well as knowledge and awareness on energy efficiency. In addition, internal knowledge databases have been created on Dryers, Rotary Kilns, Motors and Ball Mills to promote the best practice of industrial energy efficiency on key equipment used in Imerys. The Group has also conducted a series of virtual classes with more than 330 attendees on various specific energy-related topics such as Flash Dryers, Brainstorming methodology and Knowledge-base.

A dedicated energy community on the Group intranet serves as a platform to share knowledge, good practices and events related to energy.

(1) The Science Based Targets initiative collaboration between CDP, World Resources Institute (WRI), the World Wide Fund for Nature (WWF) and the United Nations Global Compact (UNGC) supports companies to set targets and a clearly-defined path to reduce emissions in line with the Paris Agreement goals.

(2) The Paris Climate agreement in 2015 saw 195 of the world's governments commit to prevent the worst impacts of climate change by limiting global warming to below 2 degrees Celsius, often referred to as the 2° C scenario.

(3) In line with the Group GHG Recalculation Policy, the change in perimeter due to 2022 discontinued activities did not trigger the recalculation of the 2018 base year.

TOTAL ENERGY CONSUMPTION AND BREAKDOWN BY ENERGY SOURCE

	2022	2022 (discontinued activities)	2021 ⁽³⁾	2018
Total energy consumption⁽¹⁾ (MWh)	7,800,146	373,459	8,823,763	10,916,835
<i>of which total renewable energy consumption (MWh)</i>	<i>320,216</i>	<i>11,781</i>	<i>427,237</i>	<i>-</i>
Electricity	30.6%	20.1%	30.6%	27.7%
<i>of which renewable electricity</i>	<i>2.2%</i>	<i>11.6%</i>	<i>2.0%</i>	<i>-</i>
Steam	2.0%	0.4%	2.2%	1.7%
<i>of which renewable steam</i>	<i>39.5%</i>	<i>0%</i>	<i>30.6%</i>	<i>-</i>
Hot water	0.0%	0%	0.0%	<0.1%
Natural gas	36.9%	39.4%	38.1%	41.5%
Other fossil fuels	27.9%	39.3%	25.6%	26.7%
Biofuels ⁽²⁾	2.6%	0.8%	3.6%	2.4%

(1) Several Imerys sites use Combined Heat and Power (CHP) facilities. Excess electricity from these facilities is sometimes sold on the grid. The total energy consumption does not count the resold electricity.

(2) Biofuels consumption includes energy from vegetal material and residues, and biogases from anaerobic fermentation.

(3) 2021 Total Energy consumption related to the discontinued activities represented 265,735 MWh.

In 2022, due to minor adjustments on the 2021 data, the 2021 total energy consumption has been restated, which explains the slight difference with the total reported consumption in 2021.

Imerys' total energy consumption decreased by 12% in 2022, as compared to 2021, in line with the Group's decarbonization efforts. Moreover, the consumption of natural gas dropped by 15% due to both energy efficiency measures and significant price increases which triggered further cuts in natural gas consumption. Furthermore, the consumption of electricity decreased by 12% as a result of the I-Nergize program, which promotes the implementation of actions that improve energy efficiency, and due to a reduction in production.

RENEWABLE ENERGY

The Group continues to support the transition to renewable energy, both by securing electricity coming from low-carbon sources and fuel switching from fossil fuels to other lower-carbon alternatives, including biomass residues. Different business models have been developed to promote the purchase of low-carbon electricity coming from renewable energy sources, including solar, hydro and wind power: on-site Power Purchase Agreements (PPA), off-site PPAs, certificates, lease agreement and direct investment for small scale projects. Due to a reduction in production, renewable energy consumption was lower in 2022, as compared to 2021.

	2022	2022 (discontinued activities)	2021 ⁽¹⁾
Total renewable energy consumption (MWh)	320,216	11,781	427,237
Renewable electricity	16.5%	74.2%	12.9%
Biofuels	64.0%	25.8%	73.4%
Renewable Steam	19.5%	0%	13.6%

(1) 2021 Total Energy consumption of renewable energy related to the discontinued activities represented 9,703 MWh.

In addition to the low-carbon power described above, the Group also has 15 renewable energy installations on-site that have been developed across Group sites: seven in the United Kingdom, seven in France, one in United States, accounting in total for 60 MW installed. These on-site installations provide renewable electricity to the local grid. The produced renewable energy from these installations is not reflected in the reported energy or CO₂ data consolidated.

√ For additional details on Imerys energy reporting methodology, see Sustainability Reporting Principles 2022 on www.imerys.com.

Biomass waste and residues, when feasible, are the preferred option within the Group to replace fossil fuels. Five Imerys plants are currently consuming biomass waste: wood chips, sawdust, animal waste, olive seeds and peanut hulls. The

largest ongoing biomass project is in Andersonville in the US, where ground peanut shells are combusted and used as an alternative energy source. The objective of the project is to gradually adjust the installation to modify the energy mix by integrating biomass waste as an energy source and thus significantly reduce fossil carbon emissions linked to operations. At the end of the project, the fuel mix will be modified, switching from a historical 100% coal supply to a ratio of 80% biomass fuel to 20% fossil fuels, which is expected to reduce around 3% of the Group's total annual GHG emissions. Similar feasibility studies have been launched for other sites. Fuel switching projects are also under implementation to completely remove coal consumption from all sites. For sites where biomass residues are unavailable, natural gas has been selected as the transition fuel to replace more carbon-intensive fossil fuels.

GREENHOUSE GAS EMISSIONS DATA

The majority of the Group's greenhouse gas emissions are generated from the production of thermal energy by combusting natural gas and other fossil fuels. Alternatives to these energy sources, such as biomass waste and steam, are increasingly being studied and used. Process electrification for the production of thermal energy is an additional lever that is currently being assessed to further reduce these emissions.

Indirect emissions from the consumption of electricity are the second largest source of Imerys' GHG emissions. These emissions will continue to decrease in the next few years as a result of the Group's ambitious purchasing strategy of renewable electricity.

Moreover, some processes used in Imerys operations result in direct emissions of GHG (e.g. decarbonation of raw materials). New technologies are being studied to find and develop alternative production processes and solutions which emit less GHG. Some examples of the process innovation projects that are under consideration are carbon capture, utilization and storage (CCUS), the use of hydrogen to produce high-temperature heat, alternative chemical reactions, heat recovery, among others.

GROUP GREENHOUSE GAS EMISSIONS

(thousands of tons CO ₂ equivalent, kt)	2022	2022 (discontinued activities)	2021 ⁽¹⁾	2018 ⁽²⁾
Scope 1 CO ₂ emissions	1,428	76	1,551	2,186
Scope 2 CO ₂ emissions	702	28	825	1,135
Total CO₂ emissions(Scope 1 and Scope 2)	2,129	104	2,376	3,320
Energy	83.1%	98.0%	84.1%	83.6%
Processes	16.9%	2.0%	15.9%	16.4%

(1) 2021 Total GHG emissions related to the discontinued activities represented 71 thousands of tons CO₂ equivalent.

(2) In line with the Group GHG Recalculation Policy, the change in perimeter due to 2022 discontinued activities did not trigger the recalculation of the 2018 base year.

The Group's Scope 1 and 2 GHG emissions equaled 497 tCO₂e per million euros of revenue in 2022, which represents a 31% decrease since the base year 2018. While part of this reduction comes from improvements in the reporting methodology, the Group's decarbonization efforts related to energy efficiency measures and the use of renewable energy account for the majority of it.

Furthermore, emissions dropped by 10% in absolute terms in 2022, as compared to 2021. Imerys emitted 247 ktCO₂e less. Scope 1 emissions were cut by 8% (-123 ktCO₂e) and Scope 2 were 15% lower (-124 ktCO₂e). This significant emissions reduction is the result of increased energy efficiency measures and actions in several Imerys sites, the substitution of fossil fuels with biofuels, as well as country-specific efforts to reduce their own power grid carbon-intensity. The improved accuracy in Scope 2 emissions market-based reporting played a key role in accounting for these reductions.

√ For additional details on the 2022 Third-party verification scope covering emission reporting and GHG KPI, see section 3.9 of the present chapter.

In 2021, a new energy and environmental reporting tool was deployed. This new tool was structured to facilitate the reporting of market-based and location-based greenhouse gas emission reporting.⁽¹⁾ The new tool was also structured to facilitate increased data reporting accuracy for renewable energy. With the design and implementation of the new reporting system, all emission factors used for the calculations were updated. The updated emission factors are based on the annually-reported Environmental Protection Agency (EPA), International Energy Agency (IEA) and Emissions and Generation Resource Integrated Database (eGRID) databases. As a result of this update, and in line with the [Group GHG Recalculation Policy](#), the change in calculation methodology triggered the recalculation of the 2018 base year in 2021. For 2021 and 2022 emission factors provided by the suppliers have been used for the market-based reporting.

Historical data as reported within the 2021 Universal Registration Document are presented below for comparison.

SCOPE 3 EMISSIONS

Scope 3 is considered an indirect source of emissions, which based on Imerys' estimation as described below, represents about 57% of total Group emissions. Imerys is committed to address this challenge through science-based targets. The Group's main source of Scope 3 emissions is generated from the purchase of goods. **To mitigate this impact, Imerys defined a supplier engagement target to have 71% of suppliers (by spend) with science-based targets by 2023**, covering Scope 3 categories such as purchased goods and services, fuel and energy related activities (not included in Scope 1 or 2), upstream transportation and distribution, waste generated in operations and downstream transportation and distribution. These categories are estimated to represent around 95% of the Group's total Scope 3 emissions. As of the end of 2022, 49% of the Group suppliers, representing approximately 600 suppliers, have science-based emission reduction targets.

(1) According to the GHG Protocol, a location-based method for scope 2 emissions reporting reflects the average emissions intensity of grids on which energy consumption occurs. A market-based method reflects emissions from electricity that companies have purposefully chosen, i.e. it derives emission factors from contractual instruments.

GROUP VALUE CHAIN SUPPLIERS

Purchasing categories	Percentage of key purchases ⁽¹⁾	Upstream suppliers
Raw materials ⁽²⁾	30%	Principally, but not exclusively, bauxite, zircon sand, soda ash, silica sand
Mining, industrial services and equipment	23%	Mining subcontractors, service vendors for maintenance and repair
Transportation	20%	Freight by rail, truck and ship, and business travel
Energy	13%	See energy mix above, counted in Scope 1 & 2 emissions
Chemicals and other consumables	14%	Mainly chemicals and packaging materials

(1) The analysis was based upon the 2020 data; the total spend of above-mentioned categories represents approximately 86% of Group purchases.

(2) Imerys self-supplies approximately two-thirds of raw materials and purchases one-third externally.

SCOPE 3 EMISSION ESTIMATION

Reliable emission data from Group suppliers is not readily available; as such the estimation of Scope 3 emissions does not yet represent a full calculation of all Scope 3 emissions linked with Imerys operations. However, in order to continue to improve the quantification and to identify potential levers to reduce Scope 3 emission, in 2021, Imerys launched a dedicated project to quantify the GHG emitted for goods and

services purchased by the Group based on the *GHG Protocol's Corporate Value Chain (Scope 3) Accounting and Reporting Standard*. This quantification methodology and exercise, which covered 86% of Group purchases of goods and services data, was subsequently audited by one of the Group Statutory Auditors as per the attestation provided in *section 3.9. of the 2021 Universal Registration Document*. This Scope 3 purchasing estimation will be updated in 2023.

Source of Scope 3 emissions	Percent of Scope 3 emissions ⁽¹⁾	Emissions calculation methodology Explanation
Purchased goods and services	40.0%	This category includes the purchased raw materials, mining services and contracts, chemicals, packaging, personal and IT services. For raw materials, chemicals, the calculation of the CO ₂ e emissions is based on the quantity of each raw material / chemical (in tons) purchased multiplied by the corresponding Emission Factor (EF) of the raw material or chemical (<i>i.e.</i> kgCO ₂ e/kg raw material or chemical). For mining services and contracts, packaging, and IT services the calculation is based on the spent for each subcategory using the Carnegie Mellon EIO/LCA methodology. For professional services, the data activity was based on cost spent in 2020 and the corresponding EF was determined through the financial report of the supplier company (interim, legal services, consulting...).
Downstream transportation and distribution	21.8%	The calculation of the CO ₂ e emissions is based on the tonnage, distance and type of transport with a corresponding EF.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	12.3%	The EF of the grid losses were found in the International Energy Agency (IEA) 2017 report per country. Also a calculation of average power plant efficiency was realized in order to convert the thermal energy to thermal electricity.
Upstream transportation and distribution	11.8%	The calculation of the CO ₂ e emissions is based on the tonnage, distance and type of transport with a corresponding EF.
Capital goods	6.6%	This category includes the manufacturing, transportation, installation of equipment and services (waste is excluded and is reported in the Scope 3 waste generation category). The calculation is based on the cost of the different activities using the Carnegie Mellon EIO/LCA methodology.
Investments	6.0%	Based on the emissions of the Group's activity in two joint ventures (at 50%) and an associated company (at 25%) not accounted for in Scope 1 and 2 emissions. The GHG protocol average data method has been used. Calculations are based on Imerys' % on equity.
Waste generated in operations	0.9%	This category takes into account the industrial waste generated by Imerys
Employee Commuting	0.6%	This data is an estimate calculated using the Scope 3 Evaluator method based on the total number of Imerys' employees in 2020.
Business travel of several regional headquarters	0.1%	For the travel, the calculation of the CO ₂ e emissions is based on the distance traveled in km by Imerys employees.

(1) The calculation was based upon the 2020 Data and 2021 methodology as described above.

Imerys is taking action to reduce Scope 3 emissions, focusing in particular on purchased goods and services, however, efforts also target other sources of Scope 3 emissions, for example the integration of an internal carbon price within capital expenditure (CAPEX) projects favors machines with

greater fuel efficiency and the Group's Industry 4.0 project will help to monitor and reduce non-productive engine idling generating additional reductions in fuel consumption.

√ For more information on Imerys' Scope 3 reporting, see *Imerys' 2022 CDP report*.

3.6 REPORTING METHODOLOGIES

3.6.1 ESG REPORTING METHODOLOGIES AND PROTOCOLS

Imerys group reporting complies with the French “*Déclaration de Performance Extra-Financière*” (DPEF) law⁽¹⁾ and other applicable French reporting obligations. The Group sustainability program and reporting approach is based on frameworks such as the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) recommendations, the Sustainability Accounting Standards Board (SASB) standards for Metals and Mining, the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines (“Core” option), the UN Global Compact, the UN Guiding Principles on Business and Human Rights, Organisation for Economic Co-operation and Development (OECD) Guidelines, International Organization for Standardization (ISO) 26000 and the ILO Fundamental Conventions.

The Group’s sustainability reporting covers all of the activities over which it exerts operational control. Protocols and guidelines exist at the Group level to regulate the collection and collation of human resources, health and safety, environmental and energy data from the Group’s operations.

The Group has also structured the processes for data consolidation and quality control to ensure the reliability and auditability of the reporting, including several layers of internal verifications. Under the regulatory obligations stemming from the “DPEF” law, the Group retains a third party to verify its sustainability reporting and compliance status. Deloitte provided the verification services for the 2022 reporting and issued the report *in section 3.9 of the present chapter*.

A correlation table with regards to the reporting requirements of the “DPEF” is presented in *chapter 9, section 9.5.5.1 of the 2022 Universal Registration Document*.

A correlation table with regards to the requirements of the “Duty of Care” law⁽²⁾ is presented in *chapter 9, section 9.5.5.2 of the 2022 Universal Registration Document*.

A correlation table with regards to the recommendations of the TCFD and SASB industry standard are presented in the Group Sustainability Reporting Principles.

√ *For detailed information on the reporting items, frequency, scope and collection systems within the Group, see Sustainability Reporting Principles 2022 on www.imerys.com.*

3.6.2 MINERAL RESERVES AND RESOURCES

The Mineral Reserves and Resources data published in this Universal Registration Document have been prepared in alignment with the Pan-European Standard for reporting of Exploration Results, Minerals Resources and Reserves 2017 (PERC Reporting Standard) which is an internationally recognized reporting standard for mineral assets and member of the CRIRSCO group of codes⁽³⁾. In accordance with company procedures, the Group’s Mineral Reserves and Resources are regularly audited by internal and external auditors.

3.6.2.1 MINERAL REPORTING PRINCIPLES MINERAL ASSET REPORTING

Mineral Reserves correspond to the portions of a deposit that are demonstrably economic to extract given the prevailing or reasonably forecast economic climate at the time of estimation. Reserves are subdivided into Proven or Probable to reflect the level of certainty in the geological understanding of the deposit, Proven being the higher level. Mineral Resources include deposits or portions of deposits for which extraction has yet to be demonstrated as economically profitable, but it is reasonable to expect that extraction will be viable in the future. These assets typically lack the detailed (mining, processing, marketing and/or legal) technical studies required to demonstrate their economic viability. Mineral Resources are classified in ascending order of geological confidence as Inferred, Indicated or Measured.

The Group’s processing operations consume its Mineral Reserves. Imerys continuously undertakes initiatives to compensate for the consumption of these Reserves in order to maintain the

equivalent of around 20 years’ worth of production. On existing sites, this involves the exploration and detailed modeling of already identified Mineral Resources to confirm the potential for exploitation based on quality, quantity, mining parameters and associated costs. Where exploratory work leads to a positive conclusion, Imerys seeks to obtain the necessary exploitation rights (outright ownership, long-term lease or concession), permits and official authorizations. If these elements can be obtained, the Resources are converted into Reserves. Group Mineral Reserves can also be replaced or increased through acquisitions from third parties or acquisitions of companies as part of the Group’s external growth operations.

MINERAL ASSET AUDITS

To ensure consistent reporting across all Group entities and alignment with all relevant standards, internal and external audits are conducted on a three to six-year cycle. Internal audits are conducted by experienced geologists and mining engineers who are independent of the sites they audit. Each internal audit is conducted by two people using standard assessment matrices. The internal reporting and internal audit system undergoes a third party audit at least every five years. Audit results are published in a report setting out any comments and improvement requirements, the implementation of which is then tracked. These audits are an opportunity to share best practices and drive continuous improvement in Mineral Resource management and exploitation. The results of Mineral Reserves and Resources reporting and auditing are assessed by the Audit Committee.

(1) Decree n° 2017-1265 of August 9, 2017 taken for the application of the ordinance n° 2017-1180 of July 19, 2017 relating to the publication of non-financial information by some large companies and certain groups of companies.

(2) Law no. 2017-399 of March 27, 2017 related to the “duty of vigilance for parent and instructing companies”.

(3) CRIRSCO: Committee for Mineral Reserves International Reporting Standards.

RISKS AND UNCERTAINTIES

Mineral Reserves and Resources are estimates of the size and quality of deposits based on the technical, regulatory and economic parameters available at a given point in time. Due to unpredictable changes in these parameters and the natural uncertainty associated with such assessments, estimates of Group Mineral Reserves and Resources presented in the following table may vary over time. Over the course of geological exploration and assessment, Mineral Reserves and Resources may change significantly, either positively or negatively. At this point in time, Imerys has no knowledge of any environmental, legal, political or other factors that may adversely affect the estimates presented in these tables in any material way.

√ For further details, see chapter 4, paragraph 4.1.1 of the Registration Document.

3.6.2.2 KEY MINERALS

Ball clays are very fine-grained sedimentary clays with high plasticity. Once extracted, clays are selected, processed and blended to achieve the desired properties, such as rheological stability, high resistance and mechanical strength.

Bentonite is an alumino-silicate clay formed from altered volcanic rocks, it has high rheological and absorbent properties.

Calcium carbonates include marble, limestone and chalk. Processed carbonates are used in different forms. Ground natural calcium carbonate (GCC) is used for its whiteness and alkaline properties. Precipitated calcium carbonate (PCC) is a synthetic product obtained from natural limestone that contributes excellent optical properties to finished products.

Diatomite is a sedimentary mineral composed of the silicon-rich skeletons of diatoms – unicellular algae present in marine and lake environments. It is known for its low density, high surface area, high porosity and mattifying properties.

Feldspars are naturally occurring alumino-silicate minerals containing varying concentrations of potassium, sodium, calcium and/or lithium, and are used for their fusing properties at high and low temperatures.

Kaolin is composed predominantly of kaolinite, a white hydrated alumino-silicate clay produced by the geologic alteration of granite and similar types of rock. The high temperature (700-1,200°C) to which it is subjected during the calcination process transforms kaolin into a whiter and more inert mineral. The kaolin family of minerals also includes halloysite, prized in fine porcelain manufacture for its whiteness and translucence.

Perlite is a very specific type of volcanic rock with a natural water content of between 2% and 5%. Perlite is a low-density, high-porosity mineral. Processed and subsequently heated, perlite expands up to 20 times its original volume, creating a multi-cellular material with a large specific surface area at low density.

Refractory minerals are valued for their resistance to extreme temperatures, mechanical stresses and corrosion. They include refractory clays (transformed by calcination to chamotte), bauxite and andalusite.

Talc is a very soft hydrated magnesium silicate with properties unique to the deposit from which it is extracted.

Wollastonite is a metamorphic calcium mineral associated with skarns. Its elongate crystal structure and thermal properties are utilized in ceramics, cements, paints and plastics

Lithium is the third element of the periodic table. This light metal has a high charge density making it a key component of modern batteries.

Imerys extracts many other minerals, including bauxite, moler (a natural blend of diatoms and clays with highly absorbent properties), mica and zeolite. Imerys also produces the high-quality quartz minerals required to produce silicon and ferro-silicon, both of which are used in special steel alloys. Imerys produces a range of high-quality synthetic graphites and talcs as well as the highest quality of fused magnesia, carbon black and zirconia.

The Group also sources and processes certain raw materials from external suppliers to create its specialty products. These materials include bauxite, alumina and zirconia, which are processed to produce synthetic corundums. Tabular alumina is used in refractory applications.

3.6.2.3 MINERAL RESERVES AND RESOURCES INDUSTRIAL MINERALS

For the clarity and materiality of reporting its 'Industrial Mineral' Reserves and Resources, Imerys has grouped mineral category estimates together. This also protects commercially sensitive information related to individual extraction sites. This practice is in accordance with the "Reporting of Industrial Minerals, Dimension Stone and Aggregates" section of the PERC Reporting Standard.

Industrial minerals 'Mineral Resources' are reported separately from 'Mineral Reserves'. Product mass is expressed in thousands of metric tons of minerals marketable in dry form. The corresponding estimates at December 31, 2021 are presented for the purpose of comparison. Changes in estimates of reserves and resources between December 31, 2021 and December 31, 2022 correspond to mineral used in production, the ongoing exploration and assessment of new and existing assets, technical studies, changes in ownership and mining rights, as well as acquisitions and disposals made as part of normal business. Mining assets totaled €415.5 million at December 31, 2022 (€419.0 million at December 31, 2021).

In accordance with accounting rules, the mineral reserve and resource assets are recognized at historical cost. They are initially measured at acquisition cost, and subsequently at historical cost minus any accumulated depreciation and impairment. Depreciation is estimated on the basis of actual extraction.

INDUSTRIAL MINERALS MINERAL RESERVES ESTIMATES (AT DEC. 31, 2022 VS DEC. 31, 2021)

Product	Region	Proven	Probable	Total	Proven	Probable	Total
		2022 (kt)			2021 (kt)		
Ball Clays	Europe	2,126	3,231	5,357	2,573	9,266	11,839
	Americas	3,860	116	3,976	2,858	146	3,004
	Asia-Pacific	591	0	591	556	0	556
	Africa & Middle East	0	323	323	0	145	145
	Total	6,577	3,670	10,247	5,987	9,557	15,544
Bentonite	Europe	6,670	1,128	7,798	8,513	239	8,752
	Americas	0	0	0	0	279	279
	Africa & Middle East	193	29	222	187	43	230
	Total	6,863	1,157	8,020	8,700	561	9,261
Carbonates	Europe	1,079	15,314	16,393	1,186	16,018	17,204
	Americas	36,684	100,769	137,453	38,047	107,099	145,146
	Asia-Pacific	0	29,618	29,618	0	30,817	30,817
	Africa & Middle East	0	0	0	0	0	0
	Total	37,763	145,701	183,464	39,233	153,934	193,167
Feldspar	Europe	3,225	3,299	6,524	3,312	4,568	7,880
	Africa & Middle East	0	151	151	0	186	186
	Total	3,225	3,450	6,675	3,312	4,754	8,066
Kaolin	Europe	3,044	1,982	5,026	3,197	1,986	5,183
	Americas	3,253	1,980	5,233	22,889	12,990	35,879
	Asia-Pacific	238	30	268	306	32	338
	Total	6,535	3,992	10,527	26,392	15,008	41,400
Minerals for Refractories	Europe	473	3,086	3,559	647	5,139	5,786
	Americas	3,921	870	4,791	4,073	904	4,977
	Africa & Middle East	622	663	1,285	720	687	1,407
	Total	5,016	4,619	9,635	5,440	6,730	12,170
Pelite & Diatomite	Europe	4,434	18,172	22,606	4,340	18,463	22,803
	Americas	20,971	11,132	32,103	21,298	11,411	32,709
	Africa & Middle East	0	80	80	0	784	784
	Total	25,405	29,384	54,789	25,638	30,658	56,296
Talc	Europe	1,318	12,184	13,502	1,361	12,501	13,862
	Asia-Pacific	1,769	676	2,445	2,255	607	2,862
	Total	3,087	12,860	15,947	3,616	13,108	16,724
Other minerals	Europe	1,233	0	1,233	1,388	0	1,388
	Americas	2,044	1,200	3,244	2,147	1,311	3,458
	Africa & Middle East	0	104	104	0	104	104
	Total	3,277	1,304	4,581	3,535	1,415	4,950

Notes: In addition to the normal activities of production, significant changes in the Mineral Reserves occurred due to divestiture of kaolin assets in the USA, re-evaluation of kaolin assets in Ukraine, and updates to mining models in Carbonates in the USA.

INDUSTRIAL MINERALS MINERAL RESOURCES ESTIMATES (AT DEC. 31, 2022 VS DEC. 31, 2021)

Product	Region	Measured	Indicated	Inferred	Total	Measured	Indicated	Inferred	Total
		2022 (kt)				2021 (kt)			
Ball Clays	Europe	9,159	1,854	1,086	12,099	2,828	1,617	338	4,783
	Americas	4,506	8,618	6,530	19,654	5,389	8,967	6,741	21,097
	Asia-Pacific	37	0	0	37	37	0	0	37
	Africa & Middle East	0	0	178	178	0	0	200	200
	Total	13,702	10,472	7,794	31,968	8,254	10,584	7,279	26,117
Bentonite	Europe	43,358	14,674	1,068	59,100	48,833	16,420	0	65,253
	Americas	0	0	0	0	378	2,040	2,849	5,267
	Africa & Middle East	105	1,057	3,344	4,506	53	1,057	303	1,413
	Total	43,463	15,731	4,412	63,606	49,264	19,517	3,152	71,933
Carbonates	Europe	0	2,756	12,970	15,726	0	2,741	8,470	11,211
	Americas	13,137	63,878	135,115	212,130	12,552	63,301	133,800	209,653
	Asia-Pacific	0	0	512	512	0	0	512	512
	Africa & Middle East	0	4,651	0	4,651	0	4,651	0	4,651
	Total	13,137	71,285	148,597	233,019	12,552	70,693	142,782	226,027
Feldspar	Europe	163	1,151	9,600	10,914	0	3,359	6,963	10,322
	Africa & Middle East	0	263	0	263	0	270	0	270
	Total	163	1,414	9,600	11,177	0	3,629	6,963	10,592
Kaolin	Europe	1,482	2,579	14,237	18,298	1,549	2,763	14,291	18,603
	Americas	19,641	24,162	16,244	60,047	20,873	73,926	38,745	133,544
	Asia-Pacific	107	1,041	35	1,183	90	1,041	36	1,167
	Total	21,230	27,782	30,516	79,528	22,512	77,730	53,072	153,314
Minerals for Refractories	Europe	254	4,316	2,951	7,521	134	4,345	2,936	7,415
	Americas	5,004	2,941	2,392	10,337	5,100	2,977	2,425	10,502
	Africa & Middle East	450	600	1,050	2,100	450	600	1,050	2,100
	Total	5,708	7,857	6,393	19,958	5,684	7,922	6,411	20,017
Perlite & Diatomite	Europe	5,907	12,421	48,328	66,656	5,844	12,353	48,946	67,143
	Americas	18,869	16,512	24,022	59,403	19,674	30,126	39,106	88,906
	Africa & Middle East	0	746	6,209	6,955	0	930	6,622	7,552
	Total	24,776	29,679	78,559	133,014	25,518	43,409	94,674	163,601
Talc	Europe	153	1,577	6,097	7,827	244	1,644	6,129	8,017
	Asia-Pacific	2,846	1,458	1,638	5,942	2,846	1,458	2,176	6,480
	Total	2,999	3,035	7,735	13,769	3,090	3,102	8,305	14,497
Other minerals	Europe	1,998	7,640	2,645	12,283	1,998	7,588	2,645	12,231
	Americas	6,357	25,760	66,202	98,319	6,357	27,511	67,682	101,550
	Africa & Middle East	0	0	0	0	914	599	956	2,469
	Total	8,355	33,400	68,847	110,602	9,269	35,698	71,283	116,250

Notes: In addition to the normal activities of exploration, resource development and transfer of resources to reserves, in 2022 there were significant changes in the Mineral Resources due to divestiture of kaolin assets the USA and Natural Graphite assets globally. There were significant exploration and remodeling changes in perlite, carbonates and wollastonite in the USA, along with bentonite in Europe.

LITHIUM

During 2022 Imerys completed an initial exploration drilling programme (the EMILI Project Phase 1) to determine if the Beauvoir Granite, one of three granites present at the current Beauvoir kaolin operations, has the potential to be developed into an underground lithium mine. The exploration programme has shown that the Beauvoir Granite contains lithium mineralization, in the form of lepidolite, in sufficient amounts and concentration to demonstrate that there are “Reasonable Prospects For Eventual Economic Extraction” (RPEEE), as referred to in the PERC (2021) reporting standard.

Imerys commissioned the consultants AMC⁽¹⁾ to prepare a maiden Mineral Resource Estimate (MRE) for the areas of the Project that demonstrate RPEEE.

Consistent with normal industry practice for the reporting metalliferous Mineral Resources, Imerys reports the resource in terms of tonnes and grade of in-situ material rather than tonnes of final product as is the normal practice with industrial minerals.

AMC has classified the resource at an Inferred level of confidence and reported it in accordance with the PERC (2021) Reporting Standard requirements. The results of the MRE are presented below.

√ For further details on the EMILI project, see chapter 1, section 1.2.3.1 of the 2022 Universal Registration Document.

EMILI PROJECT PHASE 1 MINERAL RESOURCE SUMMARY

Classification	Volume (000' m ³)	Tonnage (000' t)	Density (t/m ³)	Li ₂ O (%)	Sn (%)	Ta (%)
Inferred	44,059	116,757	2.65	0.90	0.13	0.02

- Mineral Resources are not Mineral Reserves until they have demonstrated economic viability based on a feasibility study or pre-feasibility study.
- The effective date of the Mineral Resources is June 7, 2022.
- Mineral Resources are reported inclusive of any Mineral Reserves.
- The contained Li₂O, Sn and Ta represents estimated contained metal in the ground and has not been adjusted for metallurgical recovery.
- Mineral Resources are reported assuming mining via underground or open pit methods at a cut-off grade of 0.5% Li₂O based on an LiOH price of €21,450/t. Concentrate recovery used is 75% and a refining recovery from concentrate of 87%.
- Mineral Resources are reported inclusive of ground support pillars.
- The Mineral Resource has been compiled in accordance with the PERC Reporting standard (2021).
- Competent Person (CP) responsible for reporting the EMILI Mineral Resource is Mark Burnett (AMC Principal Geologist). Mark is a Chartered Geologist with the Geological Society of London and has over five years of experience in estimates of lithium and granite hosted deposits.

(1) AMC is an internationally recognized mining consultancy <https://www.amcconsultants.com/>.

3.6.3 SUMMARY OF KEY PERFORMANCE INDICATORS

The Group's SustainAgility Key Performance Indicators (KPIs) have been defined and gradually evolved in accordance with pertinent international standards and regulatory framework mentioned above. The following table summarizes the KPI results of two consecutive years (2021-2022). The perimeter of each category is Group level unless explicitly indicated otherwise.

Category	KPIs	Unit	2022	2022 (discontinued activities)	2021	GRI
Empowering our people						
Safety & Health						
Fatalities	Fatalities – Imerys Employees	#	1	0	1	403-2
	Fatalities – Contractor Employees ⁽¹⁾	#	0	0	0	403-2
Life-changing injuries ⁽²⁾	Life-changing injuries – Imerys Employees	#	0	2	0	403-2
	Life-changing injuries – Contractor Employees	#	2	0	2	403-2
Lost-Time Accident rates ⁽³⁾	Imerys employees	/	1.31	1.57	0.96	403-2
	Contractor employees	/	2.32	0.64	1.49	403-2
	Combined rate (Imerys employees and Contractor employees)	/	1.58	1.15	1.11	403-2
Total Recordable Incident rates ⁽⁴⁾	Imerys employees	/	2.07	2.97	2.32	403-2
	Contractor employees	/	3.43	1.27	3.08	403-2
	Combined rate (Imerys employees and Contractor employees)	/	2.43	2.20	2.56	403-2
Severity rates ⁽⁵⁾	Imerys employees	/	0.06	0.03	0.06	403-2
	Contractor employees	/	0.08	0.01	0.04	403-2
	Combined rate (Imerys employees and other employees)	/	0.06	0.02	0.06	403-2
Occupational illnesses	Occupational illnesses with lost time	#	1	0	0	403-2
	Occupational illnesses without lost time	#	0	0	0	403-2

Category	KPIs	Unit	2022	2022 (discontinued activities)	2021	GRI
Human Capital						
Employees	Year-to-end total headcount on payroll	#	13,892	3,096	13,822	102-8
	Full-time employees	#	13,627	3,047	13,579	102-8
	<i>Female employees</i>	#	2,481	413	2,360	102-8
	<i>Male employees</i>	#	11,146	2,634	11,219	102-8
	Part-time employees	#	265	49	243	102-8
	<i>Female employees</i>	#	169	34	154	102-8
	<i>Male employees</i>	#	96	15	89	102-8
	Permanent employees	#	13,028	2,625	12,960	102-8
	<i>Female employees</i>	#	2,429	391	2,275	102-8
	<i>Male employees</i>	#	10,599	2,234	10,685	102-8
	Fixed-term contract	#	864	471	862	102-8
	<i>Female employees</i>	#	221	56	239	102-8
	<i>Male employees</i>	#	643	415	623	102-8
	External employees (Full-Time Equivalent)	#	3,532	2,395	3,793	102-8
Employees by region	Europe	#	6,802	1,525	6,571	102-8
	<i>Permanent employees</i>	#	6,406	1,335	6,195	102-8
	<i>Fixed-term contract</i>	#	396	190	376	102-8
	Of which France	#	2,033	211	1,901	102-8
	<i>Permanent employees</i>	#	1,882	204	1,769	102-8
	<i>Fixed-term contract</i>	#	151	7	132	102-8
	Americas	#	4,111	179	4,168	102-8
	<i>Permanent employees</i>	#	4,089	179	4,150	102-8
	<i>Fixed-term contract</i>	#	22	0	18	102-8
	Asia-Pacific	#	2,471	1,180	2,576	102-8
	<i>Permanent employees</i>	#	2,052	1,031	2,143	102-8
	<i>Fixed-term contract</i>	#	419	149	433	102-8
	Africa & Middle East	#	508	212	507	102-8
	<i>Permanent employees</i>	#	481	80	472	102-8
<i>Fixed-term contract</i>	#	27	132	35	102-8	
Employees by function	Administration & Support	#	463	107	482	102-8
	Business Planning & Supply Chain	#	963	169	926	102-8
	Finance	#	791	123	776	102-8
	General Management	#	49	13	45	102-8
	Human Resources	#	305	49	301	102-8
	Innovation/S&T	#	332	65	313	102-8
	IT & Business Process	#	328	18	277	102-8
	Legal	#	45	3	45	102-8
	Operations	#	9,692	2,053	9,796	102-8
	Sales & Marketing	#	924	496	861	102-8
Employees by Business Segment	Performance Minerals	#	7,880	0	7,947	102-8
	<i>Americas</i>	#	3,096	0	3,178	102-8
	<i>Asia-Pacific</i>	#	1,409	0	1,524	102-8
	<i>Europe Middle East and Africa</i>	#	3,375	0	3,245	102-8
	High Temperature Materials and Solutions	#	4,233	2,889	4,145	102-8
	<i>High Temperature Solutions</i>	#	0	2,889	0	102-8
	<i>Refractory, Abrasives & Construction</i>	#	4,233	0	4,145	102-8
	Ventures & Partnership	#	6	0	12	102-8
Group	#	1,773	207	1,718	102-8	

Category	KPIs	Unit	2022	2022 (discontinued activities)	2021	GRI
Absenteeism	Total absenteeism rate	%	3.5%	3.7%	3.2%	403-2
	Absenteeism rate by geographical region					
	<i>Europe</i>	%	5.3%	5.9%	4.5%	403-2
	<i>Americas</i>	%	2.0%	0.4%	1.9%	403-2
	<i>Asia-Pacific</i>	%	1.6%	1.3%	1.6%	403-2
	<i>Africa & Middle East</i>	%	2.4%	1.4%	3.0%	403-2
Labor Practices	Employees under collective bargaining agreement ⁽⁶⁾	%	67%	36%	67%	
Talent Development	Employees with regular performance and career development reviews	%	34%	42%	34%	404-3
	Employees who received training at least once in the reporting year	#	12,170	2,882	12,969	
	Total Training hours	Hours	234,840	32,935	220,499	404-1
	<i>Environment, Health & Safety</i>	Hours	123,563	14,484	105,961	404-2
	<i>Technical skills</i>	Hours	89,446	13,472	98,415	404-2
	<i>Management</i>	Hours	21,831	4,980	16,122	404-2
Age	Less than 30 years	%	12%	13%	12%	405-1
	From 30 to 39 years	%	26%	28%	26%	405-1
	From 40 to 49 years	%	28%	30%	27%	405-1
	From 50 to 54 years	%	14%	13%	14%	405-1
	More than 55 years	%	20%	17%	21%	405-1
New registered hiring by age bracket	Less than 30	%	41%	34%	37%	401-1
	More than 55	%	5%	12%	7%	401-1
Seniority	Less than 10 years	%	58%	60%	55%	405-1
	More than 10 years	%	42%	40%	45%	405-1
	<i>of which more than 20 years</i>	%	20%	15%	20%	405-1
Gender balance	Female Board members	%	40%	-	40%	405-1
	Female Executive Committee members	%	20%	0%	10%	405-1
	Females in Senior management	%	26%	31%	26%	405-1
	Females in Manager/Expert/Professional roles	%	31%	18%	30%	405-1
	Females in Paraprofessional roles	%	13%	12%	13%	405-1
	Total female employees	%	19%	14%	18%	405-1
Disability	Employees with disability	#	189	41	195	405-1
	Employees with disability	%	1.4%	1.3%	1.4%	405-1
Social Dialogue	Working hours lost due to strikes	Hours	2,925	699	20,723	
	Employee Engagement Survey Results					
	<i>Employee Engagement</i>	%	-	71%	68%	
	<i>Employee Enablement</i>	%	-	76%	72%	
Community Engagement	Sites with an updated stakeholder mapping	%	47%	53%	47%	413-1
	New community engagement initiatives launched	#	40	13	55	413-1

Category	KPIs	Unit	2022	2022 (discontinued activities)	2021	GRI
Growing with our customers						
Business Conduct						
Business Ethics and Compliance	Independent Board members	%	50	-	50	405-1
	Reported violations of the Group Code of Business Conduct and Ethics	#	38	2	19	412-1
	Total confirmed cases of violation of the Group Code of Business Conduct and Ethics	#	6	2	5	412-1
	<i>Confirmed internal grievance</i>	#	6	1	3	
	<i>Confirmed external grievance</i>	#	0	1	2	
Responsible Purchasing	Trainings on responsible purchasing	#	189	-	0	412-1
	Suppliers assessed	%	53%	43%	-	308-1, 414-1
Portfolio Management						
Product Sustainability	Total Number of Life Cycle Assessments calculated for Group products	#	189	22	103	301-1
EU Sustainable Finance Taxonomy						
EU Sustainable finance Taxonomy non-eligible economic activity	Revenue	€M	3,664	981	3,141	
	CapEx	€M	341	-	316	
EU Sustainable finance Taxonomy eligible economic activity	OpEx	€M	215	-	197	
	Revenue	€M	617	0	524	
EU Sustainable finance Taxonomy eligible economic activity	CapEx	€M	90	0	60	
	OpEx	€M	28	0	17	
Caring for our planet						
Environmental Stewardship						
Environmental Management	ISO 14001 or EMAS ⁽⁷⁾ certified operations	%	48	53	49	103
	Operations with Imerys 8-pillar EMS	%	52	47	51	103
	Environmental incidents	#	14	1	9	307
Waste production	Total industrial waste	Tons	122,182	20,891	152,900	306-1
	<i>Non-recycled hazardous industrial waste</i>	Tons	1,878	545	3,315	306-2
	<i>Recycled hazardous industrial waste</i>	Tons	1,380	118	1,818	306-2
	<i>Non-recycled non-hazardous industrial waste</i>	Tons	80,876	16,252	90,505	306-2
	<i>Recycled non-hazardous industrial waste</i>	Tons	38,049	3,976	57,262	306-2
	Industrial waste generation / Revenue	Kg/€	0.029	0.021	0.042	
Air emissions produced	Sulfur dioxide (SO ₂)	Tons	2,566	253.11	3,243	305-7
	Sulfur dioxide generation/revenue	tons/€M	0.60	0.26	0.88	305-7
	Nitrogen oxide (NO _x)	Tons	6,444	257	5,603	305-7
	Nitrogen oxide generation/revenue	tons/€M	1.51	0.26	1.53	305-7

Category	KPIs	Unit	2022	2022 (discontinued activities)	2021	GRI
Water withdrawal	Total water withdrawals	<i>M cubic meters</i>	68.13	0.64	56.97	303-1
	Total operational water withdrawals	<i>M cubic meters</i>	45.32	0.32		
	<i>Water withdrawn from groundwater</i>	%	40.1	39.8	45.2	303-1
	<i>Water withdrawn from suppliers</i>	%	7.7	26.9	7.3	303-1
	<i>Water withdrawn from surface water</i>	%	35.7	33.2	42.7	303-1
	<i>Water withdrawn from other sources⁽⁸⁾</i>	%	16.4	0.1	4.7	303-1
	Total water recycled	<i>M cubic meters</i>	40.39	0.04	37.81	303-3
	Sites with recycled water reported	#	54	7	60	303-3
Climate Change						
Energy	Total energy consumption	<i>MWh</i>	7,800,146	373,459	8,823,763	302-1
	<i>of which total renewable energy consumption</i>	<i>MWh</i>	320,216	11,781	427,237	
	electricity	%	30.6	20.1	30.6	302
	<i>of which renewable electricity</i>	%	2.2	11.6	2.0	
	Steam	%	2.0	0.4	2.2	302
	<i>of which renewable steam</i>	%	39.5	0	30.6	
	Hot water	%	0	0	0	302
	Natural gas	%	36.9	39.4	38.1	302
	Other fossil fuels	%	27.9	39.3	25.6	302
	Biofuels	%	2.6	0.8	3.6	302
CO ₂ emissions	Total CO ₂ emissions	<i>kt CO₂e</i>	2,129	104	2,376	305
	<i>Scope 1 CO₂ emissions</i>	<i>kt CO₂e</i>	1,428	76	1,551	305-1
	<i>Scope 2 CO₂ emissions</i>	<i>kt CO₂e</i>	702	28	825	305-2
	<i>CO₂ emissions from Energy</i>	%	83.1	98.0	84.1	305-1
	<i>CO₂ emissions from Processes</i>	%	16.9	2.0	15.9	305-1
	Scope 3 emission estimation	<i>% of total emissions</i>	57	57	57	305-3
	Product carbon footprints calculated	#	189	22	103	305-3

(1) Employees of a company under contract with Imerys, in charge of a specific operation on site or providing a service.

(2) A "life-changing injury" refers to a serious injury with permanent impact to the victim, such as amputation and disability.

(3) Lost-Time Accident (LTA) rate: (number of lost time accidents x 1,000,000)/number of hours worked.

(4) Total Recordable Incident Rate (TRIR): (number of lost time accidents and non-lost time accidents x 1,000,000)/number of hours worked.

(5) Severity rate: (number of lost days x 1,000)/number of hours worked.

(6) The survey on collective bargaining coverage is conducted every two years. The 2021 result refers to the 2020 survey.

(7) EMAS: Eco Management and Audit Scheme (European Standard).

(8) Water obtained from sources other than water suppliers, groundwater or surface water (i.e. collection of rainwater or water obtained from customers).

3.7 ATTESTATION OF COMPLETENESS AND MODERATE ASSURANCE REPORT OF ONE OF THE STATUTORY AUDITORS

REPORT OF ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL PERFORMANCE STATEMENT

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Year ended December 31, 2022

To the Shareholders' Meeting,

In our capacity as statutory auditor of Imerys SA (hereinafter the "Company"), appointed as independent third party ("third party"), accredited by COFRAC under the number n°3-1886 rev. 0 (Cofrac Inspection accreditation, scope available on www.cofrac.fr), we have carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information (observed or extrapolated) in the consolidated non-financial performance statement, prepared in accordance with the Company's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2022 (hereinafter the "Information" and the "Statement", respectively), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

CONCLUSION

Based on our procedures as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Guidelines, summarised in the Statement and available on the Company's website or on request from its headquarters.

LIMITS INHERENT IN THE PREPARATION OF THE INFORMATION RELATING TO THE STATEMENT

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

RESPONSIBILITY OF THE COMPANY

The Board of Directors is responsible for:

- selecting or determining the appropriate criteria for the preparation of the Information;
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with respect to these risks as well as the outcomes of these policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by applying the Company's Guidelines as referred to above.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS INDEPENDENT THIRD PARTY

Based on our work, our responsibility is to express a moderate assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, *i.e.* the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As it is our responsibility to issue an independent conclusion on the information prepared by management, we are not authorised to participate in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the duty of vigilance and the fight against corruption and tax evasion);
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

APPLICABLE REGULATORY PROVISIONS AND PROFESSIONAL GUIDANCE

We performed the work described below in accordance with Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and acting as the verification programme and with the international standard ISAE 3000 (revised).

INDEPENDENCE AND QUALITY CONTROL

Our independence is defined by Article L. 822-11-3 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

MEANS AND RESOURCES

Our work mobilized the skills of five people and took place between November 2022 and March 2023 over a total duration of intervention of nineteen weeks.

To assist us in conducting our work, we called upon our specialists in in terms of sustainable development and social responsibility. We conducted about twenty interviews with the persons responsible for preparing the Declaration, representing in particular the departments in charge of finance, risk management, compliance, human resources, health and safety, and the environment.

NATURE AND SCOPE OF PROCEDURES

We planned and performed our work taking account of the risk of material misstatement of the Information.

We consider that the procedures conducted in exercising our professional judgement enable us to express a moderate assurance conclusion:

- We familiarized ourselves with the activities of all companies in the consolidation scope and the description of the principal risks.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement provides the information required under Article R.225-105 II of the French Commercial Code where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L.225-102-1 III, paragraph 2 of the French Commercial Code.
- We verified that the Statement presents the business model and a description of the principal risks associated with the activities of all the consolidated entities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures, and the outcomes thereof, including key performance indicators associated to the principal risks.
- We referred to documentary sources and conducted interviews to:
 - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented; and
 - corroborate the qualitative information (measures and outcomes) that we considered to be the most important⁽¹⁾; for certain information (including product sustainability and business conduct), our work was carried out on the consolidating entity, while for other risks, our work was carried out on the consolidating entity and on a selection of entities.
- We verified that the Statement covers the consolidated scope, *i.e.* all companies within the consolidation scope in accordance with Article L. 233-16.
- We obtained an understanding of internal control and risk management procedures implemented by the Company and assessed the data collection process aimed at ensuring the completeness and fairness of the Information.

(1) *Qualitative information: Approach of double materiality of risks and opportunities in terms of sustainability; Labor practices - Social dialogue and employee engagement: Your Voice survey; Process for assessing the product sustainability (SustainAgility Solutions); Environmental management system and incident management; Management of opportunities related to climate change.*

- For the key performance indicators and other quantitative outcomes⁽¹⁾ that we considered to be the most important, we implemented:
 - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
 - substantive tests, on a sample basis and using other selection methods, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities⁽²⁾ and covered between 10% and 52% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entire Company.

The procedures conducted in a moderate assurance review are substantially less in scope than those required to issue a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 15, 2023

One of the Statutory Auditors,
Deloitte & Associés

Olivier Broissand
Partner, Audit

Catherine Saire
Partner, Sustainability Services

(1) *Environmental quantitative information: Total quantity of industrial waste produced (hazardous and non-hazardous dangerous) ; Share of recycled waste; Total water withdrawals; Total energy consumption; Total CO₂ emissions (scopes 1 and 2); CO₂ emissions/revenue (scopes 1 and 2); Estimation of scope 3 CO₂ emissions; Emissions of sulfur dioxide (SO_x) and nitrogen oxide (NO_x); environmental incidents.*

Social quantitative information: Total headcount as of December 31, 2022; External recruitments; Leavings (including mutual agreements, redundancies, retirements, voluntary terminations & others); Lost-time accident rate (Imerys and contractor employees); Accident severity rate (Imerys and contractor employees); Total number of occupational illnesses.

(2) *Selected entities: Sandersville Calcine Plant – Performance Minerals Americas (USA), Marble Hill – Performance Minerals Americas (USA), White Stone – Performance Minerals Americas (USA), Lixhe – Performance Minerals EMEA (Belgium), Salin de Giraud – Performance Minerals EMEA (France), Beaujard – Performance Minerals EMEA (France), Ploemeur – Performance Minerals EMEA (France), Melbur – Performance Minerals EMEA (UK), Andersonville – Refractory, Abrasives, Construction (USA), Imerys Fused Minerals Greenville – Refractory, Abrasives, Construction (USA), Zhengzhou – Refractory, Abrasives, Construction (China), Thabazimbi – Refractory, Abrasives, Construction (South Africa).*

4 Corporate Governance

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4 Corporate Governance

Imerys is a French Public Limited Company (*Société Anonyme*) with a Board of Directors (*Conseil d'Administration*).

Governance structure

At the date this Universal Registration Document was filed, the offices of Chairman of the Board of Directors and of Chief Executive Officer were held separately by:

- **Patrick Kron**, Chairman of the Board of Directors;
- **Alessandro Dazza**, Chief Executive Officer.

The separation of the office of Chairman of the Board of Directors from that of Chief Executive Officer, which was introduced in 2018⁽¹⁾, was confirmed upon Alessandro Dazza's appointment as Chief Executive Officer. The governance structure makes it possible to:

- guarantee the effective working of the Group's governance bodies;

Reference code adopted – the AFEP-MEDEF Code

The Company complies with French regulations in corporate governance as well as the recommendations provided in the AFEP-MEDEF Corporate Governance Code, which is available on the Company's website (the "**AFEP-MEDEF Code**"). At the date this Universal Registration Document was filed, Imerys complied with all the recommendations made by the AFEP-MEDEF Code, except for those outlined below:

AFEP-MEDEF Code recommendation	Reason for not implementing the recommendation
<p>Paragraph 9.5.1 – Independent status criteria</p> <p><i>"Not to be, or have been during the past five years: an employee or executive corporate officer of the Company; an employee, executive corporate officer or director of a company consolidated by the Company; an employee, executive corporate officer or director of the parent company (GBL) or a company consolidated by that parent company."</i></p>	<p>The Board has decided to maintain Patrick Kron's independent status even though he served as interim Chief Executive Officer for a 3-month period.</p> <p>It is recalled that the Board endeavored, at the time of the appointment of its new Chairman (which took place in June 2019), to appoint an independent director in order to comply with best governance practices for companies opting to separate the office of the Chairman of the Board from that of Chief Executive Officer. The Board selected and appointed Patrick Kron as Chairman on the basis of his professional skills and his industry knowledge, as well as this independence criterion.</p> <p>Furthermore, the Board appointed Patrick Kron as Chief Executive Officer in October 2019 given the exceptional circumstances linked to the rapid departure of the former holder of this position on account of differences with the Board on the implementation of the Group's strategic transformation. The Board stated at the time that this appointment had an interim and short-term purpose, for the period strictly necessary to find a new Chief Executive Officer from outside the Group and that Patrick Kron would perform the role on free basis, without receiving any additional compensation of any kind.</p> <p>The Board stresses that it was indeed an extremely brief appointment, with the Board's announcement on December 17, 2019 that it was appointing Alessandro Dazza as the new Chief Executive Officer.</p> <p>Furthermore, the Appointments Committee and the Board observed on several occasions that Patrick Kron's interim appointment as Chief Executive Officer on a temporary basis did not impair him from exercising his freedom of judgement during his term of office, in accordance with the definition of independence adopted by the Board at its meeting on May 3, 2005 and confirmed every year since.</p>

(1) Subject to a 3-month transition period following the departure of the former Chief Executive Officer.

AFEP-MEDEF Code recommendation**Paragraph 9.5.6 – Independent status criteria**

“Not to have been a director of the Company for more than twelve years. Loss of the independent director status occurs when this twelve-year limit is reached.”

Reason for not implementing the recommendation

Aldo Cardoso, whose term of office exceeds 12 years, has informed the Board of his wish not to solicit the renewal of his duties which will come to an end on May 10, 2023. The Board has decided to maintain Aldo Cardoso's independent status until that date.

The decision to maintain his independent status for his remaining term of office is based on the fact that:

- he will no longer be a director from May 10, 2023 and his skills and deep understanding of the Group will pave the way for a smooth handover of his duties as Chair of the Audit Committee to another director, who has been a member of the Committee since May 4, 2018;
- Aldo Cardoso's term of office has not affected his critical judgment concerning the Group's Executive Management and he possesses widely recognized expertise and authority in finance, control, management and corporate governance, including among market authorities and industry bodies.

Should Aldo Cardoso not be counted as an independent director, the Board independence rate stands at 50% (excluding employee representative directors), a ratio well above current recommendation of 33% for companies with controlling shareholders.

This derogation from the AFEP-MEDEF Code recommendations will come to an end from the next Shareholders' General Meeting, when Lucile Ribot, an independent director, will be appointed as Chair of the Audit Committee.

Lastly, on the recommendation of the Appointments Committee, the Board of Directors decided effective May 10, 2023:

- (i) that any director whose term of office has run for more than 12 years will automatically lose their independent status;
- (ii) to have independent directors chair the Audit, the Appointments and the Compensation Committees.

Paragraph 25.5.1 – 2-year ceiling on compensation calculated for the non-competition and termination benefits

“The termination payment must not exceed, where applicable, two years of (annual fixed and variable) compensation. If a non-compete clause has also been stipulated, the Board decides on whether or not to apply this clause at the time of the director's departure [...]. Under no circumstances may the aggregate amount of these two benefits exceed this ceiling.”

In order to increase the appeal of its compensation package and align it with the profile and the experience of the new Chief Executive Officer, Alessandro Dazza, the Board decided to provide for compensation under the non-compete clause. If applied, its amount would exceed the stated ceiling of two years of compensation when added together with the termination benefit. Nonetheless, note that whether the non-compete clause is applied upon the officer's departure is a matter for the Board to decide upon, and no indemnity shall be paid if this clause is rescinded.

4.1 BOARD OF DIRECTORS

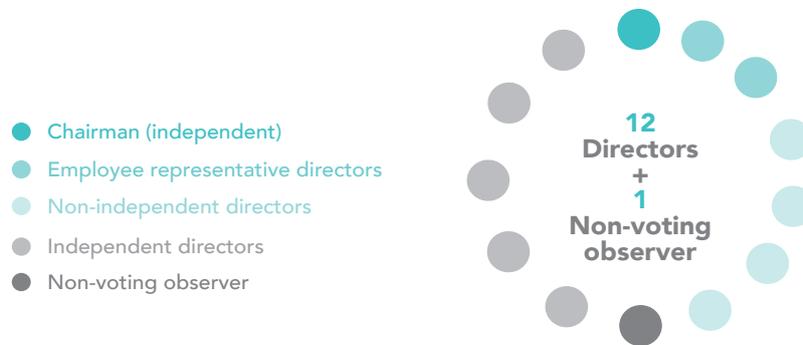
The structure, operating procedures and duties of the Board of Directors (the “**Board**”) are defined in French legislation, the Company’s by-laws and the Internal Charter of the Board of Directors (the “**Charter of the Board**”).

4.1.1 STRUCTURE

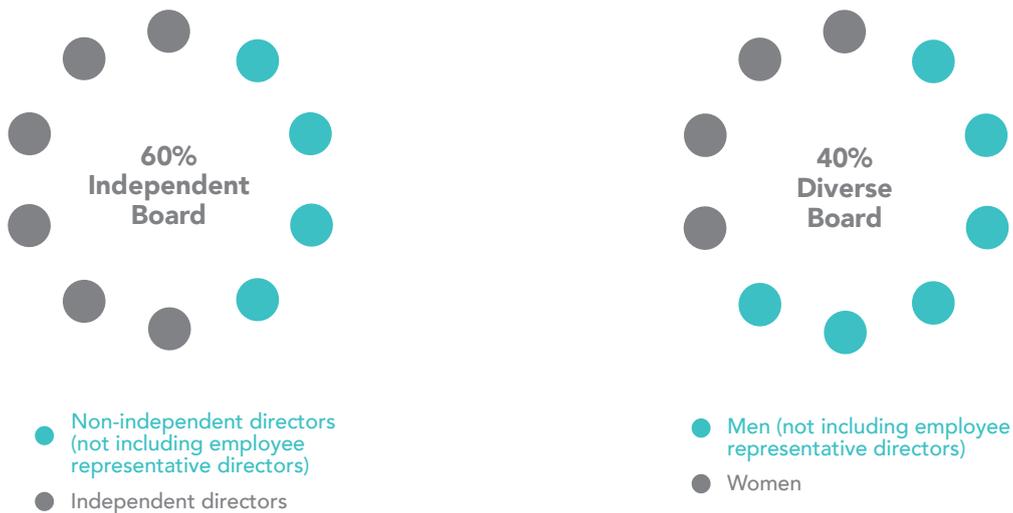
A DIVERSE AND BALANCED INTERNATIONAL BODY

At the date this Universal Registration Document was filed, the Board of Directors had:

- 12 members, including 2 employee representative directors;
- 1 non-voting observer to support the Board in fulfilling its duties and to take part in its discussions in an advisory capacity;
- 4 female members;
- 6 independent directors;
- 5 nationalities, including the non-voting observer.



The structure of the Board of Directors gives the Group a diverse (in terms of areas of expertise and industries) and international range of specialisms and experience gained by each of its members.



BRIEF OVERVIEW OF THE BOARD

At the date this Universal Registration Document was filed:

	Personal details			Experience			Position on the Board			Board Committee membership
	Age ⁽¹⁾	Gender	Natio- nality	Number of shares ⁽²⁾	Number of directorships in listed companies ⁽³⁾	Independent	Date first appointed	Expiration of term of office	Number of years on the Board ⁽⁴⁾	
Executive corporate officer and director										
Patrick Kron (Chairman)	69	M	FR	634	4	Y	June 25, 2019	SGM in 2024	3.9	N/A
Directors										
Aldo Cardoso	67	M	FR	1,680	4	Y	May 3, 2005	SGM in 2023	17.11	Chair of the Audit Committee, member of the Strategic Committee
Bernard Delpit	58	M	FR	100	3	N ⁽⁵⁾	May 10, 2022	SGM in 2025	0.11	Member of the Strategic Committee
Ian Gallienne	52	M	FR	600	5	N ⁽⁵⁾	Apr. 29, 2010	SGM in 2025	12.11	Chair of the Strategic Committee, member of the Appointments and the Compensation Committees
Paris Kyriacopoulos	41	M	GRE	1,679	2	N ⁽⁵⁾	May 10, 2021	SGM in 2024	1.1	Member of the Strategic Committee
Annette Messemer	58	F	GER	600	3	Y	May 4, 2020	SGM in 2023	2.11	Member of the Appointments, the Compensation and the Audit Committees
Laurent Raets	43	M	BE	642	2	N ⁽⁵⁾	May 10, 2022	SGM in 2025	0.11 ⁽⁶⁾	Member of the Audit Committee
Lucile Ribot	56	F	FR	898	2	Y	May 4, 2018	SGM in 2025	4.11	Member of the Audit Committee
Véronique Saubot	58	F	FR	600	3	Y	May 4, 2020	SGM in 2023	2.11	Member of the Strategic Committee and ESG Referent Director
Marie-Françoise Walbaum	73	F	FR	600	3	Y	Apr. 25, 2013	SGM in 2024	9.11	Chair of the Appointments and the Compensation Committees
Employee representative director(s)										
Dominique Morin	59	M	FR	0	0	N/A	Oct. 6, 2020	2023	2.6	Member of the Compensation Committee
Carlos Manuel Pérez Fernández	49	M	ES	0	0	N/A	Oct. 6, 2020	2023	2.6	N/A
Non-voting observer										
Rein Dirx	30	M	BE	0	0	N/A	May 10, 2022	2025	0.11	N/A

At the date this Universal Registration Document was filed, the average age of Board members was 54.8. On average, they have served on the Board for 4.4 years. The directors (excluding employee representative directors and excluding the non-voting observer) hold an average of around 803 shares.

(1) At March 20, 2023.

(2) At December 31, 2022.

(3) At December 31, 2022, including term of office within Imerys.

(4) At March 20, 2023, a figure stated on a unit basis of 12 months.

(5) Refer to the review of independence criteria described below.

(6) Length of service as director only. Laurent Raets previously served as a non-voting observer from May 4, 2018 until May 10, 2022 and as director of the Company from July 29, 2015 until May 4, 2018.

CHANGES IN 2022

	Departure	Appointment	Reappointment
Board of Directors	<ul style="list-style-type: none"> Paul Desmarais III (May 10, 2022) Colin Hall (May 10, 2022) 	<ul style="list-style-type: none"> Bernard Delpit (May 10, 2022) Laurent Raets (May 10, 2022) 	<ul style="list-style-type: none"> Ian Gallienne (May 10, 2022) Lucile Ribot (May 10, 2022)
Strategic Committee	<ul style="list-style-type: none"> Paul Desmarais III (May 10, 2022) Colin Hall (May 10, 2022) 	<ul style="list-style-type: none"> Bernard Delpit (May 10, 2022) 	<ul style="list-style-type: none"> Ian Gallienne (May 10, 2022)
Appointments Committee	N/A	N/A	<ul style="list-style-type: none"> Ian Gallienne (May 10, 2022)
Compensation Committee	N/A	N/A	<ul style="list-style-type: none"> Ian Gallienne (May 10, 2022)
Audit Committee	<ul style="list-style-type: none"> Colin Hall (May 10, 2022) 	<ul style="list-style-type: none"> Laurent Raets (May 10, 2022) 	<ul style="list-style-type: none"> Lucile Ribot (May 10, 2022)
ESG Referent Director	N/A	N/A	N/A
Non-voting observer	<ul style="list-style-type: none"> Laurent Raets (May 10, 2022) 	<ul style="list-style-type: none"> Rein Dirckx (May 10, 2022) 	N/A

CHANGES PLANNED FOR 2023

The next Shareholders' General Meeting will be asked to approve:

- the renewal of the terms of office of Annette Messemer and Véronique Saubot;
- the appointment of Stéphanie Besnier as a new director to replace Aldo Cardoso, who has informed the Board of Directors of his wish not to seek reappointment as a director following the expiration of his term of office at this Shareholders' General Meeting⁽¹⁾.

Furthermore, as of and subject to the decisions taken by the upcoming Shareholders' General Meeting, and in accordance with the decisions taken by the Board of Directors at its meeting of February 16, 2023 and the recommendations of the Appointments Committee:

- Lucile Ribot will be appointed Chairwoman of the Audit Committee;
- Véronique Saubot will be reappointed as ESG Referent Director and member of the Strategic Committee and appointed as a member of the Audit Committee;
- Annette Messemer will be reappointed as a member of the Appointments and the Compensation Committees and appointed as a member of the Strategic Committee; and
- Stéphanie Besnier will be appointed as a member of the Audit Committee.

Lastly, elections will take place during 2023 to appoint the future employee representative directors (see the *Employee representative directors and the social and economic council section below*).

SELECTION OF FUTURE INDEPENDENT DIRECTORS

The Board of Directors places considerable importance on the structure of the Board and of its Committees. It draws on the results of its annual assessments and on the work and proposals put forward by the Appointments Committee, which regularly reviews and makes suggestions whenever the circumstances so require concerning desirable changes to the structure of the Board of Directors and its Committees.

Prior to each decision to extend a director's appointment or upon a departure requiring a new director to be appointed or coopted, the Appointments Committee reviews the structure of the Board and assesses its requirements in terms of skills and experience, in accordance with the diversity policy (professional qualifications and experience, balanced representation of men and women, nationality, age) and the Charter of the Board.

When circumstances so require, the Chairman of the Board of Directors, in tandem with the Chair of the Appointments Committee, may retain one or more widely renowned executive search firms and may solicit suggestions from Board members. If an external search firm is retained, it assesses the candidates' skills and knowledge based on the predefined requirements and holds interviews with shortlisted candidates.

The Chairman of the Board and the Chair of the Appointments Committee hold individual interviews with the candidates shortlisted by the external search firm and jointly select the candidates to be presented to the Appointments Committee. After assessing the various candidacies and discussing their suitability vis-à-vis the diversity policy and the Charter of the Board, especially as regards the principles of independence, integrity, good faith and professionalism, as well as the requisite knowledge, professional skills and experience, the Appointments Committee submits its recommendations to the Board (1 or 2 candidates selected). Having heard the report by the Chair of the Appointments Committee concerning the selection procedure adopted and the recommendations made, and after due deliberation, the Board decides on the candidate to be appointed or coopted for approval or ratification by the Shareholders' General Meeting.

(1) The appointment of Stéphanie Besnier will be submitted to the next Shareholders' General Meeting subject to the opinion given by the High Authority for the transparency of public life.

In 2022/2023, this procedure was followed after Aldo Cardoso expressed his wish not to seek the renewal of his term of office in 2023. Upon completion of the procedure, the Board, acting on the recommendation of the Appointments Committee, decided to propose to Shareholders⁽¹⁾ the appointment of Stéphanie Besnier. The Board considered that the appointment of Stéphanie Besnier would be highly beneficial for the Board in view of her expertise in strategy, finance and corporate governance. Stéphanie Besnier was previously Managing Director of Wendel and Deputy Director General of the Agence des participations de l'État, the French government agency responsible for managing its strategic interests. Stéphanie Besnier has served on the Board of Directors of Safran, Engie, Orange and Air-France KLM, where she was also an audit committee member. Her significant financial skills were also taken into account, especially given her appointment as an audit committee member. Furthermore, Stéphanie Besnier's appointment would also help to maintain the proportion of independent directors serving on the Board (60%) and increase the proportion of women (50%, excluding employee representative directors and the non-voting observer).

INDEPENDENCE

At the date this Universal Registration Document was filed: six of the ten directors (not including the two employee representative directors, in accordance with the AFEP-MEDEF Code), i.e. 60%, qualified as independent. This ratio is well above that of one third recommended by the AFEP-MEDEF Code for companies with controlling shareholders.

At its meeting of May 3, 2005, the Board of Directors adopted the following definition, which has been maintained every year since: "the absence of a relationship of any kind with Imerys, the Group or its management that may interfere with a director's freedom of judgment".

At its meeting of February 16, 2023 and in line with the recommendations made by the Appointments Committee, the Board of Directors:

- reviewed the independence criteria (as set out in the following table) and restated that the criteria neither preclude independent status if any are not met, nor necessarily permit such status. A member's independent status must be assessed according to their own individual situation or the Company's situation, with respect to their shareholding or any other consideration;
- laid down the criteria for establishing the materiality or otherwise of any business relationship between a Board member (or director-candidate) and Group companies, such as:
 - qualitative criteria
 - size of the business relationship for the Group and the contractual partner company in which the director or the director-candidate holds office (economic dependence, exclusive business relationship, strategic nature of the business),

- the director's or director-candidate's position in the contracting partner company (length of service, operational nature of duties, direct decision-making power over the agreements governing the business relationship, receipt by the director or director-candidate of compensation linked to the agreement(s) and or any other direct interest),
- quantitative criteria
 - proportion of revenue generated by the Group with entities to which the director or director-candidate is affiliated (1% or more);
- assessed each individual situation, including the business relationships that may exist with any companies of the Group, and the independent status of each director, especially those whose terms of office will be submitted for renewal at the next Shareholders' General Meeting.

Following this review, the Board noted, on the basis of the personal information provided by each of the directors and to the best of the Company's knowledge, that:

- no business relationship existed between the directors representing the Company's controlling shareholders other than the capital ties between them and the Company;
- capital ties exist between Blue Crest Holding S.A., to which Paris Kyriacopoulos is affiliated, and the Company following the acquisition of the S&B group by Imerys, as well as certain business relationships relating to the fulfillment of actions or commitments made after the acquisition was completed. Blue Crest Holding S.A. owns a significant interest in the share capital of Imerys and has entered into a shareholders' agreement with the GBL group, with no intention of acting in concert with them, as detailed in paragraph 7.3.5.3 of chapter 7. In addition, Paris Kyriacopoulos was employed by Imerys for the previous five years;
- no other director had any business relationship with the Group likely to affect their independence or create a conflict of interest given there were no operational links between the professional duties they perform and the Group's activities (where such ties are assessed using the criteria stated above);
- furthermore, the Board stated that at its meeting of February 16, 2023, in accordance with the recommendations of the Appointments Committee, it had considered the independent status of Stéphanie Besnier, who has been put forward for appointment at the next Shareholders' General Meeting⁽¹⁾ (see chapter 8, paragraph 8.2.5). Based on the criteria and principles outlined in this subsection, the Board considered Stéphanie Besnier as independent and noted the absence of business relationships.

(1) The appointment of Stéphanie Besnier will be submitted to the next Shareholders' General Meeting subject to the opinion given by the High Authority for the transparency of public life.

4 Corporate Governance

Board of Directors

Based on these observations and in line with the recommendations of the Appointments Committee, the Board noted the following, it being understood that: ✓ indicates an independence criterion has been met and x indicates an independence criterion has not been met.

Criteria ⁽¹⁾	Patrick Kron	Bernard Delpit	Aldo Cardoso	Ian Gallienne	Paris Kyriacopoulos	Annette Messemer	Laurent Raets	Lucile Ribot	Véronique Saubot	Marie-Françoise Walbaum	Dominique Morin	Carlos Manuel Pérez Fernández	Rein Dirkx
Criterion 1: Not an employee or corporate officer in the past five years	x	✓	✓	✓	x	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 2: No cross-directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 3: No material business relationships with the Group	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 4: No family ties	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 5: Not to have been a Statutory Auditor	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 6: Not to have had a term of office of over 12 years	✓	✓	x	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 7: Not a non-executive corporate officer	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	N/A	N/A	N/A
Criterion 8: Not a major shareholder	✓	x	✓	x	x	✓	x	✓	✓	✓	N/A	N/A	N/A
Independent (Y/N)	Y ⁽²⁾	N	Y ⁽³⁾	N	N	Y	N	Y	Y	Y	N/A	N/A	N/A

(1) **Criterion 1:** Not to be, or have been during the past five years: an employee or executive corporate officer of the Company; an employee, executive corporate officer or director of a company consolidated by the Company; an employee, executive corporate officer or director of the parent company (Parjointco) or a company consolidated by that parent company.

Criterion 2: Not to be an executive corporate officer of a company in which the Company holds, directly or indirectly, a directorship or in which an employee is designated as a director or an executive corporate officer of the Company (whether at present or in the past five years).

Criterion 3: Not to be a customer, supplier, investment banker or commercial banker that is material to the Company or the Group, or for which the Company or its Group represents a significant share of business.

Criterion 4: Not to have any close family ties with a corporate officer.

Criterion 5: Not to have been a Statutory Auditor of the Company in the past five years.

Criterion 6: Not to have been a director of the Company for more than 12 years.

Criterion 7: Not to receive any variable compensation in cash or shares or any performance-based compensation from the Company or the Group.

Criterion 8: Directors representing the Company's major shareholders may qualify as independent provided that these shareholders do not have or share control of the Company. However, if shareholders pass the threshold of 10% of capital or voting rights, the Board, on the basis of a report produced by the Appointments Committee, systemically examines whether independent status can be retained taking into account the Company's shareholding and any potential conflicts of interest.

(2) The Board, acting on the recommendations of the Appointments Committee, confirmed the independent status of Patrick Kron, see the "AFEP-MEDEF Code as Reference Code adopted" section above.

(3) The Board, acting on the recommendations of the Appointments Committee, confirmed the independent status of Aldo Cardoso for the remaining term of his appointment, that is until May 10, 2023, see the "AFEP-MEDEF Code as Reference Code adopted" section above.

EMPLOYEE REPRESENTATIVE DIRECTORS AND THE SOCIAL AND ECONOMIC COUNCIL

Since October 6, 2014, the Board of Directors has included two employee representative directors. They are offered specific training to enable them to perform their duties, paid for by the Company and provided by either external organizations or the Imerys learning center. At its meeting of February 12, 2020, the Board of Directors decided employee representative directors must spend a minimum of 40 hours and a maximum of 45 hours in training per year over the course of their term of office (excluding language classes). The Board also decided to set aside 15 hours of their legally prescribed working hours to prepare for each Board meeting. As previously mentioned, two directors, one appointed by the Group's French Works Council and the other by the European Works Council, joined the Board in October 2020. Elections will be held during 2023.

The social and economic council is represented on the Board of Directors by one person who attends all Board meetings in an advisory capacity.

DIVERSITY

The Board of Directors and its Appointments Committee regularly assess the structure of the Board and its Committees, in particular during the process to renew directors' offices and the annual self-assessment. They also identify appropriate priorities to ensure the most balanced structure by striving to involve directors with complementary profiles in terms of nationality, gender, age and experience.

Pursuant to article L. 22-10-10, paragraph 2 of the French Commercial Code, the table below presents the diversity policy that was applied with the Board of Directors, setting out the criteria and objectives achieved by the Board as well as their implementation and results.

In addition, this diversity policy is supplemented, in accordance with the provisions of the aforementioned French Commercial Code, by disclosures concerning how the Company aims to achieve a gender-balanced structure for the Executive Committee and the diversity results among the top 10% of positions by seniority. These disclosures also include, pursuant to the provisions of the AFEP-MEDEF Code, the gender-balance objectives for the "executive bodies".

	Criteria	Objectives and implementation arrangements	Results achieved during 2022	Possible review of the objective for 2023
Board of Directors	Gender balance	<ul style="list-style-type: none"> Maintain a gender-balanced structure within the Board of Directors by identifying in advance potential candidates for directorships with profiles also fitting the other requirements of the diversity policy. 	<ul style="list-style-type: none"> The proportion of women on the Board has gradually increased, rising from 21.4% in 2013 to 40% by 2020. The various reappointments since then, including that of Lucile Ribot at the Shareholders' General Meeting of May 10, 2022 helped maintain this balance; Two out of the four Committees are chaired by a woman (Compensation Committee and Appointments Committee) and the position of ESG Referent Director is also held by a woman. 	<ul style="list-style-type: none"> Objective unchanged. Effective May 10, 2023, three of the four committees will be chaired by women (Audit Committee, Compensation Committee and Appointments Committee).
	Professional skills and experience	<ul style="list-style-type: none"> Maintain a structure of the Board of Directors with a diverse mix of skills and experience in the following areas: <ul style="list-style-type: none"> Finance, accounting Sales, marketing, industry, management Human Resources International Stable presence on Boards of listed companies and international groups add more industrial knowledge and leadership experience gained in large corporations. 	<ul style="list-style-type: none"> The appointment of Bernard Delpit and Laurent Raets in 2022 met these objectives. Bernard Delpit brings substantial industrial expertise and, more broadly, experience of major international groups. Asia has been a particular focus during his international career. Laurent Raets brings in-depth knowledge of the Group and its businesses. He also possesses significant expertise in strategy and finance. 	<ul style="list-style-type: none"> Target of bringing in when the next terms of office come up for renewal by year end 2024, a director from industry with executive background and, if possible, international.
	Nationality	<ul style="list-style-type: none"> Maintain the Board of Directors' broad international structure by proposing appointments of directors, wherever possible, from the same geographical regions where the Group does business and matching the Group's ownership structure. 	<ul style="list-style-type: none"> The Board's structure has gradually evolved, with an increase from three in 2013 to seven nationalities by 2020 (including the non-voting observer). At December 31, 2022, five nationalities were represented on the Board. 	<ul style="list-style-type: none"> Objective unchanged.
	Independence	<ul style="list-style-type: none"> Maintain the proportion of independent directors at a level in keeping with the AFEP-MEDEF Code's recommendations. 	<ul style="list-style-type: none"> The Board's independence ratio has stood since 2019 at 60% or over, a level well above current recommendations for companies with controlling shareholders. In addition, the chairs of the Board and of the Committees (other than the Strategic Committee) and the position of ESG Referent Director are all held by independent directors. 	<ul style="list-style-type: none"> Objective unchanged.
	Balance	<ul style="list-style-type: none"> Maintain a balance between directors who have served for several years, by aiming for complementary profiles, and the appointment of new members with new skills and fresh impetus. 	<ul style="list-style-type: none"> At March 20, 2023, 50% of directors* had served for less than three years, 30% of directors* had served for between three and ten years, and 20% of directors* had served for more than nine years. At March 20, 2023, directors* were between 41 and 73 years old, with an average age of 57.5, with 50% of directors aged between 45 and 65, and 20% younger than 45. 	<ul style="list-style-type: none"> Objective unchanged.

	Criteria	Objectives and implementation arrangements	Results achieved during 2022	Possible review of the objective for 2023
Executive Committee	Gender balance	<ul style="list-style-type: none"> Enhance the Executive Committee's gender balance whenever opportunities to do so arise. 	<p>During the year, two women, Anastasia Amvrosiadou and Leah Wilson, were appointed to the Executive Committee. At March 20, 2023, the Executive Committee had seven male and two female members.</p> <p>Recruitment for Executive Committee another position has been underway since September 2022. That position was previously held by a woman (Frédérique Berthier-Raymond, Group General Counsel, Secretary of the Board).</p>	<ul style="list-style-type: none"> New target: the Board has decided to set a target of 30% of Executive Committee positions to be held by women.
Executive bodies (top 10% of positions by seniority)	Diversity and Inclusion	<ul style="list-style-type: none"> Champion diversity and inclusion through implementation since 2017 of an ambitious plan to cultivate diversity, primarily in respect of gender and nationality. For the Senior Managers category (i.e. the 10% of jobs with the highest level of responsibility within the Group), the year-end 2022 target was for 30% of positions to be held by women. 	<ul style="list-style-type: none"> At year-end 2022, 26% of Senior Manager positions were held by women. Note also that the percentage was 32% in the Executives, Experts and Professionals category. <p>The gender-balance objective for Senior Manager positions was not fully achieved at year-end 2022 as a result of (i) increased turnover among the female Senior Managers in 2021 and 2022, and (ii) changes in the definition of Senior Manager. The category now excludes members of the Executive Committee. The figure does not therefore include the internal promotion of two high-ranking female executives to the Executive Committee in 2022. In addition, the Group undertook to increase the proportion of women across every tier of its organization with specific targets for year-end 2025 set for the percentage of female Senior Managers and Executives, Experts and Professionals.</p>	<ul style="list-style-type: none"> New target: for the Senior Managers category, the year-end 2025 target is for 30% of positions to be held by women. The Group is actively pursuing a hiring policy aligned with this target, especially for the Executives, Experts and Professionals category, so it can build up its female talent pool.

* Excluding employee representative directors and excluding non-voting observer.

4 Corporate Governance

Board of Directors

EXPERTISE AND EXPERIENCE OF BOARD MEMBERS

Members of the Board are selected on the strength of expertise and experience, among other criteria. The members of the Audit Committee are chosen in particular for their financial expertise. The Appointments Committee and the Board of Directors closely focus on assessing these criteria.

The careers and offices held by directors (*see their respective biographies on the following pages and skills matrix below*) reflect their individual expertise and experience in different areas such as finance, industry, strategy, ESG and international, which contribute to the quality of the Board's work and correctly balanced structure.

Skills/experience	Patrick Kron	Bernard Delpit	Aldo Cardoso	Ian Gallienne	Paris Kyriacopoulos	Annette Messemer	Laurent Raets	Lucile Ribot	Véronique Saubot	Marie-Françoise Walbaum
Industry	•	•			•					•
Strategy	•	•	•	•	•		•	•		•
Finance	•	•	•	•		•	•	•		•
ESG/Sustainability	•			•		•				•
International	•	•	•	•	•	•		•		•

Excluding employee representative directors and excluding non-voting observer.

SUCCESSION PLANNING FOR EXECUTIVE CORPORATE OFFICERS

Succession planning for executive corporate officers is performed annually. The succession planning should cover short unexpected succession needs (resignation, disability, death), and defines actions enabling smooth succession over the medium and long term (risk of departure, emergence of new requirements, planned succession).

Every year, the Appointments Committee reassesses the situation and makes appropriate adjustments. The Appointments Committee may retain the services of external firms to confirm the effectiveness of succession planning. It keeps the Board informed of progress with this task, including during executive sessions, works closely with Executive Management, meets from time to time with the main members of the executive teams.

This plan also applies to the members of the Group's Executive Committee. (*see the 2022 activities of the Appointments Committee for more details in paragraph 4.1.2 below*).

CONSIDERATION GIVEN BY THE BOARD TO ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES

Environmental, Social and Governance (ESG) issues lie at the very heart of Imerys' strategy and its achievements (*see sections 1.2 and 1.3 of chapter 1*). The Board of Directors:

- takes into consideration these ESG issues in the determination and review of the Group's strategy in accordance with regulatory requirements and the Charter of the Board. This held particularly true in 2022 in connection with the review and the presentation of the 2023-2025 strategic plan to investors in November 2022;
- conducts a review twice a year of the Group's ESG strategy and policy, and monitors its implementation in line with the targets set;
- incorporates ESG indicators, in line with the Compensation Committee's recommendations, in the performance criteria used to determine the Chief Executive Officer's annual variable compensation; a number of the same indicators can also be found in the criteria used to determine the variable compensation for each of the Executive Committee members;

- chooses from among its members in July 2021 an ESG Referent Director (*as presented in more detail below*), responsible for liaising with each Board Committee that addresses certain ESG aspects within its respective remit:
 - the Strategic Committee formulates recommendations to the Board concerning the direction, implementation and monitoring by Executive Management of the Group's ESG and Innovation strategy,
 - the Audit Committee includes, reviews and, where appropriate, discusses the options chosen in terms of the verification of information published in the Declaration of non-financial performance to ensure its compliance and safeguard its quality,
 - the Appointments Committee formulates recommendations to the Board concerning the proposed appointment of corporate officers, directors, the structure and chairs of the Committees in line with the diversity policy laid down by the Board,
 - the Compensation Committee formulates recommendations to the Board concerning the compensation policy for the Chief Executive Officer, which includes, as appropriate, ESG criteria, as well as the percentage achievement of these criteria, plus the long-term performance share incentive plans for the Group's senior executives.

Lastly, the Board will consider, based on the recommendations of the Appointments Committee, potential changes during 2023 for implementation during 2024 to act on the latest recommendations of the AFEP-MEDEF Code as set out in its December 2022 update. Note that Véronique Saubot (ESG Referent Director) will join the Audit Committee effective May 10, 2023 so she can contribute to the Audit Committee's monitoring of the key ESG non-financial performance indicators.

OTHER INFORMATION

Family ties between members of the Board

To the best of the Company's knowledge, there are no family ties between the members of the Board.

Potential conflicts of interest between members of the Board

Pursuant to the recommendations of the AFEP-MEDEF Code, the Charter of the Board specifies that:

- "Directors shall inform the Chairman and the Vice-Chair of the Board, should there be one, of any situation likely to create or potentially create a conflict of interest. They shall inform the Chairman and the Vice-Chair, should there be one, of any Group transactions in which they have a direct or indirect interest and of which they have knowledge, before they are completed. They shall abstain from any voting by the Board and even from the discussion prior to the vote where that situation arises; the minutes of the meeting mention this abstention. The Shareholders' General Meeting shall be informed of any such transaction in accordance with the law;

- directors may not use their position or office to obtain for themselves or for a third party any kind of advantage, monetary or otherwise;
- directors may not personally take on any responsibilities in any company or business in direct or indirect competition with those of the Imerys group without informing the Chairman and, should there be one, the Vice-Chair beforehand."

To the best of the Company's knowledge, no potential conflicts of interest exist between the duties of the directors with respect to the Company and their private affairs and/or other duties, except those mentioned in the *paragraph above on Independence* concerning Paris Kyriacopoulos.

However, the following directors of the Company also have executive responsibilities in entities of the group run by the Company's controlling shareholders: Bernard Delpit, Ian Gallienne, Laurent Raets and Rein Dirx (non-voting observer).

No member of the Board has been selected as a result of any arrangement or agreement entered into with the main shareholders, customers, suppliers or other parties, with the exception of the Shareholders' Agreement in force (notably between Blue Crest and GBL (*see chapter 7, paragraph 7.3.5.3*)).

Service contracts between the Company and members of the Board

To the best of the Company's knowledge, no service contracts have been agreed between the members of the Board and the Company or any of its subsidiaries that grant any kind of benefit upon expiration.

Convictions for fraud

To the best of the Company's knowledge, no member of the Board has been convicted of fraud in the past five years.

Bankruptcy, receivership or liquidation of companies in which a member of the Board has held an executive position in the past five years

To the best of the Company's knowledge, no member of the Board has held an executive position in a company that has filed for bankruptcy or been placed in receivership or liquidation in the past five years.

Conviction and/or official public sanction by statutory or regulatory authorities

To the best of the Company's knowledge, no member of the Board has been convicted and/or received an official public sanction in the past five years.

Requirement for directors to hold shares in the Company

The Charter of the Board requires each director to purchase 600 shares in the year following their appointment. They must hold these shares until the expiration of their term of office. For further details on corporate officers' transactions in Company shares, *see section 4.4 of the present chapter*.

4.1.2 PROFILE, EXPERIENCE AND EXPERTISE OF THE DIRECTORS

The following information was provided to the Company by each member of the Board in office at December 31, 2022.

Further details, including age, nationality, the number of shares held and any membership of Board Committees, can be found in *paragraph 4.1.1 of the present chapter ("Brief overview of the Board")*. Other than their term of office at Imerys, the Board members do not hold any appointment in other Group companies at the publication date of the Universal Registration Document and have not held any such appointments during

the previous five years (except for Paris Kyriacopoulos, *see below*).

This paragraph also contains the information and disclosures concerning Stéphanie Besnier, whose appointment as a new director will be proposed at the forthcoming Shareholders' General Meeting, subject to the opinion given by the High Authority for the transparency of public life. For further details, *see chapter 8, paragraph 8.2.5*.

Patrick Kron

Independent director and Chairman of the Board of Directors

Born on September 26, 1953

Work address:

c/o Imerys
43, quai de Grenelle
75015 Paris
France

Date first appointed:

June 25, 2019

Term of office expires:

Shareholders' General Meeting in 2024

Main professional activity:

Director and corporate executive

Biography

Patrick Kron graduated from the École Polytechnique and has an engineering degree from the École nationale supérieure des mines de Paris.

Patrick Kron started his career at the French Ministry of Industry in 1979. He took on a number of operational responsibilities at the Pechiney group in Greece between 1984 and 1988 before joining the executive committee and occupying managerial positions from 1993 to 1997. From 1998 to 2002, Patrick Kron held the office of Chairman of the Managing Board at Imerys.

Appointed as an independent director to the Board of Alstom in July 2001, he then went on to become the Chief Executive Officer of Alstom in January 2003 and Chairman & Chief Executive Officer in March 2003. He left Alstom in January 2016 after finalizing the sale of the group's energy business to General Electric and completing a share buyback program. In February 2016, Patrick Kron set up a management consulting firm, PKC&I. In November 2016, he joined Truffle Capital, a venture capital firm specializing in biomedtech and digital technology, as its Chairman.

Appointed as a director and Chairman of the Board of Imerys on June 25, 2019, Patrick Kron was also entrusted with the responsibilities of Chief Executive Officer on an interim basis between October 21, 2019 and February 16, 2020.

Patrick Kron was admitted as a Knight of the Légion d'Honneur in September 2004 and Officer of the Ordre National du Mérite in November 2007.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director – Viohalco – Belgium
- Director – Sanofi – France
- Director – Holcim – Switzerland

Other non-Group companies

- Chairman – PKC&I S.A.S. – France
- Permanent representative of PKC&I on the Supervisory Board – Segula Technologies – France
- Chairman – Truffle Capital S.A.S. – France

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Director – Elval-Halcor S.A. – Greece

Other non-Group companies

- None

Bernard Delpit

Director

Born on October 26, 1964

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels
Belgium

Date first appointed:

May 10, 2022

Term of office expires:

SGM in 2025

Main professional activity:

Deputy Chief Executive Officer

Biography

Bernard Delpit began his career in 1990 at the Inspectorate-General of Finance, before moving to the budget department of the ministry for the economy and finance in 1994. From 2000 through until 2007, he held several positions with the PSA Peugeot Citroën group. After three years in China as Deputy Chief Executive Officer of the joint venture between the PSA group and its partner Dong Feng, he was appointed as head of management control in 2004. He moved to the office of the President of the French Republic in May 2007 as economic advisor, then joined Le Groupe La Poste in June 2009 as Deputy Chief Executive Officer and Chief Financial Officer. In August 2011, he joined the Crédit Agricole Group as Chief Financial Officer. In May 2015, he was appointed as Safran's Chief Financial Officer. He was then named Group Chief Financial Officer with additional responsibility for Strategy, Mergers & Acquisitions and Real Estate. In 2021, he became Deputy Chief Executive Officer of the Safran group. Since January 2022, he has been Deputy Chief Executive Officer of Groupe Bruxelles Lambert.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Deputy Chief Executive Officer – Groupe Bruxelles Lambert group – Belgium
- Director – Renault – France

Other non-Group companies

- None

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Group Deputy Chief Executive Officer – Safran – France

Other non-Group companies

- Director – ArianeGroup – France
- Director – BPI France – France

Aldo Cardoso

Independent director

Born on March 7, 1956

Work address:

Imerys
43, quai de Grenelle
75015 Paris
France

Date first appointed:

May 3, 2005

Term of office expires:

Shareholders' General Meeting in 2023

Main professional activity:

Director

Biography

Aldo Cardoso graduated from École Supérieure de Commerce of Paris and holds a Master's in Law. He started his career in 1979 at Arthur Andersen, where he became a partner in 1989. Appointed Vice-President of Auditing and Consulting Europe in 1996, he served as Chairman of Andersen France from 1998 to 2002, then Chairman of the Supervisory Board of Andersen Worldwide from 2000 to 2002, before becoming Chairman of the Management Board from 2002 to 2003. In this role, Aldo Cardoso oversaw the winding-down of Andersen's activities worldwide. He has held directorships at Engie, Rhodia, Accor, Gecina, Mobistar, Orange, AXA Investment Managers, Penauille Polyservices and GE Corporate Finance Bank.

**OFFICES AND POSITIONS HELD
AT DECEMBER 31, 2022****Non-Group listed companies**

- Chairman of the Board of Directors – Bureau Veritas – France
- Director – Worldline – France
- Director – DWS – Germany

Other non-Group companies

- None

**OFFICES AND POSITIONS THAT HAVE EXPIRED
IN THE PAST FIVE YEARS****Non-Group listed companies**

- Director – Engie – France

Other non-Group companies

- None

Ian Gallienne

Director

Born on January 23, 1971

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marnix
1000 Brussels
Belgium

Date first appointed:

April 29, 2010

Term of office expires:

SGM in 2025

Main professional activity:

Corporate executive and director

Biography

After completing an MBA at INSEAD, France, Ian Gallienne started his career in Spain in 1992 by co-founding his own company. From 1995 to 1997, he was a member of the management team at a consulting firm specialized in turning around struggling businesses in France. From 1998 to 2005, he served as Manager of Rhône Capital LLC, a private equity fund based in New York and London. In 2005, he set up his own private equity fund, Ergon Capital, in Brussels where he worked as Managing Director until 2012. On January 1, 2012, Ian Gallienne was appointed Managing Director of Groupe Bruxelles Lambert.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director – Pernod-Ricard – France
- Managing Director – Groupe Bruxelles Lambert – Belgium
- Director – SGS – Switzerland
- Vice-Chairman – Adidas AG – Germany

Other non-Group companies

- Director – Société Civile du Château Cheval Blanc – France
- Legal Manager – Serena 2017 – France
- Chairman – Marnix French ParentCo (Webhelp) – France
- Director – Compagnie Nationale du Portefeuille – Belgium
- Director – Carpar – Belgium
- Director – Financière de la Sambre – Belgium

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- None

Other non-Group companies

- Director – Frère-Bourgeois – Belgium
- Director – Erbe S.A. – Belgium

Paris Kyriacopoulos

Director

Born on May 12, 1981

Work address:

Orymil S.A.
Amerikis 21a
10672 Athens
Greece

Date first appointed:

May 10, 2021

Term of office expires:

Shareholders' General Meeting in 2024

Main professional activity:

Corporate executive and director

Biography

Paris Kyriacopoulos gained a Bachelor of Arts degree *cum laude* from the University of Pennsylvania in Philadelphia (United States) in philosophy, politics and economics and an MBA with a high distinction from Harvard Business School in Cambridge (United States).

From 2005 until 2007, he was a junior associate with the Boston Consulting Group (Austria).

He took charge from 2010 to 2015 of FiberLean within Imerys' Filtration & Performance Additives division. From 2016 until 2020, he served as Chief Executive Officer of FiberLean Technologies Ltd, a joint venture between Imerys and OMYA, which was sold to the Werhahn group in 2021 (United Kingdom).

In 2013, he was appointed as a director, then in 2015 Chairman of the Board of Directors of Motodynamics SA, a company listed on the Athens stock exchange. Since January 2023, he has served as Chairman and CEO of Motodynamics SA.

Since 2021, he has been a director and member of Imerys' Strategic Committee. Since 2022, he has chaired the Board of Omirou Capital Partners S.A. and served as the vice-chairman of Orymil S.A. (Greece). Since 2022, he has also been a director of Blue-Crest S.A. (Luxembourg) and a member of the Supervisory Board of KKFMS (Netherlands). He sat on the Board of the ALBA association in Greece from 2013 until 2018, and then rejoined it in 2022. Since 2021, Paris Kyriacopoulos has also directed Junior Achievement Greece.

He has also been a member of the YPO Aegean/Macedonian Chapter since 2018 and director since 2022.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director and Chairman of the Board of Directors – Motodynamics S.A. – Greece

Other non-Group companies

- Director – Junior Achievement Greece – Greece
- Director – Blue Crest S.A. – Luxembourg
- Member of the Supervisory Board – KKFMS – Netherlands
- Director – ALBA Association – Greece

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS*

Non-Group listed companies

- None

Other non-Group companies

- Director – ALBA Association – Greece

* From 2016 until 2020, Paris Kyriacopoulos served as Chief Executive Officer of Fiberlean Technologies Ltd, a joint venture between Imerys and OMYA, which was sold to the Werhahn group in 2021 (United Kingdom).

Annette Messemer

Independent director

Born on August 14, 1964

Work address:

Opernplatz 10
60313 Frankfurt
Germany

Date first appointed:

May 4, 2020

Term of office expires:

Shareholders' General Meeting in 2023

Main professional activity:

Director

Biography

Annette Messemer is a banking and finance executive who sits on Boards of financial institutions, and of industrial and tech groups. She is a director of Société Générale and Savencia in France and of Babel Group AG in Germany. Until May 2021, Annette Messemer also sat on the audit and risk, nomination and compensation committees of EssilorLuxottica.

Until June 2018, Annette Messemer was a member of the Executive Committee within the Corporate Clients division at Commerzbank AG in Frankfurt, Germany. She started working in investment banking at JP Morgan in New York in 1994 before continuing her career in Frankfurt and London. Over the 12 years Annette Messemer spent at JP Morgan, she acquired experience in finance, strategic M&A, financial transactions and risk management. Having reached the level of Senior Banker, she moved from JP Morgan to Merrill Lynch in 2006 as Managing Director and member of the executive committee in Germany. In 2010, she was appointed to the supervisory committee of WestLB by the German Minister of Finance in order to assist with one of the largest restructuring operations of the German banking system during the financial crisis. She went on to join Commerzbank in February 2013.

Annette Messemer studied political science and economics and holds an MA and a PhD from the University of Bonn (Germany), a Master's from Tufts University and Harvard University (both in the United States), as well as a diploma in politics from Sciences Po in Paris.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director – Société Générale – France
- Director – Savencia – France

Other non-Group companies

- Member of the Supervisory Board – Babel Group AG – Germany

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Director – EssilorLuxottica – France
- Member of the Executive Committee – Commerzbank AG – Germany
- Director – Essilor International S.A.

Other non-Group companies

- Member of the Supervisory Board – Commerzreal – Germany
- Member of the Supervisory Board – K+S Aktiengesellschaft – Germany
- Director – Essilor International S.A.S. – France

Laurent Raets

Director

Born on September 9, 1979

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marix
1000 Brussels
Belgium

Date first appointed:

May 10, 2022

Term of office expires:

SGM in 2025

Main professional activity:

Portfolio Monitoring Partner

Biography

A graduate of the École de Commerce Solvay, Université Libre de Bruxelles, Laurent Raets started his career in 2002 at Deloitte Corporate Finance in Brussels, Belgium, as Mergers and Acquisitions Consultant. In 2006, he joined the Investments department of Groupe Bruxelles Lambert as an analyst, and then became its Deputy Director in 2016, followed by Partner in 2021. He served as a director at Imerys from July 29, 2015 to May 4, 2018, when he was appointed a non-voting observer to the Board of Directors.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director – Umicore – Belgium

Other non-Group companies

- None

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- None

Other non-Group companies

- None

Lucile Ribot

Independent director

Born on November 26, 1966

Work address:

10, rue Mayet
75006 Paris
France

Date first appointed:

May 4, 2018

Term of office expires:

SGM in 2025

Main professional activity:

Director

Biography

After graduating from HEC, France, in 1989, Lucile Ribot started her career at Arthur Andersen, where she conducted audits and provided financial advice to a number of major international groups. In 1995, she joined the industrial engineering group Fives and was appointed Chief Financial Officer in 1998 then a member of the Management Board in 2002. She stayed with the group, driving growth and strategic development, until 2017. Since then, she has served as an independent director. She became a director of Imerys on May 4, 2018.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director and member of the Audit Committee – Kaufman & Broad – France

Other non-Group companies

- Director, Chairwoman of the Audit Committee and member of the Risk Committee – HSBC Continental Europe

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Director – Solocal Group – France

Other non-Group companies

- Various directorships within the Acropole Holding group – France

Véronique Saubot

Independent director

Born on December 27, 1964

Work address:

23, rue Raynouard
75016 Paris

Date first appointed:

May 4, 2020

Term of office expires:

Shareholders' General Meeting in 2023

Main professional activity:

Director and partner

Biography

Véronique Saubot has over 25 years' experience in consulting and industry. She started her career in 1989 at Arthur Andersen before joining Valeo, where she held a number of operational and support positions over the 13 years she spent with the group. In 2002, she was put in charge of the Group's strategic plan.

In 2007, Véronique Saubot founded Coronelli International, offering consulting services in innovation strategy to major international corporations. In 2014, Coronelli International bought out Tykya, a firm set up in 2002 to support innovative start-ups and SMEs with securing public and private funding, formulating their market access strategy and putting them in touch with major corporations. Since June 2022, she has been Chief Executive Officer of Simplon.co, an organization that provides training in a whole variety of areas, including for the long-term unemployed and those wanting to pursue digital careers (web development, artificial intelligence, cloud, data, etc.).

Véronique Saubot graduated from ESCP, INSEAD and IHEDN (Poldef session 69).

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director – Lisi – France
- Director – Esso S.A.F. – France

Other non-Group companies

- Partner – Tykya – France
- Partner – Matilda Holding – France
- Director – Aspen Institute – France
- Chairwoman – Equaleaders non-profit – France
- Chief Executive Officer – Simplon.co – France

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- None

Other non-Group companies

- Director – Harmonie Mutuelle – France
- Director – Day One investment fund – France
- Director – Force Femmes – France
- Chairwoman – Cornelli Finance – France

Marie-Françoise Walbaum

Independent director

Born on March 18, 1950

Work address:

10, rue d'Auteuil
75016 Paris
France

Date first appointed:

April 25, 2013

Term of office expires:

Shareholders' General Meeting in 2024

Main professional activity:

Director

Biography

Marie-Françoise Walbaum holds a degree in sociology from Paris X University and a Master's in economics. She started her career in 1973 at BNP (Banque Nationale de Paris) and held various positions in retail banking and credit analysis until 1981. From 1981 to 1994, she served as Senior Auditor at BNP's Inspectorate General, then Chief Executive Officer for mutual funds before being appointed Chief Executive Officer of the brokerage firm Patrick Dubouzet S.A. In 1994, Marie-Françoise Walbaum became Head of Principal Investments and Private Equity Portfolio Manager at BNP Paribas. She ended her 39-year career when she left BNP Paribas on September 30, 2012. Since then, Marie-Françoise Walbaum has served as a director of several companies.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- Director and Strategic Committee member (ESG responsibilities) – Thales – France
- Director, Chairwoman of the Audit and Financial Committee and member of the Governance, Appointments & Compensation committee – Peugeot Invest – France

Other non-Group companies

- Member of the Supervisory Board – Isatis Capital – France

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Director and Chairwoman of the Audit Committee – Esso – France

Other non-Group companies

- None

Dominique Morin

Employee representative director

Born on February 7, 1964

Work address:

Imerys Refractory Minerals Clérac
17270 Clérac
France

Date first appointed:

October 6, 2020

Term of office expires:

2023

Main professional activity:

Employee of Imerys Refractory Minerals Clérac

Biography

Dominique Morin has worked for the Imerys group within Imerys Refractory Minerals Clérac since 1989. He has fulfilled six terms as employee representative, three of which as company Works Council Secretary, before he was appointed Secretary of the Group's French Works Council in 2018. On October 6, 2020, he took up the office as employee representative director on the Board of Imerys S.A., as designated by the French Works Council.

**OFFICES AND POSITIONS HELD
AT DECEMBER 31, 2022****Non-Group listed companies**

- None

Other non-Group companies

- None

**OFFICES AND POSITIONS THAT HAVE EXPIRED
IN THE PAST FIVE YEARS****Non-Group listed companies**

- None

Other non-Group companies

- None

Carlos Manuel Pérez Fernàndes

Employee representative director

Born on June 24, 1973

Work address:

Imerys Kiln Furniture España
Lugar Salcidos San Lorenzo P Bo,
A Guarda Galicia 36780
Spain

Date first appointed:

October 6, 2020

Term of office expires:

2023

Main professional activity:

Employee (operator) at Imerys Kiln Furniture Spain

Biography

Carlos Manuel Pérez Fernàndes has worked for the Imerys group within Imerys Kiln Furniture Spain since 1997. He was elected by the European Works Council as representative for Spain and Portugal, before he was appointed Secretary of the European Works Council in October 2018. On October 6, 2020, he took up the office as employee representative director on the Board of Imerys S.A., as designated by the European Works Council.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- None

Other non-Group companies

- None

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- None

Other non-Group companies

- None

Stéphanie Besnier

Candidate put forward for appointment as a director at the next Shareholders' General Meeting⁽¹⁾

For further details, see chapter 8, paragraph 8.2.5.

Born on 10 March 1977

French national

Work address:

2, rue Kellermann,
59100 Roubaix (France)

Main professional activity:

Chief Financial Officer

Biography

Stéphanie Besnier's career began in 2001 as an analyst at BNP Paribas in London. From 2003 until 2007, she held various positions in the French ministry of finance and the economy. In 2007, she joined the Wendel group's investment team and was appointed as its associate director in 2018. She was involved in Wendel's investments in Deutsch Connectors, Constantia Flexibles, IHS Towers and Bureau Veritas and launched the holding company's strategy of investing in growth capital (Wendel Growth). In April 2021, she was appointed as Deputy Director General of the Agence des participations de l'État, the French government agency responsible for managing its strategic interests, which she ran on an interim basis between June and September 2022. During this period, she has been a director representing the French government on the Boards of Safran, Engie, Orange and Air France-KLM. She was also a member of these companies' audit committees. As of 6 March 2023, Stéphanie Besnier has joined OVHcloud as Chief Financial Officer.

OFFICES AND POSITIONS HELD AT THE DATE OF PUBLICATION OF THE UNIVERSAL REGISTRATION DOCUMENT

Non-Group listed companies

- None

Other non-Group companies

- Chief Financial Officer – OVHCloud – France (starting from 6 March 2023)

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Director – Air-France KLM – France
- Director – Orange – France
- Director – Engie – France
- Director – Safran – France
- Director – Bureau Veritas – France
- Director – IHS Towers – France

Other non-Group companies

- None

(1) The appointment of Stéphanie Besnier will be submitted to the next Shareholders' General Meeting subject to the opinion given by the High Authority for the transparency of public life.

Rein Dirx

Non-voting observer

Born on December 30, 1992

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marix
1000 Brussels
Belgium

Date first appointed:

May 10, 2022

Term of office expires:

2025

Main professional activity:

Investment Principal

Biography

Rein Dirx holds a degree in mining engineering from McGill University, Montreal (Canada). He began his career in 2016 with Bain & Company in Brussels (Belgium) as a consultant, working chiefly on private equity projects. In 2019, he joined the Corporate Venture Capital department of Ieteren Auto, the Volkswagen group's import subsidiary in Belgium, in order to develop innovative flexible mobility solutions. In 2020, he joined the Investments department of Groupe Bruxelles Lambert as an associate and then became Investment Principal in 2022.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- None

Other non-Group companies

- Director – Sofia MasterCo (Sanoptis) – Luxembourg

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- None

Other non-Group companies

- None

4.1.3 POWERS

In accordance with French legislation, the Company's by-laws and the Charter of the Board, the Board is tasked with the following duties:

- protecting the Company's corporate interests and assets;
- determining the strategic direction for the Company's operations and overseeing its implementation;
- choosing the Company's corporate governance structure and appointing its executive corporate officers;
- adopting the policy of awarding compensation to corporate officers and setting their compensation in accordance with the policy, subject to the prerogatives of the Shareholders' General Meeting;
- exercising permanent control over the way in which Executive Management manages the Company;
- ensuring the quality of information provided to shareholders and markets.

In order to perform its role, the Board of Directors:

- carries out the checks and controls it deems appropriate throughout the year. It may obtain any documents it considers useful to fulfill its duties;
- is informed by Executive Management of its annual operating objectives for the year ahead and, periodically, its long-term strategic projects;
- receives regular reports from Executive Management on the state of Company affairs, prepared in the way requested by the Board. The report includes the Group's quarterly and half-yearly financial statements;
- receives regular reports from Executive Management on the state of Company affairs, which are prepared in the manner requested by the Board. The report includes the Group's quarterly and half-yearly financial statements. The Board examines and approves the Group's half-yearly financial statements;
- is provided by Executive Management with the Company's annual financial statements, the Group's consolidated financial statements and its annual report within the first three months following the end of the financial year. The Board reviews and checks the documents. Before approving the financial statements and the terms of its Management Report, which will be presented to the annual Shareholders' General Meeting.

Furthermore, prior to their implementation by Executive Management and within the limits of the general powers granted to it by law, the Board examines and approves the following:

- the strategic direction of the Company and Group and any operations likely to significantly influence this direction. It also periodically reviews the long-term strategic plan (multi-annual plan) drawn up or revised by Executive Management;
- the operations likely to significantly modify the purpose or scope of business of the Company or the Group, including:
 - the acquisition, investment, takeover or disposal of securities or any other fixed asset (and any financially comparable transaction, including contributions or exchanges) for more than €75 million per transaction, or the equivalent amount in any other currency,
 - material commercial or industrial agreements committing the Company or the Group over the long term,
 - any financing operation raising an amount likely to substantially modify the Group's financial structure;
- where necessary, the allocation of managerial tasks between the various Deputy Chief Executive Officers, as proposed by the Chief Executive Officer;
- more generally, any commitment made by the Company or the Group that constitutes a related party agreement, in accordance with law.

Finally, the Board of Directors grants any specific delegations of its powers to Executive Management, where necessary and within the limits and conditions set by law, to:

- grant on behalf of the Company any third-party guarantee (such as sureties and endorsements) or collateral on its assets, up to a maximum principal amount set each year;
- make, pursuant to the authorizations granted to the Board of Directors by the Shareholders' General Meeting, purchases by the Company of its own shares or certain capital increases;
- issue ordinary bonds in one or more transactions.

Reporting to the Board, the specialized Committees play an advisory role, submitting opinions and recommendations that help the Board make its decisions. The duties and activities conducted by each Board Committee in 2022 are detailed *in paragraph 4.1.4.2 of the present chapter*. In addition, as explained in more detail in the following section, the Board named in 2021 a Referent Director responsible for assisting the Board and its Committees on environmental, social and governance issues.

4.1.4 OPERATING PROCEDURES OF THE BOARD

CHARTER OF THE BOARD

As previously mentioned, the Board has adopted a Charter that contains all the principles of conduct applicable to its members and the operating procedures of the Board and its Committees. The Charter of the Board is updated regularly in order to include any applicable legal or regulatory developments, corporate governance guidelines and the results of the assessment conducted by the Board each year of its own operating procedures. The Charter of the Board (as per its most recent update on February 16, 2022) is available on the Company's website (www.imerys.com).

4.1.4.1 BOARD OF DIRECTORS

CHAIRMAN, VICE-CHAIR (IF APPLICABLE), SECRETARY OF THE BOARD AND NON-VOTING OBSERVER

Chairman of the Board

The Chairman organizes and oversees the work of the Board, on which he reports to the Shareholders' General Meeting. He ensures the Company's bodies operate effectively and, along with the Vice-Chair (should there be one), ensures directors are able to carry out their duties. He is also charged with calling and chairing Board meetings after setting an agenda with the Chief Executive Officer and the Secretary.

In addition to his legal responsibilities and in collaboration with the Chief Executive Officer, the Chairman may perform the following duties:

- represent the Company in its high-level relations nationally and internationally, in particular with the French State, partners and certain stakeholders of strategic importance to the Company;
- regularly give his opinion on all dealings of material importance to the Company (such as strategic focus, major investment or divestment projects, significant financial transactions, social responsibility initiatives as well as recruiting business executives and key positions), without prejudice to the prerogatives of the Board of Directors, its Committees or the executive responsibilities of the Chief Executive Officer;
- take part, at the invitation of the relevant Committee Chair, in meetings of the Committees of which he is not a member.

Vice-Chair

If appointed, the Vice-Chair supports the Chairman in organizing the work of the Board and its Committees. Traditionally one of the directors representing the Company's controlling shareholders, the Vice-Chair ensures the Company's governance bodies operate effectively and chairs Board meetings if the Chairman is absent. The Vice-Chair also coordinates the Company's relations with its controlling shareholders and their representatives, seeks to prevent any situations likely to cause potential conflicts of interest for a director and, more generally, ensures that best corporate governance practice is applied.

At the date this Universal Registration Document was filed, the Board of Directors had not appointed a Vice-Chair.

Secretary

The Board alone has the power to appoint and, where appropriate, dismiss the Secretary of the Board. The Secretary assists the Chairman, Vice-Chair (if appointed), Committee chairs and the Board, making any helpful recommendations on the procedures and rules that apply to the Board and its Committees, as well as their implementation and compliance. The Secretary is authorized to certify copies or extracts of minutes taken at Board meetings.

The Secretary also acts as Ethics Officer, tasked with giving an opinion prior to any transactions in the Company's shares considered by the Group's directors and senior executives, at their request (*see paragraph 4.4.2 of the present chapter*).

The Board's current Secretary is Denis Musson, Interim Group General Counsel. He has replaced Frédérique Berthier-Raymond, who held this position until October 2022.

Non-voting observer(s)

The Board may appoint one or more non-voting observers, who may or may not already be shareholders of the Company, to:

- ensure the proper application of the Company's by-laws and policies applicable to the Board;
- inform and advise the Board, in particular by giving their opinion on any matter put to them by the Board or one of its Committees;
- carry out any specific task entrusted to them by the Board or one of its Committees;
- more generally, assist the Board in performing its duties without interfering in the management of the Company or acting as a director.

Non-voting observers are subject to the same rules as directors as set out in the Charter of the Board, unless stated otherwise.

Board meetings

2022	
Number of meetings	7
Average attendance rate*	98.90%

* *Directors and non-voting observer.*

The Board meets as often as the interests of the Group require and at least four times a year. Meetings are called by the Chairman, Secretary or Vice-Chair of the Board, should there be one, by any means of communication, including verbal.

Notices of meetings, which are sent to each director via a secure digital platform, include all the information and documents concerning the items on the agenda that members require to effectively take part in debates. Such information and documents may include the Group's (provisional or definitive) quarterly, half-yearly or annual financial statements and presentations on the current situation in the Group's various businesses or any other specific items that will be raised. Directors may also be given certain additional documents in meetings, such as draft press releases on the Group's financial statements for the period or information on changes in the Company's share price.

4 Corporate Governance

Board of Directors

In order to allow directors to carry out their duties in an appropriate manner, the Chairman and the members of the Executive Committee, if so called upon, will inform them of any important information published about the Group between Board meetings, including critical reports (in particular press articles and financial analysis reports) and any other sufficiently important or urgent information that is relevant to the Group's situation, projects, and economic or market environment.

As per the AFEP-MEDEF's recommendations, the Board of Directors regularly organizes executive session debates at the end of its meetings, without the Group's executive management team and employees being there.

Activities in 2022

During 2022, the main responsibilities and work handled by the Board were as follows:

Matter	Main responsibilities and work performed in 2022
Group's business and finance	<ul style="list-style-type: none"> Information about safety within the Group and the performance of business activities; monitoring of developments and impacts on the Group's business caused by the war in Ukraine, Covid-19 restrictions and the inflationary pressures affecting the economy; review and approval of the 2021 annual financial statements and for the first half of 2022, information about or reviews of the financial statements for the first and third quarters of 2022 and review of the corresponding draft financial press releases for all these financial statements; review of management projections; renewal of the authorizations given to the Chief Executive Officer (including acquisitions of treasury shares, bond issues, sureties, endorsements and collateral) on an annual basis; dividend policy, proposed appropriation of profit and payment of the 2022 dividend; review and selection of the terms of office of the Statutory Auditors; hearing of reports from and review of the recommendations of the Strategic and Audit Committees; monitoring, based on the Audit Committee's report, of the status and progress of the approval process for the agreement being negotiated by the Group's North American talc subsidiaries to settle the dispute linked to their historical activities in the United States; information about the internal Ethics committee report; review and approval of the Group's 2023 budget; review and presentation of growth ambitions and the Group's 2023–2025 strategic plan presented to investors at the Capital Market Day (<i>see section 1.2 of Chapter 1</i>); examination of M&A transactions and strategic projects and investments, especially the plans to sell the High Temperature Solutions business area, as well as assets serving the paper market, and the Emili lithium mining project at the Beauvoir site.
Environment, Social and Governance (ESG)	<ul style="list-style-type: none"> Review and assessment by the Board of its operating procedures, its performance and that of its Committees; review of the structure of the Board and its Committees, including the changes planned in 2022; review of the independent status of members of the Board; consideration of the AFEP-MEDEF Code's recommendations and review of the Charter of the Board; review of the diversity and inclusion policy within the Board, executive bodies and senior management positions within the Group; review of the agreements with related parties; approval of the annual reports of the Board of Directors (management report and corporate governance report); review of the Group's ESG strategy, review of the current position and follow-up on execution of the relevant programs in 2022.
Compensation	<ul style="list-style-type: none"> Review and approval of the 2022 compensation policies applicable to the Company's corporate officers, evaluation of their compensation in respect of 2021 and, more broadly, of the details required in respect of the 2021 compensation report submitted for approval at the Shareholders' General Meeting; review and approval of the long-term incentive plans established for the Group's main executives, including assessment of the 2021 performance criteria, approval of the 2022 plan and its rules and award of performance shares to the Chief Executive Officer and other allottees.
Shareholders' General Meeting on May 10, 2022	<ul style="list-style-type: none"> Notice of meeting, approval of draft resolutions and approval of the special reports of the Board of Directors; review of the recommendations by proxy advisory firms.
Miscellaneous	<ul style="list-style-type: none"> Participation in a strategic seminar at the Ploemur industrial site (France, specialized in mining and processing kaolin and mica).

In 2022, five of the seven Board meetings ended with "executive session" debates, i.e. without the Group's executive management teams and employees being there (including the employee representative directors).

4.1.4.2 BOARD COMMITTEES & ESG REFERENT DIRECTOR

The Board has formed four permanent specialized committees: the Strategic Committee, the Audit Committee, the Appointments Committee and the Compensation Committee. These committees carry out their work under the responsibility of the Board, which defines their duties, structure and the compensation of their members based on proposals made by the Appointments Committee and the Compensation Committee.

The Board Committees play an advisory role and do not have the power to make decisions. The chair of each Board Committee is required to regularly provide the Board with reports on their work.

The members of the Board Committees are chosen by the Board, based on proposals made by the Appointments Committee, from among the directors. Committee members are appointed for the same term of office as their directorship. Each Committee elects its own chair based on the recommendation of the Appointments Committee.

At its meeting on July 27, 2021, the Board appointed an ESG Referent Director, as explained in detail in the following section.

STRATEGIC COMMITTEE

Structure

At the date this Universal Registration Document was filed, the Strategic Committee was made up of five members appointed by the Board, as follows:

Name	Date first appointed to the Committee	Number of years spent on the Committee	Expiration of term of office	Independent
Ian Gallienne, Chair	April 29, 2010	12.11	SGM in 2025	No
Aldo Cardoso	May 2, 2007	15.11	SGM in 2023	Yes
Bernard Delpit	May 10, 2022	0.11	SGM in 2025	No
Paris Kyriacopoulos	May 10, 2021	1.11	SGM in 2024	No
Véronique Saubot	May 4, 2020	2.11	SGM in 2023	Yes
Number of members: 5				2 (i.e. 40%)

Duties

The Charter of the Board defines the duties of the Strategic Committee as follows:

“The duties of the Strategic Committee include examining and submitting opinions and recommendations to the Board of Directors in order to:

1. Strategy

- Formulate and approve the Group’s long-term industrial, commercial and financial strategic direction and how to pursue it;
- ensure the long-term strategy implemented by Executive Management is in line with the strategic direction adopted by the Board of Directors.

It therefore closely analyzes and, where necessary, makes recommendations to the Board on:

- the Group’s budget drawn up by Executive Management;
- the operations likely to significantly modify the purpose or scope of business of the Company or the Group, including:
 - the purchase of shareholdings, investment, takeover or disposal of securities or any other fixed asset (and any financially comparable transaction, including contributions or exchanges) for more than twenty million euros (€20,000,000) per transaction, or the equivalent amount in any other currency,

- material commercial or industrial agreements committing the Company or the Group over the long term,
- any financing operation raising an amount likely to substantially modify the Group’s financial structure;
- the direction, implementation and monitoring of the Group’s ESG and Innovation strategy set by Executive Management.

At the end of every year, the Strategic Committee presents to the Board its annual schedule for the coming year of the work it plans to undertake to review the strategic issues affecting the future of the Group.

2. Risk

- Analyze matters relating to the way Executive Management identifies, measures and monitors the main challenges and potential risks facing the Group in the following areas:
 - outside the Group: investor relations and the Group’s market positions,
 - Group policies: financial resource management, human resources and skills management, dependence and continuity of key industrial or commercial activities,
 - management information: financial control and reports as well as retrospective checks, where appropriate, on the most material investment projects.”

Activities in 2022

2022

Number of meetings	4
Average attendance rate	95.83%

Throughout the year, the Strategic Committee monitored the main management and development decisions made by Executive Management, making sure they were in line with Imerys' strategy recommended by the Strategic Committee and approved by the Board of Directors.

The Committee continued to analyze the Group's long-term strategic direction. In so doing, it monitored and approved ahead of the Board all the stages in plans to sell the High Temperature Solutions business area and assets serving the paper markets, and studied the various impacts of these projects, including on the Group's structure, financial statements and key indicators. It also reviewed and validated the latest strategic priorities set by the Board, as presented at the Capital Market Day on November 7, 2022, with a clear focus on accelerating organic growth and improving margins by building a stronger presence in specialty minerals and in the markets for green energy, sustainable construction and natural solutions for consumer goods.

In addition, the Committee also reviewed the Group's capital allocation scenarios in relation to its goals of pursuing a selective investment policy and disciplined acquisitions, and utilizing the funds raised by the planned disposals. For the same purpose, the Committee retrospectively assessed the performance of the investments and acquisitions completed by Imerys in 2019 in order to learn lessons for the future.

From time to time, the Strategic Committee examined and approved (in advance of the Board where its approval was required) the key stages and main elements of the largest organic growth, acquisition and divestment plans. In 2022, the Committee's review concentrated on:

- the strategy for the Graphite & Carbon business, which is expanding rapidly with the growth in the electric vehicle market, and the approval of the related investments (including a capacity increase and carbon footprint reduction);

- the Group's development plans in lithium mining;
- the targets and requirements for non-core asset disposals.

During the strategic seminar held on June 20 and 21, the members of the Board, all present for the occasion, were given a tour of the quarry and the kaolin and mica plant (PMEA Europe business) at Ploemeur in France. They were given a presentation on the site's approach to ESG, and on the dynamics and performance of the markets for specialty mineral applications.

Lastly, following an in-depth review by the ESG Referent Director, the Committee reviewed progress made under the SustainAgility plan, which lies at the heart of the Group's strategy, and the corresponding priorities for the coming years.

Operating procedures

The Strategic Committee is quorate when a majority of its members are present and meets as often as its Chair sees fit or at the request of the Chairman of the Board or the Chief Executive Officer.

To perform its duties, the Strategic Committee hears contributions from officers and other individuals including the Chief Executive Officer, the Chief Financial Officer, the General Counsel and the Chief Strategy and M&A Officer, as well as any other member of the Executive Committee or operating or support department head, depending on the items on the agenda for the meeting. These individuals are invited by the Chief Executive Officer on behalf of either the Committee or himself. Where appropriate, the Committee may visit industrial facilities and interview the Group's operational managers on-site where this is helpful for the purposes of its remit.

The position of Strategic Committee Secretary is held by the Group's Strategy Officer, who drafts the minutes at its meetings.

APPOINTMENTS COMMITTEE

Structure

At the date this Universal Registration Document was filed, the Appointments Committee was made up of three members appointed by the Board, as follows:

Name	Date first appointed to the Committee	Number of years spent on the Committee	Expiration of term of office	Independent
Marie-Françoise Walbaum, Chair	May 4, 2016	6.11	SGM in 2024	Yes
Ian Gallienne	April 26, 2012	10.11	SGM in 2025	No
Annette Messemer	May 4, 2020	2.11	SGM in 2023	Yes
Number of members: 3				2 (i.e. 66%)

Duties

The Charter of the Board defines the duties of the Appointments Committee as follows:

“The duties of the Appointments Committee include examining and submitting opinions and recommendations to the Board of Directors on:

- prospective candidates for the positions of Chief Executive Officer, Deputy Chief Executive Officer, directors, Chairman of the Board and its Committees as well as their members.

As such, the Appointments Committee must take into account the structure and changes to the Company’s shareholding to ensure the structure of the Board is balanced in terms of:

- independence,
- representation of women and men,
- nationality,
- international experience and expertise (in particular, the financial and accounting skills required for members of the Audit Committee);
- presentation of a succession plan for executive corporate officers and, as requested by the Chief Executive Officer, members of the Executive Committee;
- the independent status of each director, with respect to the definition of independence adopted by the Board, and any changes (or clarification of criteria) to be made to that definition;
- the section of the Board of Directors’ Corporate Governance Report falling within its remit;
- review of draft responses to any requests from regulatory authorities (French Financial Market Authority (AMF) or France’s High Committee for Corporate Governance (HCGE)); and

more generally, the Appointments Committee makes recommendations to the Board to ensure compliance with best practice in governance and the recommendations set out in the AFEP-MEDEF Code. As such, each year the Appointments Committee reviews the conclusions of the self-assessment made by the Board and its Committees as well as the key recommendations.”

Activities in 2022

2022

Number of meetings	2
Average attendance rate	100%

In 2022, the Committee studied the structure of and changes to the Board of Directors and its Committees, regularly examining the individual position of the directors, especially those whose terms of office were expiring. The Committee also recommended that the Board should reappoint Ian Gallienne and Lucile Ribot for three-year terms at the 2022 Shareholders’ General Meeting. Since Paul Desmarais III and Colin Hall had indicated their desire for their term of office as a director to end at the 2022 Shareholders’ General Meeting, it suggested that the Board should propose at the Shareholders’ General Meeting the appointments of Bernard Delpit as a director and member of the Strategic Committee and of Laurent Raets as a director and member of the Audit Committee. Since Bernard Delpit and Laurent Raets represent the majority shareholder that controls the Company (in the same way as the outgoing directors), the Committee recommended that the Board should not consider them as having independent status. The Committee also suggested that the Board should reduce the number of Strategic Committee members from six to five.

In addition, the Committee supervised the self-assessment process of the Board and its Committees and, based on the results, issued certain recommendations to the Board for the purpose of continuously improving its operating procedures and the quality of its work and those of its Committees.

The Committee also reviewed the succession plans (OPR) in place for Executive management and the key managers within the Group. Its focus was on the impact of its transformation on the robustness of these plans and potential requirements for new skills. Lastly, the Committee continued to review and closely monitor the diversity and especially gender balance targets set by the Group and the progress made towards achieving them, particularly within the Executive Committee and senior managers, as well as the situation concerning equal opportunities.

Operating procedures

The Appointments Committee is quorate when at least two of its members are present and it meets as often as its Chair sees fit or at the request of the Chairman of the Board or the Chief Executive Officer.

To perform its duties, the Appointments Committee hears contributions from the Chairman of the Board, the Chief Executive Officer, the Chief Human Resources Officer and, if required, the Secretary of the Board. It also takes advice from independent experts as it sees fit.

The position of Appointments Committee Secretary is held by the Group’s Chief Human Resources Officer, who drafts the minutes at its meetings.

COMPENSATION COMMITTEE

Structure

At the date this Universal Registration Document was filed, the Compensation Committee was made up of four members:

Name	Date first appointed to the Committee	Number of years spent on the Committee	Expiration of term of office	Independent
Marie-Françoise Walbaum, Chair	May 4, 2016	6.11	SGM in 2024	Yes
Ian Gallienne	April 26, 2012	10.11	SGM in 2025	No
Annette Messemer	May 4, 2020	2.11	SGM in 2023	Yes
Dominique Morin	October 30, 2020	2.5	2023	N/A
Number of members: 4				2 (i.e. 66%)*

* Not counting the employee representative director.

Duties

The Charter of the Board defines the duties of the Compensation Committee as follows:

“The duties of the Compensation Committee include examining and submitting opinions and recommendations to the Board of Directors concerning:

- the compensation policy for corporate officers;
- the amount of and allocation method for compensation (fixed and variable components, the latter being higher) awarded to directors in accordance with the compensation policy;
- the general compensation policy for the Group’s senior executives;
- all components of compensation (fixed, variable and exceptional), sign-on bonuses, severance packages and benefits of any kind granted or likely to be granted to each executive corporate officer in accordance with the compensation policy;
- the general policy for granting stock options or free shares of the Company and determining the beneficiaries of such plans proposed by the Chief Executive Officer;
- the determination of individual stock option or free share grants to executive corporate officers as well as the specific terms and restrictions that apply to those grants (achievement of performance targets, restriction of the number of shares granted, lock-up periods, etc.), in line with the recommendations of the AFEP-MEDEF Code;
- the section of the Board of Directors’ Corporate Governance Report falling within its remit;
- the Group policy on employee share ownership and its terms and conditions as proposed by the Chief Executive Officer;
- review of draft responses to any requests from regulatory authorities (AMF or France’s High Committee for Corporate Governance, HCGE); and
- more generally, the Compensation Committee makes recommendations to the Board to ensure compliance with best practice in governance and compensation and the recommendations set out in the AFEP-MEDEF Code.”

The Compensation Committee predominantly comprises independent members, in accordance with the recommendation of the AFEP-MEDEF Code.

Activities in 2022

2022	
Number of meetings	1
Average attendance rate	100%

In 2022, the Committee reviewed and confirmed the proper application of the 2021 corporate officer compensation policy approved by the Shareholders’ General Meeting and proposed to the Board the policies applicable for 2022 (for the Chairman of the Board of Directors, Chief Executive Officer and Board members). Based on the analysis carried out, at the Committee’s request, by an independent expert of the compensation awarded to Board chairs and directors from a sample of comparable companies, the Committee proposed that the Board should adjust the Chairman’s annual fixed compensation, to bring it into line with market practices and reflect his experience and the responsibilities inherent in his role. The Committee also proposed leaving the total amount of compensation paid to Board members unchanged.

The Committee recommended maintaining the components of the Chief Executive Officer’s compensation policy as approved in 2021, with the following main adjustments: an update to one of the quantitative criteria used to assess the financial performance component applicable to annual variable compensation and an increase in the weighting of ESG criteria so as to better reflect the growing importance of these matters in the Group’s strategy. The Committee also analyzed the figures used to review achievement of the 2021 financial performance targets, which feed in particular into long-term incentive plans. On the basis of this work, it recommended to the Board of Directors the percentage of achievement for targets within the respective plans. It also recommended the overall number of performance shares to be granted as part of 2022 long-term incentive plans.

The Committee also conducted the annual review of compensation gaps between the compensation of executive directors and of the company employees.

Operating procedures

The Compensation Committee is quorate when at least two of its members are present and it meets as often as its Chair sees fit or at the request of the Chairman of the Board or the Chief Executive Officer.

To perform its duties, the Compensation Committee hears contributions from the Chairman of the Board, the Chief Executive Officer and any relevant Human Resources managers. It also takes advice from independent experts as it sees fit.

The position of Compensation Committee Secretary is held by the Group's Chief Human Resources Officer, who drafts the minutes at its meetings.

AUDIT COMMITTEE

Structure

At the date this Universal Registration Document was filed, the Audit Committee was made up of four members:

Name	Date first appointed to the Committee	Number of years spent on the Committee	Expiration of term of office	Independent
Aldo Cardoso, Chair	May 3, 2005	16.11	SGM in 2023	Yes
Annette Messemer	May 4, 2020	1.11	SGM in 2023	Yes
Laurent Raets	May 10, 2022	0.11	SGM in 2025	No
Lucile Ribot	May 4, 2018	3.11	SGM in 2024	Yes
Number of members: 4				3 (i.e. 75%)

Over two thirds of the members of the Audit Committee are independent, in accordance with the recommendation of the AFEP-MEDEF Code and the AMF working group on audit committees.

Duties

The Charter of the Board defines the duties of the Audit Committee as follows:

"The duties of the Audit Committee include examining and submitting opinions and recommendations to the Board of Directors on:

1. Financial statements

- The statutory and consolidated annual, half-yearly and quarterly financial statements;
- the scope of consolidation;
- the relevance and consistency of accounting methods, by verifying, in particular, the reliability of internal procedures for collecting and checking information;
- the method and estimates applied in impairment tests by the Group;
- the Group's debt position;
- any material litigation and off-balance sheet commitments, and their impact on the Group's accounts;
- the procedure applied to producing and circulating accounting and financial information;
- the analysis of any remarks made by regulatory authorities (AMF) and the draft replies.

2. Financial information

- The policy and procedures applied to financial communication designed to ensure the Group's compliance with regulatory obligations;
- the main components of financial communication relating to the Group and Company financial statements.

3. External control

- The proposals to appoint or reappoint Statutory Auditors;
- the Statutory Auditors' work plan and any additional assignments they or other members of their network may be given, as well as the corresponding fees;
- the supervision of the rules for calling upon the services of the Statutory Auditors other than for the statutory audit of the accounts ("authorized non-audit services") and, more generally, compliance with the principles safeguarding the independence of Statutory Auditors and the measures taken by them to mitigate any risk. To this end, the Audit Committee reviews and approves in advance any authorized non-audit services subject to any conditions laid down by the Board. Exceptionally, where the total annual amount of fees paid for specific assignments does not exceed the percentages or amounts set by the Board, such fees are simply ratified by the Audit Committee by December 31 of each year at the latest;
- the conclusions of due diligence work by Statutory Auditors as well as their recommendations and follow-up actions.

4. Audit & Internal control

- The annual internal audit programs and internal control assessments and the resources allocated to their implementation;
- the results of the work by the internal and external auditors and the internal control department, following up on any recommendations made, particularly concerning the analysis, corrective measures and preparation of the Group's material risk map as well as the way in which risk and significant off-balance sheet commitments are managed and internal audit teams are organized;
- the preparation and content of the annual report of the Board of Directors on the Group's risk factors and internal control.

5. Risk

- The identification, measurement and monitoring by Executive Management of the main risks facing the Group in the following areas:
 - outside the Group: legal or regulatory developments, crisis or disaster management and cybersecurity,
 - Group processes: monitoring major disputes, compliance with applicable regulations (particularly Environment, Health & Safety and Sustainable Development), business conduct in accordance with the regulations and Imerys' core ethical values (conduct and ethics, anti-corruption, anti-trust, etc.),
 - potential mineral reserves and resources;
- the direction, implementation and monitoring by Executive Management of the Group's comprehensive policy on internal control, risk prevention (organization, policies and procedures, IT infrastructure and systems, telecommunications and digitization, etc.), Group insurance, and any changes that may be introduced;
- the programs and results of the work by internal specialists (auditors, lawyers, etc.) And any external specialists brought in, on risk analysis, control and metrics and the Group's performance in the aforementioned areas;
- any other issues likely to have a material financial and accounting impact on the Company or the Group."

Activities in 2022

2022

Number of meetings	5
Average attendance rate	100%

The Audit Committee reviewed Imerys S.A.'s statutory and consolidated financial statements for 2021, as well as the Group's quarterly and half-yearly financial statements in 2022. As part of that work, it examined the period-end procedures and related draft press releases. Following this work, it was able to recommend that the Board should unreservedly approve the definitive financial statements. The Audit Committee examined the monitoring of non-audit services on a quarterly basis. It also reviewed the ways in which the IFRSs were applied in the specific context of 2021, and in particular monitored the recommendations made by the AMF concerning the preparation of the 2022 financial statements and their implementation in the consolidated financial statements in the Universal Registration Document. It also reviewed, as in previous years, the changes in the Group's overall effective tax rate and its components and reviewed the results of the impairment testing applied to the relevant Cash Generating Units.

In the first half of 2022, the Audit Committee reviewed the report on payments to governments made by the Group's entities conducting mining operations.

Throughout 2022, the Committee also monitored the progress of the approval process for the agreement being negotiated by the Group's North American talc subsidiaries to settle the dispute linked to their historical activities in the United States. The Committee also paid special attention to the risks arising for the Group's activities caused by the armed conflict between Russia and Ukraine.

During the year, several presentations were given on the Group's compliance programs, in particular regarding the fight against corruption.

At the end of each half-year, the Audit Committee examined the operational report produced by the Audit & Internal Control Department. It includes details of audit assignments completed and the follow-up on execution of the action plans put in place after audits in previous years, as well as tests and evaluations of the internal control systems in force in the Group. The Audit Committee also reviewed the audit plan and the specific actions scheduled for 2023. In addition, it was able to study the updated risk assessment of the Group's risk map. Lastly, the Committee reviewed the Statutory Auditors' work program for the 2022 financial statements and acquainted itself with their reports on the financial and non-financial information.

Throughout the year, the Committee also discussed the following matters: the activities of the Group Treasury function, including improvements to cash monitoring tools; the major IT projects, in particular cybersecurity risk management; the recognition of major restructuring projects and changes in scope, in particular the plans to sell the High Temperature Solutions business and paper assets; the inventory of the Group's mining reserves and resources; the review of the annual Ethics Committee report; the management and status of main legal risks (including the main legal disputes), and evaluation of the corresponding provisions; the management of insurance policies and renewal of material policies; management of post-employment commitments and the assessment of the Group's tax positions in the main countries in which it is based and any potential related risks.

Operating procedures

The Audit Committee is quorate when the majority of its members are in attendance. It meets as often as its Chairman sees fit or at the request of two of its members, the Chairman of the Board or the Chief Executive Officer.

To perform its duties, the Audit Committee hears contributions from the Chairman of the Board, the Chief Executive Officer, the Statutory Auditors and the Chief Financial Officer. Alternatively, the Chief Executive Officer or the Chief Financial Officer may invite or be asked by the Committee to invite any other person involved in preparing and auditing the financial statements or managing or preventing risks (including the Finance Department, the Audit & Internal Control Department and the Legal Department), depending on the items on the agenda for the meeting.

The Committee enjoys access to all information available in the Group. It may also visit industrial sites and take the opportunity to speak with any of the Group's operating and support managers as it sees fit in order to carry out its duties. The Committee may also ask for any audit to be conducted, either internally or externally, on any issue it deems to come within its responsibility. The Chairman of the Board and the Chief Executive Officer must be informed of this decision.

The position of Audit Committee Secretary is held by the Group's Chief Financial Officer, who drafts the minutes at its meetings and communicates them to the Statutory Auditors.

ESG REFERENT DIRECTOR

Fully mindful of the strategic importance of environmental, social and governance (ESG) issues, the Board of Directors appointed on July 27, 2021 a director to lead on these issues. This appointment is aligned with the Board's desire to enhance the Company's governance in ESG issues, especially as regards the recommendations of the AFEP-MEDEF Code and the Task Force on Climate-related Financial Disclosures and practices observed at Euronext Paris-listed companies, so it can meet investors' and rating agencies expectations.

The ESG priorities are presented to the Board on a twice-yearly basis (see the "*Consideration given by the Board to Environmental, Social and Governance issues*" paragraph above).

Duties

The main responsibilities of the ESG Referent Director are as follows:

- assisting the Board and the Strategic Committee with ensuring that the strategic direction set by the Board appropriately incorporates long-term environmental and social considerations and that the strategy being implemented by Executive Management is aligned with the ESG priorities set by the Board;
- assisting the Board with a review of the ESG information contained in the Universal Registration Document;
- more generally, being available to the Committees or making any recommendation to them on any ESG-related issue falling within their remit and, as required, making suggestions to the Chairman of the Board of Directors to add to the agenda of Board meetings additional points falling within their remit.

The ESG Referent Director is selected from among the independent directors and is appointed for the duration of their term of office as a director. Since 2022, additional compensation has been awarded for performing this role.

The arrangements concerning the status, remit and powers of the ESG Referent Director are laid out in more detail in the Charter of the Board (*available on the Company's website*).

Activities in 2022

Since taking office, the ESG Referent Director has worked closely with the individuals with responsibility for such issues within the Group. Accordingly, Véronique Saubot has monitored the SustainAgility program and played a coordinating role between the Group and its governing body. In particular, the ESG Referent Director has made certain that the Board of Directors and its Committees have gained insights and been informed concerning the ESG factors that need to be considered in their stewardship of the Group's activities and its strategic direction.

In 2022, special consideration was devoted to:

- a review of the ESG program based on a market survey covering all the Group's peers and rivals;
- monitoring of progress towards the ESG performance targets set for 2022;
- monitoring of the ESG trends and future obligations likely to come into effect;
- a review of the results of the double-materiality analysis of the potential ESG and financial impacts;
- a review and validation of objectives, targets and the roadmap for 2025;
- a review and validation of ESG performance criteria and targets (including climate-related) applicable to (i) annual variable compensation of the executive corporate officer, and (ii) the long-term performance share incentive for the Group's senior executives, in line with the SustainAgility roadmap for 2025;
- implementation of the European "taxonomy" regulations on sustainable finance;
- validation of the decarbonization strategy and the Group's climate ambitions, aligned with a 1.5-degree pathway (in absolute terms, tCO₂).

ATTENDANCE RECORD OF BOARD MEMBERS

In accordance with the AFEP-MEDEF Code, the following table presents a summary of the 2022 attendance record of each member at meetings of the Board and each specialized Committee on which they sit:

	Board of Directors	Strategic Committee	Appointments Committee	Compensation Committee	Audit Committee
Patrick KRON <i>Chairman of the Board and director</i>	100%	N/A	N/A	N/A	N/A
Bernard DELPIT <i>Director and member of the Strategic Committee (since May 10, 2022)</i>	100%	100%	N/A	N/A	N/A
Aldo CARDOSO <i>Director</i>	100%	100%	N/A	N/A	100%
Paul DESMARAIS III <i>Director and member of the Strategic Committee (until May 10, 2022)</i>	100%	100%	N/A	N/A	N/A
Ian GALLIENNE <i>Director</i>	100%	100%	100%	100%	N/A
Colin HALL <i>Director and member of the Strategic and Audit Committees (until May 10, 2022)</i>	100%	50%	N/A	N/A	100%
Paris KYRIACOPOULOS <i>Director</i>	100%	100%	N/A	N/A	N/A
Annette MESSEMER <i>Director</i>	100%	N/A	100%	100%	100%
Laurent RAETS <i>Non-voting observer (until May 10, 2022) and director and member of the Audit Committee (since May 10, 2022)</i>	100%	N/A	N/A	N/A	100%
Lucile RIBOT <i>Director</i>	100%	N/A	N/A	N/A	100%
Véronique SAUBOT <i>Director</i>	100%	100%	N/A	N/A	N/A
Marie-Françoise WALBAUM <i>Director</i>	100%	N/A	100%	100%	N/A
Dominique MORIN <i>Director</i>	85.71%	N/A	N/A	100%	N/A
Carlos Manuel PÉREZ FERNÁNDEZ <i>Director</i>	100%	N/A	N/A	N/A	N/A
Rein DIRKX <i>Non-voting observer (since May 10, 2022)</i>	100%	N/A	N/A	N/A	N/A

4.1.4.3 SELF-ASSESSMENT BY THE BOARD OF DIRECTORS

The Board conducts its assessment based on the objectives and arrangements laid down in the recommendations of the AFEP-MEDEF Code and in line with the Charter of the Board. More specifically, the Board devotes an agenda point once every year to a discussion of its operating procedures and its activities and those of its Committees during the previous year. At least once every three years, at an interval decided by its Chairman, the Board conducts or commissions a third-party consultant to conduct a formal assessment. The key findings are included in the Board's Corporate Governance Report.

2022 assessment

Pursuant to the recommendations of the AFEP-MEDEF Code, the Board carried out a formal assessment of its organization, its operating procedures and its structure, as well as that of its Committees, to make certain that the agenda of their tasks covers the full breadth of their responsibilities, that the key issues were prepared for and discussed adequately, and to measure the contribution made by each member to the work of the Board and the Committees they belong to. For the purposes of this assessment, the Board members filled in one or more questionnaires, depending on how many Committees they belong to.

The results of this assessment and the improvements suggested for 2022 were reviewed by the Appointments Committee during its meeting of February 7, 2023, then reviewed and discussed by the Board at its meeting of February 16, 2023.

These assessments showed a broadly high level of satisfaction among members of the Board and its Committees with how they operate and all the other issues raised (structure, content and quality of discussions, Board and Committee relationships, compensation, commitment and individual contributions).

The directors proposed the following areas for improvement:

- potentially adjusting the Board's structure to enhance its skills and expertise through the addition of members with industrial background and with executive experience and if possible, international;
- adding greater depth to the work on compensation and succession planning for the main senior executives and for the Group's ESG priorities;
- reviewing the Board's assessment of the independence criteria and how they are evaluated when a director has served for more than 12 years.

The last assessment to be performed by a third-party expert with highly reputed governance experience (Spencer Stuart) was 2020/2021.

4.2 EXECUTIVE MANAGEMENT

At the date this Universal Registration Document was filed, the Group's Executive Management was headed by:

- Alessandro Dazza, whose biography is provided below;
- assisted by an Executive Committee made up of the main operational and support Group's Directors, as presented in paragraph 4.2.3 of this Chapter.

4.2.1 CHIEF EXECUTIVE OFFICER

Alessandro Dazza

Chief Executive Officer

Born on April 17, 1969

Work address:

c/o Imerys
43, quai de Grenelle
75015 Paris
France

Date appointed:

December 17, 2019, effective February 17, 2020

Term of office expires:

Unlimited term of office

Main professional activity:

Chief Executive Officer

Biography

Alessandro Dazza graduated from the Politecnico di Milano having studied Business Engineering.

After starting his industrial career in Italy in 1991, he joined Treibacher Schleifmittel in Austria in 1995. He participated in a management buyout with a few key managers and became a member of its Managing Board. Alessandro Dazza joined Imerys in 2002 when Imerys bought Treibacher Schleifmittel. From 2002 until 2013, Alessandro Dazza held various roles within Imerys and in July 2013, he became Executive Vice President, member of the Executive Committee, in charge of three divisions with total revenue of approximately €2 billion. In November 2018, following the arrival of a new CEO and as a result of a new reorganization, Alessandro Dazza left Imerys. He joined Mondi plc, a leading company in packaging and paper. As a member of the Executive Committee, he was in charge of two divisions with total revenue of approximately €4 billion.

Alessandro Dazza became Imerys' Chief Executive Officer on February 17, 2020.

OFFICES AND POSITIONS HELD AT DECEMBER 31, 2022

Non-Group listed companies

- None

Other non-Group companies

- None

OFFICES AND POSITIONS THAT HAVE EXPIRED IN THE PAST FIVE YEARS

Non-Group listed companies

- Member of the Executive Committee and CEO of Flexible Packaging and Engineered Materials – Mondi plc – United Kingdom

Other non-Group companies

- Member of the Supervisory Board – Silgan Holding Austria – Austria
- Member of the Board of Directors – Tori Spa – Italy

(1) Alessandro Dazza worked and held various management positions at Imerys from 2002 to 2018 and was a member of the Executive Committee from 2013 to 2018.

(2) The declarations made in the "Other information" paragraph of subsection 4.1.1 of the present chapter also apply to Alessandro Dazza.

4.2.2 POWERS

Pursuant to legal and statutory provisions, the Chief Executive Officer holds the broadest powers to act in all circumstances in the Company's name. He exercises these powers within the scope of the Company's corporate purpose and subject to the powers expressly vested by the law in Shareholders' General Meetings and the Board. The Chief Executive Officer represents the Company in its dealings with third parties.

Pursuant to article 18 of the Company's by-laws, the Board may restrict his powers. However, any such restriction is not binding on third parties.

As such and in accordance with the Charter of the Board, *paragraph 4.1.3 of the present chapter* details all transactions that require approval from the Board prior to their implementation by Executive Management.

The Board may also appoint one or more Deputy Chief Executive Officers based on a proposal by the Chief Executive Officer.

4.2.3 EXECUTIVE COMMITTEE

4.2.3.1 STRUCTURE OF THE EXECUTIVE COMMITTEE

The Group is organized around two segments (*see chapter 1, paragraph 1.1.2*):

- the Performance Minerals segment brings together EMEA (Europe, Middle East and Africa), the Americas and APAC (Asia-Pacific) and serves the plastics, paints & coatings, filtration, ceramics, renewable energy and paper & board markets;
- the Refractory, Abrasives & Construction segment serves the refractory, abrasives and building & infrastructure markets on a global base.

This simplified organization around a limited number of management layers brings the Group closer to its customers and meets their needs in a more efficient way. The Senior Vice Presidents of the various created business areas report directly to the Chief Executive Officer.

Support functions (Finance, IT, Human Resources, Sustainability, Legal and Strategy) are centralized at Group level and operate as business partners to the different business areas, while Innovation and Operations report directly to the business areas.

At the date this Universal Registration Document was filed, the Executive Committee had the following members:

Name	Title	Nationality	Date first joined the Group	Date first appointed to the Executive Committee
Alessandro Dazza	Chief Executive Officer	Italian	2020*	2020*
Operating executives				
Philippe Bourg	Senior Vice President Refractory Abrasives & Construction	French	1996	2018
Guillaume Delacroix	Senior Vice President Performance Minerals EMEA	French	2004	2018
Jim Murberger	Senior Vice President Performance Minerals Americas	American	1996	2018
Support executives				
Anastasia Amvrosiadou	Chief Human Resources Officer	Greek	2015	2022
Jean-François Claver	Chief Industrial Officer	French	2015	2016
Olivier Pirotte	Chief Strategy Officer	Belgian	2015	2015
Sébastien Rouge	Chief Financial Officer	French	2020	2020
Leah Wilson	Chief Sustainability Officer	Canadian	2017	2022

The General Counsel & Secretary of the Board is also an Executive Committee member. **

* *Alessandro Dazza worked at Imerys from 2002 to 2018 and was a member of the Executive Committee from 2013 to 2018. He has been in charge of Performance Minerals APAC since 2022.*

** *Following Frédérique Berthier-Raymond's departure in October 2022, Denis Musson, previously Group Corporate Secretary until 2018, has performed these duties on an interim basis.*

Every year, the Appointments Committee and the Board discuss the importance of diversity and the related action plans, as well as the succession and development plan for executive corporate officers and all members of the Group's Executive Committee (*see paragraph 4.1.4.2 of the present chapter*).

4.2.3.2 DUTIES OF THE EXECUTIVE COMMITTEE

The Executive Committee plays an informational and advisory role. Its duties are to ensure that the organization, resources and general conduct of the Group's business, as implemented by each member within their individual scope of responsibility and under the authority of the Chief Executive Officer, are in line with the strategy adopted by the Board of Directors and in accordance with the policies and objectives set.

These duties specifically include:

- reviewing presentations made on strategy and the budget to the Strategic Committee and the Board, implementing them and overseeing their execution, and making any adjustments required to ensure compliance with them;
- defining key targets for improving overall Group performance (particularly in terms of operational, financial, labor, social and environmental issues, as well as employee health & safety in the workplace), as well as monitoring those targets and implementing any corrective measures necessary;

- reviewing the appropriateness, development and mobility of the Group's managerial resources in view of its current and expected future needs, as well as the main organizational changes envisaged;
- adopting, overseeing the deployment and supervising the implementation of the cross-functional and/or transformational policies and actions that apply across the Group (Innovation, Environment, Social and Governance, Human Resources, Communication, Operational Excellence, Geology & Mines, Health & Safety, Legal & Regulatory Compliance, Internal Control & Risk Management, IT & Internal Efficiency), and more generally, all plans, operations and/or measures that are submitted to the Executive Committee by the Chief Executive Officer himself or based on proposals made by other members.

The Executive Committee meets every month, and as often as the best interests of the Group require. It met on 16 occasions in 2022, including a two-day seminar.

4.3 COMPENSATION AWARDED TO CORPORATE OFFICERS

The information covered in the present section forms an integral part of the Corporate Governance Report, in accordance with article L. 22-10-8 of the French Commercial Code.

4.3.1 2023 COMPENSATION POLICIES APPLICABLE TO CORPORATE OFFICERS

In accordance with articles L. 22-10-8 I and R. 22-10-14 of the French Commercial Code, the compensation policies for the corporate officers set out all components of their fixed and variable compensation and explain the process by which the policy was developed, revised and implemented.

The 2023 compensation policies for the corporate officers (Chairman of the Board of Directors, Chief Executive Officer and members of the Board of Directors) were approved by the Board of Directors at its meeting of February 16, 2023 in line with the recommendations of the Compensation Committee. They will be submitted for approval by the Shareholders' General Meeting on May 10, 2023 (*see chapter 8, paragraph 8.2.3 of the Universal Registration Document*).

All this information and the details of the long-term incentive plan for employees and executives (*see paragraph 4.3.3 of the present chapter*) form an integral part of the Corporate Governance Report required by article L. 225-37 of the French Commercial Code.

All the required components have been published on the Company's website, in accordance with the requirements of the French Commercial Code and the recommendations of the AFEP-MEDEF Code.

The 2022 compensation policies (executive corporate officers and Board members) and all other components of corporate officer compensation submitted to the vote of the Shareholders' General Meeting of May 10, 2022 were approved by a shareholder vote as follows:

	Votes in favor*	Votes against*
Fifth resolution – Approval of the compensation policy applicable to the Chairman of the Board of Directors with respect to the 2022 financial year	97.1%	2.9%
Sixth resolution – Approval of the compensation policy applicable to the Chief Executive Officer with respect to the 2022 financial year	88.6%	11.4%
Seventh resolution – Approval of the compensation policy applicable to members of the Board of Directors with respect to the 2022 financial year	100%	0.0%
Eighth resolution – Approval of the components of corporate officer compensation with respect to the 2021 financial year, in accordance with article L. 22-10-9 I of the French Commercial Code	99.7%	0.3%
Ninth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chairman of the Board of Directors in the year ended December 31, 2021	100%	0.0%
Tenth resolution – Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chief Executive Officer in the year ended December 31, 2021	99%	1%

* Figures rounded up.

4.3.1.1 PRINCIPLES GUIDING THE DEVELOPMENT, ADJUSTMENT AND IMPLEMENTATION OF COMPENSATION POLICY

In general, the compensation policy applicable to corporate officers is agreed each year by the Board, based on proposals made by the Compensation Committee. Where necessary, it is reviewed mid-year. The Committee makes its recommendations to the Board based on assessments and comparisons conducted on a regular basis by specialist consultants. To avoid any conflict of interest, the executive corporate officers do not take part in discussions or voting on compensation components concerning them.

The Board of Directors, with the support of the Compensation Committee, thus ensures the compensation policy protects the Company's corporate interests, is aligned with its strategy and will underpin its long-term success. To this end, the Board pays considerable attention to:

- aligning the policy with the Group's expectations regarding corporate officer performance and engagement, given their level of experience and expertise;
- aligning the policy, especially any components of variable and long-term incentive payments, with the Company's performance as well as its strategy for the short, medium and long term;
- maintaining the competitive alignment with best practice applied by comparable listed French companies in the market and monitor recent changes; and
- ensuring the policy remains appropriate with respect to the remuneration of Company employees. Therefore, the performance criteria applicable to variable compensation and long-term incentive plans awarded to executive corporate officers are aligned with those applicable to other Group employees eligible for this type of compensation.

Pursuant to article L. 22-10-8 III of the French Commercial Code, the Company reserves the right in exceptional circumstances to depart from these compensation policies (for the Chairman of the Board, Chief Executive Officer and corporate officers) on a temporary basis where necessary to protect the Company's corporate interest or contribute to its long-term success or viability.

Accordingly, the Company's Board of Directors would, in exceptional circumstances, have the option of making adjustments to the compensation policy previously approved by the Shareholders' General Meeting, in respect of the variable compensation components and share-based payments to the executive corporate officers, provided that it maintains the alignment between these compensation components and the Company's performance and upholds the principles laid down hereinabove.

The exceptional circumstances referred to could specifically include an event beyond the Company's control affecting the markets or the Company's activities and giving rise to material implications for it, a material change in the Group's scope or a change in accounting method.

Use of this option needs to be explained and decided upon by the Board, acting on recommendations from the Compensation Committee, which will report on it to the following Shareholders' General Meeting.

Where necessary (in accordance with article R. 22-10-14 II para. 3 of the French Commercial Code), the 2023 compensation policies (Chairman of the Board, Chief Executive Officer and Board members) do not provide for any deferral period or for any option to claw back variable compensation from a corporate officer.

The compensation policies will apply to all current and future corporate officers until they are amended.

4.3.1.2 2023 COMPENSATION POLICY FOR THE CHAIRMAN OF THE BOARD OF DIRECTORS

The 2023 compensation policy for the Chairman of the Board of Directors set out below was adopted by the Board of Directors at its meeting of February 16, 2023, in line with the recommendations made by the Compensation Committee. The 2023 compensation policy for the Chairman of the Board of Directors is identical to that approved by the Shareholders' General Meeting of May 10, 2022.

At the date this Universal Registration Document was filed, the Chairman of the Board is Patrick Kron⁽¹⁾.

Chairman of the Board

Annual fixed compensation	The fixed component of compensation is determined according to the level of experience and responsibility when the Chairman of the Board takes up office. It is reviewed every year to ensure it is in line with market practices at comparable companies. Lastly adjusted in 2022, the (gross) annual fixed compensation of the Chairman of the Board of Directors is €400,000.
Annual variable compensation	N/A
Multi-annual variable compensation	N/A
Benefits in kind	N/A
Severance package	N/A
Non-compete indemnity	N/A
Post-employment commitments	N/A
Long-term incentive payments in the form of shares or securities carrying rights to shares	N/A
Directors' compensation (formerly attendance fees)	N/A
Exceptional components⁽²⁾	<ul style="list-style-type: none"> • Exceptional compensation The Board may award exceptional compensation to the Chairman of the Board when he has been entrusted with a specific assignment or duties, the terms and conditions of which are agreed at the time by the Board and based on the recommendations of the Compensation Committee. Such compensation is to be paid in cash. • Sign-on bonus The Board may award a future Chairman of the Board a sign-on bonus reflecting the relevant individual's profile, the terms and conditions of which are agreed by the Board and based on the recommendations of the Compensation Committee.

(1) For details of the duration of his term of office, see paragraph 4.1.2 of the present chapter. The conditions by which Patrick Kron may be removed from office are the same as those applicable to all directors, in accordance with the Company's by-laws and regulations.

(2) Exceptional compensation or sign-on bonus, when justified. At the date this Universal Registration Document was filed, the Board of Directors decided not to award any exceptional compensation to Patrick Kron.

4.3.1.3 2023 COMPENSATION POLICY FOR THE CHIEF EXECUTIVE OFFICER

The 2023 compensation policy for the Chief Executive Officer described below was adopted by the Board at its meeting of February 16, 2023 and based on the recommendations of the Compensation Committee.

The Board of Directors decided to confirm the components of the compensation policy approved by the Shareholders' General Meeting on May 10, 2022, while making a number of key changes to simplify the structure of the annual variable compensation applicable and ensure it better reflects the Group's commitments to promote ESG.

These changes are based on research and analysis of market practices across comparable companies conducted by independent experts in order to develop a competitive compensation enabling the Company to retain and attract high-profile executives within the Group.

More specifically, the Board of Directors decided that the proposed changes would:

- better align the interests of Shareholders with the Chief Executive Officer's compensation policy by addressing a number of comments made by the Shareholders;
- accommodate the growing importance of ESG issues and the manner in which these should be reflected in executives compensation policies in particular in favor of and for the climate;
- rewards the potential achievement of the ambitious targets set and incentivizes performance as the Group rolls out its new strategic ambitions.

The main adjustments to be proposed by the Board at the Shareholders' General Meeting of May 10, 2023 (compared to the 2022 compensation policy) are as follows:

- **(gross) annual fixed compensation:** increase from €300,000 to €920,000 (+15%). The Board took the view that this increase was justified on the basis of the following factors: a market positioning below the annual fixed compensation seen for a sample of comparable companies⁽¹⁾ and no increase in the Chief Executive Officer's annual fixed compensation since his appointment in December 2019.
- **(gross) annual variable compensation:**
 - **greater emphasis on ESG criteria, including the addition of a climate specific criterion:** in line with the Group's goals of creating value over the long term under its sustainability strategy, the Board of Directors decided to place greater emphasis on ESG criteria and to add a climate target, for the purpose of assessing the Chief Executive Officer's performance and setting his annual variable compensation. These quantifiable criteria, as presented below, and the corresponding targets have been set in line with the commitments of the Group's ESG SustainAgility roadmap (reference year 2022). These criteria have been given a weighting of 15% of the total amount of the Chief Executive Officer's annual variable compensation. The method used to calculate the amount attributable to these criteria is presented in greater detail below,
 - **changes to the structure of variable compensation:** to align the compensation policy applicable to annual variable compensation with generally observed market practices, all these fundamental criteria, whether they are quantifiable or qualitative, will now be given a weighting (leading to the removal of the adjustment factor (between 0.8 and 1.2) previously applied to individual criteria). In the annual variable compensation calculation, a 65% weighting would be applied to the criteria reflecting the Group's financial performance, a 15% weighting to the ESG performance criteria and a 20% weighting to attainment of individual targets.

It is specified that, as previously, the amount attributable to the target would correspond to 110% of the fixed annual compensation and that the maximum amount attributable in the event of outperformance would correspond to 165% of fixed annual compensation;

- **variable long-term incentive:** the Board of Directors, at its meeting of February 16, 2023, after consulting the Compensation Committee, wished to integrate several criteria related to ESG and climate performance, defined in accordance with the objectives of the Group's SustainAgility program and detailed below. These criteria are identical to those used for the annual variable compensation of the Chief Executive Officer, with the exception of four of them, in order to strictly align them with the criteria applicable to all beneficiaries of the 2023 general performance shares plan (subject to its adoption at a forthcoming Board meeting, usually in May). Thus, long-term variable compensation would be based on the following three quantifiable criteria: net current income (50%) and free-operating cash-flow (35%) of the Group as well as criteria related to its ESG performance (including climate) (15%).

The Board of Directors plans to proceed, as long-term compensation of the Chief Executive Officer, with an allocation to his benefit of 85,000 performance shares (i.e. 0.10% of the share capital as of December 31, 2022).

This allocation would be made, provided that (i) the valuation of the planned number of shares respects the cap set at 18 months of gross annual compensation (fixed portion + maximum of the variable portion) (in IFRS 2 value), and (ii) the 2023 general performance share plan intended for the Group's senior managers, in which it forms part, is adopted.

This allocation would reflect the Board of Directors' desire to keep the Chief Executive Officer's long-term compensation its significant share in the composition of his total compensation, while remaining in line with the reference panel used in the analysis of market carried out referred to above.

The objectives based on these criteria are not made public for reasons of confidentiality. However, they are set in line with the applicable budgetary objectives, for the financial criteria, and in line with the commitments made by the Group as part of its ESG SustainAgility roadmap (such as these objectives and commitments have been adopted by the Board).

(1) The benchmarking sample consists of 16 industrial companies listed on the Euronext market (SBF 120). These companies have a governance structure in which the roles of Chair and CEO have been split, and they are comparable in size.

At the date this Universal Registration Document was filed, the Company's Chief Executive Officer was Alessandro Dazza⁽¹⁾.

Chief Executive Officer

Annual fixed compensation

The fixed component of compensation is determined according to the level of experience and responsibility when the Chief Executive Officer takes office. It is reviewed every year to ensure it is in line with market practices at comparable companies.

As stated above, at its meeting of February 16, 2023, the Board of Directors decided to increase the Chief Executive Officer's annual fixed compensation from €800,000 to €920,000 in respect of 2023.

Annual variable compensation

The amount of variable compensation will be determined during 2024 by the Board of Directors, taking into account the extent to which Alessandro Dazza satisfied quantifiable criteria related to financial and ESG performance, as well as qualitative individual criteria, subject to approval by the Shareholders' General Meeting of this compensation policy.

In 2023, on the recommendation of the Compensation Committee, the Board decided to apply the following quantifiable financial performance criteria with a total weighting of 65%: current operating income (26% weighting in annual variable compensation), free operating cash flow (26% weighting in annual variable compensation) and organic revenue growth (13% weighting in annual variable compensation). The quantitative financial performance criteria are the same as those laid down in the 2022 compensation policy. Deemed relevant for assessing the Group's operational and financial performance and the implementation of its strategy, their expected level of achievement are aligned with the Group budget targets set by the Board of Directors for the 2023 financial year. These budget targets are not made public for confidentiality reasons.

As explained above, the Board has decided to place greater emphasis on the quantifiable criteria for ESG and climate performance. The expected targets will be set in line with the commitments made by the Group under its ESG SustainAgility roadmap (base year in 2022). They carry a weighting of 15% of annual variable compensation.

The calculation methods are as follows: (i) if the result is below the minimum threshold specific to each criterion, then the target achievement rate would be equal to 0; (ii) if the result is equal to 100% of the target objective, its achievement rate would be equal to 15%; (iii) if the result is above the maximum threshold specific to each criterion, then its achievement rate would be equal to 22.5%.

The ESG criteria are set out in greater detail in *note (A)* below.

The Board of Directors also reviewed the individual criteria applicable to the Chief Executive Officer's annual variable compensation. They carry a weighting of 20% of annual variable compensation. As previously, the factors taken into account in assessing these criteria will be disclosed. The confidential nature of these criteria and the associated objectives does not allow them to be published in full.

The measurement of these personal achievements will be defined within a range between 0 and 150% (100% at the target goal).

The individual criteria are set out in greater detail in *note (A)* below.

The amount of the annual variable remuneration resulting from the measurement of the achievement of all the criteria (quantifiable and qualitative) as defined above is calculated by applying this rate of achievement of the objectives to a reference base equal to 110% of the annual fixed compensation (corresponding to the achievement of the target objective). In the event of outperformance relative to the target objective, the maximum amount is thus set at 165% of the annual fixed compensation.

The payment of annual variable compensation is subject to approval by the Shareholders' General Meeting held in 2024 to approve the financial statements for the year ending December 31, 2023 (*ex post* vote).

Multi-annual variable compensation⁽²⁾

As for the variable component of annual compensation, any multi-annual variable compensation is calculated according to quantitative and/or individual criteria set by the Board of Directors and based on the recommendations of the Compensation Committee. Multi-annual variable compensation is paid only when all the component parts are known and have been approved by the Shareholders' General Meeting ("*ex post*" vote).

Benefits in kind

- Contributions to unemployment insurance for corporate officers;
- life insurance plans (covering death or disability);
- official accommodation introduced in 2020 for a maximum period of 2 years and renewed for 18 months after the 2-year period;
- company car;
- health insurance benefits, tax consultants, annual medical.

Chief Executive Officer

Severance package

The termination benefit would be payable in the event of a change in control, strategy or a major disagreement over these issues.

The amount paid with respect to this package would be subject and proportionate to quantitative performance conditions relating to free operating cash flow and current operating income over a three-year period prior to departure (as explained in greater detail in *Note (B) below*) and capped in any event at two years' annual compensation (average fixed and variable for the last two full financial years). Should Alessandro Dazza leave within the first two financial years, the amount of variable compensation taken into account would reflect the sum of the variable components paid over the period, divided by the number of years in office.

No compensation would be due if the Chief Executive Officer voluntarily steps down and is soon able to claim retirement benefits or if he is dismissed for gross or serious misconduct.

Non-compete indemnity

The Chief Executive Officer is subject to a non-compete period of one year following the date at which his duties as Chief Executive Officer are terminated. The Board of Directors reserves the right to decide whether or not to enforce this clause (and thus payment of the associated compensation).

In the event it is enforced, Alessandro Dazza will receive the equivalent of one year's annual fixed compensation plus the average of the last two years' annual variable compensation.

No compensation would be due if the Chief Executive Officer opts to claim retirement benefits.

Post-employment commitments

Article 83 complementary defined contribution pension plans (awarded to certain senior executives in the Group) and article 82 plans:

- a) article 83: a complementary defined contribution pension plan was set up on October 1, 2009 for which certain executive managers at Imerys are eligible. The plan provides for contributions of 8% of the compensation of beneficiaries, capped at eight times the annual French social security ceiling. Beneficiary contributions are set at 3% and Company contributions at 5%. It also allows beneficiaries to top up the mandatory payments with free and voluntary contributions. An independent insurance company has been appointed to manage the scheme;
- b) article 82: a further complementary pension plan has been put in place for certain executive managers of Imerys. This plan provides for contributions of an amount representing 5% of the beneficiary's annual fixed compensation.

Long-term incentive payments in the form of shares or securities carrying rights to shares

Subject to (i) the Shareholders' General Meeting's approval of this 2023 compensation policy, and (ii) the adoption of the 2023 general performance share plan intended for the Group's senior managers, in which this grant forms part, at a forthcoming meeting of the Board of Directors (generally in May), the Chief Executive Officer could benefit from free share grants on the condition that he must still be with the Group and have achieved other performance conditions.

The detailed characteristics and performance conditions applicable to the Chief Executive Officer's long-term incentives are presented in paragraph 4.3.3 of this chapter, including the vesting and lock-up rules determined by the plan in question and the rules regarding restrictions on shareholdings applicable to executive corporate officers.

Any awards to executive corporate officers are restricted to 0.5% of the Company's share capital, and the performance shares that may be awarded shall be capped at a value of 18 months' gross annual compensation (fixed portion and maximum variable portion) (IFRS 2 value). See paragraph 4.3.3.2 A (*Comprehensive performance share grant policy below*).

As stated above, the performance share-based long-term incentive would be based on the following three quantifiable criteria: net current income (50%) and free-operating cash-flow (35%) of the Group as well as criteria related to its ESG performance (including climate goals) (15%). The objectives based on these criteria are not made public for reasons of confidentiality. However, they are set in line with the applicable budgetary objectives, for the financial criteria, and in line with the commitments made by the Group as part of its ESG SustainAgility roadmap (such as these objectives and commitments have been adopted by the Board).

Performance achievement is measured annually and averaged at the end of the plan period (2023-2025) and cannot exceed 100% achievement. At the end of each year of the plan period (2023-2025), if the criteria were met by less than 70%, the annual performance of the plan would be nil; in the event of achievement of the criteria equal to 90%, the annual performance of the plan would be 50%; if the criteria were met at 100%, the annual performance of the plan would be 100%; in the event of achievement of the criteria equal to or greater than 120%, the annual performance of the plan would be 120% (subject to the average achievement cap at the end of the plan period).

The achievement of the performance conditions would be, after review by the Compensation Committee, decided by the Board at the end of each financial year of the period considered on the basis of the Group's consolidated financial statements. All of these performance shares would be definitively acquired, depending on the achievement of the objectives to which they would be subject, at the end of a period of three years following their date of allocation; consequently and in application of the provisions of Article L. 225-197-1 I paragraph 7 of the French Commercial Code, these shares would not be subject to any retention obligation at the end of their acquisition period.

4

Corporate Governance

Compensation awarded to corporate officers

Chief Executive Officer

Exceptional compensation⁽³⁾

- **Exceptional compensation**
The Board may award exceptional compensation to the Chief Executive Officer when he has been entrusted with specific assignments or duties, the terms and conditions of which are agreed at the time by the Board and based on the recommendations of the Compensation Committee. Such compensation is to be paid in cash.
- **Sign-on bonus**
The Board may award a future Chief Executive Officer a sign-on bonus reflecting the relevant individual's profile, the terms and conditions of which are agreed by the Board and based on the recommendations of the Compensation Committee.

(1) Since February 17, 2020 and for an unlimited term of office. The conditions for removal from office are the same as those applicable to any Chief Executive Officer, in accordance with the Company's by-laws and regulations, and without prejudice to any severance package or non-compete clause detailed above.

(2) In 2023, the Board decided not to award multi-annual compensation (in cash) to Alessandro Dazza.

(3) Exceptional compensation or sign-on bonus, when justified.

Note (A) – Description of the quantifiable and individual criteria applicable to the annual variable compensation of the Chief Executive Officer in 2023

Quantifiable financial performance criteria	Weighting of objectives in annual variable compensation	Thresholds (for 2023)	Payout rate as a % of the variable compensation
Current operating income	26%	If result less than or equal to 85% of the budget target	0%
		If result equal to 100% of the budget target	26%
		If result equal to 115% of the budget target	39%
Free operating cash flow	26%	If result less than or equal to 50% of the budget target	0%
		If result equal to 100% of the budget target	26%
		If result equal to 125% of the budget target	39%
Organic revenue growth	13%	If result less than or equal to 50% of the budget target	0%
		If result equal to 100% of the budget target	13%
		If result equal to 125% of the budget target	19.50%
	65%		

In 2023, the Board decided to include the following quantitative ESG performance criteria (including a climate criterion) from the Group's SustainAgility roadmap (as described in Chapter 3). The targets have been set relative to the base year in 2022 and are in line with the 2023 targets in the Group's SustainAgility roadmap (such as these targets have been adopted by the Board). They carry a weighting of 15% of annual variable compensation.

Topic	ESG quantifiable criteria
1 Safety	Improve Group Safety Culture Maturity to Level 3.3 across all Business Areas by the end of 2025
2 Occupational Health	Increase the global Occupational Health action plan improvement rate to 75% by the end of 2025
3 Diversity and Inclusion	Increase the score of the Diversity & Inclusion Index to 100% by the end of 2025
4 Diversity and Inclusion	Increase the number of women in the Executive Committee to 30% by the end of 2025
5 Product Sustainability	Assess Imerys portfolio according to the sustainability criteria to cover at least 75% (by revenue) by the end of 2025
6 Product Sustainability	Ensure at least 75% of Group New Product Developments are scored as 'SustainAgility Solutions' (A+ or A++) by the end of 2025
7 Business Ethics & Compliance	Improve the external sustainability rating of the Group by 7% compared to 2021 assessment by the end of 2025
8 Environmental Management	Reduce environmental impacts by assessing the maturity level of 100% of sites against environmental management requirements by the end of 2025
9 Biodiversity and Land Rehabilitation	Reduce impact on biodiversity by fulfilling our act4nature commitments and conducting biodiversity audits on the 20 priority sites by the end of 2025
10 Climate change mitigation	Reduce Group scopes 1 & 2 greenhouse gas emissions (tCO ₂ e) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030

The calculation methods are as follows: (i) if the result is below the minimum threshold specific to each criterion, then the target achievement rate would be equal to 0; (ii) if the result is equal to 100% of the target objective, its achievement rate would be equal to 15%; (iii) if the result is above the maximum threshold specific to each criterion, then its achievement rate would be equal to 22.5%.

Individual criteria*

- Actively managing the business portfolio in accordance with the Group's strategy;
- put the Group on a growth trajectory;
- align the organization to the new perimeter of the Group and continue to develop talents;
- implement the actions necessary to improve operational performance.

The measurement of these personal achievements will be defined within a range between 0 and 150% (100% at the target goal).

* The confidential nature of these criteria and the associated objectives does not allow them to be published in full.

Note (B) – Performance conditions applicable to the severance package of Alessandro Dazza

The severance package is subject to performance conditions related to free operating cash flow and operating income, in particular:

1. Free operating cash flow

- if free operating cash flow was positive in each of the previous three financial years (or each year in office if the time served is less than three years), 100% of the severance payment would be due;
- if free operating cash flow was positive in two of the previous three financial years (or for over two thirds of the number of years spent in office if the time served is less than three years), 66% of the severance payment would be due;

- if free operating cash flow was positive in two of the previous three financial years (or for over one third of the number of years spent in office if the time served is less than three years), 33% of the severance payment would be due;
- if free operating cash flow was negative in each of the previous three financial years (or each year in office if the time served is less than three years), no severance payment would be due.

2. Current operating income

- if the Group's current operating income, calculated at constant scope and exchange rates, fell by over 20% per year over the last three years spent in office prior to departure, the severance payment calculated above would be reduced by 50%;
- if the Group's current operating income, calculated at constant scope and exchange rates, fell by over 25% per year over the last three years spent in office prior to departure, no severance payment would be due.

4.3.1.4 2023 COMPENSATION POLICY FOR MEMBERS OF THE BOARD OF DIRECTORS

The present paragraph lays out the 2023 compensation policy for members of the Board of Directors (excluding the Chairman of the Board, as set out in *paragraph 4.3.1.3 of the present chapter*). At its meeting of February 16, 2023, upon the recommendation of the Compensation Committee, the Board decided to keep unchanged the budget and allocation bands for the compensation applicable to Board members.

At the date this Universal Registration Document was filed, the allocation bands were as follows:

		Gross amount (€) before tax and social security contributions
Board of Directors	Vice-Chair (if appointed)	<ul style="list-style-type: none"> • Fixed compensation: 30,000/year • Variable compensation: 4,000/meeting attended⁽¹⁾
	Members (excl. the Chairman and, if appointed, the Vice-Chair)	<ul style="list-style-type: none"> • Fixed compensation: 10,000/year • Variable compensation: 4,000/meeting attended⁽¹⁾
Strategic Committee	Chair	<ul style="list-style-type: none"> • Fixed compensation: 30,000/year
	All members	<ul style="list-style-type: none"> • Variable compensation: 3,500/meeting attended⁽¹⁾
	All other members of the Board (other than the Chairman)	<ul style="list-style-type: none"> • Variable compensation: 3,500/annual Strategic Committee's strategic seminar attended⁽²⁾
Audit Committee	Chair	<ul style="list-style-type: none"> • Fixed compensation: 30,000/year
	All members	<ul style="list-style-type: none"> • Variable compensation: 4,000/meeting attended⁽¹⁾
Appointments Committee	Chair	<ul style="list-style-type: none"> • Fixed compensation: 10,000/year
	All members	<ul style="list-style-type: none"> • Variable compensation: 3,000/meeting attended⁽¹⁾
Compensation Committee	Chair	<ul style="list-style-type: none"> • Fixed compensation: 10,000/year
	All members	<ul style="list-style-type: none"> • Variable compensation: 3,000/meeting attended⁽¹⁾
ESG Referent Director	-	<ul style="list-style-type: none"> • Fixed compensation: 20,000/year⁽³⁾

(1) Members receive only half the variable component of compensation if they attend meetings of the Board or its Committees by telephone or video conference. When the Chairman or, when appropriate, the Committee Secretary require the Board or any of its Committees to meet by telephone or video conference due to health and social distancing restrictions in force at the time, the Board reserves the possibility to waive this reduction.

(2) All members of the Board of Directors are invited to take part in the Strategic Committee's strategic seminar, which is held once a year. For attending, they receive compensation subject to the same terms and conditions and under the same arrangements as members of the Strategic Committee (except for the Chairman of the Board who does not receive any special compensation for attending).

(3) This compensation is in addition to the fixed and variable compensation for their duties as director and, where appropriate, as a Committee member, performed by the ESG Referent Director.

The Board may award exceptional compensation to corporate officers entrusted with a specific assignment or duties, the terms and conditions of which are agreed at the time by the Board and based on the recommendations of the

MAXIMUM AMOUNT AND ALLOCATION BANDS

The maximum gross amount of compensation that may be awarded for the year to members of the Board is determined by the Shareholders' General Meeting. For 2023, this amount has been set at €1,200,000, the same level since May 4, 2018.

The Board is responsible for distributing compensation between its members using a system of allocation bands agreed and based on the recommendations of the Compensation Committee. The bands are reviewed each year to ensure they remain appropriate and competitive in view of best practice within comparable listed companies in France and any recent changes.

The employee representative directors receive compensation for their duties as directors subject to the same terms and conditions and under the same arrangements as the other Board members.

Compensation Committee. Such compensation would be paid in cash. Subject to this reservation, total compensation (including benefits in kind) awarded to members of the Board (excluding the Chairman of the Board) is that shown above.

4.3.2 COMPENSATION OF EXECUTIVE CORPORATE OFFICERS WITH RESPECT TO THE 2022 FINANCIAL YEAR

4.3.2.1 2022 COMPENSATION OF EXECUTIVE CORPORATE OFFICERS

Compensation paid and/or awarded to executive corporate officers with respect to the 2022 financial year was in accordance with the compensation policy applicable to the executive corporate officers, which was put forward at and fully approved by the 2022 Shareholders' General Meeting.

The present paragraph includes all the disclosures required by the provisions stipulated in article L. 22-10-9 of the French Commercial Code for each executive corporate officer. Executive corporate officers do not receive any other compensation from a company within the Imerys scope of consolidation as defined in article L. 233-16 of the French Commercial Code.

In accordance with article L. 22-10-34 of the French Commercial Code and with respect to each executive corporate officer:

- The Shareholders' General Meeting of May 10, 2023 will be asked to approve the fixed, variable and exceptional components of the total compensation and benefits paid in or awarded with respect to the year ended December 31, 2022;
- The payment of all components of variable and exceptional compensation granted with respect to the year ended December 31, 2022 is subject to approval by the Shareholders' General Meeting of May 10, 2023.

For further details, see chapter 8, paragraphs 8.2.4.2 to 8.2.4.3 of the Universal Registration Document.

SUMMARY OF COMPENSATION IN RESPECT TO THE 2022 FINANCIAL YEAR

	Employment contract	Complementary pension plan	Indemnities or benefits awarded in relation to terminating or changing duties	Non-competitive indemnity
Patrick Kron , Chairman of the Board	No	No	No	No
Alessandro Dazza , Chief Executive Officer	No	Yes ⁽¹⁾	Yes	Yes

(1) Complementary defined contribution pension plan as defined in articles 82 and 83 of the French Tax Code.

SUMMARY OF THE COMPONENTS OF COMPENSATION WITH RESPECT TO 2022

(€)	2022	2021
Patrick Kron, Chairman of the Board of Directors, since June 25, 2019		
Compensation granted with respect to the year ⁽¹⁾	400,000	250,000
Value of options granted during the year	N/A	N/A
Value of performance shares granted during the year	N/A	N/A
Value of other long-term incentive plans	N/A	N/A
Total	400,000	250,000

(1) For further details, see the table "Details of total compensation or benefits in kind paid in and granted with respect to 2022" below.

(€)	2022	2021
Alessandro Dazza, Chief Executive Officer since February 17, 2020		
Compensation granted with respect to the year ⁽¹⁾	1,829,880	2,173,630
Value of options granted during the year	0	0
Value of performance shares awarded during the year ⁽²⁾	1,857,093	2,331,000
Value of other long-term incentive plans	0	0
Total	3,686,973	4,504,630

(1) For further details, see the table "Details of total compensation or benefits in kind paid in and granted with respect to 2022" below.

(2) Value of shares at the date they were granted as required by IFRS 2, after taking into account any discount related to performance criteria, excluding any turnover discount, but before the expense is spread over the vesting period.

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Corporate Governance

Compensation awarded to corporate officers

DETAILS OF TOTAL COMPENSATION OR BENEFITS IN KIND OF ANY TYPE PAID IN OR GRANTED WITH RESPECT TO 2022

(€)	2022		2021	
Patrick Kron, Chairman of the Board of Directors, since June 25, 2019	Amount granted	Amount paid	Amount granted	Amount paid
Fixed compensation	400,000	400,000	250,000	250,000
Variable compensation	N/A	N/A	N/A	N/A
<i>Variable compensation corresponding to a % of fixed compensation</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
Multi-annual variable compensation	N/A	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A	N/A
Directors' compensation (gross amount)	0	0	0	0
Benefits in kind	N/A	N/A	N/A	N/A
Total	400,000	400,000	250,000	250,000

(€)	2022		2021	
Alessandro Dazza, Chief Executive Officer since February 17, 2020	Amount granted	Amount paid	Amount granted	Amount paid
Fixed compensation	800,000	800,000	800,000	800,000
Variable compensation	660,000 ⁽¹⁾	1,265,000	1,265,000	742,000
Multi-annual variable compensation	N/A	N/A	N/A	N/A
<i>Variable compensation corresponding to a % of fixed compensation</i>	<i>82.5%</i>	<i>158.12%</i>	<i>158.12%</i>	<i>92.75%</i>
Exceptional compensation	250,000 ⁽¹⁾	N/A	N/A	N/A
Directors' compensation (gross amount)	N/A	N/A	N/A	N/A
Benefits in kind ⁽²⁾	119,880	119,880	108,630	108,630
Total	1,829,880	2,184,880	2,173,630	1,650,630

(1) The amount granted will be paid to Alessandro Dazza, subject to approval by the Shareholders' General Meeting of May 10, 2023. See Note (A) below

(2) These benefits include a complementary art. 82 pension plan and official accommodation, as well as contributions to unemployment insurance for corporate officers since May 2022.

All compensation and benefits awarded to the Group's executive managers (Executive Committee, including Alessandro Dazza) and recognized in expenses for the years in question are included in note 27 to the consolidated financial statements in section 6.2.2 of this Universal Registration Document.

The top ten compensation amounts paid by the Company with respect to the 2022 financial year were certified by the Statutory Auditors.

Note A – Details regarding Alessandro Dazza’s variable and exceptional compensations with respect to 2022

At its meeting of February 16, 2023, the Board of Directors determined the amount of Alessandro Dazza’s variable compensation with respect to the 2022 financial year, which will be paid in 2023 subject to approval by the Shareholders’ General Meeting of May 10, 2023, as follows:

Quantitative criteria	Weighting	Individual achievement rate*	Overall achievement rate
Current operating income	40.0%	125.0%	50.0%
Free operating cash flow	40.0%	0.0%	0.0%
Organic revenue growth	20.0%	62.5%	12.5%
Total	100%		62.5%

* The percentage achieved allowing for a maximum payment is 125% for each quantitative criteria.

Assessment of the Board	
	The Board of Directors assessed the level of achievement of the quantitative financial performance criteria to be in line with the budget targets for 2022. These budget targets are not made public for confidentiality reasons. Accordingly, the Board found that two of the three criteria were achieved.

Individual criteria ⁽¹⁾	Impact on the percentage achieved	Factor applied	% achieved (after adjustment)
Pursue Imerys’ growth strategy in the most promising markets through market share gains and targeted acquisitions and through targeted investments to promote organic growth; Effectively manage Imerys’ cost base in an inflationary environment; Retain and develop key talent in order to strengthen the Group’s succession plan; Deploy the Group’s ESG policy, in particular by accelerating CO ₂ reduction and making progress in terms of diversity within the Executive Committee and Senior Management.			

Assessment of the Board	
	<ul style="list-style-type: none"> the Board considered that the Group had pursued an appropriate commercial strategy in a difficult economic context and implemented the actions necessary to develop high-potential activities (particularly in sustainable mobility and green energy); the Board noted the effective management of inflationary impacts on the cost base and their fair impact in commercial policies; the Board noted the implementation of internal promotions within the Executive Committee as well as the internal development of talent in an extremely dynamic social environment; the Board took note of the positive developments, particularly in the following key areas: safety and health at work, diversity and inclusion, environmental audits, reduction of greenhouse gas emissions, external rating of the Group in terms of sustainable development, deployment of solutions “SustainAgility Solution Assessments” (SSA).

	Maximum variable compensation <i>(% of fixed compensation)</i>	Variable component <i>(% of fixed compensation)</i>	Amount <i>(€)</i>
Total	165%	82.5%	660,000

(1) These criteria are confidential and so cannot be published in full.

As a result, the variable compensation awarded to Alessandro Dazza in respect of 2022 came to €660,000. This amount reflects the achievement of 62.5% of quantitative financial performance criteria multiplied by a factor of 1.2 with respect to the individual criteria. Thus, giving a pay-out of 75% of the fixed compensation annual target (base of 110%) serving as the basis for calculating this variable annual compensation.

Exceptional compensation

Allocation by the Board, on a proposal from the Compensation Committee, of an exceptional compensation in the amount of €250,000, i.e. 31.25% of the annual fixed compensation of the Chief Executive Officer.

This allocation is part of the successful completion of the Group's strategic repositioning, in a particularly difficult context, with the sale of the High Temperature Solutions activity finalized in January 2023. The Board took into consideration the strategic and structuring nature of this transaction for the Group, its implementation in line with the expected valuation objectives, as well as its contribution to the repositioning of the Group as a pure-player player in specialty minerals in line with the strategic orientations set by the Board and the announcements made to the financial markets in 2022.

Consequently, the total cash compensation of the Chief Executive Officer for the 2022 financial year would amount to €1,710,000, i.e. €800,000 (fixed compensation) and €910,000 (variable and exceptional compensations) to be paid to the Chief Executive Officer for the 2022 financial year, i.e. a decrease of 17.1% compared to the previous financial year (€2,065,000).

The amounts corresponding to the annual variable and exceptional compensation will be paid to the Chief Executive Officer subject to the approval of the resolution submitted to the vote of the next Shareholders' General Meeting.

4.3.2.2 COMPENSATION OF MEMBERS OF THE BOARD IN RESPECT OF THE 2022 FINANCIAL YEAR (EXCLUDING THE CHAIRMAN OF THE BOARD)

The Board's structure (as set out in *section 4.1 of the present chapter*) is and was throughout 2022 in compliance with the statutory diversity requirements. Therefore, no suspension was applied to the compensation awarded to members of the Board, as provided for in article L. 225-45 para. 2 of the French Commercial Code.

The amounts set out in the table below represent total compensation (made up solely of the fixed and variable compensation in line with the allocation bands detailed in *paragraph 4.3.1.4* above and excluding any other compensation or benefit in kind) paid or granted in respect of 2022 by the Company or its controlling shareholders to each member of the Board of Directors (excluding the Chairman of the Board) with respect to the offices, responsibilities or other duties performed within or on behalf of the Group, with the exception of the compensation paid and/or granted to the two employee representative directors with respect to their positions as employees in the Group.

Compensation is paid to members of the Board (other than the Chairman of the Board) in arrears every half year. Consequently:

- the amount of compensation "paid" in 2022 includes the amount with respect to the second half of 2021 and the amount with respect to the first half of 2022;
- the amount of compensation "granted" in 2022 includes the amount due with respect to the first and second half of 2022.

For details of the compensation paid and awarded to the Chairman of the Board in 2022, see *paragraph 4.3.2.1 of the present chapter*.

Table summarizing compensation of members of the Board of Directors

It should be noted that:

- all the information indicated in the following table is expressed as gross amounts before tax and social security contributions;
- fixed compensation is calculated prorata temporis for the members of the Board whose terms of office expired or began during the year;
- variable compensation corresponds to the proportion of compensation dependent on the actual presence of the director at meetings of the Board or its Committees.

(€)	2022		2021	
	Amount granted	Amount paid	Amount granted	Amount paid
A. Cardoso				
Compensation (fixed and variable)	102,000	105,500	97,500	89,500
<i>o/w variable compensation</i>	60.78%	62.09%	58.97%	55.31%
Other compensation	0	0	0	0
B. Delpit (director and member of the Strategic Committee since May 10, 2022)				
Compensation (fixed and variable)	27,444	8,944	N/A	N/A
<i>o/w variable compensation</i>	76.52%	83.86%		
Other compensation	0	0		
P. Desmarais III (director and member of the Strategic Committee until May 10, 2022)				
Compensation (fixed and variable)	20,861	44,861	44,000	34,500
<i>o/w variable compensation</i>	82.69%	80.81%	77.27%	71.01%
Other compensation	0	0	0	0
I. Gallienne				
Compensation (fixed and variable)	85,500	94,500	92,500	91,500
<i>o/w variable compensation</i>	53.22%	57.67%	56.76%	56.28%
Other compensation	0	0	0	0
C. Hall (director and member of the Strategic and Audit Committees until May 10, 2022)				
Compensation (fixed and variable)	21,361	57,361	67,500	59,500
<i>o/w variable compensation</i>	83.10%	84.99%	85.19%	83.19%
Other compensation	0	0	0	0
P. Kyriacopoulos				
Compensation (fixed and variable)	48,000	55,500	28,944	4,944
<i>o/w variable compensation</i>	79.17%	81.98%	77.74%	70.79%
Other compensation	0	0	0	0
A. Messemer				
Compensation (fixed and variable)	65,000	62,500	57,000	64,000
<i>o/w variable compensation</i>	84.62%	84.00%	82.46%	84.38%
Other compensation	0	0	0	0
L. Raets (director and member of the Audit Committee since May 10, 2022, previously non-voting observer)				
Compensation (fixed and variable)	53,500	41,500	30,000	26,000
<i>o/w variable compensation</i>	81.31%	75.90%	66.67%	61.54%
Other compensation	0	0	0	0
L. Ribot				
Compensation (fixed and variable)	61,500	61,500	50,000	40,000
<i>o/w variable compensation</i>	83.74%	83.74%	80.00%	75.00%
Other compensation	0	0	0	0
V. Saubot				
Compensation (fixed and variable)	66,250	65,500	47,500	45,250
<i>o/w variable compensation</i>	54.72%	69.47%	78.95%	77.90%
Other compensation	0	0	0	0

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Corporate Governance

Compensation awarded to corporate officers

(€)	2022		2021	
	Amount granted	Amount paid	Amount granted	Amount paid
M. F. Walbaum				
Compensation (fixed and variable)	68,500	70,500	65,000	64,000
<i>o/w variable compensation</i>	56.20%	57.45%	53.85%	53.13%
Other compensation	0	0	0	0
D. Morin				
Compensation (fixed and variable)	40,500	40,500	36,000	25,364
<i>o/w variable compensation</i>	75.31%	75.31%	72.22%	70.97%
Other compensation	0	0	0	0
C. Pérez Fernández				
Compensation (fixed and variable)	41,500	41,500	30,000	19,364
<i>o/w variable compensation</i>	75.90%	75.90%	66.67%	61.97%
Other compensation	0	0	0	0
R. Dirkx (non-voting observer since May 10, 2022)				
Compensation (fixed and variable)	23,944	8,944	N/A	N/A
<i>o/w variable compensation</i>	73.09%	83.86%		
Other compensation	0	0		
Total	725,860	759,110	645,944	563,922

Furthermore, it should be noted that:

- the compensation of members of the Board of Directors (excluding the Chairman, as stated above) granted with respect to the 2022 financial year falls within the maximum gross amount set by the Shareholders' General Meeting and the applicable allocation bands;
- no undertaking of any kind whatsoever was made during or in respect of 2022 to members of the Board (indemnities or benefits due or likely to fall due as a result of the start, termination or change of their duties or subsequently thereto, including pension commitments and other annuities);
- the disclosures required by article L. 22-10-9 I paras. 8 and 10 of the French Commercial Code are not applicable to members of the Board of Directors with respect to the 2022 financial year;
- members of the Board of Directors do not receive any other compensation (except for compensation paid and/or granted to the two employee representative directors with respect to their positions as employees in the Group) from a company within the Imerys scope of consolidation as defined in article L. 233-16 of the French Commercial Code.

4.3.3 LONG-TERM INCENTIVE PLANS

4.3.3.1 STOCK OPTIONS

The Company's comprehensive stock option grant policy is agreed by the Board, based on proposals from the Compensation Committee. At its meeting of April 25, 2013, the Board decided to stop granting performance shares, which explains why no performance shares have been granted since the April 2012 plan.

No stock options were granted nor held by any executive corporate officer currently in office or who held office in 2022.

The tables of the French Financial Market Authority relating to allocation of stock options have not been reproduced as not applicable.

A – Previous stock option grants (solely plans in force during 2022)

	2012 Plan
Date of Shareholders' General Meeting	Apr. 28, 2011
Date of Board of Directors or Management Board Meeting	Apr. 26, 2012
Number of shares that may be subscribed or purchased, of which those that may be subscribed or purchased by:	362,720
• Corporate officers ⁽¹⁾	N/A
Start of option exercise period	Apr. 26, 2015
End of option exercise period	Apr. 25, 2022
Subscription or purchase price	€43.62
Exercise conditions (for plans with several tranches)	N/A
Total number of shares subscribed at December 31, 2022	195,645
Total number of stock options canceled or forfeited at December 31, 2022	167,075
Number of stock options outstanding at December 31, 2022	0

(1) For the avoidance of all ambiguity, the corporate officers included in the category above are those in office at December 31, 2022 and/or at the date this Universal Registration Document was filed.

B – Changes in the number of options in 2022

In 2022, 77,220 stock options were canceled or forfeited, and no options were exercised.

4.3.3.2 PERFORMANCE SHARES

A – Comprehensive performance share grant policy

The Company's comprehensive performance share grant policy is agreed by the Board of Directors, based on proposals from the Compensation Committee. The main characteristics of grants made by the Board of Directors are as follows:

- grants take the form of performance shares that, in principle, are fully subject to financial performance targets;
- except in exceptional circumstances, plans are annual and grants are usually made on the day of the Shareholders' General Meeting;
- actual or likely beneficiaries of performance share grants include the Group's executive managers (members of the Executive Committee as well as the main operating and support executives reporting to them) and employees whose career potential or individual performance has been recognized as outstanding.

Vesting period

In accordance with current legal provisions, free shares are subject to a vesting period that may not be less than one year following the grant date (since the "Macron law" of August 6, 2016) or two years for grants made before August 8, 2015, subject, in principle, to fulfilling certain business and financial performance criteria that cannot be assessed on the basis of a single year. The number of definitively vested shares is subject and proportionate to meeting these targets.

Loss of shares

If the beneficiary leaves the Group before the end of the vesting period for any reason (including, in principle, if the company by which they are employed leaves the Group's scope of consolidation), they will lose (in principle, subject to derogation granted by the Board of Directors or the delegation of its authority) all rights to performance shares, except in the event of death, long-term disability or retirement, in which case their rights will be maintained according to the specific terms and conditions of each plan.

Lock-up periods for vested shares

Since the aforementioned Macron law, a lock-up period (between the vesting date and the availability date) is no longer mandatory for free share grants. Nevertheless, the total duration of vesting and lock-up periods for performance share grants may not be less than two years.

Following any such lock-up period, beneficiaries are able to transfer or sell the shares as they wish.

Restrictions applicable to corporate officers

- **related to grants:**

- in accordance with the AFEP-MEDEF Code, the grant to executive corporate officers is capped at 0.5% of the Company's share capital, and
- the performance shares granted may not exceed 18 months of gross annual compensation (fixed component + maximum variable compensation) (IFRS 2 value of the performance shares awarded);

- **related to shareholdings:**

- transactions carried out by the Company's corporate officers in Imerys shares are subject to certain specific restrictions, and the executive corporate officer in particular is subject to separate shareholding restrictions. *For further details, see paragraph 4.4 of the present chapter.*

Future performance share plan in 2023

The 2023 performance share plan, the definitive adoption of which and related grants are to be submitted for approval at – and thus are the prerogative of – a future Board meeting (usually in May), is likely to state that full and final vesting of any performance shares to be awarded, as well as the number of such shares, is subject and proportionate to achievement of targets common to all the grantees.

As stated above, the Board of Directors at its meeting of February 16, 2023, decided, after hearing the view of the Compensation Committee, to include several ESG and climate criteria to be set in line with the targets of the Group's SustainAgility program and presented in detail below. These criteria are identical to those used for the annual variable compensation of the Chief Executive Officer, with the exception of four of them, in order to strictly align them with the criteria applicable to all beneficiaries of the plan. Thus, long-term variable compensation would be based on the following three quantifiable criteria: net current income (50%) and free-operating cash-flow (35%) of the Group as well as criteria related to its ESG performance (including climate) (15%).

The objectives based on these criteria are not made public for reasons of confidentiality. However, they are set in line with the applicable budgetary objectives, for the financial criteria, and in line with the commitments made by the Group as part of its ESG SustainAgility roadmap (as these objectives and commitments were set by the Board).

Performance achievement is measured annually and averaged at the end of the plan period (2023-2025) and cannot exceed 100% achievement. At the end of each year of the plan period (2023-2025), if the criteria were met by less than 70%, the annual performance of the plan would be nil; in the event of achievement of the criteria equal to 90%, the annual performance of the plan would be 50%; if the criteria were met at 100%, the annual performance of the plan would be 100%; in the event of achievement of the criteria equal to or greater than 120%, the annual performance of the plan would be 120% (subject to the average achievement cap at the end of the plan period).

The achievement of the performance conditions would be, after review by the Compensation Committee, decided by the Board at the end of each financial year of the period considered on the basis of the Group's consolidated financial statements. All of these performance shares would be definitively acquired, depending on the achievement of the objectives to which they would be subject, at the end of a period of three years following their date of allocation; consequently and in application of the provisions of Article L. 225-197-1 I paragraph 7 of the French Commercial Code, these shares would not be subject to any retention obligation at the end of their acquisition period.

The Board of Directors plans to proceed, as long-term compensation of the Chief Executive Officer, with a free allocation to his benefit of 85,000 performance shares (i.e. 0.10% of the share capital as of December 31, 2022). This allocation would reflect the Board of Directors' desire to keep the Chief Executive Officer's long-term compensation its significant share in the composition of his total compensation, while remaining in line with the reference panel used in the analysis of market carried out referred to above.

PRESENTATION OF THE QUANTIFIABLE ESG PERFORMANCE CRITERIA IN THE FUTURE 2023 PERFORMANCE SHARE PLAN (SUBJECT TO ITS DEFINITIVE ADOPTION BY THE BOARD AT A FUTURE MEETING)

Topic	ESG quantifiable criteria
1 Safety	Improve Group Safety Culture Maturity to Level 3.3 across all Business Areas by the end of 2025
2 Diversity and Inclusion	Increase the score of the Diversity & Inclusion Index to 100% by the end of 2025
3 Product Sustainability	Assess Imerys portfolio according to the sustainability criteria to cover at least 75% (by revenue) by the end of 2025
4 Business Ethics & Compliance	Improve the external sustainability rating of the Group by 7% compared to 2021 assessment by the end of 2025
5 Biodiversity and Land Rehabilitation	Reduce impact on biodiversity by fulfilling our act4nature commitments and conducting biodiversity audits on the 20 priority sites by the end of 2025
6 Climate change mitigation	Reduce Group scopes 1 & 2 greenhouse gas emissions (tCO ₂ e) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (Base year 2021)

B – Performance share plan adopted in 2022

Annual 2022 plan

In 2022, as part of this plan, the Board of Directors granted 437,250 performance shares to 289 Group managers residing in France or overseas, including 75,000 shares to the Chief Executive Officer (or 0.09% of the share capital). With the exception of Alessandro Dazza, Chief Executive Officer, the 10 beneficiaries awarded the highest number of performance shares were granted a total of 106,000 shares.

The number of performance shares granted with respect to the 2022 plan is subject and proportionate to meeting a set of objectives common to all beneficiaries. Based on the

recommendation of the Compensation Committee, the Board of Directors was able to verify the demanding nature of these objectives, which are based on two quantitative criteria: Net income from current operations per share (60% weighting) and free operating cash flow for 2022–2024 (40% weighting). After a review by the Compensation Committee, the Board of Directors will record their achievement at the end of each financial year in the period under consideration based on the Group's consolidated financial statements. All performance shares will vest according to the extent to which the objectives have been achieved, three years after being granted. Consequently, in accordance with article L. 225-197-1-I, paragraph 7 of the French Commercial Code, these shares are not subject to any lock-up period once vested.

Performance shares granted to an executive corporate officer in 2022

	No. and date of plan	Number of shares granted in 2022	Value of shares using the method applied in the consolidated financial statements	Vesting date	Available date	Performance conditions
Alessandro Dazza , Chief Executive Officer	May 10, 2022	75,000, i.e. 0.09% of the Company's share capital at December 31, 2021	1,857,096	May 10, 2025*	May 10, 2025*	Yes
Patrick Kron , Chairman of the Board of Directors	N/A	N/A	N/A	N/A	N/A	N/A

* The vesting date and the end of the lock-up period correspond to the later of the following two dates: the third anniversary of the grant date or the date of the Shareholders' General Meeting to approve the financial statements of the last reference year.

Performance shares awarded to executive corporate officers that exited their lock-up period in 2022

	No. and date of plan	Number of shares exiting their lock-up period in 2022
Alessandro Dazza , Chief Executive Officer	May 4, 2020	0
	May 10, 2021	0
	May 10, 2022	0
Patrick Kron , Chairman of the Board of Directors, (since June 25, 2019)	N/A	N/A

C – Previous performance share grants (solely plans in force during 2022)

	May 2022 plan	May 2021 plan	May 2020 plan	January 2020 plan	May 2019 plan
Date of Shareholders' General Meeting	May 10, 2022	May 10, 2021	May 4, 2020	May 4, 2018	May 4, 2018
Date of Board meeting	May 10, 2022	May 10, 2021	Apr. 29, 2020	December 17, 2019 ⁽¹⁾	May 10, 2019
Total number of shares granted, of which to corporate officers ⁽²⁾	437,250	483,700	457,700	154,150	427,500
• to Alessandro Dazza	75,000 ⁽³⁾	75,000 ⁽³⁾	120,000 ⁽³⁾	0	0
• other corporate officers	0	0	0	0	0
Vesting date ⁽⁴⁾	May 9, 2025	May 9, 2024	May 3, 2023	January 14, 2023	May 9, 2022
End of lock-up period ⁽⁴⁾	May 9, 2025	May 9, 2024	May 3, 2023	January 14, 2023	May 9, 2022
Performance conditions, with weighting stated as a % of each criterion	Net income from current operations, per share (60%) Free cash flow (40%)	Net income from current operations, per share (60%) Free cash flow (40%)	Net income from current operations, per share (60%) Free cash flow (40%)	Net income from current operations, per share (60%) Free cash flow (40%)	Net income from current operations, per share (50%) Return on capital employed (50%)
Total number of shares vested at December 31, 2022	0	0	0	0	152,048
Total number of shares canceled or forfeited at December 31, 2022 ⁽⁵⁾	38,200	49,975	393,500	28,800	275,452
Remaining performance shares at December 31, 2022	399,050	433,725	418,350	125,350	0

(1) Granted on January 14, 2020 by the Chief Executive Officer acting with the authorization of the Board.

(2) For the avoidance of all ambiguity, the corporate officers included in the category above are those in office at December 31, 2022 and/or at the date this Universal Registration Document was filed.

(3) Representing for the 2022 plan, 0.09% of the share capital at December 31, 2021; representing for the 2021 plan, 0.09% of the share capital at December 31, 2020, and for the 2020 plan, 0.14% of the share capital at December 31, 2021.

(4) For shares awarded to all beneficiaries, irrespective of their tax residence. The vesting date and the end of the lock-up period correspond to the later of the following two dates: the third anniversary of the grant date or the date of the Shareholders' General Meeting to approve the financial statements of the last reference year.

(5) After beneficiaries leave the Group or fail to meet the performance conditions.

In 2022, 248,877 performance shares were canceled, while 152,048 performance shares vested and were transferred to their respective beneficiaries.

The total number of performance shares outstanding at December 31, 2022 equaled 1,376,475, representing 1.6% of Imerys' share capital after dilution at that date.

4.3.4 EXECUTIVE-EMPLOYEE PAY RATIOS AND YEAR-ON-YEAR CHANGE

RATIO

The ratios and annual change over a five-year period, as presented in the following tables, include the compensation awarded to the Chairman and Chief Executive Officer, the Chief Executive Officer, and Chairman of the Board and (i) the mean average salary per full-time equivalent paid to employees of the Company (excluding corporate officers) and (ii) the median average salary per full-time equivalent paid to employees of the Company (excluding corporate officers).

The offices of Chairman of the Board and Chief Executive Officer were separated on May 4, 2018. Therefore, the ratios regarding the compensation paid to the Chairman and Chief Executive Officer, the Chief Executive Officer, and Chairman of the Board in respect to 2018 include the compensation for the Chairman and Chief Executive Officer between January 1 and May 4 and for the Chief Executive Officer, and Chairman of the Board from May 4 to December 31.

Given the termination of Conrad Keijzer's duties on October 21, 2019 and resumption of the CEO's duties by the Chairman of the Board of Directors on a temporary interim basis without any compensation, the 2019 compensation of the Chief Executive Officer has been calculated by annualizing Conrad Keijzer's compensation over the full year.

Chairman and Chief Executive Officer	2018
Ratio to mean average salary	10.58
Ratio to median average salary	15.71

Chief Executive Officer	2018	2019	2020	2021	2022*
Ratio to mean average salary	20.30	30.46	24.56	28.62	27.95
Ratio to median average salary	30.17	44.14	32.63	45.22	40.42

* On the French perimeter, the Ratio to mean average salary equaled 57.7 and the Ratio to median average salary equaled 75.1.

Chairman of the Board	2018	2019	2020	2021	2022*
Ratio to mean average salary	0.17	2.20	1.77	1.80	2.77
Ratio to median average salary	0.26	3.19	2.35	2.80	4.00

* On the French perimeter, the Ratio to mean average salary equaled 5.7 and the Ratio to median average salary equaled 7.4.

YEAR-ON-YEAR CHANGE

	2018	2019	2020	2021	2022	
Annual remuneration, CEO & Chairman	1,281,440					
Annual remuneration, CEO	2,460,105	3,715,634	3,327,657	3,981,630	4,041,973	
Annual remuneration, Chairman	21,091	268,611	239,583	250,000	400,000	
Average remuneration (full-time equivalent) of Company's employees*	121,166	122,003	135,469	139,101	144,634	
Performance	Net current income (€ million)	357	278	167	288	363
	Free operating cash flow (€ million)	286	315	373	255	114
	ROCE	9.8%	7.8%	5.8%	8.6%	10.3%

* On the French perimeter, the average remuneration (full-time equivalent) assessment was €70,062.

This data was prepared in accordance with the French official Order of November 27, 2019 on compensation of corporate officers of listed companies.

In accordance with regulatory requirements, the compensation components were measured based on Imerys S.A. and performance data at Group level on a consolidated basis. It should be noted that performance was affected by the disposal by the Group of its Roofing business in 2018.

The compensation components considered include the amounts paid in or granted with respect to year Y, i.e. fixed compensation, variable components paid in year Y with

respect to year Y-1, exceptional compensation paid in year Y, performance shares granted in year Y (based on their IFRS value), employee savings schemes and the value of benefits in kind.

The terms and conditions to determine ratios and set performance are based on analyzing the data available to companies at February 16, 2023, the date at which the Board of Directors met. This information could be subject to change depending on any clarifications made by regulatory and/or market authorities in the future.

4.4 TRANSACTIONS BY CORPORATE OFFICERS IN COMPANY SHARES

4.4.1 RESTRICTIONS ON SHAREHOLDINGS APPLICABLE TO EXECUTIVE CORPORATE OFFICERS

Based on the recommendations of the Compensation Committee and in accordance with the provisions of articles L. 225-185, L. 22-10-57, L. 225-197-1 and L. 22-10-59 of the French Commercial Code, the Board confirmed the restrictions on shareholdings applicable to shares granted to executive corporate officers initially agreed in 2010, which include:

Obligation to hold shares in registered form until the termination of their duties:

- a number of performance shares that is at least equal to 25% of the total number of shares that will vest at the end of the relevant “vesting” period;
- until the total amount of shares that they hold and will continue to hold, upon the exercise of stock options (where applicable) and the end of performance shares’ lock-up period, reaches 300% of their annual fixed compensation for the prior year at the relevant date.

The total investment in shares of the Company must take into account all the shares held by the relevant executive corporate officer at the date in question, regardless of their origin (purchased on the market, acquired by exercising stock options or acquired through performance share plans).

Furthermore, the Group’s policy prohibits any executive corporate officer from making any leveraged or speculative transactions on Imerys shares as provided for in the AFEP-MEDEF Code recommendation. Executive corporate officers must therefore pledge to (i) not to make use of any hedging instruments in respect of any stock options or performance shares that may be granted to them during their term of office and (ii) refrain from exercising any stock options that may be granted to them during their term of office during any closed periods, even if other beneficiaries may be able to exercise their stock options, as such a transaction cannot be speculative as the exercise price has already been set.

4.4.2 TRADING POLICY

PRIVILEGED INFORMATION AND INSIDER TRADING POLICY

In accordance with the policy to prevent insider trading applied throughout the Group, (Insider Trading Policy, most recently updated on November 2, 2021), corporate officers and related persons must refrain from carrying out any transaction, including forward transactions, in Imerys shares if they directly or indirectly hold privileged information not yet available to the public. In order to make it easier to implement this policy, the Secretary of the Board acts as Ethics Officer, tasked with giving an opinion prior to completing any transactions in the Company’s shares considered by the Group’s directors and senior executives, at their request. The opinion expressed by the Ethics Officer is merely consultative in nature.

CLOSED PERIODS

The Insider Trading Policy also requires the Group’s directors and senior executives to refrain from completing any transaction in Imerys shares (including hedging) ahead of public announcements of the Group’s quarterly, half-year and annual results, known as “closed periods”. Insiders include corporate officers and any people who may have regular or intermittent access to sensitive information about the Company and its subsidiaries prior to it being made available to the public, as well as anyone with close ties to these people.

The closed periods cover a number of days leading up to the publication of the Group’s results as well as the day of the announcement. This period lasts for 30 days prior to statements concerning annual and half-yearly results, and 15 days before quarterly results.

The schedule of announcements of the Group’s consolidated results over the next 12 months, as well as the resulting closed periods are communicated to directors. It may be consulted at any time via the Group’s website, is included in the quarterly letter to shareholders and is available on request from the Group’s Financial Communication Department.

4.4.3 SUMMARY OF TRANSACTIONS IN 2022

Pursuant to the provisions of article 223-26 of AMF's General Regulations, the following table presents a summary of the transactions made in Imerys shares throughout 2022 by corporate officers and any individuals connected to them,

where applicable. These transactions must be declared to the AMF in accordance with the provisions of article L. 621-18-2 of the French Monetary and Financial Code. All such declarations are available on AMF's website (www.amf-france.org).

Person declaring transaction	Position	Financial instrument	Number of shares	Number of transactions	Type of transaction	Gross amount⁽¹⁾ of transactions
N/A	N/A	N/A	N/A	N/A	N/A	N/A

(1) Before tax, fees and costs.

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Comments on fiscal year 2022

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At its meeting on February 16, 2023, the Board of Directors drew up the terms of the management report that it will present to the Annual Shareholders' General Meeting.

Imerys uses alternative performance measures in analyzing its business operations. These financial measures are set out in section 5.5, *Definitions and reconciliation of alternative performance measures to IFRS indicators*.

5.1 HIGHLIGHTS

Imerys reports an 11% increase in current EBITDA compared to 2021, beating its guidance for the full year 2022. This is a remarkable performance considering the macroeconomic environment and high inflationary levels in which it was

achieved, thanks to the strong positioning of our specialty products in our markets. In the fourth quarter, we faced significant destocking by customers in several markets, especially in Europe.

Consolidated results (€ millions)	FY 2021		FY 2022	Change 2022/ 2021 restated
	Reported	Restated ⁽¹⁾		
Revenue	4,383	3,665	4,282	+16.8%
Organic growth	+15.6%	-	+12.5%	-
Current EBITDA	761	649	720	+11.0%
Current EBITDA margin	17.4%	17.7%	16.8%	-
Current operating income	452	358	439	+22.4%
Current operating margin	10.3%	9.8%	10.2%	-
Operating income	385	291	318	+9.5%
Current net income from continuing operations	288	232	284	+22.3%
Net income from continuing operations	250	182	177	-2.8%
Net income from discontinued activities	-	68	77	+14.5%
Net income, Group share	240	240	237	-1.3%
Net current free operating cash flow (incl. discontinued ope.)	255	255	20	-
Net financial debt (as at December 31)	1,451	1,451	1,666	-
Net income, Group share, per share	€2.83	€2.14	€2.04	-
Current net income from continuing operations per share	€3.40	€2.69	€3.28	+22.3%

(1) Results for 2021 and 2022 have been restated to reflect the results from continuing operations excluding the High Temperature Solutions business area (HTS) whose contemplated disposal was announced on July 28, 2022. According to IFRS 5, HTS is accounted for as a discontinued operation and reported under 'Net income from discontinued activities' (its revenue, expenses and pre-tax profits are not presented in the consolidated income statement). The assets serving the paper markets whose contemplated disposal was announced on September 9, 2022, are accounted for as non current assets held for sale and therefore included in the consolidated income statement (continuing operations).

UPDATE ON PORTFOLIO MANAGEMENT

Completion of the disposal of the High Temperature Solution business area (HTS)

On January 31, 2023, Imerys completed the disposal of HTS to Platinum Equity, a global investment firm operating companies in a broad range of markets, for an enterprise value of €930 million and cash impact of approximately €710 million. Under IFRS 5, the HTS business area is accounted for as a discontinued operation in 2022, and is therefore reported under "Net income from discontinued activities". Its revenue, expenses and pre-tax profits are not presented in the consolidated income statement.

Ongoing disposal process for assets serving the paper market

Imerys expects to close the sale of most of its assets serving the paper market, for an enterprise value of €390 million, by the end of the first half of 2023⁽¹⁾. Proceeds will be paid through staged payments including an earn-out based on the future performance of the business. In total, these activities represented approximately €425 million in revenue in 2022. These assets are included in the consolidated income statement and accounted for as non current assets held for sale under IFRS 5.

(1) The closing of the transaction remains subject to the fulfillment of customary conditions for this type of transaction, including the information and consultation of works councils and other regulatory approval.

As a reminder, the contemplated divestiture led to the recognition of a goodwill impairment loss on the divested assets of €108 million in the Group's 2022 income statement⁽¹⁾. At closing, the translation reserve associated with the business disposed of (mainly relating to the devaluation of the Brazilian Real) shall be recycled to the profit and loss statement in accordance with applicable IFRS standards. The Group's shareholders equity will not be affected by this non-cash loss currently estimated at circa. €220 million⁽²⁾ as of December 31, 2022.

PROPOSED DIVIDEND

At the Shareholders' General Meeting of May 10, 2023, the Board of Directors will propose a cash dividend of €3.85 per share (vs. €1.55 paid in 2022), which represents a distribution of €327 million, including €200 million from the proceeds of the HTS disposal⁽³⁾. This proposal reflects the Board's continued confidence in the Group's fundamentals and strategy and represents an attractive return to shareholders.

UPDATE ON STRATEGIC CAPITAL EXPENDITURES

Imerys is pursuing its development in the fast-growing Lithium-ion battery market. The third production line of carbon black in Willebroek (Belgium) should be operational in the coming weeks, while the construction of the fourth one is well underway. The capacity expansion of synthetic graphite production in Bodio (Switzerland) is progressing as per plan and commissioning is expected before the end of the year.

In addition, the construction of a greenfield plant of specialty minerals for polymer lightweighting for automotive in China is in its final phase. First deliveries to customers are expected in the second quarter of 2023.

In France, the Emili project has been selected by the government, within the "France 2030" program, and will receive financial support for the research and pilot phases of its lithium exploitation at the Beauvoir site. Imerys is currently carrying out scoping and feasibility studies. According to initial assessments, the Emili project would reach a production target of 34,000 tonnes of lithium hydroxide per year from 2028, for at least 25 years.

SUSTAINABILITY: NEW SBTi OBJECTIVES ALIGNED WITH THE GLOBAL WARMING OF 1.5°C

The Group has successfully completed its first 3-year ESG sustainability plan and it is now launching an even more ambitious plan for 2025 around three main pillars: empowering our people, growing with our customers and caring for our planet. In this respect, Imerys has submitted for validation to the Science Based Target initiative (SBTi) its commitment to a reduction of its greenhouse gas emissions of 42% by 2030 from a 2021 base year⁽⁴⁾. Several decarbonation levers have been identified and activated, such as fuel switching and biomass utilization, electrification, power purchase agreements, energy efficiency and process innovation. In 2022, Imerys has reduced its CO₂ emission by 10% compared to 2021 in absolute terms.

	2021 restated	2022	Target 2022
Empowering our people			
Occupational health & safety: Total recordable accident frequency rate ⁽¹⁾	2.53	2.43	< 2.50
Average level of maturity of operational sites	2.90	3.00	3.00
Diversity and inclusion: proportion of women within the Group's senior management team ⁽²⁾	26%	26%	30%
Growing with our customers			
Business ethics and responsible purchasing management: proportion of suppliers assessed against environmental, social and governance criteria ⁽³⁾	35%	57%	50%
New Product Developments scored as SustainAgility Solutions	70%	75%	50%
Environmental, social and economic impact of products: proportion of product portfolio measured against ESG criteria	21%	55%	40%
Our commitment to our planet			
Environmental impact management: proportion of audits conducted against an environmental maturity matrix	90%	100%	100%
Biodiversity and rehabilitation: level of completion of the biodiversity improvement program	100%	93%	100%
Climate change strategy: % reduction in CO ₂ e emissions by million euro of revenue compared to 2018	-10%	-31%	-23%

Non-financial indicators have been restated to reflect the results from continuing operations, therefore excluding the HTS business area.

(1) Includes all accidents without lost time whenever a healthcare professional is involved in the treatment, even if only for first aid.

(2) The definition of Senior Manager was updated in 2020 to exclude Executive Committee members. Proportion of women on the Executive Committee is reported as a separate indicator in chapter 3 of the Universal Registration Document.

(3) By expenditure.

(1) Accounted in "Other income and expenses, after tax" (see 'Net income' section of the press release).

(2) Based on data as of December 31, 2022 and a EUR/BRL foreign exchange rate of 5.5652. The final impact shall be revised based upon the conditions prevailing at the date control will be lost.

(3) Ex-dividend and payment dates would be May 15, 2023 and May 17, 2023 respectively.

(4) Scopes 1 & 2 – Greenhouse gas emissions expressed in tons of CO₂e equivalent.

5.2 DETAILED COMMENTS ON THE ANNUAL RESULTS

REVENUE

Unaudited consolidated results (€ millions)	2021		2022	Change 2022/2021 restated			
	Reported	Restated		Reported Change	Like-for-like change	Volumes	Price mix
First half	2,158	1,812	2,142	+18.2%	+14.3%	-1.9%	+16.3%
Third quarter	1,104	924	1,116	+20.8%	+13.3%	-8.7%	+22.0%
Fourth quarter	1,121	928	1,024	+10.3%	+8.2%	-10.5%	+18.7%
Second half	2,225	1,852	2,140	+15.5%	+11.2%	-10.0%	+21.2%
Total	4,383	3,665	4,282	+16.8%	+12.5%	-5.8%	+18.3%

Revenue was €4,282 million, up 12.5% year-on-year at constant scope and exchange rates in 2022. Group sales volumes were down 5.8%, reflecting the impact of the Ukrainian crisis and the international economic sanctions against Russia, local lockdowns in China and the weakness of industrial and construction markets towards the end of the year. Volumes declined further in the fourth quarter as several markets were affected by customers destocking.

In a context of high inflation, Imerys' pricing actions continued in the fourth quarter (+18.7% of price effect), averaging +18.3% for the full year 2022.

Revenue included a significantly positive currency effect of €211 million (+5.8%), primarily as a result of the appreciation of the U.S. dollar against the euro. The scope effect was -€72 million, related to recent divestitures (in particular the hydrous kaolin business in North America).

CURRENT EBITDA

Unaudited consolidated results (€ millions)	2021		2022	Change 2022/2021 restated
	Reported	Restated		
First half	401	348	375	+7.9%
Third quarter	194	168	193	+14.9%
Fourth quarter	167	133	152	+14.5%
Second half	361	300	345	+15.0%
Total	761	648	720	+11.0%
Margin	17.4%	17.7%	16.8%	-

Current EBITDA was above the high end of the guidance range in 2022 and reached €720 million (i.e. €859 million including HTS), a 11.0% increase vs. 2021.

The price effect in 2022 compensated for substantial input cost inflation, including variable, fixed and overhead costs. The currency effect was positive at €56 million.

Current operating income reached €439 million for 2022, a 22.4% increase compared to last year.

CURRENT NET INCOME FROM CONTINUING OPERATIONS

Current net income from continuing operations, Group share, totaled €284 million, up 22.3% vs. 2021. Net financial result was negative at €50 million. The income tax expense of

€105 million corresponds to an effective tax rate of 26.9%. Net income, per share, from current operations, Group share, was up 22.3% to €3.28.

NET INCOME

Net income, Group share, totaled €237 million in 2022. Net income from continuing operations reached €177 million after other income and expenses, of -€107 million in 2022, mostly related to goodwill impairment on the assets for the paper market whose divestment process is currently underway. The net income also includes €77 million of net income from discontinued activities and -€17 million of minority interests.

NET CURRENT FREE OPERATING CASH FLOW

(€ millions)	2021	2022
Current EBITDA (including discontinued operations)	761	859
Increase (-)/decrease (+) in operating working capital	(19)	(233)
Notional tax on current operating income	(122)	(155)
Other	6	11
Net current operating cash flow (before capital expenditure)	626	482
Capital expenditure	(336)	(406)
Right-of-use assets (IFRS 16)	(34)	(56)
Net current free operating cash flow	255	20
of which discontinued operations	39	14
Net current free operating cash flow before strategic capex	300	105

Imerys generated net current free operating cash flow of €20 million in 2022 (including €14 million from discontinued operations). This figure includes €406 million of capital expenditure, up €70 million year-on-year, reflecting increased

spending on strategic projects aimed at increasing production capacity primarily in green mobility (€85 million, up from €45 million). Operating working capital was up €233 million in 2022, principally due to inflation.

(€ millions)	2021	2022
Net current free operating cash flow	255	20
Acquisitions and disposals	19	86
Dividend	(107)	(138)
Change in equity	(8)	(11)
Increase (-)/decrease (+) in non-operating working capital	2	51
Other non-recurring income and expenses	(56)	(46)
Debt servicing costs	(29)	(36)
Exchange rates and other	(19)	(19)
Change in net financial debt	57	(93)
of which change in net financial debt from discontinued operations	57	(101)

FINANCIAL STRUCTURE

(€ millions)	2021	2022
Net financial debt at January 1	1,508	1,451
Net financial debt at December 31	1,451	1,666
Equity at December 31	3,242	3,385
Current EBITDA	761	720
Net financial debt/Equity	44.8%	49.2%
Net financial debt/current EBITDA	1.9x	2.3x

At December 31, 2022, the net financial debt of €1,666 million does not take into account the cash impact of the sale of HTS (approximately €710 million). Adjusted for these proceeds, the net financial debt to current EBITDA ratio would be at 1.3 x.

Imerys "investment grade" ratings were confirmed by Standard and Poor's (November 29, 2022, BBB-, stable outlook) and Moody's (March 11, 2022, Baa3, stable outlook).

At December 31, 2022, Imerys' bond financing amounted to €1.7 billion with an average maturity of 4.4 years. The Group also has €1,010 million available in bilateral credit lines.

5.3 DETAILED COMMENTS BY BUSINESS SEGMENT

PERFORMANCE MINERALS (67% OF CONSOLIDATED REVENUE)

Q4 2021	Q4 2022	LFL change on Q4 2021	Unaudited quarterly data (€ millions)	2021	2022	LFL change on 2021
240	279	+10.1%	Revenue Americas	957	1,154	+12.3%
267	324	+21.8%	Revenue Europe, Middle East and Africa (EMEA)	1,130	1,336	+17.3%
129	144	+16.0%	Revenue Asia-Pacific (APAC)	515	589	+12.4%
(41)	(51)	-	Eliminations & others	(177)	(226)	-
594	696	+15.0%	Total revenue	2,425	2,853	+13.6%
			Current EBITDA	497	555	+11.7%*
			Current EBITDA margin	20.5%	19.5%	-

* Reported growth.

Revenue generated by the **Performance Minerals** segment was up 13.6% like-for-like in 2022. On a reported basis, revenue was up 17.6% and includes a positive currency effect of €155 million (+6.4%).

Revenue in the **Americas** was up 12.3% at constant scope and exchange rates in 2022. Sales in the fourth quarter (+10.1%) was marked by a slowdown in demand for minerals for the construction industry in the US.

Revenue in **Europe, Middle East and Africa** increased by 17.3% at constant scope and exchange rates in 2022 and +21.8% in the fourth quarter, primarily driven by higher selling prices. Volumes in the fourth quarter were impacted by end-of-year destocking in several markets. Sales nevertheless

benefited from a rebound in the automotive market and a good performance in ceramics and building products, while paper remained weak.

Covid lock-downs in China weighed on the performance in **Asia-Pacific** where revenue growth was limited to 12.4% at constant scope and exchange rates in 2022. Sales in the fourth quarter (+16.0% like-for-like) were driven by the mobile energy market. Specialty minerals volumes were resilient overall: filtration & life science solutions went up while paper & board was flat and ceramics remained soft due to the energy crisis and weak end markets demand.

Current EBITDA for the segment totaled €555 million in 2022, or 19.5% of revenue.

HIGH TEMPERATURE MATERIALS & SOLUTIONS (33% OF CONSOLIDATED REVENUE)

Q4 2021	Q4 2022	LFL change on Q4 2021	Unaudited quarterly data (€ millions)	2021	2022	LFL change on 2021
328	329	-3.6%	Revenue Refractory, Abrasives & Construction	1,240	1,434	+10.1%
6	-	-	Eliminations & others	-	-	-
334	329	-5.2%	Total revenue	1,240	1,434	+10.1%
			Current EBITDA	189	202	+7.0%*
			Current EBITDA margin	15.2%	14.1%	-

* Reported growth.

The **Refractory, Abrasives & Construction** business area revenue increased by 15.6% on a reported basis with a favorable currency effect of €66 million (+5.3%) and a negative scope effect of €3 million (-0.3%). Revenue was up 10.1% at constant scope and exchange rates in 2022, driven by the price increases necessary to pass through rising inflation, especially escalating energy costs. As anticipated, organic growth decelerated in the fourth quarter of 2022 (-3.6%) due to a drop in refractory and abrasives markets in Europe – amplified by significant destocking at customers – and in

China, where the business has a strong presence. Building & infrastructure solutions maintained a good momentum in the fourth quarter.

Current EBITDA for the segment totaled €202 million, or 14.1% of revenue in 2022.

In accordance with IFRS 5, the **High Temperature Solutions** business area is accounted for as a discontinued operation in 2022 and 2021 and no longer included in the segment reporting.

5.4 OUTLOOK

After a significant destocking impact on volumes in the fourth quarter of 2022, Imerys expects a gradual recovery in 2023 and a progressive normalization of inflation and energy prices which will positively impact business activity, with varying trends across regions and sectors. Demand levels for our specialty solutions are expected to stay more robust in the USA than in Europe, while Asian markets are poised to recover

as China reopens. Demand in construction and industrial markets should remain soft, but improve in automotive markets while demonstrating continued resilience in consumer goods. Imerys confirms its mid term organic growth and current EBITDA margin ambitions presented at its Capital Markets Day on November 7, 2022.

5.5 DEFINITIONS AND RECONCILIATION OF ALTERNATIVE PERFORMANCE MEASURES TO IFRS INDICATORS

Imerys' management process is based on the following non-IFRS measures that are selected for planning and reporting purposes. The Group's management believes these measures provide valuable additional information for users of the financial statements in understanding the Group's performance. These non-IFRS measures should be considered as complementary to the comparable IFRS measures.

They include in particular "current" indicators that are important to measure the recurring performance of the business, excluding significant items that, because of their nature and their unusual occurrence, can not be considered as inherent to the recurring performance of the Group.

Alternative Performance Indicators	Definitions and reconciliation to IFRS indicators
Growth at constant scope and exchange rates (also called life-for-like change, LFL growth organic or internal growth)	<p>Calculated by stripping out the impact of currency fluctuations as well as acquisitions and disposals (scope effect).</p> <p>Restatement of the currency effect consists of calculating aggregates for the current year at the exchange rate of the prior year. The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.</p> <p>Restatement of Group structure to take into account newly consolidated entities consists of:</p> <ul style="list-style-type: none"> • subtracting the contribution of the acquisition from the aggregates of the current year, for entities entering the consolidation scope in the current year; • subtracting the contribution of the acquisition from January 1 of the current year, until the last day of the month of the current year when the acquisition was made the prior year, for entities entering the consolidation scope in the prior year. <p>Restatement of entities leaving the consolidation scope consists of:</p> <ul style="list-style-type: none"> • subtracting the departing entity's contribution from the aggregates of the prior year as from the first day of the month of divestment, for entities leaving the consolidation scope in the current year; • subtracting the departing entity's contribution from the aggregates of the prior year, for entities leaving the consolidation scope in the prior year.
Volume effect	The sum of the change in sales volumes of each business area between the current and prior year, valued at the average sales price of the prior year.
Price mix effect	The sum of the change in average prices by product family of each business area between the current and prior year, applied to volumes of the current year.
Current operating income	The operating income before other operating income and expenses (income from changes in control and other non-recurring items).
Net income from current operations	The Group's share of income before other operating income and expenses, net (income from changes in control and other non-recurring items, net of tax) and income from discontinued operations.
Current EBITDA	Calculated from current operating income before operating amortization, depreciation and impairment losses and adjusted for changes in operating provisions and write-downs, share in net income and dividends received from joint ventures and associates.
Net current operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement and proceeds from divested intangible and tangible assets.
Net current free operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement, proceeds from divested intangible and tangible assets, paid intangible and tangible capital expenditure and changes in right-of-use assets.
Net financial debt	Difference between financial liabilities (borrowings, financial debts, and IFRS 16 liabilities) and cash and cash equivalents.

5.6 ACTIVITY AND EARNINGS OF IMERYS S.A. IN 2022

INCOME STATEMENT

Operating income amounted to €171.6 million (€137.7 million in 2021), up €33.9 million (24%), reflecting the services provided by the holding company to its subsidiaries. Operating expenses came to €185.5 million (€179.2 million in 2021), up €6.3 million, primarily due to additional staff expenses following the increase in headcount and external services related to planned disposals.

Revenue from subsidiaries and affiliates amounted to €181.4 million, down €1.5 million on 2021. Imerys S.A. manages the foreign exchange risk related to changes in directly or indirectly held foreign net assets, as well as that resulting from loans and advances granted to subsidiaries and entities under cash pooling agreements, by adjusting the proportion of its debt drawn in foreign currencies. In 2022, Imerys S.A. recognized in this respect a net foreign exchange gain of €3.8 million (compared with a €15.6 million net loss in 2021). Increases and decreases in financial provisions are presented in *Note 20 of the Statutory Financial Statements*.

Exceptional losses of -€2.6 million were recorded in 2022 (-€4.8 million in 2021). The Group reversed €0.5 million in provisions for receivables and €0.4 million in provisions for staff-related risks to cover the exceptional expenses incurred in 2022.

In accordance with the terms of the tax consolidation agreements signed by each Imerys Group company in France, the tax expense or savings recognized in the accounts of Imerys S.A. is made up of the tax expense of Imerys S.A., calculated on a stand-alone basis, and the net amount of additional expenses and savings resulting from tax consolidation. In this respect, Imerys S.A. recognized *savings* of €13.9 million in 2022 (€18.7 million in 2021).

Net income amounted to €150.3 million in 2022 (€131.0 million in 2021).

At the Shareholders' General Meeting of May 10, 2023, the Board of Directors will propose a dividend of €3.85 per share, up €2.30 on the 2021 dividend (€1.55 per share with an alternative payment option in the form of additional shares for all or part of the dividend), representing a total estimated payout of €327.0 million equal to 128% of consolidated net income, Group share (proposed appropriation of income: *see Note 29 to the Statutory Financial Statements and chapter 8, paragraph 8.1.1 of the Universal Registration Document*).

FINANCIAL DEBT

(€ thousands)	Amount	Maturity in less than 1 year	Maturity from 1 to 5 years	Maturity beyond 5 years
Financial debt	3,277,803	1,524,602	1,153,201	600,000
Other debts	81,135	81,135		
Deferred income	0			
Unrealized exchange rate gains	46,065	46,065		
Total	3,405,003	1,651,802	1,153,201	600,000

LIST OF EQUITY INVESTMENTS AND MARKETABLE SECURITIES

Subsidiaries and equity interests at December 31, 2022: *see Note 30 of the Statutory Financial Statements*. Marketable securities at December 31, 2022: *see Note 18 of the Statutory Financial Statements*.

Dividends paid over the past three years:

	2022	2021	2020
	With respect to the 2021 financial year	With respect to the 2020 financial year	With respect to the 2019 financial year
Gross dividend per share	€1.550	€1.150	€1.720
Net dividend per share	€1.550	€1.150	€1.720
Total net payout	€131.3m	€97.7m	€135.9m

SHARE CAPITAL AND DIVIDEND PAYOUT OVER THE PAST THREE YEARS

Share capital at December 31, 2022: *see Notes 19 and 25 of the Statutory Financial Statements, as well as chapter 7, paragraph 7.3.1 of the Universal Registration Document*.

Dividend distribution policy: *see chapter 7, section 7.6 of the Universal Registration Document*.

CAPITAL, OTHER SECURITIES, INCOME AND OTHER KEY INDICATORS OF THE COMPANY OVER THE PAST FIVE YEARS

Type of indicators (€)	2022	2021	2020	2019	2018
I – Capital and other securities at December 31					
Share capital	169,881,910	169,881,910	169,881,910	158,971,388	158,971,388
Number of ordinary shares at December 31	84,940,955	84,940,955	84,940,955	79,485,694	79,485,694
Par value	€2	€2	€2	€2	€2
Number of preferred shares outstanding (which do not carry voting rights)	-	-	-	-	-
Maximum number of potential ordinary shares by exercising options		77,220	162,113	233,180	286,113
II – Transactions and profit for the period					
Revenue before tax	162,973,989	129,086,952	135,080,502	80,780,558	68,604,506
Income before tax and employee profit-sharing and amortization, depreciation and provisions	161,592,679	109,980,292	398,256,543	127,046,361	27,432,416
Income tax	13,950,260	18,678,385	8,362,269	15,242,689	26,225,775
Employee profit-sharing payable for the year			-	-	-
Income after tax and employee profit-sharing and amortization, depreciation and provisions	150,257,913	131,032,875	399,820,903	139,509,138	72,901,777
Distributed income (excluding withholding tax)	327,022,677	131,658,480	135,936,476	170,030,460	164,574,788
III – Earnings per share⁽¹⁾					
Income after tax and employee profit-sharing and before amortization, depreciation and provisions	2.07	1.51	4.79	1.79	0.68
Income after tax and employee profit-sharing and amortization, depreciation and provisions	1.77	1.54	4.71	1.76	0.92
Net dividend per share	3.85 ⁽²⁾	1.55	1.15	1.72	2.150
IV – Employees					
Average number of employees over the year	311.00	291.00	257.00	236.00	218.00
Payroll for the year	32,821,749	39,365,107	33,620,502	31,006,666	26,598,361
Social security contributions for the year	15,513,507	14,654,968	14,272,532	15,678,343	10,757,042

(1) Based on the number of shares at December 31.

(2) Subject to approval by the Shareholders' General Meeting of May 10, 2023.

SUBSEQUENT EVENTS

The annual statutory financial statements at December 31, 2022 were approved by the Board of Directors at its meeting on February 16, 2023.

On January 31, 2023, Imerys completed the disposal of almost all of its High Temperature Solutions line of business to US investment fund Platinum Equity. The transaction was carried

out at an enterprise value of €930.0 million, generating proceeds received in cash of €708.0 million. The High Temperature Solutions line of business had been designated as a discontinued operation since July 28, 2022. Moreover, the disposal process for the business serving the paper market, recognized as an asset for held for sale since September 9, 2022, is still underway.

SUPPLIER AND CUSTOMER PAYMENT TERMS

Pursuant to article L. 441-6-1 and D. 441-4 of the French Commercial Code (Code de commerce), the following table presents the number and amount excluding VAT of invoices received and issued, past due and unpaid at the end of the reporting period:

	Article D. 441-4-I-1: Received and unpaid invoices past due at December 31						Article D. 441-4-I-2: Issued and unpaid invoices past due at December 31					
	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 or more days)	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total (1 or more days)
(A) Breakdown of payments past due												
Number of invoices	430					932	22					213
Total amount of invoices excl. VAT (€ thousands)	14,074	10,848	1,783	294	121	13,046	3,240	4,647			3,417	8,064
Percentage of total purchases excl. VAT in 2022 (%)	13.33	10.19	1.67	0.28	0.11	12.25						
Percentage of revenue excl. VAT in 2022 (%)							1.99	2.85			2.10	4.95
(B) Invoices excluded from (A) related to disputed or unrecognized payables and receivables												
Number of invoices excluded												
Total amount of invoices excluded												
(C) Standard payment terms used (contractual or statutory terms – article L. 441-6 or article L. 433-1 of the French Commercial Code)												
Standard payment terms used to calculate late payments	Contractual terms: 45 days end of month						Contractual terms: 30 days					
	Statutory terms: 45 days end of month						Statutory terms: 30 days					

6

Financial statements

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6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

(€ millions)	Notes	2022	2021 ⁽¹⁾
Revenue	5	4,281.6	3,664.7
Raw materials and consumables used	6	(1,472.5)	(1,170.5)
External expenses	7	(1,208.9)	(1,040.8)
Staff expenses	8	(872.7)	(801.4)
Taxes and duties		(37.6)	(36.6)
Amortization, depreciation and impairment		(303.1)	(300.0)
Intangible assets, mining assets and property, plant and equipment		(254.8)	(253.4)
Right-of-use assets		(48.3)	(46.6)
Other current income and expenses	9	25.4	30.3
Share in net income of joint ventures and associates	9	26.6	12.8
Current operating income		438.8	358.5
Gain (loss) from obtaining or losing control	10	22.8	(0.1)
Other non-recurring items	10	(143.2)	(67.6)
Operating income		318.4	290.8
Net financial debt expense		(32.9)	(33.9)
Income from securities	11	5.1	2.6
Gross financial debt expense	11	(38.0)	(36.5)
Interest expense on borrowings and financial debt		(34.9)	(33.4)
Interest expense on lease liabilities		(3.1)	(3.1)
Other financial income (expenses)		(17.4)	(6.5)
Other financial income		228.3	117.8
Other financial expenses		(245.7)	(124.3)
Financial income (loss)	12	(50.3)	(40.4)
Income taxes	13	(91.0)	(68.2)
Net income from continuing operations		177.1	182.2
Net income from continuing operations, Group share ⁽³⁾	14	172.9	180.8
Net income from continuing operations attributable to non-controlling interests		4.2	1.4
Net income from discontinued operations⁽²⁾		77.3	67.5
Net income from discontinued operations, Group share	14	64.3	59.3
Net income from discontinued operations attributable to non-controlling interests		13.0	8.2
Net income		254.4	249.7
Net income, Group share ⁽³⁾		237.2	240.1
Net income attributable to non-controlling interests		17.2	9.6
<i>(1) 2021 flows were restated in accordance with the principles described in Note 25 following the designation of the High Temperature Solutions line of business as a discontinued operation.</i>			
<i>(2) High Temperature Solutions line of business (Note 25)</i>			
<i>(3) Net income per share</i>			
Basic net income per share, Group share (in €)	15	2.80	2.83
Diluted net income per share, Group share (in €)	15	2.76	2.79
Basic net income from continuing operations per share, Group share (in €)	15	2.04	2.13
Diluted net income from continuing operations per share, Group share (in €)	15	2.01	2.10

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	Notes	2022	2021 ⁽¹⁾
Net income		254.4	249.7
Components that will not be reclassified in profit or loss, before tax			
Gains (losses) on remeasurements of defined benefit plans	23.1	44.2	101.1
Gains (losses) on equity instruments measured at fair value		(1.3)	-
Gains (losses) on financial liabilities measured at fair value, attributable to the acquisition of a non-controlling stake		(7.0)	-
Components that will be reclassified in profit or loss, before tax			
Cash flow hedges		(69.7)	51.8
Gains (losses)	24.4	30.6	93.1
Reclassification adjustments ⁽²⁾	24.4	(100.3)	(41.3)
Hedges of net investments in foreign operations		0.2	0.6
Gains (losses)	26	0.2	3.1
Reclassification adjustments ⁽²⁾	26	-	(2.5)
Exchange rate differences		51.6	52.8
Gains (losses)	26	50.0	51.1
Reclassification adjustments ⁽²⁾	26	1.6	1.7
Other comprehensive income, before tax		18.0	206.3
Components that will not be reclassified in profit or loss, before tax		35.9	101.1
Components that will be reclassified in profit or loss, before tax		(17.9)	105.2
Aggregated income tax on components that will not be reclassified in profit or loss	13	(9.6)	(22.6)
Aggregated income tax on components that will be reclassified in profit or loss	13	15.3	(13.2)
Other comprehensive income		23.7	170.5
<i>of which discontinued operations⁽³⁾</i>	25	9.5	(41.5)
Total comprehensive income		278.1	420.2
Total comprehensive income, Group share		251.3	418.8
Total comprehensive income attributable to non-controlling interests		26.8	1.4

(1) 2021 flows were restated in accordance with the principles described in Note 25 following the designation of the High Temperature Solutions line of business as a discontinued operation.

(2) Reclassification of other comprehensive income to the income statement.

(3) High Temperature Solutions line of business (Note 25).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	Notes	2022	2021
Non-current assets		4,357.4	4,990.3
Goodwill	16	1,852.2	2,144.7
Intangible assets	17	287.5	303.9
Right-of-use assets	18	133.1	175.6
Mining assets	18	415.5	419.0
Property, plant and equipment	18	1,410.7	1,622.6
Joint ventures and associates	9	90.5	100.3
Other financial assets	21.1	25.4	43.4
Other receivables	21.1	31.8	41.6
Derivative financial assets	21.1	-	0.6
Deferred tax assets	13	110.7	138.6
Current assets		2,137.4	2,362.7
Inventories	20	789.9	849.1
Trade receivables	21.1	489.9	614.3
Other receivables	21.1	208.4	238.7
Derivative financial assets	21.1	27.0	75.4
Other financial assets	21.1	2.0	8.0
Cash and cash equivalents	21.1	620.2	577.2
Assets held for sale⁽¹⁾	25	1,376.2	63.1
Consolidated assets		7,871.0	7,416.1
Equity, Group share		3,337.9	3,193.4
Share capital		169.9	169.9
Share premium		614.4	614.4
Treasury shares		(18.7)	(13.4)
Reserves		2,335.1	2,182.4
Net income, Group share		237.2	240.1
Equity attributable to non-controlling interests		47.5	48.5
Equity	22	3,385.4	3,241.9
Non-current liabilities		2,465.6	2,726.5
Provisions for employee benefits	23.1	160.2	259.7
Other provisions	23.2	388.8	414.0
Borrowings and financial debt	24.2	1,694.5	1,695.0
Lease liabilities	24.2	98.1	155.7
Other debts	24.3	20.0	70.7
Derivative financial liabilities	24.1	4.1	1.8
Deferred tax liabilities	13	99.9	129.6
Current liabilities		1,551.1	1,434.2
Other provisions	23.2	34.3	53.2
Trade payables	24.1	540.1	660.1
Income tax payable		104.9	115.4
Other debts	24.3	344.3	410.1
Derivative financial liabilities	24.1	29.0	7.9
Borrowings and financial debt	24.2	452.7	124.9
Lease liabilities	24.2	42.1	32.5
Bank overdrafts	24.2	3.7	30.1
Liabilities related to assets held for sale⁽²⁾	25	468.9	13.5
Consolidated equity and liabilities		7,871.0	7,416.1

(1) Of which, at December 31, 2022, the High Temperature Solutions line of business for €942.8 million and the business serving the paper market for €433.4 million (Note 25) and at December 31, 2021, the hydrous kaolin business in the US for €63.1 million (Note 25).

(2) Of which, at December 31, 2022, the High Temperature Solutions line of business for €335.5 million and the business serving the paper market for €133.5 million (Note 25) and at December 31, 2021, the hydrous kaolin business in the US for €13.5 million (Note 25).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ millions)	Equity, Group share							Net income, Group share	Sub-total equity, Group share	Equity attributable to non-controlling interests	Total
	Share capital	Share premium	Treasury shares	Reserves			Sub-total reserves				
				Cash flow hedges	Translation reserve	Other reserves					
Equity at January 1, 2021	169.9	614.4	(6.7)	6.2	(633.2)	2,720.8	2,093.8	30.1	2,901.5	59.0	2,960.5
Total comprehensive income	-	-	-	37.8	62.6	78.3	178.7	240.1	418.8	1.4	420.2
Transactions between shareholders	-	-	(6.7)	-	(10.5)	(79.6)	(90.1)	(30.1)	(126.9)	(11.9)	(138.8)
Appropriation of 2020 net profit	-	-	-	-	-	30.1	30.1	(30.1)	0.0	-	0.0
Dividend (€1.15 per share)	-	-	-	-	-	(97.5)	(97.5)	-	(97.5)	(8.7)	(106.2)
Capital increase	-	-	-	-	-	-	0.0	-	0.0	2.6	2.6
Treasury share transactions	-	-	(6.7)	-	-	(3.3)	(3.3)	-	(10.0)	-	(10.0)
Share-based payments	-	-	-	-	-	8.6	8.6	-	8.6	-	8.6
Transactions with non-controlling interests	-	-	-	-	(10.5)	(17.5)	(28.0)	-	(28.0)	(5.8)	(33.8)
Equity at December 31, 2021	169.9	614.4	(13.4)	44.0	(581.1)	2,719.5	2,182.4	240.1	3,193.4	48.5	3,241.9
Total comprehensive income ⁽¹⁾	-	-	-	(51.7)	39.6	26.2	14.1	237.2	251.3	26.8	278.1
Transactions between shareholders	-	-	(5.3)	-	10.3	128.3	138.6	(240.1)	(106.8)	(27.8)	(134.6)
Appropriation of 2021 net profit	-	-	-	-	-	240.1	240.1	(240.1)	0.0	-	0.0
Dividend (€1.55 per share)	-	-	-	-	-	(131.3)	(131.3)	-	(131.3)	(6.2)	(137.5)
Treasury share transactions	-	-	(5.3)	-	-	(5.5)	(5.5)	-	(10.8)	-	(10.8)
Share-based payments	-	-	-	-	-	13.5	13.5	-	13.5	-	13.5
Transactions with non-controlling interests	-	-	-	-	10.3	11.5	21.8	-	21.8	(21.6)	0.2
Equity at December 31, 2022	169.9	614.4	(18.7)	(7.7)	(531.2)	2,874.0	2,335.1	237.2	3,337.9	47.5	3,385.4

(1) Exchange rate differences include €38.1 million before income taxes (€36.1 million after income taxes) relating to the restatement of non-monetary items for Turkish entity Haznedar pursuant to the 1st application of IAS 29 on hyperinflationary economies, of which €16.5 million before income taxes at January 1, 2022 and €21.6 million before income taxes in 2022 (Note 2.3). These impacts are broken down between the Group share (60.0%) and the non-controlling stake (40.0%) of the Haznedar entity.

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	Notes	2022	2021
Net income		254.4	249.7
Adjustments			
Adjustments for depreciation and amortization	Appendix	335.4	352.7
Adjustments for impairment loss on goodwill	10	108.0	-
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, trade and other receivables		(2.6)	4.4
Adjustments for impairment loss (reversal of impairment loss) recognized in profit or loss, inventories		4.8	(5.9)
Adjustments for provisions	Appendix	(14.4)	(24.8)
Adjustments for share-based payments	8	13.5	8.6
Adjustments for losses (gains) on disposal of non-current assets	Appendix	(25.1)	(7.0)
Adjustments for undistributed profits from joint ventures and associates	9	(35.8)	(14.7)
Adjustments for net interest income and expense		37.6	37.8
Adjustments for fair value losses (gains)		3.7	(4.6)
Other adjustments for non-cash items		(0.9)	(0.2)
Other adjustments for which cash effects are investing or financing cash flow		16.8	5.4
Change in working capital requirement		(231.6)	(51.9)
Adjustments for decrease (increase) in inventories	24.2	(198.8)	(145.7)
Adjustments for decrease (increase) in trade receivables	24.2	(79.1)	(40.7)
Adjustments for increase (decrease) in trade payables	24.2	45.1	167.1
Adjustments for other receivables and debts	24.2	1.2	(32.6)
Adjustments for income tax expense		129.7	95.1
Net cash flow from (used in) operations		593.5	644.6
Interest paid		(41.9)	(34.9)
Income taxes refund (paid)	13	(105.4)	(72.0)
Adjustments for dividends received from joint ventures and associates	9	5.8	5.2
Net cash flows from (used in) operating activities		452.0	542.9
<i>of which discontinued operations⁽¹⁾</i>		<i>17.1</i>	<i>58.2</i>

(1) High Temperature Solutions line of business (Note 25).

(€ millions)	Notes	2022	2021
Acquisitions of intangible assets	17	(44.5)	(24.3)
Acquisitions of property, plant and equipment	Appendix	(345.1)	(337.0)
Change in payables on acquisitions of intangible assets and property, plant and equipment		(16.6)	25.0
Cash flows used in (from gaining) control of subsidiaries or other businesses		(20.8)	(46.4)
Proceeds from disposals of intangible assets and property, plant and equipment	Appendix	10.2	8.8
Cash flows from losing control of subsidiaries or other businesses ⁽¹⁾		84.4	33.9
Cash advances and loans granted to third parties		(3.0)	(6.3)
Cash receipts from repayment of advances and loans granted to third parties		7.3	34.3
Interest received		5.5	2.4
Cash flow from investing activities		(322.6)	(309.6)
<i>of which discontinued operations⁽²⁾</i>		<i>23.9</i>	<i>(37.2)</i>
Proceeds from issuing shares	24.2	-	1.5
Payments to acquire or redeem treasury shares	24.2	(10.9)	(10.0)
Dividends paid	24.2	(137.5)	(106.5)
Proceeds from borrowings	24.2	-	298.3
Repayments of borrowings	24.2	(6.8)	(312.3)
Payments of lease liabilities	24.2	(61.1)	(58.8)
Other cash inflows (outflows) ⁽³⁾	24.2	318.9	(153.5)
Cash flow from financing activities		102.6	(341.3)
<i>of which discontinued operations⁽²⁾</i>		<i>(35.1)</i>	<i>9.7</i>
Change in cash and cash equivalents		232.0	(108.0)

(1) Of which in 2022, €49.0 million received with respect to the loss of control of the US hydrous kaolin business, €33.4 million with respect to the loss of control of the Canadian and Namibian natural graphite business (Note 25).

(2) High Temperature Solutions line of business (Note 25).

(3) Mainly made up of short-term negotiable debt securities issued (Note 24.5).

(€ millions)	2022	2021
Cash and cash equivalents net of bank overdrafts at the beginning of the period	547.1	647.8
Change in cash and cash equivalents	232.0	(108.0)
Reclassification to assets held for sale ⁽¹⁾	(159.6)	-
Effect of exchange rate changes	(3.0)	7.3
Cash and cash equivalents net of bank overdrafts at the end of the period	616.5	547.1
Cash	593.1	485.5
Cash equivalents	27.1	91.7
Bank overdrafts	(3.7)	(30.1)

(1) -€107.1 million with respect to the loss of control of the High Temperature Solutions line of business and -€52.5 million with respect to the loss of control of the business serving the paper market (Note 25).

Appendix: table of indirect references to the notes

The following table is intended to help users of the financial statements reconcile the amounts presented in the consolidated statement of cash flows and the amounts presented in the notes to the financial statements.

<i>(€ millions)</i>	Notes	2022	2021
Consolidated Statement of Cash Flows			
Adjustments for depreciation and amortization		335.4	352.7
Increase in amortization – intangible assets	17	25.0	26.4
Increase in depreciation – property, plant and equipment	18	291.9	297.4
Impairment – intangible assets	17	0.4	-
Impairment – property, plant and equipment	18	18.1	36.9
Reversal of impairment – intangible assets and property, plant and equipment		-	(8.0)
Adjustments for provisions		(14.4)	(24.8)
Net change in provisions for employee benefits – Current operating income	23.2	(2.7)	(6.5)
Net change in provisions for employee benefits – Other operating income and expenses	23.2	-	(0.2)
Net change in provisions for employee benefit liabilities – Closed plans	23.2	(6.5)	(7.5)
Normative return on assets of defined benefit plans	23.2	(21.5)	(14.5)
Unwinding of defined employee benefit liabilities	23.2	25.0	18.6
Net change in termination benefits		(3.8)	(27.7)
Increase in other provisions	23.2	51.3	55.3
Change in adjusted provisions for the cost of property, plant and equipment		(11.8)	(5.8)
Use of other provisions	23.2	(33.0)	(22.6)
Reversals of unused portions of other provisions	23.2	(15.2)	(17.6)
Unwinding of other provisions	23.2	2.9	2.9
Unwinding of other debts		0.9	0.8
Adjustments for losses (gains) on disposal of non-current assets		(25.1)	(7.0)
Income from asset disposals - continuing operations	9	0.6	(1.0)
Income from asset disposals - discontinued operations		0.4	(1.7)
Income from disposals of consolidated businesses - continuing operations	10	(29.0)	(3.6)
Income from disposals of consolidated businesses - discontinued operations		0.5	0.5
Gain from bargain purchases	10	-	(1.7)
Income from non-recurring asset disposals - continuing operations	10	2.8	0.4
Income from non-recurring asset disposals - discontinued operations		(0.4)	0.1
Acquisitions of property, plant and equipment		(345.1)	(337.0)
Property, plant and equipment	18	(356.9)	(342.8)
Change in adjusted provisions for the cost of property, plant and equipment		11.8	5.8
Proceeds from disposals of intangible assets and property, plant and equipment		10.2	8.8
Intangible assets	17	6.2	0.1
Property, plant and equipment	18	5.8	6.7
Income from asset disposals - continuing operations	9	(0.6)	1.0
Income from asset disposals - discontinued operations		(0.4)	1.7
Income from non-recurring asset disposals - continuing operations	10	(2.8)	(0.4)
Income from non-recurring asset disposals - discontinued operations		0.4	(0.1)
Change in receivables on disposals of intangible assets and property, plant and equipment		1.6	(0.2)

6.1.2 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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6.1.2.1 2022 SIGNIFICANT EVENTS

This paragraph helps readers to easily identify the main notes addressing significant events that occurred in 2022.

- Developments in the operational litigation related to the historical talc business in North America: *Note 23.2*.
- Restructuring of the Group's operations in Russia and Ukraine: *Information by Segment, Information by Region, Notes 10 and 19*.
- Disposal of the US hydrous kaolin business, the Canadian and Namibian natural graphite business: *Notes 10 and 25*.
- Designation of the High Temperature Solutions line of business as discontinued operations and of the business serving the paper market as assets (and liabilities related to assets) held for sale: *Notes 25 and 30*.

BASIS OF PREPARATION

NOTE 1 ACCOUNTING PRINCIPLES

1.1 STATEMENT OF COMPLIANCE

Pursuant to European regulation No. 1606/2002 of July 19, 2002, the consolidated financial statements of Imerys, a group operating in the industrial minerals sector, headquartered at 43 quai de Grenelle, Paris, France and whose share is listed on compartment A of the Euronext Paris market, have been prepared at December 31, 2022 in accordance with the International Financial Reporting Standards (IFRS) adopted

within the European Union at the end of the reporting period (hereinafter "the Principles"). The consolidated financial statements were approved on February 16, 2023 by the Board of Directors of Imerys S.A., the parent company of the Group, on a going concern basis, in millions of euros with one decimal rounded up to the nearest tenth.

1.2 DIFFERENCES BETWEEN THE PRINCIPLES AND IFRS

The European Union's adoption process may result in temporary differences at the end of the reporting period between the Principles and IFRS. However, at December 31, 2022, no differences existed between the Principles and IFRS.

1.3 OPTIONAL PROVISIONS

Some provisions in the Principles allow for recognition and measurement options. Amortized or depreciated historical cost provides the basis for measuring intangible assets (*Note 17*), mining assets (*Note 18*) and property, plant and equipment (*Note 18*). Inventories are measured on the basis of their

characteristics in accordance with "First-In, First-Out" (FIFO) accounting or the weighted average cost method (*Note 20*). The rules of hedge accounting are applied to the recognition of derivatives for hedging exchange rate, interest rate and energy price risks (*Note 24.4*).

1.4 ABSENCE OF GUIDANCE

In the absence of any applicable standard or interpretation or sufficient detail of the existing standards and interpretations, Executive Management has defined recognition and measurement policies for the following three areas: greenhouse

gas allowances (*Note 17*), mining assets (*Note 18*) and purchase commitments for non-controlling interests of an entity controlled by the Group (*Note 25*).

1.5 ALTERNATIVE PERFORMANCE MEASURES (APM)

Definition of APMs. APMs are performance indicators that Imerys uses in addition to those reported in accordance with IFRS. The definition of APMs is provided in the notes to the financial statements, so that the users of the financial statements may understand how they are measured and relate to standardized indicators. The main APMs defined by Imerys include current operating income and other operating income and expenses (*Notes to the Consolidated Income Statement – Accounting policy*), net income from current operations (*Note 14*), as well as net financial debt, and the various

elements that cause the year-on-year change, in particular current EBITDA, and net current free operating cash flow (*Note 24.2 – Reconciliation of net financial debt*). APMs are not displayed with more prominence or emphasis than standardized indicators.

Modification of APMs. APMs are applied consistently over time and only changed to make them more reliable and more relevant. If modified, the reasons for the change are justified, the new definition is communicated, and comparatives are restated.

NOTE 2 CHANGES IN ACCOUNTING POLICIES AND ERRORS

Accounting policy

Accounting policies are identical from one year to the next and are modified either on a mandatory basis to apply a new standard or interpretation (*Note 2.1*), or on a voluntary basis to improve the reliability or relevance of information (*Note 2.2*). Changes in accounting policies are applied retrospectively,

unless specific transition measures have been identified in the standard or interpretation. The financial statements for all reported periods are modified, as if the new policy had always applied. Errors (*Note 2.4*) are corrected retrospectively.

2.1 MANDATORY CHANGES

Early adoption

Imerys did not early adopt any standard or interpretation in 2022.

Adoption upon effective date

Amendments to IAS 16, Property, Plant and Equipment – Proceeds before Intended Use. The proceeds received from selling items produced during the development of items of property, plant and equipment and their cost of production are required to be accounted for in profit or loss by these amendments. No material transaction was affected by this amendment during the periods presented.

Amendments to IAS 37, Onerous Contracts – Cost of Fulfilling a Contract. This text specifies that only direct costs are included with the scope of implementation costs used to measure an onerous contract. These provisions were integrated into the rules applied to measure provisions for onerous contracts, without generating a material impact on liabilities recognized in previous periods for this purpose.

Amendments to IFRS 3, Business Combinations. This amendment updates a reference to the Conceptual Framework in IFRS 3 without significantly changing its requirements.

IFRS Interpretations Committee (IFRS IC) agenda decisions about configuration or customization costs in a cloud computing arrangement (IAS 38). At December 31, 2021, Imerys had disclosed that an analysis was in progress to measure the impact of this IFRS IC agenda decision about configuration or customization costs in Software as a Service (SaaS) arrangements. The Committee distinguished two scenarios. In the first scenario, the entity recognizes SaaS configuration or customization costs as an intangible asset if the entity controls the resource and has the power to restrict the access of third parties. In the second scenario, where the entity does not recognize an intangible asset in relation to configuration or customization of the SaaS, the entity must recognize an expense as services are rendered. These clarifications, implemented by the Imerys impact analysis, served to conclude that the configuration or customization costs that should have been recognized as an expense as the services were rendered, but were actually recognized as intangible assets, were not material. The carrying amount of intangible assets at January 1, 2021 was therefore not restated.

2.2 VOLUNTARY CHANGES

No voluntary changes were applied in 2022 or 2021.

2.3 FIRST APPLICATION OF ACCOUNTING POLICIES

The occurrence of transactions, events or conditions that did not occur previously or were immaterial may require new accounting policies to be applied. In the first half of 2022, the Turkish economy became hyperinflationary, requiring the first-time application of certain provisions of IAS 21, The Effects of Changes in Foreign Exchange Rates, IAS 29, Financial Reporting in Hyperinflationary Economies and the interpretation of IFRIC 7, Applying the Restatement Approach under IAS 29. These new accounting policies were applied to Imerys' main operation in Turkey, Haznedar, which was acquired in December 2020, included at December 31, 2022 within the scope of the discontinued High Temperature Solutions line of business (*Note 25*), and the financial statements of which were stated in the measuring unit current at the end of the reporting period, in terms of foreign exchange rates (*Note 21*) as well as

price indices. The reference used for this purpose, the consumer price index (base year 2003 = 100) published by Türkiye İstatistik Kurumu, the Turkish Statistical Institute, was applied as follows:

- **At January 1, 2022.** Restatement of non-monetary items (goodwill, intangible assets, property, plant and equipment, and share capital) totaling €16.5 million before income taxes. The restatement was recognized against the translation reserve, the value of which was credited by €14.4 million after income taxes.
- **2022 financial year.** Restatement of non-monetary items (goodwill, intangible assets, property, plant and equipment, share capital and reserves) and income and expenses against a loss on the net monetary position in profit or loss of -€0.2 million (*Note 25*).

2.4 ERRORS

No errors were corrected in 2022 or 2021.

NOTE 3 STANDARDS AND INTERPRETATIONS EFFECTIVE AFTER THE CLOSING DATE

In line with the European Union's latest IFRS endorsement status report of January 31, 2023 published by the European Financial Reporting Advisory Group (EFRAG), Imerys will apply the following standards and interpretations after December 31, 2022.

3.1 APPLICATION IN 2023

Amendments to IAS 1, Disclosure of Accounting Policies.

While the current standard requires that an issuer discloses its significant accounting policies; these amendments require the disclosure of material accounting policies. Such amendments provide that an accounting policy may be material because of its nature, even in the absence of significant amounts, especially if the users of the financial statements need to be aware of the policy to understand other information contained therein. The provisions of these amendments are currently being analyzed and no material impact has been identified to date.

Amendments to IAS 8, Definition of Accounting Estimates.

Having observed that issuers may struggle to differentiate between changes in accounting policy that must be applied retrospectively and changes in accounting policy that must be applied prospectively, in particular regarding changes to

measurement methods, the standard setter reviewed these two definitions with examples. The provisions of these amendments are currently being analyzed and no material impact has been identified to date.

Amendment to IAS 12, Deferred Tax related to Assets and Liabilities arising from a Single Transaction.

The amendment clarifies that the initial recognition exemption for deferred tax does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition, for example in relation to the initial recognition of leases. This clarification does not require any change to be made to the accounting policies applied by Imerys, which already complied with these principles.

Amendments to IFRS 17, Insurance Contracts, do not apply to Imerys.

3.2 APPLICATION IN 2024

Amendments to IAS 1, Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants. The modifications proposed by these amendments clarify that the split between current and non-current liabilities at the end of the reporting period is based on the contractual arrangements, irrespective of the issuer's intentions as well as any changes to covenants covering these liabilities after the end of the reporting period (*Note 24.5*). The provisions of these amendments are currently being analyzed and no material impact has been identified to date.

Amendment to IFRS 16, Lease liability in a sale and leaseback. A leaseback is a transaction through which an entity transfers the control of an asset to a purchaser, who immediately leases the same asset back to the entity. IFRS 16, Leases, already described the principle whereby, on the date

the asset is sold, an amount reflecting the value of the rights transferred to the purchaser must be measured and a lease liability and right-of-use asset must be recognized. The present amendment clarifies the situation where the lease transaction includes variable payments, for example related to the revenue generated from future sales using the leased asset. The variable payments must be integrated in the measurement of the lease liability, creating an exception to the general principle of the standard, which only considers fixed payments. The amendment also states that lease liabilities measured in this way then follow the general principles of the standard regarding subsequent measurements, and no gain or loss should be recognized in relation to the right-of-use retained during subsequent measurements. This amendment does not apply to any of the Group's existing transactions.

NOTE 4 ESTIMATES AND JUDGMENTS

When preparing the financial statements, Executive Management makes a certain number of estimates and judgments regarding the recognition and assessment of the Group's assets and liabilities. These decisions seek to respond to the uncertain nature of the risks and opportunities facing the Group's operations, in particular risks and opportunities arising from climate change. After having signed the United Nations Global Compact in 2016, Imerys defined its SustainAgility approach in 2018 to better integrate considerations related to the climate and sustainable development into the Group strategy in an effort to reduce the risks and open up new opportunities to create long-term value. As part of this approach, risks and opportunities are considered by assessing market changes, physical risks and changes in the energy mix.

Estimates. Estimates are intended to provide a reasonable assessment of the most recent reliable information available about elements of uncertainty. They are revised to reflect changes in circumstances, newly available information and past experience. Changes in estimates are recognized for future periods. The following significant estimates made by Executive Management are discussed in detail separately in the notes:

- Estimated value of the assets and liabilities of an acquired business (*Note 16*).
- Amortization methods of intangible assets (*Note 17*).
- Estimates of indicators related to the climate and sustainable development issues that may create obligations for the Group in the event of non-compliance, in particular estimates concerning:
 - the amount of greenhouse gas emissions generated by Imerys' industrial facilities and the need to purchase emission rights so as to assess the provisions covering any potential deficits (*Note 17*);
 - the fulfillment of the sustainable development goals that the Group must pursue and are indexed to Sustainability-Linked Bonds (*Note 24.2*).
- Methods to assess the acquisition cost of mining assets, in particular Executive Management integrates the risks and opportunities related to climate change in the business plans used to draw up the geological inventory of mineral deposits, which is used as a base from which to calculate the acquisition cost (*Note 18*).
- Depreciation methods of property, plant and equipment, in particular mineral reserves, overburden assets and certain industrial assets of discontinuous use (*Note 18*).
- Estimate of reasonably certain lease terms of certain leases (*Note 18*).

- Duration and amount of future cash flows as well as the discount rate and terminal growth rate used to calculate the value in use of assets for the impairment tests performed on non-financial assets, Executive Management factored uncertainties due to the risks and opportunities related to climate change into these estimates (*Note 19*).
- Estimate of inflation rates factored into the assessment of certain future flows, in particular in impairment tests (*Note 19*), measurement of defined benefit plans (*Note 23.1*) and the measurement of other provisions (*Note 23.1*).
- Actuarial assumptions applied to defined benefit plans (*Note 23.1*).
- Assessment of the probability of settlement as well as the amount of obligations, the planned schedule of future payments and the discount rates required to recognize and measure provisions (*Note 23.2*).

Judgments. Judgments are made by analyzing and categorizing elements, transactions and situations. When a judgment is revised, it is recognized for future periods like for changes in estimates, except if the judgment has been revised to correct an error (*Note 2.3*). The following significant judgments made by Executive Management are based on the following elements, which are detailed separately in the notes:

- Absence of going concern risk, in particular regarding the level of cash and cash equivalents (*Consolidated Statement of Cash Flows*) and available financial resources (*Note 24.5 - Market liquidity risk*);
- Aggregation of operating segments to form the reporting segments (*Information by Segment*);
- Assessment of the levels of exposure of the Group's assets to country and climate risks (*Information by Segment - Information by Region*);
- Allocation of certain transactions by level of profit or loss (*Notes to the Consolidated Income Statement*);
- Assessment of uncertainties regarding taxes payable and the timescale at which deferred tax assets will be recovered (*Note 13*);
- Definition of the levels at which goodwill is tested and impairment indicators for impairment tests performed on non-financial assets (*Note 19*);
- Assessment of the considerable likelihood of a plan to sell non-current assets or groups of directly related assets and liabilities (*Note 25*); and
- As part of a plan to sell non-current assets or groups of assets held for sale classified as discontinued operations, identifications of transactions that will continue to fall within the scope of discontinued operations and the remaining continuing operations, after the date on which control is lost (*Note 25*).

INFORMATION BY SEGMENT

Accounting policy

Imerys delivers high value-added, functional solutions to a wide variety of industries, ranging from process manufacturing to consumer goods. In each of its two segments, the Group draws on its understanding of applications, technological knowledge and expertise in material science to deliver solutions by beneficiating its mineral resources, synthetic minerals and formulations. Imerys' solutions contribute essential properties to customers' products and their performance, including heat resistance, hardness, conductivity, opacity, durability, purity, lightness, filtration, absorption and water repellency.

- The Performance Minerals (PM) segment brings together three geographic business areas – Europe Middle East Africa (EMEA), Americas and Asia Pacific (APAC) – serving the plastics, paints & coatings, filtration, ceramics, renewable energy and paper & board markets. On September 9, 2022, the business serving the paper market in the US, Europe and Asia was designated as assets (and liabilities related to assets) held for sale (*Note 25*).
- The High Temperature Materials & Solutions (HTMS) segment regroups two business areas – High Temperature Solutions, and Refractory, Abrasives & Construction – serving the refractory, foundry, metal flow, abrasives and building chemistry markets. On July 28, 2022, the High Temperature Solutions line of business was designated as a discontinued operation (*Note 25*).

Each of the reporting segments manufactures and sells goods and services presenting geological, industrial and commercial synergies. They are formed through the aggregation of operating segments monitored each month by Executive Management in its business reporting on the Consolidated income statement, current EBITDA and capital employed. Executive Management does not consider the holding structure that handles the Group's centralized financing to be a segment. The aggregates for this activity are therefore presented in a reconciliation column with inter-segment eliminations (IS&H). Financial information by segment is measured in accordance with the principles set out in the Principles (*Note 1*). Transactions between segments are measured at the price upon which two independent parties would have agreed on an arm's length basis.

Consolidated Income Statement

The following tables present a breakdown of revenue by segment before and after any inter-segment eliminations, as well as the main levels of the consolidated income statement.

Revenue from transactions made by Imerys with each of its external customers never exceeds the threshold of 10.0% of the Group's revenue.

At December 31, 2022

(€ millions)	PM	HTMS	IS&H	Total
External revenue	2,844.2	1,436.0	1.4	4,281.6
Sale of goods	2,505.6	1,385.3	1.4	3,892.3
Rendering of services	338.6	50.7	-	389.3
Inter-segment revenue	45.8	(1.6)	(44.2)	0.0
Revenue	2,890.0	1,434.4	(42.8)	4,281.6
Current operating income	404.6	46.9	(12.7)	438.8
of which amortization, depreciation and impairment	(187.0)	(91.0)	(25.1)	(303.1)
Other operating income and expenses				(120.4)
Operating income				318.4
Financial income (loss)				(50.3)
Interest income				5.1
Interest expense				(38.0)
Income taxes				(91.0)
Net income from discontinued operations⁽¹⁾				77.3
Net income				254.4

(1) High Temperature Solutions line of business (Note 25).

At December 31, 2021

(€ millions)	PM	HTMS	IS&H	Total
External revenue	2,425.7	1,237.8	1.1	3,664.7
Sale of goods	2,136.1	1,208.5	1.1	3,345.6
Rendering of services	289.7	29.4	-	319.0
Inter-segment revenue	35.8	2.6	(38.4)	0.0
Revenue	2,461.5	1,240.5	(37.3)	3,664.7
Current operating income	340.3	44.2	(26.0)	358.5
of which amortization, depreciation and impairment	(192.6)	(83.3)	(26.4)	(302.3)
Other operating income and expenses				(67.7)
Operating income				290.8
Financial income (loss)				(40.4)
Interest income				5.6
Interest expense				(35.6)
Income taxes				(68.2)
Net income from discontinued operations⁽¹⁾				67.5
Net income				249.7

(1) High Temperature Solutions line of business (Note 25).



Financial statements

Consolidated financial statements

Current EBITDA

At December 31, 2022

(€ millions)	PM	HTMS	IS&H	Total
Items from the Consolidated Income Statement				
External revenue	2,844.2	1,436.0	1.4	4,281.6
Raw materials and consumables used	(877.0)	(781.5)	186.0	(1,472.5)
External expenses	(853.4)	(287.0)	(68.5)	(1,208.9)
Staff expenses	(509.0)	(226.9)	(136.8)	(872.7)
Taxes and duties	(25.8)	(9.1)	(2.7)	(37.6)
Other current income and expenses	12.2	6.5	33.3	52.0
Adjustments				
Change in provisions for employee benefits	0.8	(1.3)	(0.6)	(1.1)
Change in current operating write-downs and provisions	3.5	(1.9)	(0.5)	1.1
Share in net income of joint ventures and associates	(7.9)	(0.5)	(18.2)	(26.6)
Dividends received from joint ventures and associates	5.0	-	-	5.0
Current EBITDA	592.6	134.3	(6.6)	720.3

At December 31, 2021

(€ millions)	PM	HTMS	IS&H	Total
Items from the Consolidated Income Statement				
External revenue	2,425.8	1,237.8	1.1	3,664.7
Raw materials and consumables used	(686.1)	(655.7)	171.3	(1,170.5)
External expenses	(732.9)	(245.9)	(62.0)	(1,040.8)
Staff expenses	(469.6)	(208.0)	(123.8)	(801.4)
Taxes and duties	(24.3)	(10.0)	(2.3)	(36.6)
Other current income and expenses	20.1	9.2	13.8	43.1
Adjustments				
Change in provisions for employee benefits	(1.8)	(2.4)	(0.8)	(5.0)
Change in current operating write-downs and provisions	5.1	(0.9)	-	4.2
Share in net income of joint ventures and associates	(5.8)	(0.2)	(6.8)	(12.8)
Dividends received from joint ventures and associates	3.8	-	-	3.8
Current EBITDA	534.3	123.8	(9.5)	648.6

Consolidated Statement of Financial Position

At December 31, 2022

(€ millions)	PM	HTMS	IS&H	Total
Capital employed – Assets	3,400.8	2,122.8	186.0	5,709.5
Goodwill ⁽¹⁾	1,100.3	751.2	0.8	1,852.2
Intangible assets and property, plant and equipment ⁽²⁾	1,384.3	763.5	99.0	2,246.8
Inventories	381.2	411.5	(2.8)	789.9
Trade receivables	360.5	134.1	(4.7)	489.9
Other receivables – non-current and current	147.3	58.3	34.6	240.2
Joint ventures and associates	27.2	4.2	59.1	90.5
Unallocated assets				785.3
Assets held for sale⁽³⁾				1,376.2
Total assets				7,871.0
Capital employed – Liabilities	636.2	329.6	43.5	1,009.3
Trade payables	339.5	192.5	8.0	540.1
Other debts – non-current and current	256.7	95.9	11.7	364.3
Income tax payable	39.9	41.2	23.8	104.9
Provisions	382.8	103.1	97.4	583.3
Unallocated liabilities				2,424.1
Liabilities related to assets held for sale⁽³⁾				468.9
Total non-current and current liabilities				4,485.5
Total capital employed	2,764.5	1,793.4	142.3	4,700.2
(1) Increase in goodwill	-	6.3	-	6.3
(2) Acquisitions of intangible assets and property, plant and equipment	307.8	118.5	30.9	457.2
(3) High Temperature Solutions line of business and business serving the paper market (Note 25)				

At December 31, 2021

(€ millions)	PM	HTMS	IS&H	Total
Capital employed – Assets	3,556.3	2,802.9	150.6	6,509.8
Goodwill ⁽¹⁾	1,201.4	942.5	0.8	2,144.7
Intangible assets and property, plant and equipment ⁽²⁾	1,442.4	979.6	99.1	2,521.1
Inventories	378.7	472.0	(1.6)	849.1
Trade receivables	337.6	285.8	(9.1)	614.3
Other receivables – non-current and current	172.2	88.8	19.3	280.3
Joint ventures and associates	24.0	34.2	42.1	100.3
Unallocated assets				843.2
Assets held for sale⁽³⁾				63.1
Total assets				7,416.1
Capital employed – Liabilities	651.2	593.7	11.4	1,256.3
Trade payables	320.8	332.4	6.9	660.1
Other debts – non-current and current	286.4	217.3	(22.9)	480.8
Income tax payable	44.0	44.0	27.4	115.4
Provisions	434.8	191.2	100.9	726.9
Unallocated liabilities				2,177.5
Liabilities related to assets held for sale⁽³⁾				13.5
Total non-current and current liabilities				4,174.2
Total capital employed	2,905.1	2,209.2	139.2	5,253.5
(1) Increase in goodwill	(4.8)	(24.0)	-	(28.8)
(2) Acquisitions of intangible assets and property, plant and equipment	257.4	114.7	23.6	395.7
(3) Hydrous kaolin business in the US (Note 25)				

Information by region

Components of country risk. Due to the Group's mining activity and the variety of its end markets, its entities operate across many countries. Therefore, Imerys may be exposed to certain risks specific to these countries that may impact its financial statements in the future. Country risk includes two factors. The first concerns the transfer and convertibility risk, i.e. the risk that government-imposed capital and exchange controls by a sovereign entity would prevent or materially impede the ability to convert local currency into foreign currency and/or transfer funds to non-resident creditors. The second factor takes into account the risks related to the overall economic context, mainly in relation to the quality of public and private governance, as well as the risk of conflicts, expropriation, or civil and political instability.

Transfer and convertibility risk. The transfer and convertibility component of the country risk resulted in an unavailable cash balance of €11.4 million at December 31, 2022 (€2.0 million at December 31, 2021) (24.2 - Reconciliation of net financial debt).

Risks related to the overall economic context. The risks related to the overall economic context also take into account in the country-market risk premium of the discount rates used for impairment tests (Note 19). However, the majority of the Group's sources of supply and end markets are located in developed countries, which limits Imerys' exposure to country risk.

- In order to identify high-risk countries, Imerys uses the "Business Climate" risk assessment published by Coface, the leading French insurance company specialized in international credit insurance, which measures the potential influence of a country's economic, financial and political outlook on businesses' financial commitments. Coface's risk

assessment uses an eight-level ranking system from A1 to E, in ascending order of risk. Countries in which the Group operates ranked in categories C to E, the highest levels of risk, include Algeria and Ukraine (category C) and Russia (category D).

- In addition, Imerys may decide, where necessary, to conduct studies on specific situations. Since February 2022, the Group has been monitoring the conflict in Ukraine and the international sanctions imposed on Russia, which has given Executive Management cause to believe the situation will have a limited impact on Imerys operations, both directly due to the minimal materiality of operations in these countries, and indirectly due to the measures taken by the Group to offset rising inflation and energy costs. In 2022, the total amount of revenue generated in Russia and Ukraine accounted for around 0.6% of consolidated Group revenue (1.7% in 2021), while the net value of assets represented less than 0.2% of total capital employed (0.5% in 2021). Imerys' operations have been suspended at its two production facilities in Ukraine since the beginning of the conflict. These operations contributed to revenue by approximately €20.0 million in 2021. Besides, Imerys terminated its operations in Russia, which in 2021 contributed approximately €50.0 million in revenue. The Group does not own any industrial assets in Russia. Furthermore, in 2022, Imerys recognized €18.3 million in restructuring expenses and asset write-downs with respect to its operations in Ukraine and Russia (Note 10), including €11.9 million in impairment, primarily regarding property, plant and equipment (Note 19). Finally, the amount of cash and cash equivalents held in Ukraine and Russia stood at €9.1 million, of which €4.7 million recognized as assets held for sale.

The following table presents a breakdown of revenue by geographical location of Group operations:

(€ millions)	2022	2021
France	668.9	561.7
Other European countries	1,535.2	1,330.7
North America	1,215.4	1,030.6
Asia – Oceania	616.5	560.0
Other countries	245.6	181.7
Revenue by geographical location of Group operations	4,281.6	3,664.7

In 2022, countries rated C to E by Coface's "Business Climate" risk assessment accounted for 0.18% of Group revenue (0.42% in 2021) and -1.52% of current operating income (-4.97% in 2021).

The following table presents a breakdown of revenue by geographical location of customers:

(€ millions)	2022	2021
France	244.4	197.4
Other European countries	1,623.8	1,424.2
North America	1,149.7	961.9
Asia – Oceania	903.5	806.2
Other countries	360.2	275.0
Revenue by geographical location of customers	4,281.6	3,664.7

The following table presents the carrying amount of goodwill, intangible assets and property, plant and equipment by geographical origin of the asset:

(<i>€ millions</i>)	2022			2021		
	Goodwill	Intangible assets, right-of-use assets, mining assets and property, plant and equipment	Total	Goodwill	Intangible assets, right-of-use assets, mining assets and property, plant and equipment	Total
France	948.7	592.1	1,540.8	1,090.1	588.9	1,679.0
Other European countries	361.6	739.2	1,100.8	397.8	819.1	1,216.9
North America	434.6	567.2	1,001.8	478.8	565.1	1,043.9
Asia – Oceania	69.1	246.9	316.0	124.4	345.7	470.1
Other countries	38.2	101.4	139.6	53.5	202.3	255.8
Total	1,852.2	2,246.8	4,099.0	2,144.6	2,521.1	4,665.7

At December 31, 2021, countries rated C to E by Coface's "Business Climate" risk assessment accounted for 0.04% of the statement of financial position (0.25% at December 31, 2021) and -0.66% of consolidated equity, Group share (-0.34% at December 31, 2021).

Exposure to climate risks. Given their geographic location, the Group's entities may potentially be exposed to physical risks related to climate change, such as flooding, heat waves, wildfires and droughts. At December 31, 2022, the carrying amount of these sites represented 10.2% of the Group's consolidated assets (2.5% at December 31, 2021). Criteria for the identification of these sites are described in *Note 19*.

NOTES TO THE CONSOLIDATED INCOME STATEMENT

Accounting policy

Income and expenses recognized in the consolidated income statement are grouped according to materiality and are only offset when required by a standard or interpretation. Comparative information is presented for the prior year Y-1, while comparative information for Y-2 is incorporated by reference (*Chapter 9, Section 9.4 of the Universal Registration Document*). The income statement is structured across two main levels: operating income and financial income (loss). Although in the majority of cases, the allocation of transactions by level of profit or loss does not require any specific comment,

the options available in some standards and the absence of guidance from other standards have led Executive Management to make certain judgments and decisions about presentation. The following three tables present these decisions and specify the corresponding note.

Operating income. Operating income is made up of current operating income and other operating income and expenses. Current operating income (*Notes 5 to 9*) includes revenue generated by Imerys as well as the following items:

	Notes
Share-based payment expenses	8
Changes in employee benefits excl. restructuring	
• Plan curtailments, settlements and amendments	8
• Contributions to funds and direct payments to beneficiaries	8
• Decrease in provisions for contributions and direct payments	8
• Administrative fees for open plans	8
Hedge accounting	
• Ineffective portion of operational hedge instruments	11
• De-designations. Amortization of the effective portion of an operational hedge instrument measured at the date of the voluntary interruption of the hedge	11
Asset disposals excl. restructuring	9

Other operating income and expenses. Other operating income and expenses is composed of gain (loss) from obtaining or losing control and other non-recurring items (*Note 10*). In accordance with the ANC Recommendation No. 2013-03 issued by France's national accounting standards board on how to present IFRS financial statements, it corresponds to items of income and expenses resulting from a limited number of clearly identified, non-recurring and significant events, such as the impact in profit or loss of

acquiring or losing control of a business, restructuring including any related asset disposals, impairment loss recognized against goodwill or major disputes. In particular, since applicable standards do not define restructuring as an infrequent or unusual occurrence, Executive Management has put in place approval criteria to ensure that only management decisions defined as both restructuring and non-recurring may be recognized in other operating income and expenses.

	Notes
Gain (loss) from obtaining or losing control	10
Impairment loss recognized against goodwill	10
Restructuring	10
Asset disposals due to restructuring	10
Changes in employee benefits due to restructuring	
• Plan curtailments, settlements and amendments	10
• Contributions and direct payments to beneficiaries	10
• Decrease in provisions for contributions and direct payments	10
Major disputes	10
Net income from recurring operations of associates	10

Financial income (loss). Financial income (loss) is primarily made up of the cost of debt, exchange rate fluctuations, the financial components of defined benefit plans, the unwinding of discounts on provisions and impairment loss on financial assets (*Note 12*), as well as the following specific items:

	Notes
Hedge accounting	
• Ineffective portion of financing hedge instruments	11
• De-designations. Amortization of the effective portion of a financing hedge instrument measured at the date of the voluntary interruption of the hedge	11
• De-designations. Change in the fair value of an operational or financing hedge instrument after the voluntary interruption of the hedge	11
Unrealized and realized translation gains (losses) on operating and financial transactions	12
Financial changes in employee benefits	
• Unwinding	12
• Normative return on assets	12
• Contributions to under-funded closed plans with mandatory funding requirement	12
• Administrative fees for closed plans with mandatory funding requirement	12
• Decrease in provisions for closed plans with mandatory funding requirement	12

NOTE 5 REVENUE

Accounting policy

Revenue is made up of two elements: (i) sales of goods, i.e. material specialties generally extracted from mineral deposits controlled by the Group and beneficiated in its plants, and (ii) services rendered, mainly invoicing customers the cost of shipping goods and providing industrial services. The contractual commitments made by the Group to transfer these goods and services to customers are categorized as performance obligations. When control of goods or services is transferred to customers, the performance obligation is deemed to have been satisfied and the revenue is recognized. Material specialties are therefore transferred to customers at a given point in time, which coincides with the transfer of all the risks and rewards defined in the contractual incoterms. The contract includes multiple incoterms due to the specificities of packaging (bulk, powder, paste and slurry, etc.) and freight (sea, rail and road, etc.). However, while certain services, such

as molding work, are rendered at a given point in time, most other services are transferred to customers over time. This is the case for shipping services, the revenue for which is recognized after the delivery has been made, and certain specialized services spread over two to seven months in the construction of industrial facilities, for which the degree of completion is measured based on the actual level of production costs committed. Collateral requirements on the sale of goods and rendering of services offer customers guarantees about the specifications agreed in the contracts, rather than an additional service on top of these guarantees. Consequently, guarantees are not recognized as performance obligations but as provisions (*Note 23.2*). Sale of goods and rendering of services are measured at the amount of the transaction, minus trade and volume rebates, as well as discounts for early payment.

Activity for the period

The following table presents a breakdown of revenue by sale of goods and rendering of services. In 2022, total revenue reached €4,281.6 million (€3,664.7 million in 2021) representing an increase of 16.8% (+15.4% in 2021), including

a positive currency effect of +€211.2 million (-€53.5 million in 2021) and a negative scope effect of -€71.6 million (+€57.4 million in 2021). At constant scope and exchange rates, revenue grew by +12.5% (+15.6% in 2021).

(€ millions)	2022	2021
Sale of goods	3,892.3	3,345.6
Rendering of services	389.3	319.1
Total	4,281.6	3,664.7

The following table presents a different breakdown of revenue by the time at which goods or services are transferred to customers, distinguishing between goods and services transferred to customers at a given point in time and services transferred to customers over time.

(€ millions)	2022	2021
Goods and services transferred to customers at a given point in time	3,901.0	3,350.2
Sale of material specialties	3,892.3	3,345.6
Rendering of industrial services	8.1	4.0
Rendering of other services	0.6	0.6
Services transferred to customers over time	380.6	314.5
Shipping revenue	361.9	312.5
Rendering of other services	18.7	1.9
Total	4,281.6	3,664.7

Furthermore, other breakdowns of revenue are presented in *Information by Segment*: by segment before and after inter-segment eliminations, by geographical location of Group operations and by geographical location of customers.

NOTE 6 RAW MATERIALS AND CONSUMABLES USED

(€ millions)	2022	2021
Raw materials	(653.9)	(584.2)
Energy	(557.0)	(347.1)
Chemicals	(92.2)	(65.7)
Other consumables	(272.6)	(219.1)
Merchandise	(91.2)	(66.3)
Change in inventories	180.5	98.2
Self-constructed assets	13.9	13.7
Total	(1,472.5)	(1,170.5)

NOTE 7 EXTERNAL EXPENSES

(€ millions)	2022	2021
Transportation	(665.8)	(548.6)
Lease payments recognized in expenses	(31.5)	(32.0)
Lease term of 12 months or less	(21.3)	(18.3)
Leases of low-value assets	(0.3)	(0.5)
Variable payments and services	(9.9)	(13.3)
Impact of reductions in the scope of leases	0.9	0.2
Subcontracting	(127.9)	(108.2)
Maintenance and repair	(119.3)	(116.5)
Fees	(92.9)	(82.5)
Other external expenses	(172.4)	(153.1)
Total	(1,208.9)	(1,040.8)

NOTE 8 STAFF EXPENSES

Staff expenses correspond to all compensation granted in the normal course of business for services rendered by staff members or the end of their employment. This compensation includes short-term benefits, notably salaries, share premium, profit-sharing and the corresponding social security contributions, retirement benefits and post-employment health

insurance (Note 23.1), other long-term employee benefits (Note 23.1) and termination benefits (Note 23.1). At December 31, 2022, Imerys' headcount totaled 13,892 employees (13,822 at December 31, 2021), excluding the employees of the High Temperature Solutions line of business designated as a discontinued operation (Note 25).

(€ millions)	2022	2021
Salaries	(664.3)	(613.0)
Social security contributions	(126.5)	(115.1)
Net change in provisions for employee benefits	1.1	5.0
Contributions to defined benefit plans	(9.9)	(13.2)
Contributions to defined contribution plans	(26.2)	(21.9)
Profit-sharing	(34.4)	(34.4)
Other employee benefits	(12.5)	(8.8)
Total	(872.7)	(801.4)

Management principles – Share-based payments

Since 2008, the Group's long-term incentive scheme has involved granting free performance shares acquired on the market. The corresponding expense is recognized in other employee benefits and amounted to €13.5 million in 2022 (€8.6 million in 2021), of which €12.6 million recognized in other employee benefits for continuing operations and €0.9 million recognized in net income from discontinued operations. The management principles applied to share-based payments are agreed by the Board of Directors based on proposals made by the Compensation Committee. With the exception of grants made as part of the Group's employee shareholding operations, free shares are in principle subject and proportionate to the achievement of economic and/or financial performance objectives set by the Board of Directors.

Share-based payment plans are annual and the total number of rights granted each year is adjusted in accordance with the Group's overall performance or specific events. Grants are usually awarded on the date of the Shareholders' General Meeting. The actual or probable beneficiaries include the Group's executive directors (such as the Chief Executive Officer, members of the Executive Committee, the management committees of business groups and operations, as well as managers of the Group's main corporate support departments) and certain key employees reporting to them, as well as managers with considerable potential and employees who make an outstanding contribution to the Group's performance.

Accounting policy

The fair value of services rendered against the grant of Imerys free shares is measured using the Black & Scholes pricing model in reference to the fair value of instruments at the grant date. This measurement takes into consideration the life of instruments, the underlying share price, as well as the turnover rate of beneficiaries. In the majority of cases, the rights vest depending on employees' length of service in the Group and the fair value of services rendered is amortized in profit or loss

over the vesting period against an increase in equity. The accounting treatment is identical when, in addition to the length of service condition, the rights vest subject to the achievement of pre-determined quantitative performance conditions. Volatility and assumptions related to the probability of rights vesting are revised at each closing date. The turnover rate of beneficiaries is adjusted definitively as vesting periods are closed.

Share-based payment expenses

	Number of free shares	Maturity	Turnover rate	Average dividend rate	Performance conditions	Fair value (€)	Total cost by plan (€M)	Cost of the plan in 2022 (€M)	Cost of the plan in 2021 (€M)
2018	265,200	3 years	40.2%	3.0%	52.4%	67.11	(5.6)	-	1.6
2019	427,500	3 years	35.7%	3.0%	54.9%	35.75	(5.4)	(0.2)	(1.0)
2020	154,150	3 years	20.1%	3.1%	100.0%	36.71	(4.5)	(1.4)	(1.7)
2020	457,700	3 years	9.1%	3.1%	100.0%	26.75	(11.1)	(4.1)	(3.9)
2021	482,200	3 years	10.2%	3.2%	100.0%	38.85	(16.8)	(5.7)	(3.6)
2022	432,950	3 years	10.0%	3.3%	89.7%	27.36	(9.6)	(2.1)	-
Cost of plans recognized as staff expenses								(13.5)	(8.6)
Continuing operations								(12.6)	(8.0)
Discontinued operations ⁽¹⁾								(0.9)	(0.6)

(1) High Temperature Solutions line of business (Note 25).

NOTE 9 OTHER CURRENT INCOME AND EXPENSES

(€ millions)	2022	2021
Other income and expenses	25.0	31.5
Income from asset disposals	(0.6)	1.0
Grants received	2.1	2.0
Net change in operating provisions and write-downs	(1.1)	(4.2)
Other current income and expenses	25.4	30.3
Share in net income of joint ventures and associates	26.6	12.8
Total	52.0	43.1

Imerys holds stakes in businesses over which it exercises joint control or significant influence. The net income generated by these investments is presented under share in net income of

joint ventures and associates and corresponded to €26.6 million in 2022 (€12.8 million in 2021).

Accounting policy

Imerys uses the equity method to measure the value of its investments under joint control (joint ventures, i.e. those whose financial and operating strategy are subject to a unanimous vote from Imerys and a third party) and the investments over which it exercises significant influence (associates), i.e. those

whose financial and operating policies are governed by a third party and Imerys only participates in the policies, without having control over them. The stakes held in the net assets and earnings of such entities are presented in distinct lines in operating income and assets.

Main joint ventures and associates

The main investments accounted for using the equity method include The Quartz Corporation, Stollberg & Samil and Cebo International (joint ventures). The summarized financial

information from these investments is presented hereinafter as 100.00% amounts. Debit amounts are negative and credit amounts are positive. Information is reported at December 31.

(€ millions)	The Quartz Corporation		Cebo International		Stollberg & Samil ⁽¹⁾	
	2022	2021	2022	2021	2022	2021
Consolidated Income Statement						
Revenue	210.7	130.7	78.5	62.5	19.1	16.5
Net income	36.9	13.8	10.2	8.1	8.2	1.2
Consolidated Statement of Financial Position						
Non-current assets	(102.6)	(101.6)	(10.6)	(10.6)	(25.8)	(18.9)
Current assets	(96.6)	(71.8)	(25.0)	(23.8)	(18.6)	(17.5)
Equity	109.4	73.7	19.3	17.1	42.5	34.5
Non-current liabilities	50.4	60.2	1.3	0.8	-	-
Current liabilities	39.4	39.5	15.0	16.5	1.9	1.9

(1) The Stollberg & Samil entity is part of the High Temperature Solutions discontinued line of business, whose assets are recognized as assets held for sale at December 31, 2022 (Note 25).

Imerys holds a 50.00% stake (50.00% at December 31, 2021) in The Quartz Corporation (joint venture), a group of companies specialized in extracting and beneficiating high purity quartz in the US and Norway. It holds a 50.00% stake (50.00% at December 31, 2021) in Cebo International (joint venture), a Dutch group that produces and distributes mineral-based specialties for the energy, construction and agriculture industry.

Finally, it holds a 50.00% stake (50.00% at December 31, 2021) in Stollberg & Samil (joint venture), an entity that produces and distributes products for the foundry industry in South Korea. The following table presents the reconciliation between the equity of the joint ventures and associates, as disclosed at 100.00% in the previous table and as recognized in the assets of Imerys in accordance with the equity method.

(<i>€ millions</i>)	2022				2021			
	Equity	Stake of other shareholders	Goodwill	Imerys' stake	Equity	Stake of other shareholders	Goodwill	Imerys' stake
The Quartz Corporation	109.4	(54.9)	2.2	56.7	73.7	(37.1)	2.3	38.9
Cebo International	19.3	(9.6)	-	9.7	17.1	(8.6)	-	8.5
Stollberg & Samil ⁽¹⁾	-	-	-	0.0	34.5	(17.3)	-	17.2
Other investments	61.2	(39.3)	2.2	24.1	92.9	(59.4)	2.2	35.7
Total	189.9	(103.8)	4.4	90.5	218.2	(122.4)	4.5	100.3

(1) As the Stollberg & Samil entity is part of the High Temperature Solutions discontinued line of business, the carrying amount of the stake was reclassified as assets held for sale at December 31, 2022.

The following table analyzes the change in the carrying amount recognized in the Group's assets in accordance with the equity method.

(<i>€ millions</i>)	2022	2021
Carrying amount at the beginning of the period	100.3	87.3
Income ⁽¹⁾	35.8	14.7
Dividends distributed by joint ventures and associates	(5.8)	(5.2)
Disposals	(4.0)	(25.9)
Reclassification to assets held for sale ⁽²⁾	(35.3)	-
Exchange rate differences	(0.5)	29.4
Carrying amount at the end of the period	90.5	100.3

(1) The €35.8 million recognized in 2022 (€14.7 million in 2021) included €26.6 million with respect to the share in net income of joint ventures and associates (€12.8 million in 2021) (Note 9), €3.3 million with respect to the share of net income from non-recurring operations of associates (€0.0 million in 2021) (Note 10) and €5.9 million with respect to the net income from discontinued operations in 2022 (€1.9 million in 2021).

(2) High Temperature Solutions line of business (Note 25).

NOTE 10 OTHER OPERATING INCOME AND EXPENSES

(<i>€ millions</i>)	2022	2021
Gain (loss) from obtaining or losing control	22.8	(0.1)
Transaction costs	(6.2)	(5.6)
Changes in the estimated contingent consideration of the seller	-	0.2
Income from disposals of consolidated businesses	29.0	3.6
Gain from bargain purchases	-	1.7
Other non-recurring items	(143.2)	(67.6)
Impairment loss recognized against goodwill	(108.0)	-
Impairment due to restructuring	(18.0)	(29.3)
Income from non-recurring asset disposals	(2.8)	(0.4)
Restructuring expenses paid	(24.8)	(52.7)
Change in provisions	7.1	14.8
Share in net income from non-recurring operations of associates	3.3	-
Other operating income and expenses	(120.4)	(67.7)
Income taxes	13.6	17.9
Other operating income and expenses net of income taxes	(106.8)	(49.8)

Other operating income and expenses in 2022

Other gross operating income and expenses amounted to -€120.4 million, of which -€108.0 million relating to the impairment of goodwill for the business serving the paper

market (Note 25) and a €32.0 million gain on the disposal of the Canadian and Namibian natural graphite business.

Other operating income and expenses in 2021

"Other operating income and expenses" represented a €67.7 million expense, including a €22.0 million expense incurred by restructuring the ground calcium carbonate (GCC)

business at the Baltimore facility in the US and a €15.7 million expense incurred by disposing of the US hydrous kaolin business.

NOTE 11 FINANCIAL INSTRUMENTS

Accounting policy

Financial instruments are defined as any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial instruments are divided into categories set by IFRS 9 in order to reflect their business model and contractual cash flow characteristics as well as to determine how they must be measured and recognized.

Amortized cost. Financial assets are measured at amortized cost when the objective of the business model is to collect the contractual cash flows. This applies to trade receivables from revenue (*Note 5*) as well as cash, i.e. cash on hand, bank deposits and cash equivalents. Cash equivalents are highly liquid investments indexed on a money market rate and the value of which is known or subject to very little uncertainty. In the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts presented as a liability. Borrowings (*Note 24.2 – Reconciliation of net financial debt*) are also included in the amortized cost category. They are initially measured at fair value of the amount borrowed, minus any transaction costs. They are subsequently measured at amortized cost using the effective interest rate method.

Analysis of financial instruments by category

Notes 11, 12, 21.1 and 24.1 analyze the income, expenses, assets and liabilities from financial instruments by category, which is presented in columns. They distinguish between the categories applied by default to all non-hedged items and those to which hedge accounting is applied on an exceptional basis. The categories of amortized cost and fair value through profit or loss set out in IFRS 9 and defined above apply to the majority of non-hedged items. Hedged items and hedging instruments are categorized by their qualifications as a fair value hedge or cash flow hedge (*Note 24.4 – Accounting policy*), distinguishing in separate columns the value of hedged items and hedging instruments and in separate lines the type of risk hedged (*Note 24.5 – Foreign exchange risk – Interest rate risk – Energy price risk*). Furthermore, in order to make the reconciliation between the IFRS 9 categories and the financial statements, *Notes 11, 12, 21.1 and 24.1* include a column containing the following items not covered by IFRS 9: share-

The Group purchases raw materials and energy for its own use and not for trading purposes. Consequently, the purchase contracts are recognized as trade payables and not as derivatives. Trade payables and other financial liabilities (*Note 24.1*) are measured at amortized cost.

Fair value through profit or loss. Financial assets are measured at fair value through profit or loss when the objective of the business model is to both collect the contractual cash flows and make a trading profit in the short term. They are non-derivative financial assets held for trading and recognized as assets between the dates of purchase and disposal. Any change in fair value is recognized in other financial income (expenses) (*Note 12*) at market prices published at the end of the reporting period. Assets designated at fair value through profit or loss also include investments in non-listed companies over which the Group does not exercise control, joint control or significant influence, nor does it intend to dispose of the investment in the short term (*Note 21.2*), as well as non-hedge derivatives (*Note 24.4*).

based payments (IFRS 2), net income from discontinued operations (IFRS 5), mining assets (IFRS 6), inventories (IAS 2), income tax assets and liabilities (IAS 12), property, plant and equipment (IAS 16), short-term employee benefit assets and liabilities (IAS 19), subsidies and grants (IAS 20), provisions (IAS 37), intangible assets and prepaid expenses (IAS 38), overburden assets (IFRIC 20) and levies and taxes (IFRIC 21). The categorization of financial assets (*Note 21.1*) and liabilities (*Note 24.1*) is applied across all divisions of the Group to the change in profit or loss (*Notes 11 and 12*). For example, revenue is included in amortized cost as its consideration in trade receivables or cash and cash equivalents belong to this category in assets.

The following tables present income and expenses before income tax recognized in profit or loss and equity by category of financial instruments. The balances of other financial income (expenses) are analyzed in more detail in *Note 12*.

At December 31, 2022

(€ millions)	Non-hedge accounting			Cash flow hedge		Total
	IFRS 9 categories		Non IFRS 9	Hedged item	Hedge	
	Amortized cost	Fair value through profit or loss				
Operating income						
Revenue	3,515.8	-	-	765.9	(0.1)	4,281.6
Transactional currency risk – continuing hedges	-	-	-	765.9	(0.1)	765.8
Raw materials and consumables used	(1,621.7)	-	199.9	(147.4)	96.7	(1,472.5)
Transactional currency risk	-	-	-	(54.9)	0.1	(54.8)
Energy price risk	-	-	-	(92.5)	96.6	4.1
External expenses	(1,209.8)	-	0.9	-	-	(1,208.9)
Other current income and expenses	8.2	-	17.2	-	-	25.4
Share in net income of joint ventures and associates	-	-	26.6	-	-	26.6
Financial income (loss)						
Income from securities	-	5.1	-	-	-	5.1
Gross financial debt expense	(38.0)	-	-	-	-	(38.0)
Other financial income (expenses)	(7.1)	0.7	(11.0)	-	-	(17.4)
Transactional currency risk – change in fair value	-	(0.1)	-	-	-	(0.1)
Other financial assets – change in fair value	-	0.7	-	-	-	0.7
Net income from discontinued operations	-	-	77.3	(3.7)	3.7	77.3
Energy price risk	-	-	-	(3.7)	3.7	0.0
Equity						
Recognition in equity	-	-	-	-	30.6	30.6
Reclassification from the reserves in profit or loss	-	-	-	-	(100.3)	(100.3)
From the cash flow hedge reserve	-	-	-	-	(100.3)	(100.3)
Total	647.4	5.8	310.9	614.8	30.6	1,609.5
of which impairment in profit or loss	(9.6)	(0.1)	(0.3)	-	-	-
of which reversals of impairment in profit or loss	8.2	0.9	2.9	-	-	-

At December 31, 2021

(€ millions)	Non-hedge accounting			Cash flow hedge		Total
	IFRS 9 categories		Non IFRS 9	Hedged item	Hedge	
	Amortized cost	Fair value through profit or loss				
Operating income						
Revenue	3,232.7	-	-	429.3	2.7	3,664.7
Transactional currency risk – continuing hedges	-	-	-	429.3	2.7	432.0
Raw materials and consumables used	(1,153.5)	-	119.1	(173.3)	37.2	(1,170.5)
Transactional currency risk	-	-	-	(39.6)	-	(39.6)
Energy price risk	-	-	-	(133.7)	37.2	(96.5)
External expenses	(1,041.0)	-	0.2	-	-	(1,040.8)
Other current income and expenses	13.9	-	16.4	-	-	30.3
Share in net income of joint ventures and associates	-	-	12.8	-	-	12.8
Financial income (loss)						
Income from securities	-	2.6	-	-	-	2.6
Gross financial debt expense	(36.5)	-	-	-	-	(36.5)
Other financial income (expenses)	3.8	(0.0)	(10.3)	-	-	(6.5)
Transactional currency risk – change in fair value	-	(0.2)	-	-	-	(0.2)
Other financial assets – change in fair value	-	0.2	-	-	-	0.2
Net income from discontinued operations	-	-	75.2	(9.1)	1.4	67.5
Energy price risk	-	-	-	(9.1)	1.4	(7.7)
Equity						
Recognition in equity	-	-	-	-	93.1	93.1
Reclassification from the reserves in profit or loss	-	-	-	-	(41.3)	(41.3)
From the cash flow hedge reserve	-	-	-	-	(41.3)	(41.3)
Total	1,019.4	2.6	213.4	246.9	93.1	1,575.3
of which impairment in profit or loss	(8.9)	-	0.4	-	-	-
of which reversals of impairment in profit or loss	6.2	0.2	(2.4)	-	-	-

NOTE 12 FINANCIAL INCOME (LOSS)

The following tables present the financial income (loss) by category of financial instrument. A description of the categories of financial instruments is provided in *Note 11*.

At December 31, 2022

<i>(€ millions)</i>	Non-hedge accounting			Total		
	IFRS 9 categories			Income	Expenses	Net
	Amortized cost	Fair value through profit or loss	Non IFRS 9			
Net financial debt expense	(38.0)	5.1	0.0	5.1	(38.0)	(32.9)
Income from securities	-	5.1	-	5.1	-	5.1
Gross financial debt expense	(38.0)	-	-	-	(38.0)	(38.0)
Other financial income (expenses)	(7.1)	0.6	(10.9)	228.3	(245.7)	(17.4)
Net exchange rate differences	(4.4)	(0.1)	(1.4)	194.8	(200.7)	(5.9)
Financial income and expenses of defined benefit plans	-	-	(6.4)	21.3	(27.7)	(6.4)
Unwinding of other provisions	-	-	(2.8)	-	(2.8)	(2.8)
Other financial income (expenses)	(2.7)	0.7	(0.3)	12.2	(14.5)	(2.3)
Financial income (loss)	(45.1)	5.7	(10.9)	233.4	(283.7)	(50.3)

At December 31, 2021

<i>(€ millions)</i>	Non-hedge accounting			Total		
	IFRS 9 categories			Income	Expenses	Net
	Amortized cost	Fair value through profit or loss	Non IFRS 9			
Net financial debt expense	(36.5)	2.6	0.0	2.6	(36.5)	(33.9)
Income from securities	-	2.6	-	2.6	-	2.6
Gross financial debt expense	(36.5)	-	-	-	(36.5)	(36.5)
Other financial income (expenses)	3.8	0.0	(10.3)	117.8	(124.3)	(6.5)
Net exchange rate differences	(2.1)	(0.2)	0.1	94.8	(97.0)	(2.2)
Financial income and expenses of defined benefit plans	-	-	(7.3)	14.4	(21.7)	(7.3)
Unwinding of other provisions	-	-	(2.9)	-	(2.9)	(2.9)
Other financial income (expenses)	5.9	0.2	(0.2)	8.6	(2.7)	5.9
Financial income (loss)	(32.7)	2.6	(10.3)	120.4	(160.8)	(40.4)

NOTE 13 INCOME TAXES

Accounting policy

Income taxes are made up of two components: (i) taxes paid in France and overseas on taxable profits, including similar contributions calculated on the difference between income and expenses, such as the French companies' added value contribution (*Cotisation sur la Valeur Ajoutée des Entreprises*, CVAE); and (ii) withholding taxes paid by entities on the dividends they distribute to the Group. Income taxes are broken down into payable taxes and deferred taxes. Payable taxes are recognized as a liability until they have been paid and an asset when the amount paid exceeds the amount due. Deferred tax assets and liabilities are accounted for with respect to all taxable temporary differences between the taxes and consolidated values of assets and liabilities, except mainly for differences related to the initial recognition of goodwill and, in the case of taxable temporary differences, between the carrying amount and tax value of investment securities, when the Group is able to control the date of reversal of the temporary difference and it is probable that the temporary difference will not be reversed in the foreseeable future. A deferred tax asset is recognized with respect to taxable temporary differences, tax losses and tax credits only if it is probable that they will yield taxable amounts in the future, or

there are taxable temporary differences in the same tax group that mature during the period these items remain recoverable. Imerys applies the tax rates and laws that have been enacted or substantively enacted at the end of the reporting period and will be applicable over the period of reversal of the temporary difference. Deferred tax assets are not discounted. The amount of income tax payable includes uncertainties in the measurement of income taxes. Each uncertainty is assessed individually, unless it affects several entities in the same way. The assessment of uncertainties assumes that the taxation authority has full knowledge of all relevant information when examining any amounts reported to it and considers whether it is probable that the relevant authority will accept each tax treatment. Judgments and estimates made about uncertainties are reassessed if facts and circumstances change. Deferred tax assets and liabilities are offset by tax group, i.e. by legal entity or tax consolidation group. Payable and/or deferred taxes are recognized in the same level of profit or loss as the item to which they are related. The principle of linking taxes to their base also applies to transactions recognized directly in equity.

Tax consolidation scope

In several countries, Imerys has set up tax consolidation systems that enable the Group to offset potential tax gains and losses within the consolidated Group. Such tax consolidation

systems exist in France, the US, the UK, Spain, Germany and Italy.

Income taxes paid

In 2022, income taxes paid in cash and using tax credits amounted to €105.4 million (€72.0 million in 2021).

Tax losses carried forward

Deferred tax assets are recognized as carried forward tax losses when they are deemed to be recoverable and the expected recovery time frame does not exceed five years. Deferred tax assets recognized in this way are based on analyzing past losses, whether it is probable these losses will be incurred again in future, the business outlook and national legislation limiting the use of carried forward tax losses. At December 31, 2022, deferred tax assets represented €6.9 million (€12.9 million at December 31, 2021). On the other hand, deferred tax assets not recognized as a tax loss or tax credit (because their recovery is uncertain) amounted to €455.4 million and €21.3 million,

respectively, at December 31, 2022 (€478.3 million and €16.3 million, respectively, at December 31, 2021), of which €401.6 million and €21.3 million, respectively, expire after 2027 or may be carried forward without any time limit. The tax losses not resulting in the recognition of a deferred tax asset are mainly located in France (€129.7 million at December 31, 2022; €175.2 million at December 31, 2021) and in the United States (€134.3 million at December 31, 2022; €170.1 million at December 31, 2021). Deferred taxes are calculated using effective rates over the period in question in accordance with the tax laws applicable in each country.

Temporary differences controlled by the Group

No deferred tax liability is recognized for taxable temporary differences between the carrying amount and tax value of investment securities, when the Group is able to control the date of reversal of the temporary difference and it is probable

that the temporary difference shall not be reversed in the foreseeable future. The Group reported €8.3 million in unrecognized deferred tax liabilities at December 31, 2022 (€11.6 million at December 31, 2021).

Income taxes recognized in profit or loss

<i>(€ millions)</i>	2022	2021
Payable and deferred income taxes		
Income tax payable	(96.7)	(76.8)
Income tax payable for the year	(99.2)	(65.1)
Income tax payable – prior year adjustments	2.5	(11.7)
Deferred tax assets	5.7	8.6
Deferred tax assets due to changes in temporary differences	5.6	10.6
Deferred tax assets due to changes in income tax rates	0.1	(2.0)
Total	(91.0)	(68.2)
Income taxes by level of profit		
Income taxes on current operating and financial income (loss)	(104.6)	(86.1)
Income taxes payable on current operating and financial income (loss)	(90.1)	(78.9)
Deferred taxes on current operating and financial income (loss)	(14.5)	(7.2)
Income taxes on other operating income and expenses	13.6	17.9
Income taxes payable on other operating income and expenses	(6.6)	2.2
Deferred tax assets on other operating income and expenses	20.2	15.7
Total	(91.0)	(68.2)

Income taxes recognized in equity

<i>(€ millions)</i>	2022	2021
Gains (losses) on remeasurements of defined benefit plans	(9.6)	(22.6)
Income taxes on components that will not be reclassified	(9.6)	(22.6)
Cash flow hedges	18.0	(14.0)
Income taxes recognized in equity	18.0	(25.3)
Income taxes reclassified in profit or loss	-	11.3
Translation reserve	(2.7)	0.8
Income taxes recognized in equity	(2.7)	(0.2)
Income taxes reclassified in profit or loss	-	1.0
Income taxes on components that will be reclassified	15.3	(13.2)
Total	5.7	(35.8)

Tax reconciliation excluding non-recurring items

	2022	2021
Standard tax rate in France	25.8%	27.4%
National rate differences	(0.8)%	(1.2)%
Europe	(0.8)%	(1.3)%
North America	(0.5)%	(0.4)%
Asia – Oceania	0.1%	(0.3)%
Other countries	0.5%	0.7%
Permanent differences	2.2%	(1.0)%
Tax losses	(0.8)%	(1.8)%
Income taxes at different rates and bases	2.6%	2.5%
Impact of equity-accounted companies	(1.8)%	(1.1)%
Other (tax credits, reassessments and tax provisions, deferred tax adjustments in bases and rates, etc.)	(0.4)%	2.3%
Effective tax rate on current operating and financial income (loss)⁽¹⁾	26.9%	27.1%

(1) In 2022, 26.9% = €104.6 million (income taxes on current operating income and financial income (loss))/[€438.8 million (current operating income) - €50.3 million (financial income (loss))]. In 2021, 27.1% = €86.1 million (income taxes on current operating income and financial income (loss))/[€358.5 million (current operating income) - €40.4 million (financial income (loss))].

Tax reconciliation including non-recurring items

	2022	2021
Standard tax rate in France	25.8%	27.4%
National rate differences	(1.7)%	(0.6)%
Europe	(1.4)%	(1.5)%
North America	(0.3)%	0.4%
Asia – Oceania	(0.2)%	(0.5)%
Other countries	0.2%	1.1%
Permanent differences	12.7%	(1.4)%
Tax losses	0.0%	0.5%
Income taxes at different rates and bases	3.3%	2.6%
Impact of equity-accounted companies	(2.6)%	(1.4)%
Other (tax credits, reassessments and tax provisions, deferred tax adjustments in bases and rates, etc.)	(3.6)%	0.0%
Effective tax rate on current operating income from continuing operations⁽¹⁾	33.9%	27.2%

(1) In 2022, 33.9% = €91.0 million (income taxes)/[€318.4 million (operating income (expense)) - €50.3 million (financial income (loss))]. In 2021, 27.2% = €68.2 million (income taxes)/[€290.8 million (operating income (expense)) - €40.4 million (financial income (loss))].

Change in deferred taxes

At December 31, 2022

(€ millions)	01/01/2022	Profit or loss	Scope, equity and others ⁽¹⁾	12/31/2022
Deferred tax assets	138.6	(3.9)	(24.0)	110.7
Deferred tax liabilities	(129.6)	0.4	29.3	(99.9)
Net deferred tax positions	9.0	(3.5)	5.3	10.8

(1) Including reclassification to assets held for sale.

At December 31, 2021

(€ millions)	01/01/2021	Profit or loss	Scope, equity and others	12/31/2021
Deferred tax assets	129.4	49.3	(40.1)	138.6
Deferred tax liabilities	(92.0)	(39.9)	2.3	(129.6)
Net deferred tax positions	37.4	9.4	(37.8)	9.0

Deferred tax breakdown by nature

(€ millions)	2021	Profit or loss	Scope, equity and others	2022
Deferred tax assets	298.0	(27.3)	(38.3)	232.4
Provisions for employee benefits	51.6	(7.7)	(6.8)	37.1
Other provisions	35.6	3.3	(10.6)	28.3
Intangible assets	16.2	(1.1)	0.6	15.7
Property, plant and equipment	73.5	(5.6)	(9.7)	58.2
Long-term investments	0.1	(1.1)	5.0	4.0
Current assets and liabilities	52.0	(0.1)	(2.5)	49.4
Tax losses carried forward	12.9	(3.2)	(2.8)	6.9
Other	56.1	(11.8)	(11.5)	32.8
Deferred tax liabilities	(289.0)	23.8	43.6	(221.6)
Intangible assets	(63.0)	(0.2)	4.0	(59.2)
Property, plant and equipment	(174.7)	21.1	18.2	(135.4)
Long-term investments	(25.4)	0.2	17.8	(7.4)
Current assets and liabilities	(4.3)	1.7	1.1	(1.5)
Other	(21.6)	1.0	2.5	(18.1)
Net deferred tax positions	9.0	(3.5)	5.3	10.8

NOTE 14 NET INCOME FROM CURRENT OPERATIONS AND NET INCOME, GROUP SHARE

Net income from current operations is an Alternative Performance Measure (APM) (Note 1.5). It corresponds to the Net income, Group share before other operating income and

expenses, net (gain (loss) from obtaining or losing control and other non-recurring items, net of tax) and net income from discontinued operations.

(€ millions)	2022	2021
Current operating income	438.8	358.5
Financial income (loss)	(50.3)	(40.4)
Income taxes on current operating income and financial income (loss)	(104.6)	(86.1)
Current operating income (expenses) and financial income (loss) attributable to non-controlling interests	(6.1)	(4.6)
Net income from continuing current operations, Group share	277.8	227.4
Net income from discontinued operations, Group share⁽¹⁾	103.1	60.5
Other operating income (expenses), gross	(120.4)	(67.7)
Income taxes on other operating income and expenses	13.6	17.9
Other operating income (expenses) attributable to non-controlling interests	1.9	3.2
Net income from continuing operations, Group share	172.9	180.8
Net income from discontinued operations, Group share⁽¹⁾	64.3	59.3

(1) High Temperature Solutions line of business (Note 25).

NOTE 15 EARNINGS PER SHARE

Accounting policy

In its financial statements, Imerys presents both basic earnings per share and diluted earnings per share. Basic earnings per share is equal to net income attributable to holders of ordinary shares divided by the weighted average number of ordinary shares outstanding over the period, i.e. excluding treasury shares (Note 22). Basic earnings per share can be broken down as net basic earnings per share from current operations and net basic earnings per share. Diluted earnings per share simulates the dilutive effect of free shares and share options (Note 8). The previously defined weighted average number of ordinary shares is increased by the average number of ordinary shares that would have been issued between the start and the end of the reporting period if all dilutive options had been exercised by the end of the reporting period. The number of dilutive shares is equal to the difference between the number of shares to be issued through free shares and options and the

number of shares that would be issued at the average market price over the year for an issue of the same amount. To calculate the amount of this issue, each share issued by exercising share options is valued at the share option exercise price plus the fair value of services to be rendered (Note 8), while each free share is valued solely at the fair value of services to be rendered with an exercise price of nil. The surplus number of shares to be issued as free shares and options above the number of shares issued under market conditions corresponds to the number of dilutive shares. However, shares to be issued through options are only taken into account in the calculation for diluted earnings per share when the options are in the money, i.e. the exercise price plus the fair value of services to be rendered is below the average market price for the Imerys share over the year.

Earnings per share

The number of potential ordinary shares taken into account to calculate diluted net income per share excludes share options out of the money, i.e. options where the exercise price plus the fair value of services to be rendered is above the average market price of the Imerys share over the year (€35.42 in 2022 and €39.90 in 2021). All option plans were therefore excluded

from the calculation of diluted earnings per share at December 31, 2022. No significant transaction has changed the number of ordinary shares and potential ordinary shares between December 31, 2022 and February 16, 2023, date at which the financial statements were approved for publication by the Board of Directors.

(€ millions)	2022	2021
Numerator		
Net income from continuing operations, Group share	172.9	180.8
Net income from discontinued operations, Group share ⁽¹⁾	64.3	59.3
Net income, Group share	237.2	240.1
Net income from continuing current operations, Group share	277.8	227.4
Net income from discontinued operations, Group share ⁽¹⁾	103.1	60.5
Net income from current operations, Group share	380.9	287.9
Denominator		
Weighted average number of shares used to calculate basic income per share	84,575,054	84,689,581
Dilutive effect of free shares and share options	1,373,525	1,436,525
Weighted average number of shares used to calculate diluted income per share	85,948,579	86,126,106
Basic income per share, Group share (in €)	2.80	2.83
Basic net income per share from continuing operations, Group share	2.04	2.13
Basic net income per share from discontinued operations, Group share ⁽¹⁾	0.76	0.70
Basic net income per share from continuing current operations, Group share	3.28	2.69
Basic net income per share from discontinued current operations, Group share ⁽¹⁾	1.22	0.71
Diluted income per share, Group share (in €)	2.76	2.79
Diluted net income per share from continuing operations, Group share	2.01	2.10
Diluted net income per share from discontinued operations, Group share ⁽¹⁾	0.75	0.69
Diluted net income per share from continuing current operations, Group share	3.23	2.64
Diluted net income per share from discontinued current operations, Group share ⁽¹⁾	1.20	0.70

(1) High Temperature Solutions line of business (Note 25).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Accounting policy

The assets and liabilities recognized in the consolidated statement of financial position are grouped by materiality and ranked in ascending order of liquidity and due date distinguishing between non-current and current items, according to whether they will be recovered or settled in more or less than 12 months after the end of the reporting period.

They are only offset or incorporate the cost of revenue when required by a standard or interpretation. Comparative information is presented for the prior year Y-1, while comparative information for Y-2 is incorporated by reference (*Chapter 9, Section 9.4 of the Universal Registration Document*).

NOTE 16 GOODWILL

Accounting policy

Goodwill is recognized when the acquisition price of a business is greater than the sum of the fair value of the identifiable assets acquired and liabilities assumed. Goodwill is recognized at the date control is acquired. Transaction costs are recognized as they are incurred in profit under other operating income and expenses (*Note 10*). When the value of the identifiable net assets of the acquired business is greater than its acquisition price, negative goodwill is credited to the acquirer's profit or loss account for the reporting period in which the entity was acquired under other operating income and expenses (*Note 10*). The definitive value of goodwill is finalized within 12 months following the date at which control was acquired. Goodwill for a foreign company is measured in the functional currency of the company and translated in accordance with the rules applicable to translating financial

statements of foreign operations. Goodwill is not amortized. It is allocated to the Cash Generating Units (*Note 19*) that benefit from the synergies resulting from the acquisition. Goodwill is initially tested for impairment before the end of the reporting period during which the entity was acquired and subsequently at least once a year or more frequently if there is an indication that it may be impaired. Impairment loss on goodwill is recognized in other operating income and expenses (*Note 10*) and cannot be reversed. When a business is listed for sale, a share of goodwill from the Cash Generating Unit to which it belongs is allocated to the business and included in its carrying amount. The share of goodwill is allocated based on the relative fair value of the business put up for sale and the remaining components of the Cash Generating Unit.

Estimates

The value of the assets and liabilities of an acquired business is estimated by Executive Management on the basis of a series of assumptions. Assets and liabilities are measured at their acquisition-date fair value except for certain items measured in accordance with specific rules, such as income taxes, measured using the principles set out in *Note 13*, or employee

benefits, measured using the principles set out in *Note 23.1*. When making its estimates, Executive Management may consult third-party specialists, in particular to estimate the value of certain material assets and liabilities or that require complex valuation techniques.

Table of changes

The goodwill recognized on acquisitions represents in particular the development prospects of the acquired businesses within Imerys. Impairment loss on goodwill is presented in *Note 19*. When an impairment loss is recorded against goodwill, it is only maintained on the Statement of Financial Position in the event of a partial write-down, as presented in the following table.

When goodwill is fully impaired, the gross amount and impairment loss are removed from the Statement of Financial Position and no longer appear in the table. In 2022, the Group did not make any significant acquisitions. In 2021, the Group did not make any acquisition.

(€ millions)	2022	2021
Carrying amount at the beginning of the period	2,144.7	2,149.1
Gross amount	2,241.0	2,236.4
Impairment	(96.3)	(87.3)
Incoming entities	-	(23.8)
Outgoing entities	(1.5)	(0.2)
Reclassification to assets held for sale ⁽¹⁾	(202.7)	(5.0)
Exchange rate differences ⁽²⁾	19.7	24.6
Impairment ⁽³⁾	(108.0)	-
Carrying amount at the end of the period	1,852.2	2,144.7
Gross amount	1,937.4	2,241.0
Impairment	(85.2)	(96.3)

(1) In 2022, €200.7 million with respect to the High Temperature Solutions line of business and €2.0 million with respect to the business serving the paper market. In 2021, €5.0 million with respect to the US hydrous kaolin business (Note 25).

(2) Exchange rate differences include €16.5 million relating to the restatement of non-monetary items pursuant to the 1st application of IAS 29 on hyperinflationary economies, of which €6.3 million at January 1, 2022 and €10.2 million in 2022 (Note 2.3).

(3) In 2022, goodwill impairment of €108.0 million on the business serving the paper market (Note 25).

NOTE 17 INTANGIBLE ASSETS

Accounting policy

Intangible assets controlled by Imerys are recognized as assets over their useful life. They are measured at acquisition cost, minus accumulated amortization and any impairment loss. The expenditure incurred by the research teams at Imerys in their efforts to improve the quality and properties of the Group's products is generally in response to customers' specific requirements. Such costs are therefore recognized immediately as an expense in current operating income. They are capitalized only if they correspond to a new or improved industrial process that is both technically feasible and a driver of future economic benefits, meaning if the project has been clearly defined and the expenses identified separately and reliably assessed; the technical feasibility of the project has been demonstrated; Imerys intends to complete the project to use or sell it; adequate technical and financial resources are available to complete the project; and if there is a likelihood that the project will generate future economic benefits for the Group. The capitalized amounts

correspond to the development spending made that is directly attributable to the project. In the absence of any applicable standard or interpretation, Executive Management considers greenhouse gas emission rights as an intangible asset. Imerys uses this allocation with the sole intent of justifying its emissions volume and not for trading purposes by making forward purchases or sales. Rights granted free of charge are recognized to have zero value and rights acquired on the market are recognized at acquisition cost. If at the end of the reporting period, the total rights allocation is not sufficient to cover actual emissions, a provision is recognized in current operating income for the value of rights to be acquired, measured at market value (net liability method) (Note 23.2). Disposals only relate to surplus rights and are recognized in current operating income as asset disposals (Note 9). Executive Management makes estimates regarding the amortization methods applied to intangible assets.

Estimates

In the ordinary course of its business, Imerys uses intangible assets, the consumption of which is represented by amortization. Executive Management believes the best way to estimate this consumption is by using the straight-line method over the assets' useful life applied as follows:

- Software: 1 to 5 years

- Trademarks, patents and licenses: 5 to 40 years
- Industrial processes and others: estimated useful life, specific to the project.

The Group's greenhouse gas emission rights cannot be amortized.

Emission rights

Imerys is subject to greenhouse gas regulation schemes at 11 of its facilities in Europe and one facility in the US. In 2021 and 2022, Imerys used all of the emission rights allocated to its eligible facilities. As the estimated volume of greenhouse gas emissions exceeded the Group's emission rights in 2022, Imerys

set aside a provision of €8.1 million at December 31, 2022 to cover the deficit (€1.4 million at December 31, 2021). Moreover, the carrying amount of emission rights acquired on the market totaled €8.3 million. In the following table, they are included in the "Assets in progress and others" column.

Table of changes

<i>(€ millions)</i>	Software	Trademarks, patents and licenses	Assets in progress and others	Total
Carrying amount at January 1, 2021	50.1	163.1	74.4	287.6
Gross amount	144.0	180.6	152.6	477.3
Amortization, depreciation and impairment	(93.9)	(17.5)	(78.3)	(189.7)
Incoming entities	-	27.3	-	27.3
Outgoing entities	-	-	(0.6)	(0.6)
Acquisitions	17.0	0.1	7.2	24.3
Disposals	-	-	(0.1)	(0.1)
Depreciation and amortization	(13.9)	(3.3)	(9.2)	(26.4)
Reclassification and other	0.4	-	(0.4)	0.0
Exchange rate differences	0.3	(9.4)	0.9	(8.2)
Carrying amount at December 31, 2021	53.9	177.8	72.2	303.9
Gross amount	163.7	198.3	166.7	528.7
Amortization, depreciation and impairment	(109.8)	(20.5)	(94.5)	(224.8)
Outgoing entities	-	(0.3)	(1.5)	(1.8)
Acquisitions	3.3	0.1	41.1	44.5
Disposals	-	(0.2)	(6.0)	(6.2)
Depreciation and amortization	(12.9)	(2.6)	(9.5)	(25.0)
Impairment	(0.4)	-	-	(0.4)
Reclassification and other	8.9	(0.1)	(8.8)	0.0
Reclassification to assets held for sale ⁽¹⁾	(0.6)	(38.6)	(0.8)	(40.0)
Exchange rate differences ⁽²⁾	-	11.7	0.8	12.5
Carrying amount at December 31, 2022	52.2	147.8	87.5	287.5
Gross amount	167.0	159.1	178.2	504.3
Amortization, depreciation and impairment	(114.8)	(11.3)	(90.7)	(216.8)

(1) €39.2 million with respect to the High Temperature Solutions line of business and €0.8 million with respect to the business serving the paper market (Note 25).

(2) Exchange rate differences include €14.7 million relating to the restatement of non-monetary items pursuant to the 1st application of IAS 29 on hyperinflationary economies, of which €5.6 million at January 1, 2022 and €9.1 million in 2022 (Note 2.3).

NOTE 18 PROPERTY, PLANT AND EQUIPMENT

Accounting policy

Freehold property, plant and equipment. Items of property, plant and equipment for which Imerys owns the property rights are initially measured at acquisition or production cost. The cost of property, plant and equipment includes the cost of borrowings that finance their construction or production, when this process takes a substantial period of time. Where applicable, the cost of property, plant and equipment is reduced by the value of government grants awarded to finance their acquisition or construction. Maintenance and repair costs are immediately recognized as an expense in current operating income. The cost of property, plant and equipment also includes the discounted value of restoring or dismantling obligations, where a present obligation exists, in particular for satellite industrial facilities built on land owned by customers (*Note 23.2*). Items of property, plant and equipment are subsequently measured at cost, minus accumulated depreciation and any impairment loss. Executive Management makes estimates regarding the depreciation methods applied to property, plant and equipment.

Leasehold property, plant and equipment. All contracts that convey the right to use an item of non-substitutable property, plant and equipment for a period of time in exchange for consideration are recognized as right-of-use assets against a lease liability (*Note 24.2 – Reconciliation of net financial debt*). This treatment applies to all leases except mine land leases, which are recognized in the manner described in the following paragraph, as well as immaterial leases (leases with terms of 12 months or less and low-value assets), for which payments are recognized as an expense (*Note 7*). Easements, especially for pipelines used to connect mineral deposits, processing facilities and shipping facilities are analyzed as non-mine land leases. Right-of-use assets are initially measured at the value of the lease liability, plus any initial direct costs and equipment dismantling costs where necessary. Lease liabilities are measured at the discounted value of future fixed lease payments due in accordance with a contractual payment schedule, adjusted for rent-free periods. Payments are therefore scheduled through to the reasonably certain end date of the lease, reflecting the date beyond which the lease ceases to be legally enforceable. This date represents the end of the lease, adjusted for any options the lessee is able to exercise regarding early termination or extension and any restrictions the lessor is able to exercise. The lease payments taken into account in the calculation of the lease liabilities include the unconditional payments due in exchange for the right to use the asset, as well as the cost related to the early termination, extension or purchase clauses when it is reasonably certain they will be exercised. The liability calculation excludes any variable payment related to the use of the asset (for example, a payment dependent on the actual number of hours a piece of mining equipment is used), as well as any payment for services rendered by the lessor (for example, rail car maintenance). In the absence of implicit interest rates, future payments determined in this way are discounted using the lessees' incremental borrowing rate. These rates are calculated over the duration of each lease by applying the risk-free rate of the lease currency, increased by Imerys' credit spread in euros and

adjusted for the difference between credit default swaps in France and the lessees' country. The first time deferred tax assets and liabilities are recognized, they are calculated separately for lease liabilities and right-of-use assets, respectively. In subsequent years, right-of-use assets are amortized in current operating income and lease liabilities are measured at amortized cost, which generates an interest expense that is recognized in financial income (loss). When an option is exercised, the lease must be reassessed to symmetrically adjust the carrying amounts of the lease liability and the right of use. Any modification to leases gives rise to such a symmetrical adjustment, except when the scope of the lease is restricted to reduce the capacity of the asset leased or the duration of the lease. In this situation, the carrying amount of the lease liability and the right of use are reduced in proportion to the reduction of the scope, generating an impact recognized in current operating income (*Note 7*). In the financial statements, the following items are presented separately: right-of-use assets, lease liabilities, amortization and depreciation in current operating income generated by right-of-use assets and the interest expense generated by lease liabilities in financial income. In the Consolidated Statement of Cash Flows, the cash payment for the principal portion of the lease liability is presented in "Payments of lease liabilities" for financing activities and the cash payment for the interest portion of the lease liability is presented in interest paid for operating activities.

Mining assets. In the absence of any specific applicable standard or interpretation, Executive Management has defined the following methods to recognize and measure mining assets. Prospection expenditure, i.e. searching for new sites with mineral producing potential and studying the technical feasibility and commercial viability of a geographical area, is immediately recognized as an expense in current operating income. Mineral reserves are included in property, plant and equipment. Freehold mineral deposits are initially measured at acquisition cost minus subsoil. Leasehold mineral deposits are measured at a value of nil if the lease is entered into in the ordinary course of business. If the lease is acquired through a business combination, the acquisition cost of the deposit is measured at the fair value of the ore. Costs incurred to determine the tonnage of ore present in the deposit are added to the acquisition cost. Overburden work, i.e. the process of removing the topsoil to gain access to the deposit, is considered a component of mineral reserve assets. The initial measurement of overburden work includes the production cost and the discounted value of restoration obligations as a result of the deterioration caused by such work. Mineral reserves and overburden assets form the mining assets column in the table of changes below. Mining assets are subsequently measured at cost, minus accumulated depreciation and any impairment loss. Executive Management makes estimates regarding the depreciation methods applied to mining assets. Mining assets are allocated to Cash Generating Units (*Note 19*) in the same way as the Group's other assets and are subject to the same impairment tests.

Estimates

In the ordinary course of its business, Imerys uses property, plant and equipment, the consumption of which is represented by depreciation. Executive Management believes that for most of these assets, the best way to estimate this consumption is by using the straight-line method over the assets' useful life applied as follows, taking into account the useful lives of the components where appropriate:

- Office buildings: 10 to 50 years
- Industrial buildings: 10 to 30 years
- Improvements to office and industrial buildings: 5 to 15 years
- Machinery, tooling, facilities and equipment: 5 to 20 years
- Vehicles: 2 to 5 years.

Right-of-use assets held through leases are depreciated over the reasonably certain end date of the lease. If the lessee is considering exercising their right to purchase the asset, the useful life of the asset leased is applied. Rights of use are depreciated or amortized on a straight-line basis. Freehold and leasehold equipment is depreciated over its useful life, up to the end of the reasonably certain end date of the lease.

Table of changes

The following table shows the change in the carrying amount of property, plant and equipment owned by the Group between the beginning and end of the periods presented. The right-of-use assets column presents the change in rights conveyed by leases to use property, plant and equipment.

Furthermore, Executive Management does not consider the straight-line depreciation method appropriate to reflect the consumption of property, plant and equipment related to mining activities such as mineral reserves (representing €284.8 million at December 31, 2022 and €308.7 million at December 31, 2021) and overburden assets (€130.6 million at December 31, 2022 and €110.3 million at December 31, 2021), as well as certain industrial assets where the realization of the economic benefit is directly related to the level of production. Depreciation of mining assets is therefore estimated in units of production on the basis of actual extraction, while operational monitoring units such as production or operating hours are used to estimate depreciation of industrial assets. A mineral reserve is depreciated to the quantity of the geological inventory of the deposit minus discounts for the geological uncertainty inherent to the resources. Overburden assets, a component of mineral reserve assets, are depreciated over the quantity of reserve to which they specifically give access. Subsoil, i.e. the area of land not part of the mineral deposit, is not depreciated since it is not consumed by mining operations.

The mining assets column includes the carrying amount of mineral deposits that Imerys owns or leases, as well as the overburden work required to gain access to the deposit. The other columns in the table analyze the change in freehold movable and immovable property, depending on their nature.

(€ millions)	Right-of-use assets	Mining assets	Land and buildings	Plant and equipment	Down payments and plants under construction	Other plant and equipment	Total
Carrying amount at January 1, 2021	192.5	425.6	306.1	923.3	198.9	78.6	2,125.0
Gross amount	397.5	907.2	579.7	3,622.2	222.0	309.8	6,038.4
Amortization, depreciation and impairment	(205.0)	(481.6)	(273.6)	(2,698.9)	(23.1)	(231.2)	(3,913.4)
Incoming entities	-	-	9.7	6.3	-	0.9	16.9
Outgoing entities	-	-	(0.6)	(5.9)	(0.3)	-	(6.8)
Acquisitions	-	65.1	9.1	59.9	203.2	5.5	342.8
Acquisition cost and subsequent adjustments	34.4	-	-	-	-	-	34.4
Contributions in kind	-	-	1.1	-	-	-	1.1
Disposals	-	(0.2)	(0.8)	(3.7)	(1.6)	(0.4)	(6.7)
Depreciation and amortization	(53.4)	(57.6)	(13.3)	(153.2)	-	(19.9)	(297.4)
Impairment	(0.3)	(22.1)	(0.9)	(12.3)	(1.3)	-	(36.9)
Reversals of impairment	-	-	0.4	7.3	0.3	-	8.0
Reclassification and other	-	0.4	(8.3)	179.2	(178.9)	7.6	(0.0)
Reclassification to assets held for sale ⁽¹⁾	(2.7)	(11.6)	(6.7)	(13.2)	(3.4)	(0.3)	(37.9)
Exchange rate differences	5.1	19.4	6.6	34.3	7.5	1.8	74.7
Carrying amount at December 31, 2021	175.6	419.0	302.4	1,022.0	224.4	73.8	2,217.2
Gross amount	364.0	966.1	555.2	3,844.9	248.5	307.9	6,286.6
Amortization, depreciation and impairment	(188.4)	(547.1)	(252.8)	(2,822.9)	(24.1)	(234.1)	(4,069.4)
Incoming entities	-	-	-	-	1.5	-	1.5
Outgoing entities ⁽¹⁾	(0.2)	(2.5)	(0.1)	(8.9)	-	(0.4)	(12.1)
Acquisitions	-	72.1	5.4	58.9	212.7	7.8	356.9
Acquisition cost and subsequent adjustments	55.8	-	-	-	-	-	55.8
Disposals	-	-	(3.0)	(2.5)	(0.3)	-	(5.8)
Depreciation and amortization	(53.3)	(57.1)	(14.2)	(145.5)	(1.6)	(20.2)	(291.9)
Impairment	-	(2.3)	(4.3)	(11.3)	-	(0.2)	(18.1)
Reclassification and other	-	0.1	4.1	172.5	(189.9)	13.2	0.0
Reclassification to assets held for sale ⁽²⁾	(45.9)	(23.6)	(66.0)	(220.5)	(23.9)	(7.7)	(387.6)
Exchange rate differences ⁽³⁾	1.1	9.8	3.4	22.4	5.7	1.0	43.4
Carrying amount at December 31, 2022	133.1	415.5	227.7	887.1	228.6	67.3	1,959.3
Gross amount	311.2	976.4	440.1	3,275.7	233.1	280.0	5,516.5
Amortization, depreciation and impairment	(178.1)	(560.9)	(212.4)	(2,388.6)	(4.5)	(212.7)	(3,557.2)

(1) Hydrous kaolin business in the US (Note 25).

(2) €200.3 million with respect to the High Temperature Solutions line of business and €185.7 million with respect to the business serving the paper market (Note 25).

(3) Exchange rate differences include €12.2 million relating to the restatement of non-monetary items pursuant to the 1st application of IAS 29 on hyperinflationary economies, of which €4.5 million at January 1, 2022 and €7.7 million in 2022 (Note 2.3).

Leases

The Group negotiates leases to obtain from lessors the right to use certain mining, industrial and logistics equipment, as well as immovable administrative, industrial and logistical property. At December 31, 2022, the value of these rights, recognized as right-of-use assets, amounted to €133.1 million (€175.6 million at December 31, 2021). The following table presents the change in the carrying amount of right-of-use assets by asset type.

(€ millions)	Industrial land, plants and warehouses	Offices and housing	Rail cars	Mining equipment	Other equipment	Right-of-use assets
Carrying amount at January 1, 2021	75.0	50.7	18.4	21.6	26.8	192.5
Gross amount	138.1	101.2	56.9	39.0	62.3	397.5
Amortization, depreciation and impairment	(63.1)	(50.5)	(38.5)	(17.4)	(35.5)	(205.0)
Acquisition cost and subsequent adjustments	4.9	3.6	4.6	10.9	10.4	34.4
Acquisition cost	16.6	0.7	4.6	11.0	10.8	43.7
Exercise of contractual options	1.1	0.2	-	-	-	1.3
Modification of leases	(12.8)	2.7	-	(0.1)	(0.4)	(10.6)
Depreciation and amortization	(12.6)	(11.0)	(7.8)	(8.5)	(13.5)	(53.4)
Impairment	(0.2)	(0.1)	-	-	-	(0.3)
Reclassification to assets held for sale ⁽¹⁾	-	-	-	-	(2.7)	(2.7)
Exchange rate differences	1.7	1.0	1.4	0.6	0.4	5.1
Carrying amount at December 31, 2021	68.8	44.2	16.6	24.6	21.4	175.6
Gross amount	111.8	105.6	47.6	43.0	56.0	364.0
Amortization, depreciation and impairment	(43.0)	(61.4)	(31.0)	(18.4)	(34.6)	(188.4)
Outgoing entities	-	-	(2.2)	(0.6)	2.6	(0.2)
Acquisition cost and subsequent adjustments	17.2	3.4	6.6	12.4	16.2	55.8
Acquisition cost	15.6	0.9	7.7	12.1	16.4	52.7
Exercise of contractual options	7.4	0.4	-	0.2	(0.2)	7.8
Modification of leases	(5.8)	2.1	(1.1)	0.1	-	(4.7)
Depreciation and amortization	(10.4)	(10.5)	(7.5)	(9.6)	(15.3)	(53.3)
Reclassification to assets held for sale ⁽²⁾	(26.3)	(8.3)	(4.0)	(4.7)	(2.6)	(45.9)
Exchange rate differences	(0.7)	0.5	0.9	0.1	0.3	1.1
Carrying amount at December 31, 2022	48.6	29.3	10.4	22.2	22.6	133.1
Gross amount	78.6	88.6	30.1	41.8	72.1	311.2
Amortization, depreciation and impairment	(30.0)	(59.3)	(19.7)	(19.6)	(49.5)	(178.1)

(1) Hydrous kaolin business in the US (Note 25).

(2) €29.5 million with respect to the High Temperature Solutions line of business and €15.9 million with respect to the business serving the paper market (Note 25).

The right-of-use and lease liability model is applied to all leases, except leases with a term of 12 months or less, leases of low-value assets and variable lease payments and services, which are recognized in expenses. At December 31, 2022, this liability amounted to €31.5 million (€32.1 million at December 31, 2021, as detailed in Note 7). At December 31, 2022, lease liabilities recognized against right-of-use assets amounted to €140.2 million (€188.2 million at December 31, 2021, as detailed in Note 24.2 – Reconciliation of net financial debt) and generated an interest expense of €3.1 million (€3.1 million at December 31, 2021) recognized in financial income (loss) (Consolidated Income Statement). Cash payments for right-of-use contracts recognized in 2022 totaled €64.1 million (€61.9 million at December 31, 2021), broken

down as €61.1 million for the principal (€58.8 million at December 31, 2021) and €3.1 million in interest (€3.1 million at December 31, 2021), in financing and operating activities, respectively, in the Consolidated Statement of Cash Flows. Cash payments made in 2022 for leases with a term of 12 months or less, leases of low-value assets and variable lease payments and services do not differ materially from the amounts recognized in expenses (Note 7). Note 24.5 – Borrower's liquidity risk presents the schedule of future payments for lease liabilities in that of financial liabilities. It also analyzes the sensitivity of such future cash payments to early termination and extension options. The Group does not generate any material revenue from leasing the freehold assets it owns, nor from the sub-lease of assets leased.

NOTE 19 IMPAIRMENT TESTS

Accounting policy

Impairment tests on goodwill are performed every 12 months at the end of the reporting period. An impairment test compares the carrying amount of assets to their recoverable amount. This recoverable amount is equal to its fair value minus costs to sell or its value in use, whichever is higher. Fair value corresponds to the selling price. Value in use is measured by discounting the future cash flows generated by the continuous use of assets and, eventually, disposal. Consequently, the recoverable amount of an asset may not be considered an indicator of the price at which that asset could be sold. In addition to the annual impairment test on goodwill, impairment indicators may trigger immediate testing in the event of an unfavorable development. Furthermore, financial

Judgments

Levels of tests on goodwill. As goodwill feeds into the business management indicators by operating segments which are monitored by Executive Management, it is tested for impairment at the same levels as those monitored by the latter, which are as follows: Performance Minerals, Europe Middle East Africa (PMEMEA), Performance Minerals, Americas (PMA), Performance Minerals, Asia Pacific (PMAPAC) excluding G&C and Graphite & Carbon (G&C) within the Performance Minerals (PM) segment; and Refractory, Abrasives & Construction (RAC) within the High Temperature Materials & Solutions (HTMS) segment. As the majority of the High Temperature Solutions line of business and all of the business serving the paper market was recognized respectively as discontinued operations

Estimates

Recoverable amount. The recoverable amount of an asset is equal to its fair value minus costs to sell or its value in use, whichever is higher. In practice, fair value is able to be reliably measured for individual assets only, where it corresponds to the transaction price of recently disposed similar assets. Value in use is the most frequently used basis of assessment in impairment tests.

Cash flow forecasts. The cash flow forecasts used for impairment tests at December 31, 2022 are taken from the 2023-2026 plan approved by Executive Management. This mid case was developed using independent analysis of underlying markets. To calculate the terminal growth rate, Imerys uses the Gordon Growth Model. The cash flows used correspond to net current free operating cash flow (*Note 24.2 – Reconciliation of net financial debt*) and the change in non-operating working capital requirement (*Note 24.2 – Reconciliation of net financial debt*).

and operational managers of the businesses ensure that the individual assets do not present any impairment risk. Impairment loss is recognized as soon as the recoverable amount of an asset falls below its carrying amount. Any increase in the recoverable amount of an asset results in the reversal of the previously recognized impairment loss, within the carrying amount that would have been obtained in the absence of impairment. Impairment losses on goodwill cannot be reversed. Executive Management makes judgments to define impairment indicators and the levels at which goodwill is tested. Executive Management estimates the timeframe and amount of cash flow forecasts as well as the discount rates used to calculate the value in use.

and assets held for sale (*Note 25*), their assets are excluded from the scope of this test. Other than goodwill, all assets within the Group including right-of-use assets net of lease liabilities and mining assets are covered within the scope of these tests.

Impairment indicators. Executive Management makes judgments as to which events should trigger an impairment test. They mainly include significant changes in the business, interest rates, technology, obsolescence, return on assets and the value of market capitalization falling below consolidated equity. An adverse change to one of these factors will trigger an immediate impairment test.

Discount rates. The discount rate used to calculate value in use is determined using the weighted average cost of capital in the industrial minerals sector, i.e. an estimate of the rate of return demanded by the community of industry lessors, on both equity and debt instruments, including those related to leases. This rate, set at 8.00% for 2022 (6.75% for 2021), is adjusted for a country-market risk premium, which depending on the assets tested ranged from +92 to +174 basis points (+59 to +120 basis points in 2021). In 2022, the average discount rate after income taxes amounted to 8.89% (7.57% in 2021). The calculations after income taxes are the same as those that would be performed with cash flows and rates before income taxes, as required by applicable standards.

In the following table, the discount and terminal growth rates used to calculate the value in use are weighted by the cash flow forecasts of assets tested.

	2022		2021	
	Discount rate	Terminal growth rate	Discount rate	Terminal growth rate
Performance Minerals (PM)	9.02%	1.51%	7.48%	1.29%
Performance Minerals, Europe Middle East and Africa (PMEMEA)	9.09%	1.43%	7.62%	1.55%
Performance Minerals, Americas (PMA)	8.92%	2.23%	7.34%	2.02%
Performance Minerals, Asia Pacific (PMAPAC) excl. G&C	9.74%	3.33%	7.95%	2.90%
Graphite & Carbon (G&C)	8.85%	0.00%	7.39%	0.00%
High Temperature Materials & Solutions (HTMS)	8.64%	1.98%	7.75%	2.86%
High Temperature Solutions (HTS)	0.00%	0.00%	8.17%	3.27%
Refractory, Abrasives & Construction (RAC)	8.64%	1.98%	7.07%	2.20%
Total	8.89%	1.68%	7.57%	1.82%

Changes in cash flow forecasts, discount rates and terminal growth rates have the most significant impact on the Group's financial statements. Imerys conducted simulations to measure the impairment that would be recognized as a result of adverse changes to the assumptions retained in the mid case at December 31, 2022. Executive Management deems the various adverse changes used for the sensitivity tests to be reasonably possible in the context of the test. They are as follows: 5.00% decrease in cash flow forecasts (5.00% decrease at December 31, 2021); 1.00% increase in the discount rate (1.00% increase at December 31, 2021); and 1.00% decrease in the terminal growth rate (1.00% decrease at December 31, 2021).

Furthermore, Imerys calculated its sensitivity to risks arising from climate change with respect to the global warming scenario of +2°C by 2050, as projected by the International Energy Agency (IEA) in its Stated Policies Scenarios published in the World Energy Outlook in 2019. Executive Management selected this scenario, which represents one of the three trajectories modeled by the IEA, for the sensitivity tests as it is deemed to be reasonably possible. Risks accounted for in this

model are heat waves as identified by the *S&P Global Trucost Assessment*, wildfires as identified by the *FM Global Assessment* and the *Angström* index and drought as identified by the *Water Risk Filter* of the *World Wild Fund for Nature* and the *Deutsche Investitions- und Entwicklungsgesellschaft*. Sites included in the sensitivity exercise are those where risks are recognized as uninsurable in the long term, based on the most recent information available at December 31, 2022 as well as those which are usually insurable, but are specifically recognized as uninsurable due to specific climate conditions. On this basis, Executive Management has estimated the frequency of planned closure for each site, as well as the corresponding cash flow losses.

As summarized in the table below, the sensitivity calculated in the mid case scenario indicates, in Performance Minerals, Asia Pacific (PMAPAC) excluding G&C, an impairment of -€12.5 million in the event of a 1.00% increase in the discount rate and an impairment of -€4.5 million in the event of a 1.00% decline in terminal growth rates. However, the sensitivity calculated on risks and opportunities arising from climate change did not indicate any impairment.

(€ millions)	Mid case			Risks arising from climate change
	5% decrease in cash flow	1% increase in the discount rate	1% decrease in the terminal growth rate	
Performance Minerals (PM)				
Performance Minerals, Europe Middle East and Africa (PMEMEA)	None	None	None	None
Performance Minerals, Americas (PMA)	None	None	None	None
Performance Minerals, Asia Pacific (PMAPAC) excl. G&C	None	(12.5)	(4.5)	None
Graphite & Carbon (G&C)	None	None	None	None
High Temperature Materials & Solutions (HTMS)				
High Temperature Solutions (HTS)	None	None	None	None
Refractory, Abrasives & Construction (RAC)	None	None	None	None

Annual impairment test on goodwill

The annual impairment test did not lead to the recognition of any impairment loss in 2021 or 2022. The following table presents the carrying amount of goodwill at the closing date.

	2022	2021
(€ millions)	Carrying amount	Carrying amount
Performance Minerals (PM)	1,100.2	1,201.4
Performance Minerals, Europe Middle East and Africa (PMEMEA) ⁽¹⁾	526.2	558.6
Performance Minerals, Americas (PMA) ⁽¹⁾	423.7	457.7
Performance Minerals, Asia Pacific (PMAPAC) excl. G&C ⁽¹⁾	123.0	157.9
Graphite & Carbon (G&C)	27.2	27.2
High Temperature Materials & Solutions (HTMS)	751.2	942.5
High Temperature Solutions (HTS) ⁽²⁾	-	190.4
Refractory, Abrasives & Construction (RAC)	751.2	752.1
Goodwill	1,851.4	2,143.9
Holding	0.8	0.8
Total	1,852.2	2,144.7

(1) Goodwill of €110.0 million from PMEMEA, PMA and PMAPAC excluding G&C was allocated to the business serving the paper market, which were designated as assets held for sale at December 31, 2022 (Note 25).

(2) Goodwill for the High Temperature Solutions line of business is included in the scope of this business recognized as a discontinued operation (Notes 10 & 25).

Impairment tests on individual assets

An adverse change in impairment indicators may trigger an immediate impairment test on individual assets, in addition to the annual impairment test on goodwill. Financial and operational managers of the businesses pay particular attention to identifying impairment indicators for individual assets. Imerys recognized impairment of €18.1 million with respect to its industrial production facilities, of which €7.2 million in the Performance Minerals segment and €10.9 million in the High Temperature Materials & Solutions segment. Out of this €18.1 million, €11.9 million were recognized with respect to the restructuring of Group operations in Russia and Ukraine, of which €1.0 million in the Performance Minerals segment and €10.9 million in the High Temperature Materials & Solutions

segment. Reversals of impairment recognized in 2022 are incidental. These impairment losses were recognized in other operating income and expenses (Note 10). In 2021, tests on individual assets led to the recognition of €37.0 million in impairment with respect to the Group's industrial production facilities, of which €28.2 million in the Performance Minerals segment, €8.8 million in the High Temperature Materials & Solutions segment. In 2021, €8.1 million was recognized in reversals of impairment, of which €0.5 million in the Performance Minerals segment and €7.6 million in the High Temperature Materials & Solutions segment. As a result, €28.9 million was recognized in impairment loss, net of reversals in other operating income and expenses (Note 10).

NOTE 20 INVENTORIES

Accounting policy

Inventories are recognized as assets at the date at which the risks, rewards and control are transferred to Imerys. When sold, inventories are recognized as an expense in current operating income at the same date as the corresponding revenue. Inventories are measured at cost of production or net realizable value, whichever is lower. When production is below normal capacity, fixed production overheads specifically exclude any idle capacity costs. Inventories with similar characteristics are measured using the same method. The

Group uses “First-In, First-Out” (FIFO) accounting and the weighted average cost method. If the cost of production is not recoverable, it is written down to its net realizable value in accordance with the physical condition of the stock or the forecast movement of existing stock at the end of the reporting period for the type of inventory considered. Due to the vast range of minerals extracted and beneficiated by the Group, it is not possible to systematically estimate inventory write-downs simply based on turnover rate.

Gross amount and write-down of inventories

(<i>€ millions</i>)	2022			2021		
	Gross amount	Write-down	Carrying amount	Gross amount	Write-down	Carrying amount
Raw materials	385.1	(19.3)	365.8	426.3	(21.9)	404.4
Work in progress	132.6	(4.5)	128.1	112.1	(3.8)	108.3
Finished goods	209.0	(12.2)	196.8	275.5	(17.4)	258.1
Merchandise	100.6	(1.4)	99.2	80.2	(1.9)	78.3
Total⁽¹⁾	827.3	(37.4)	789.9	894.1	(45.0)	849.1

(1) The carrying amount at the end of the reporting period excludes the items of the High Temperature Solutions line of business and the business serving the paper market at December 31, 2022, as well as the items of the hydrous kaolin business in the US at December 31, 2021.

NOTE 21 FINANCIAL ASSETS

21.1 CATEGORIES OF FINANCIAL ASSETS

The following tables present the value of financial instruments with respect to consolidated assets. The categories used to present the carrying amounts of financial instruments are explained in *Note 11*. The totals distinguish between operational hedge derivatives (hedge of operational foreign exchange risk and energy price risk) and financial hedge

derivatives (hedge of financial foreign exchange risk, interest rate risk and conversion of financial statements risk). Financial hedge derivatives are used to calculate net financial debt (*Note 24.2 – Reconciliation of net financial debt*). The carrying amounts represent fair value, insofar as they correspond to the amount of cash to be received.

At December 31, 2022

(€ millions)	Non-hedge accounting			Hedge accounting				Total
	IFRS 9 categories		Non IFRS 9	Cash flow		Net investment		
	Amortized cost	Fair value through profit or loss		Hedged item	Hedge	Hedged item	Hedge	
Non-current assets								
Other financial assets	7.0	2.3	16.1	-	-	-	-	25.4
Other receivables	6.1	-	25.7	-	-	-	-	31.8
Current assets								
Trade receivables	489.9	-	-	-	-	-	-	489.9
Other receivables	40.9	-	167.5	-	-	-	-	208.4
Derivative financial assets	-	2.7	-	-	22.3	-	2.0	27.0
Conversion of financial statements risk	-	-	-	-	-	-	2.0	2.0
Transactional currency risk	-	2.7	-	-	15.8	-	-	18.5
Energy price risk	-	-	-	-	6.5	-	-	6.5
Other financial assets	2.1	(0.1)	-	-	-	-	-	2.0
Cash and cash equivalents	620.2	-	-	-	-	-	-	620.2
Total⁽¹⁾	1,166.2	4.9	209.3	0.0	22.3	0.0	2.0	1,404.7
of which operational derivatives	-	-	-	-	22.3	-	-	22.3
of which financial derivatives	-	2.7	-	-	-	-	2.0	4.7

(1) The carrying amount at the end of the reporting period excludes the items of the High Temperature Solutions line of business and the business serving the paper market.

At December 31, 2021

(€ millions)	Non-hedge accounting			Hedge accounting				Total
	IFRS 9 categories		Non IFRS 9	Cash flow		Net investment		
	Amortized cost	Fair value through profit or loss		Hedged item	Hedge	Hedged item	Hedge	
Non-current assets								
Other financial assets	16.6	-	26.8	-	-	-	-	43.4
Other receivables	4.0	-	37.6	-	-	-	-	41.6
Derivative financial assets	-	-	-	-	-	-	0.6	0.6
Conversion of financial statements risk	-	-	-	-	-	-	0.6	0.6
Current assets								
Trade receivables	614.3	-	-	-	-	-	-	614.3
Other receivables	38.8	-	199.9	-	-	-	-	238.7
Derivative financial assets	-	5.3	-	-	70.1	-	-	75.4
Transactional currency risk	-	5.3	-	-	4.4	-	-	9.7
Energy price risk	-	-	-	-	65.7	-	-	65.7
Other financial assets	2.7	5.3	-	-	-	-	-	8.0
Cash and cash equivalents	577.2	-	-	-	-	-	-	577.2
Total⁽¹⁾	1,253.6	10.6	264.3	0.0	70.1	0.0	0.6	1,599.2
of which operational derivatives	-	-	-	-	70.1	-	-	70.1
of which financial derivatives	-	5.3	-	-	-	-	0.6	5.9

(1) The carrying amount at the end of the reporting period excluded the items of the hydrous kaolin business in the US.

21.2 TRADE RECEIVABLES, OTHER RECEIVABLES AND OTHER FINANCIAL ASSETS

Accounting policy

After their initial recognition, receivables are measured at their amortized cost. A write-down is recognized for the value of expected credit losses. Such losses correspond to the estimated weighted probability of credit losses, i.e. the expected loss of cash over the life of the trade receivable, minus cash to be received from credit insurance where

applicable (Note 21.3). A receivable sold to a banking institution for financing purposes is only derecognized if the factoring agreement also transfers to the factor all the risks and rewards incidental to the receivable. The cash flow received from the factor is included in operating cash flows (Consolidated Statement of Cash Flows).

Table of changes

At December 31, 2022, other non-current financial assets corresponded to €16.1 million in surplus and reimbursement rights of employee benefit plans (€26.9 million at December 31, 2021) (Note 23.1), €7.0 million in loans and deposits (€12.8 million at December 31, 2021) and a €2.3 million stake in Canadian group Northern Graphite Corporation (NGC), received in 2022 as part of the considerations received for the disposal of the Canadian and Namibian natural graphite business (Note 25). The stake in NGC is measured at fair value. Related changes, recognized as

other comprehensive income, stood at -€1.3 million in 2022 (Consolidated Statement of Comprehensive Income). Moreover, other non-current financial assets included €30.5 million in loans to joint ventures and associates at December 31, 2021, which were reimbursed in 2022. A significant proportion of other non-current receivables and related write-downs is made up of tax receivables excluding income taxes in Brazil. Other current receivables are also mainly made up of tax receivables excluding income taxes.

(€ millions)	Other non-current financial assets	Other non-current receivables	Trade receivables	Other current receivables	Other current financial assets	Total
Carrying amount at January 1, 2021	49.1	29.8	568.0	196.4	9.9	853.3
Gross amount	66.9	53.7	601.1	201.4	12.6	935.8
Write-down	(17.8)	(23.9)	(33.2)	(5.0)	(2.6)	(82.5)
Change in the scope of consolidation	-	-	(2.6)	1.0	-	(1.6)
Net change	(5.5)	14.1	48.4	40.3	(2.1)	95.2
Write-downs	0.3	(2.7)	(1.8)	0.7	-	(3.5)
Reclassification to assets held for sale ⁽¹⁾	-	-	(9.1)	(0.5)	-	(9.6)
Other	0.1	(0.1)	1.0	(1.0)	-	0.0
Exchange rate differences	(0.6)	0.5	10.4	1.8	0.2	12.3
Carrying amount at December 31, 2021	43.4	41.6	614.3	238.7	8.0	946.0
Gross amount	61.1	68.5	650.3	242.9	10.7	1,033.5
Write-down	(17.7)	(26.9)	(36.0)	(4.2)	(2.7)	(87.5)
Change in the scope of consolidation	1.2	-	(0.4)	(2.3)	-	(1.5)
Net change	(10.2)	(3.0)	76.5	(2.3)	(0.7)	60.3
Write-downs	(0.4)	0.5	(0.3)	2.0	0.7	2.5
Reclassification to assets held for sale ⁽²⁾	(8.5)	(9.7)	(199.0)	(28.5)	(5.8)	(251.5)
Exchange rate differences	(0.1)	2.4	(1.2)	0.8	(0.2)	1.7
Carrying amount at December 31, 2022	25.4	31.8	489.9	208.4	2.0	757.5
Gross amount	36.0	36.7	507.4	212.6	4.0	796.7
Write-down	(10.6)	(4.9)	(17.5)	(4.2)	(2.0)	(39.2)

(1) Hydrous kaolin business in the US (Note 25).

(2) -€193.2 million with respect to the High Temperature Solutions line of business, -€69.0 million with respect to the business serving the paper market, €10.7 million with respect to the US hydrous kaolin business (Note 25).

The following table presents details of the main factoring agreement signed by the PM segment as well as the amount derecognized at the end of the reporting period.

	PM
Effective date of the agreement	September 2009
Possible redress for factor from Imerys on derecognized receivables	No
Since 90 days and more	20
Contractual duration	Unlimited
Maximum outstanding amount including all taxes (€ millions)	15.0
Pre-identification of derecognized receivables	Yes
Transfer of all risks and benefits to the factor, including default and late payment risks	Yes
Carrying amount of derecognized receivables at December 31, 2022 (€ millions)	6.2
Carrying amount of derecognized receivables at December 31, 2021 (€ millions)	6.2

21.3 MANAGING RISK IN RESPECT OF FINANCIAL ASSETS

Credit risk

Description of the risk. Credit risk is the risk that a debtor of Imerys does not reimburse their debt at the agreed due date. It mainly affects the trade receivables category.

Risk management. Credit risk is monitored at entity level by analyzing the breakdown of receivables by maturity. Generally due between 30 and 90 days, the Group's receivables are not covered by any material financing component. The following table presents a breakdown by maturity at the end of the reporting period:

(€ millions)	2022	2021
Receivables not yet due	387.1	525.8
Receivables due	160.7	151.2
1 to 30 days	98.5	80.8
31 to 60 days	17.6	23.5
61 to 90 days	11.1	5.2
More than 90 days	33.5	41.7
Total	547.8	677.0

At the end of the reporting period, receivables and other financial assets are written down to their recoverable amount (Note 21.2). Group entities may hedge credit risk through credit insurance contracts or warranties (Note 28 – Commitments received). At December 31, 2022, the Group's maximum

exposure to credit risk before credit insurance and warranties, i.e. gross receivables net of write-downs, amounted to €757.5 million (€946.0 million at December 31, 2021). The following table presents the change in write-downs of receivables and other financial assets:

(€ millions)	Other non-current financial assets	Other non-current receivables	Trade receivables	Other current receivables	Other current financial assets	Total
Balance at January 1, 2021	(17.8)	(23.9)	(33.2)	(5.0)	(2.6)	(82.5)
Change in the scope of consolidation	-	-	(0.5)	-	-	(0.5)
Increase	(0.6)	0.5	(8.3)	(0.1)	-	(8.5)
Utilizations	0.9	(3.2)	6.5	0.8	-	5.0
Other	-	(0.1)	(0.1)	0.2	-	0.0
Exchange rate differences	(0.2)	(0.2)	(0.4)	(0.1)	(0.1)	(1.0)
Balance at December 31, 2021	(17.7)	(26.9)	(36.0)	(4.2)	(2.7)	(87.5)
Change in the scope of consolidation	-	-	0.7	-	-	0.7
Increase	(1.4)	(0.1)	(8.4)	(0.3)	-	(10.2)
Utilizations	1.0	0.6	8.1	2.3	0.7	12.7
Reclassification to assets held for sale ⁽¹⁾	1.7	23.3	17.5	0.2	-	42.7
Other	5.7	1.9	-	(1.9)	-	5.7
Exchange rate differences	0.1	(3.7)	0.6	(0.3)	-	(3.3)
Balance at December 31, 2022	(10.6)	(4.9)	(17.5)	(4.2)	(2.0)	(39.2)

(1) €18.3 million with respect to the High Temperature Solutions line of business and €24.4 million with respect to the business serving the paper market (Note 25).

Transactional currency risk

Description of the risk. Transactional currency risk is the risk whereby a cash flow labeled in foreign currency may be subject to a deterioration caused by unfavorable fluctuations in its cross-entry in functional currency. In assets, transactional currency risk mainly affects trade receivables.

Risk management. In assets, transactional currency risk is managed in accordance with the same principles as the transactional currency risk related to financial liabilities (Note 24.5 – Transactional currency risk).

NOTE 22 EQUITY

Capital management principles

The management of capital covers three main fields: consolidated equity, share-based payments and share buybacks. Consolidated equity is managed to maintain a stable financial structure that generates dividends for shareholders by increasing earnings at a sustained, regular pace. Incentive schemes in which share options and free shares are granted to certain key employees help Imerys to reach this objective (Note 8). Share buyback programs are intended to improve the transaction liquidity and price stability of the Imerys share as well as make certain share-based payments and cancellations necessary to offset the dilutive impact of exercised share options and vested free share grants.

Consolidated equity is composed of the capital and premiums of Imerys S.A. as well as its consolidated income and reserves. There are no hybrid instruments that combine the characteristics of liabilities and equity instruments. At December 31, 2022:

- consolidated equity amounted to €3,385.4 million (€3,241.9 million at December 31, 2021) on the basis of which the Board of Directors has proposed a dividend of €3.85 per share (€1.55 in 2021);

- no share options were exercised in 2022 and 1,376,475 free shares granted to certain employees and executive corporate officers that have not been exercised or not yet vested, which represents 1.60% of the share capital of Imerys S.A. after dilution (1.66% of the share capital after dilution at December 31, 2021);
- after transactions made throughout the year to purchase, sell, cancel or transfer shares, Imerys S.A. held 573,022 Imerys shares (356,196 shares at December 31, 2021).

The capital of Imerys S.A. is subject to a number of mandatory requirements under the French Code of Commerce (*Code de commerce*). These requirements do not have any material impact on the financial statements. Furthermore, part of the Group's financing is secured through debt instruments, issued on the condition of compliance with a covenant related to the amount of consolidated equity. The covenant and the corresponding value recorded at the end of the reporting period are presented in Note 24.5 – *Borrower's liquidity risk*.

Accounting policy

Treasury share buybacks are recognized at acquisition cost against equity. The price of any subsequent disposal is directly recognized in equity.

Activity for the period

(number of shares)	2022			2021		
	Shares issued	Treasury shares	Outstanding shares	Shares issued	Treasury shares	Outstanding shares
Number of shares at the beginning of the period	84,940,955	(356,196)	84,584,759	84,940,955	(182,330)	84,758,625
Capital increase	-	-	-	-	-	-
Capital decrease	-	-	-	-	-	-
Treasury share transactions	-	(216,826)	(216,826)	-	(173,866)	(173,866)
Number of shares at the end of the period	84,940,955	(573,022)	84,367,933	84,940,955	(356,196)	84,584,759

At December 31, 2022, Imerys' fully paid up share capital totaled €169,881,910 divided into 84,940,950 shares each with a par value of €2 (€169,881,910 divided into 84,940,955 shares each with a par value of €2 at December 31, 2021). No stock options were exercised in 2022.

The share capital has not changed and the number of voting rights has not undergone any significant change between December 31, 2022 and February 16, 2023, i.e. the date at which the annual financial statements at December 31, 2022 were approved by the Board of Directors.

NOTE 23 PROVISIONS

23.1 PROVISIONS FOR EMPLOYEE BENEFITS

In accordance with the regulatory framework and business practices in each country, Imerys makes contributions to pension plans for its employees. Benefits are granted either through defined contribution plans, the future value of which is

not guaranteed by Imerys (*Note 8*), or defined benefit plans, the future value of which is guaranteed by Imerys by the provisions analyzed in this note.

(€ millions)	2022	2021
Pension plans	131.1	221.9
Health insurance	16.4	18.7
Other long-term employee benefits	8.9	13.2
Termination benefits	3.8	5.9
Total⁽¹⁾	160.2	259.7

(1) The carrying amount at the end of the reporting period excludes the items of the High Temperature Solutions line of business and the business serving the paper market at December 31, 2022, as well as the items of the hydrous kaolin business in the US at December 31, 2021.

Accounting policy

Defined contribution plans. In accordance with the regulatory framework and business practices in each country, Imerys makes contributions to pension plans for its employees by making, either on a mandatory or voluntary basis, contributions to third-party institutions such as pension funds, insurance companies or financial institutions. These plans, called defined contribution plans, do not provide beneficiaries with a guarantee of the total benefit that will be paid in the future. Contributions to these plans are recognized as staff expenses (*Note 8*).

Defined benefit plans. In contrast, Imerys provides beneficiaries of defined benefit plans with a guaranteed future benefit. The corresponding obligations are measured using the Projected Unit Credit Method by means of economic and demographic actuarial assumptions. These assumptions are used to measure the value of the rights acquired by beneficiaries on the basis of an estimated salary at retirement date. Provisions and assets are recognized for the discounted value of the obligation, minus the fair value of plan assets, and capped where necessary. The rates used to discount obligations and calculate the normative return on assets in profit or loss are fixed by reference to the rates of bonds issued by AA-rated companies (high quality) within the main iBoxx GBP and USD Corporate AA indices. Where negative interest rates arise, they are applied as published, without a lower limit

of zero. Executive Management make estimates concerning actuarial assumptions. Contributions to the funds and direct payments to beneficiaries are recognized in current operating income (*Note 8*) except for contributions and payments related to restructuring operations, which are recognized in other operating revenue and expenses (*Note 10*) and contributions to under-funded closed plans with mandatory funding requirements, which are recognized in financial income (loss) (*Note 12*). The impact of these contributions is neutralized by decreases in provisions recognized in each of these three levels of profit or loss. Other elements causing changes in post-employment plans are recognized in current operating income (*Note 8*), except for amendments, curtailments and settlements related to restructuring operations, which are recognized in other operating income and expenses (*Note 10*) and unwinding of obligations and normative return on assets, which are recognized in financial income (loss) (*Note 12*). Administrative fees are recognized in current operating income (*Note 8*) except for administrative fees for under-funded closed plans with mandatory funding requirements, which are recognized in financial income (loss) (*Note 12*). Plan amendments, curtailments and settlements are immediately recognized in profit or loss. Actuarial differences and caps on post-employment plan assets are fully recognized in other comprehensive income, net of asset management fees, with no subsequent reclassification in profit or loss.

Characteristics of defined benefit plans

At December 31, 2022, the Group's defined employee benefit obligations totaled €945.9 million (€1,450.9 million at December 31, 2021), made up of retirement benefits, post-employment health insurance and other pre-retirement benefits

such as jubilee awards. The obligations, the value of which is presented as negative values in the following table, are mainly incurred in the UK and the US:

(<i>€ millions</i>)	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Pension plans	(585.3)	(198.6)	(136.8)	(920.7)	(948.2)	(248.1)	(222.6)	(1,418.9)
Post-retirement health insurance	-	(9.9)	(6.4)	(16.3)	-	(11.4)	(7.3)	(18.7)
Other pre-retirement benefits	-	-	(8.9)	(8.9)	-	-	(13.3)	(13.3)
Total	(585.3)	(208.5)	(152.1)	(945.9)	(948.2)	(259.5)	(243.2)	(1,450.9)

At December 31, 2022, 18,199 beneficiaries were covered by these obligations (17,810 beneficiaries at December 31, 2021), including employees who have been granted rights in return for the years of service they accumulate within the Group (active beneficiaries), employees who will no longer acquire rights in

return for the years of service accumulated within the Group as well as former employees still in employment outside the Group (deferred beneficiaries) and former employees now in retirement (retired beneficiaries). The following table breaks down the main characteristics of these beneficiaries:

	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Headcount								
Active beneficiaries	324	857	7,853	9,034	371	976	7,255	8,602
Deferred beneficiaries	1,328	1,068	613	3,009	1,411	1,042	545	2,998
Retired beneficiaries	3,902	1,494	760	6,156	3,944	1,501	765	6,210
Total	5,554	3,419	9,226	18,199	5,726	3,519	8,565	17,810
Average age								
Active beneficiaries	56	55	44	45	56	54	43	45
Deferred beneficiaries	57	58	50	56	57	58	51	56
Retired beneficiaries	76	73	75	75	75	72	75	75
Years of service								
Active beneficiaries	31	19	13	14	31	19	13	14

At December 31, 2022, 75.5% of the Group's total obligation was accounted for by just two plans (76.2% at December 31, 2021) – the Imerys UK Pension Scheme (Imerys UK) and the Imerys USA Retirement Growth Account Plan (Imerys USA). The following table breaks down the main characteristics of these two plans:

	2022		2021	
	Imerys UK	Imerys USA	Imerys UK	Imerys USA
Obligation by category of beneficiaries (€ millions)				
Active beneficiaries	(65.1)	(35.4)	(140.4)	(48.9)
Deferred beneficiaries	(99.8)	(41.5)	(205.4)	(46.4)
Retired beneficiaries	(420.4)	(52.4)	(602.4)	(62.5)
Total	(585.3)	(129.3)	(948.2)	(157.8)
Average age				
Active beneficiaries	56	56	56	55
Deferred beneficiaries	57	58	57	59
Retired beneficiaries	76	73	75	73
Eligibility				
Recruitment cut-off date	12/31/2004	03/31/2010	12/31/2004	03/31/2010
Retirement age	65	65	65	65
Description of the benefit				
Type of payment	Annuity ⁽¹⁾	Capital ⁽²⁾	Annuity ⁽¹⁾	Capital ⁽²⁾
Pegged to retail price index	Yes	No	Yes	No
Closing date for future accruals	03/31/2015	12/31/2014	03/31/2015	12/31/2014
Regulatory framework				
Minimum employer funding requirement	Yes ⁽³⁾	Yes ⁽³⁾	Yes ⁽³⁾	Yes ⁽³⁾
Minimum beneficiary contribution requirement	Yes	No	Yes	No
Governance				
Trustees representing the employer	Yes	Yes	Yes	Yes
Trustees representing the beneficiaries	Yes	No	Yes	No
Independent trustees	Yes	No	Yes	No
Trustee responsibility				
Defining the investment strategy	Yes	Yes	Yes	Yes
Negotiating deficit refinancing with the employer	Yes	-	Yes	-
Administrative management of the benefit payment	Yes	Yes	Yes	Yes

(1) The annuity is calculated according to the number of years of service accumulated, annual salary at retirement and an average of the three last annual salaries.

(2) Capital with guaranteed interest rate (Cash Balance Plan).

(3) The employer is required to fund each unit of service accumulated at 100.0% on the basis of a funding valuation.

Managing employee benefit risk

Risk description. Through the financial management of employee benefits, Imerys seeks to control the funding ratio of obligations, i.e. the ratio between the value of plan assets and the value of obligations. The funding ratio of obligations may be deteriorated by a decorrelation between a change in value (generally negative) of plan assets and a change in value (generally positive) of obligations. The value of plan assets may be reduced by deteriorating the fair value of investments. The value of obligations may rise for (i) all plans after a drop in discount rates or (ii) benefits paid as life annuities, either due to an increase in the inflation rates used to remeasure the obligations of certain plans, or due to an increase in the life expectancy of beneficiaries.

Risk management. In order to control the funding ratio of obligations, Imerys aims first and foremost to optimize the value of plan assets. Investment strategies are therefore

devised to deliver a steady return while also taking advantage of opportunities with limited or moderate risks levels. The choice of investments is specific to each plan and factors in the duration of the plan as well as minimum funding regulatory constraints. Since 2011, Imerys has pursued a specific strategy to control the funding ratio of obligations in the UK in particular, which defines plan asset investments to match the obligation. The strategy, known as Liability Driven Investment (LDI), controls the funding ratio of the obligation by pegging cash inflows to cash outflows over the duration of the obligation. In practice, it involves structuring the portfolio of plan assets so that the cash inflows generated by the return on investments match the cash outflows generated by the payment of benefits. It hedges the risk of an increase in the obligation due to a drop in discount rates (or an increase in inflation rates) by covering a portion of the value of the regularly revised obligation.

Financing employee benefits

Imerys finances the majority of employee benefits with investments unavailable to third parties in trusts or insurance contracts legally separate from the Group. At December 31, 2022, the value of these investments designated as plan assets amounted to €805.5 million (€1,217.8 million at December 31, 2021). Imerys also holds reimbursement rights, i.e. investments held directly by the Group, which amounted to €0.2 million at December 31, 2022

(€6.2 million at December 31, 2021). Therefore, the funding ratio of obligations equaled 85.2% at December 31, 2022 (84.3% at December 31, 2021). The total deficit of funded plans and unfunded plans amounted to €140.3 million at December 31, 2022 (€226.9 million at December 31, 2021), as disclosed in the following table:

(<i>€ millions</i>)	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Obligations funded by plan assets	(585.3)	(197.1)	(95.4)	(877.8)	(948.2)	(246.5)	(108.8)	(1,303.5)
Obligations funded by reimbursement rights	-	-	(0.5)	(0.5)	-	-	(28.2)	(28.2)
Plan assets	600.3	134.3	70.9	805.5	968.4	180.9	68.5	1,217.8
Plan assets ceiling	-	-	(0.1)	(0.1)	-	-	-	-
Reimbursement rights	-	-	0.2	0.2	-	-	6.2	6.2
Funded plans surplus (deficit)	15.0	(62.8)	(24.9)	(72.7)	20.2	(65.6)	(62.3)	(107.7)
Unfunded obligations	-	(11.4)	(56.2)	(67.6)	-	(13.0)	(106.2)	(119.2)
Total surplus (deficit)	15.0	(74.2)	(81.1)	(140.3)	20.2	(78.6)	(168.5)	(226.9)

The following table presents the contributions paid to the funds by profit or loss level in 2021 and 2022 as well as an estimate for 2023. Contributions are generally recognized in current operating income. They are recognized in other operating revenue and expenses when they relate to restructuring. Contributions recognized in financial income (loss) are intended to recover the deficit of closed plans (absence of current

service) with mandatory funding requirements. In this respect, each euro of service rendered before the plan was closed has been funded by a contribution of the same amount in current operating income. However, a drop in discount rates, increase in inflation rates and reduction in the fair value of investments has broken this initial balance and additional contributions are now required to restore it.

<i>(€ millions)</i>	2023 estimate	2022	2021
Contributions in current operating income	(4.7)	(5.5)	(9.2)
Contributions in financial income (loss) (closed plans)	(12.6)	(10.2)	(11.2)
Employer contributions	(17.3)	(15.7)	(20.4)

Plan assets are mainly invested in instruments whose market values are listed on an active market:

	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Listed assets	100.0%	100.0%	9.5%	91.6%	100.0%	100.0%	10.3%	95.0%
Equity	7.4%	40.0%	-	12.1%	5.4%	20.0%	-	7.3%
Debt	90.7%	45.0%	0.6%	74.8%	93.7%	60.0%	0.8%	83.5%
Real estate	0.6%	-	-	0.5%	0.4%	-	-	0.3%
Money market investments	1.3%	15.0%	8.9%	4.3%	0.5%	20.0%	9.5%	3.9%
Unlisted assets	-	-	90.5%	8.4%	-	-	89.7%	5.0%
Debt	-	-	0.1%	-	-	-	0.2%	-
Money market investments	-	-	90.4%	8.4%	-	-	89.5%	5.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

In 2022, the assets held by Imerys to finance employee benefits generated -€325.0 million in actual interest earnings (€20.1 million in 2021), i.e. an actual rate of return, including currency effects, of -24.3% in 2022 (1.7% in 2021), as presented in the following table. In accordance with applicable legal and regulatory standards, this return was only credited to

financial income (loss) to the extent of a normative share of €21.5 million in 2022 (€14.5 million in 2021), calculated on the basis of the risk-free rate used to discount the obligations. The surplus of the actual return above the normative return was debited to other comprehensive income for -€346.5 million in 2022 (€5.6 million in 2021).

<i>(€ millions)</i>	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Assets at the beginning of the period	968.5	180.9	74.6	1,224.0	924.4	172.9	70.7	1,168.0
Contributions	8.6	1.6	6.8	17.0	7.5	8.1	6.1	21.7
Payments to beneficiaries	(48.0)	(24.2)	(3.2)	(75.4)	(42.5)	(18.4)	(4.9)	(65.8)
Assets held for sale	-	-	(10.1)	(10.1)	-	-	-	-
Exchange rate differences	(38.2)	11.8	1.5	(24.9)	64.1	14.2	1.7	80.0
Actual return on assets	(290.6)	(35.8)	1.4	(325.0)	15.0	4.1	1.0	20.1
Normative return (financial income (loss))	16.9	4.1	0.5	21.5	10.4	3.8	0.3	14.5
Adjustment to actual return (equity)	(307.5)	(39.9)	0.9	(346.5)	4.6	0.3	0.7	5.6
Assets at the end of the period	600.3	134.3	71.0	805.6	968.5	180.9	74.6	1,224.0
Actual rate of return	(27.5)%	(17.5)%	1.8%	(24.3)%	1.5%	2.3%	1.6%	1.7%

Estimates

Executive Management makes estimates regarding the actuarial assumptions used to measure defined benefit plans. The following assumptions are weighted by the amount of obligations or assets, depending upon the item to which they apply.

	2022				2021			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Discount rates	4.80%	4.76%	3.01%	4.43%	1.80%	2.20%	1.07%	1.75%
Retail price index	3.15%	-	1.22%	2.76%	3.40%	-	1.19%	3.13%
Salary increase rate	2.80%	-	2.82%	2.80%	2.95%	-	2.57%	2.89%
Changes in medical expense rates	-	-	9.11%	9.11%	-	-	9.31%	9.31%
Duration (years)	13	8	12	12	14	10	13	13

Among these estimates, it is the discount rate that has the most significant impact on the Group's financial statements. The following table presents the impact of a reasonably estimated change in discount rates following a possible decrease (lower case) or increase (higher case) in the assumption applied to the financial statements at December 31, 2022 (actual 2022). The impact of these

changes is measured on three aggregates (obligation, net interest and current service cost) in the two monetary zones in which the most significant obligations have been undertaken (UK and US). The reasonably estimated change in discount rates has been set at 50 basis points, based on the weighted average change in discount rates in the UK and the US over the last five years.

(€ millions)

	Lower case	Mid case	Higher case
UK			
Discount rate	4.3%	4.8%	5.3%
Obligation at the closing date	(626.3)	(585.3)	(548.4)
Net interest in 2023 profit or loss ⁽¹⁾	(0.9)	0.9	3.0
Cost of services rendered in 2023 profit or loss ⁽²⁾	-	-	-
US			
Discount rate	4.3%	4.8%	5.3%
Obligation at the closing date	(217.1)	(208.9)	(201.4)
Net interest in 2023 profit or loss ⁽¹⁾	(3.3)	(3.3)	(3.3)
Cost of services rendered in 2023 profit or loss	(0.7)	(0.7)	(0.7)

(1) Unwinding of the obligation, net of normative return on assets.

(2) Plan closed and frozen since April 1, 2015.

Tables of changes

At December 31, 2022

(€ millions)	Obligations	Assets	Assets (provisions)
Balance at January 1, 2022	(1,450.9)	1,224.0	(226.9)
Plan assets			20.7
Reimbursement rights			6.2
Provisions			(253.8)
Unwinding	(25.0)	-	(25.0)
Current service cost	(15.5)	-	(15.5)
Plan amendments	0.2	-	0.2
Settlements	(0.4)	-	(0.4)
Actuarial gains (losses) of other employee benefits	1.0	-	1.0
Normative return on plan assets	-	21.4	21.4
Normative return on reimbursement rights	-	0.1	0.1
Change recognized in profit or loss			(18.2)
Surplus (deficit) of actual return on assets over normative return	-	(346.4)	(346.4)
Actuarial gains (losses) of post-employment benefits on:			
• changes in demographic assumptions	(5.0)	-	(5.0)
• changes in financial assumptions	427.2	-	427.2
• experience adjustments	(31.5)	-	(31.5)
Assets ceiling	-	(0.1)	(0.1)
Change recognized in equity			44.2
Recurring payments	83.1	(75.0)	8.1
Settlement payments	0.4	(0.4)	0.0
Employer contributions	-	15.7	15.7
Employee contributions	(1.3)	1.3	0.0
Reclassification in liabilities related to assets held for sale ⁽¹⁾	51.6	(10.1)	41.5
Exchange rate differences	20.2	(24.9)	(4.7)
Balance at December 31, 2022	(945.9)	805.6	(140.3)
Plan assets			15.9
Reimbursement rights			0.2
Provisions			(156.4)

(1) €46.4 million with respect to obligations and €10.1 million with respect to assets from the High Temperature Solutions line of business as well as €5.2 million with respect to obligations and €0.0 million with respect to the business serving the paper market (Note 25).

The “Change recognized in profit or loss” line of the table above can be broken down as follows:

(€ millions)	Assets (provisions)
Current operating income⁽¹⁾	(11.0)
Net change in provisions for employee benefits	2.7
Contributions to defined benefit plans	(13.7)
Financial income (loss)⁽²⁾	(7.2)
Net change in provisions for employee benefit liabilities – Closed plans	6.5
Contributions to defined employee benefit plans – Closed plans	(10.2)
Normative return on assets of defined benefit plans	21.5
Unwinding of defined employee benefit liabilities	(25.0)
Change recognized in profit or loss	(18.2)

(1) -€8.8 million for continuing operations (Note 8) and -€2.2 million for the discontinued High Temperature Solutions line of business.

(2) -€6.4 million for continuing operations (Note 12) and -€0.8 million for the discontinued High Temperature Solutions line of business.

At December 31, 2021

(€ millions)	Obligations	Assets	Assets (provisions)
Balance at January 1, 2021	(1,496.4)	1,167.9	(328.5)
Plan assets			0.5
Reimbursement rights			6.0
Provisions			(335.0)
Unwinding	(18.6)	-	(18.6)
Current service cost	(16.5)	-	(16.5)
Curtailments	3.3	-	3.3
Settlements	(0.3)	-	(0.3)
Normative return on plan assets	-	14.5	14.5
Change recognized in profit or loss			(17.6)
Surplus (deficit) of actual return on assets over normative return	-	5.6	5.6
Actuarial gains (losses) of post-employment benefits on:			
• changes in demographic assumptions	33.3	-	33.3
• changes in financial assumptions	49.3	-	49.3
• experience adjustments	12.9	-	12.9
Change recognized in equity			101.1
Incoming entities	(0.3)	-	(0.3)
Outgoing entities	0.1	-	0.1
Recurring payments	72.9	(65.7)	7.2
Settlement payments	0.1	(0.1)	0.0
Employer contributions	-	20.4	20.4
Employee contributions	(1.2)	1.2	0.0
Exchange rate differences	(89.5)	80.2	(9.3)
Balance at December 31, 2021	(1,450.9)	1,224.0	(226.9)
Plan assets			20.7
Reimbursement rights			6.2
Provisions			(253.8)

The “Change recognized in profit or loss” line of the table above can be broken down as follows:

(€ millions)	Assets (provisions)
Current operating income⁽¹⁾	(9.7)
Net change in provisions for employee benefits	6.5
Contributions to defined benefit plans	(16.2)
Other operating income and expenses	(0.1)
Net change in provisions for employee benefits	0.2
Contributions to defined benefit plans	(0.3)
Financial income (loss)⁽²⁾	(7.8)
Net change in provisions for employee benefit liabilities – Closed plans	7.5
Contributions to defined employee benefit plans – Closed plans	(11.2)
Normative return on assets of defined benefit plans	14.5
Unwinding of defined employee benefit liabilities	(18.6)
Change recognized in profit or loss	(17.6)

(1) -€8.2 million for continuing operations (Note 8) and -€1.5 million for the discontinued High Temperature Solutions line of business.

(2) -€7.3 million for continuing operations (Note 12) and -€0.5 million for the discontinued High Temperature Solutions line of business.

Change recognized in equity

(<i>€ millions</i>)	2022				2021			
	Actuarial gains (losses)	Surplus of actual return on assets over normative return in profit	Asset cap	Total	Actuarial gains (losses)	Surplus of actual return on assets over normative return in profit	Asset cap	Total
Balance at the beginning of the period	(767.5)	553.5	2.6	(211.4)	(812.3)	511.3	2.4	(298.6)
Change in obligations	390.7	-	-	390.7	95.5	-	-	95.5
Change in assets	-	(346.4)	(0.1)	(346.5)	-	5.6	-	5.6
Change recognized in equity	390.7	(346.4)	(0.1)	44.2	95.5	5.6	0.0	101.1
Outgoing entities	-	-	-	0.0	0.1	-	-	0.1
Exchange rate differences	(9.9)	5.5	0.1	(4.4)	(50.8)	36.6	0.2	(14.0)
Balance at the end of the period	(386.7)	212.6	2.6	(171.6)	(767.5)	553.5	2.6	(211.4)

23.2 OTHER PROVISIONS

(<i>€ millions</i>)	2022	2021
Other non-current provisions	388.8	414.0
Other current provisions	34.3	53.2
Total⁽¹⁾	423.1	467.2

(1) The carrying amount at the end of the reporting period excludes the items of the High Temperature Solutions line of business and the business serving the paper market at December 31, 2022, as well as the items of the hydrous kaolin business in the US at December 31, 2021.

Accounting policy

A provision is recognized as soon as it becomes likely that a present obligation will require settlement and a reliable estimate can be made of the amount of that obligation. Provisions are recognized against profit or loss, except provisions for dismantling and certain provisions for restoration, which are included in the cost of the assets of which the construction created the obligation. This treatment mainly applies to certain industrial facilities and mining overburden assets. Provisions are measured using the best estimate of the amount required to settle the obligation. Discounts are not applied to provisions that are expected to be settled within 12 months after the end of the reporting period and those that may be settled at any time. Discounts are applied to provisions that are not expected to be settled within 12 months after the end of the reporting period. This treatment applies in particular to provisions

accrued with respect to environmental obligations for pollution remediation (€7.8 million at December 31, 2022 and €10.7 million at December 31, 2021), obligations to dismantle plants (€105.1 million at December 31, 2022 and €123.7 million at December 31, 2021) and obligations to restore mine sites that are no longer operational (€147.7 million at December 31, 2022 and €154.5 million at December 31, 2021). Changes in discounted provisions after revisions to the amount of the obligation, the timing of settlement or the discount rate are recognized in profit or loss or as an adjustment to the cost of assets for provisions recognized against assets. Unwinding is recognized as a debit in other financial income (expenses) (Note 12). Executive Management makes estimates to assess the probability of settlement, amount of the obligation, expected timing of future payments and discount rates.

Estimates

Probability of settlement and amount of the obligation. The probability of settlement and the amount of the obligations are estimated by Executive Management, who generally call upon in-house company experts to approve the key assumptions, taking into account the anticipated effects, regulatory changes where applicable, and independent counsels regarding material disputes and claims. The resulting estimates are liable to change depending on the unknowns involved in each dispute. They relate to allegations of personal injury or financial losses

regarding the potential civil liability of the Group or breaches of contractual obligations or regulations covering social, real estate and environmental issues. The provisions for these risks are included in the €161.7 million set aside for legal, social and regulatory risks in the table of changes published at the end of the present note. This amount includes in particular the balance of the provision set aside to resolve the litigation involving the past Group's talc operations in the US, the materiality of which requires specific explanation.

On February 13, 2019, the Group's three North American talc subsidiaries (the "North American Talc Subsidiaries") decided to file for the protection, with immediate effect, of the special judicial process of Chapter 11 under US bankruptcy law in order to permanently resolve the potential liabilities related to their historic commercial talc operations in the United States. Under Chapter 11, the Group remains the legal owner of the share capital of the North American Talc Subsidiaries, but their businesses are under the judicial control of the relevant US Delaware federal courts, which oversees the continuing operations of the entities concerned as well as the conclusion and execution of a business reorganization plan that the North American Talc Subsidiaries have sought to negotiate with representatives of existing and future potential claimants (the "Representatives of Claimants") in talc-related litigation brought against them. The Chapter 11 process also suspends all ongoing and future litigation proceedings and prevents any further claims being brought against these entities relating to past and current talc operations in the US. Given effective control of the North American Talc Subsidiaries was transferred on February 13, 2019 to the court to repay creditors, the assets and liabilities held by the North American Talc Subsidiaries were removed from the scope of consolidation of the Group's financial statements from this date forward, which led to an additional expense of €5.6 million being recognized in other operating income and expenses. Negotiations between the North American Talc Subsidiaries, which were joined by Imerys Talc Italy (the "Talc Subsidiaries Involved"), the Group and the Representatives of Claimants led to the agreement on May 15, 2020 of a joint reorganization plan (the "Plan"). The Plan provides that once the necessary approvals have been obtained, the Talc Subsidiaries Involved will emerge from the Chapter 11 process and the Group will be released from all existing and future talc-related liabilities arising out of their past operations, as such liabilities will be channeled into a dedicated trust to be established. Following the approval by the competent Federal Court for the District of Delaware (the "Bankruptcy Court") of the disclosure statement of the Plan (the "Disclosure Statement"), the Plan was submitted in January 2021 to the vote of the creditors and claimants against the Talc Subsidiaries Involved. Following a challenge to the votes cast in favor of approving the Plan, the Bankruptcy Court decided on October 13, 2021 that certain votes should not be counted in the final vote. This decision took the Plan's approval rate to just under the required majority, under the applicable regulations, of 75% of votes. The North American Talc Subsidiaries, the Representatives of Claimants and other stakeholders in the Chapter 11 process therefore initiated a mediation process, which is still underway, approved by the Bankruptcy Court which has extended its duration several times. The purpose of this mediation is to obtain a revised Plan (the "Revised Plan") that could achieve the required 75% majority approval vote. The key remaining disputed issues in the Chapter 11 process involve (i) the monetization of the North

American Talc Subsidiaries' rights to insurance coverage and contractual indemnity and (ii) the allocation of the North American Talc Subsidiaries' assets, including current and future potential settlement proceeds with third parties, among claimants alleging different injuries. These issues are not related to the terms and conditions of the settlement with the Group as embedded in the Plan which continues to be supported by the Representatives of the Claimants. Once the relevant stakeholders reach an agreed Revised Plan, a new Disclosure Statement must be submitted for the approval of the Bankruptcy Court before a new solicitation of claimants' votes on the Revised Plan is undertaken by the Talc Subsidiaries Involved. Subject to approval of the Revised Plan at the required 75% voting threshold, it will then undergo a confirmation procedure before the Bankruptcy Court to be followed by a final approval process before the competent Federal Court.

Imerys Talc Italy has been named in a few talc related lawsuits in the United States. Upon the grant of the required majority vote on the Revised Plan, Imerys Talc Italy also intends to file for Chapter 11 protection before the final confirmation of the Revised Plan and join the Revised Plan in order to benefit from the same comprehensive and permanent resolution of historic talc-related liabilities as the North American Talc Subsidiaries. Imerys Talc Italy's business will remain part of the Group throughout and after the closing of the Chapter 11 proceedings.

In accordance with the Plan, the North American Talc Subsidiaries sold their assets to Magris Resources, a Canadian investment fund, for USD223.0 million on February 17, 2021. Under the terms and conditions of the settlement with the Group as embedded in the Plan and given the price received for the disposal of the North American Talc Subsidiaries assets, the Group's contribution under the Plan includes a cash payment (i) of USD75.0 million, and (ii) certain other commitments outlined in the Plan. These commitments primarily include certain insurance assets, financing of minor unsecured trade claims (USD5.0 million) and certain potential excess administrative costs of the Chapter 11 process incurred by the Talc Subsidiaries Involved up to a maximum of USD15.0 million. In light of the progress of mediation and negotiation toward a Revised Plan between the relevant stakeholders and in their current stage at the date the Group's 2022 full year financial results were approved, Executive Management reviewed with the help of independent third-party experts and reiterated its prior estimate of the risk related to the resolution of the Chapter 11 procedure and the forecasted financial impact for the Group. At December 31, 2022, the provision recognized in the Imerys financial statements, which amounted to USD113.5 million, i.e. €106.4 million, was considered appropriate to cover the expected financial impact of the Revised Plan for the Group.

Expected timing of future payments. The following table presents the discounted value of future cash outflows required to settle the obligations included in other provisions:

(€ millions)	2023-2027	2028-2037	2038 and beyond	Total
Product warranties	0.8	-	-	0.8
Environmental and dismantling obligations	22.7	51.3	38.9	112.9
Mine site restoration	42.9	51.6	53.2	147.7
Legal, social and regulatory risks	161.7	-	-	161.7
Other provisions	228.1	102.9	92.1	423.1

Discount rates. Discount rates integrate the time value of money and monetary inflation at the date of future payments. The following assumptions are applied to the major monetary zones:

	2022			2021		
	EUR	GBP	USD	EUR	GBP	USD
Time value of money – environment and dismantling	3.3%	4.8%	5.0%	0.8%	1.6%	2.1%
Time value of money – mine site restoration	3.3%	4.8%	5.0%	0.5%	1.6%	2.3%
Inflation	2.5%	4.0%	2.5%	1.8%	1.9%	2.0%

Table of changes

(€ millions)	Product warranties	Environmental and dismantling obligations	Mine site restoration	Legal, social and regulatory risks	Total
Balance at January 1, 2021	3.4	120.3	145.0	184.9	453.7
Change in the scope of consolidation	-	0.2	-	0.1	0.3
Increase	0.7	16.4	10.5	27.7	55.3
Utilizations	(0.7)	(2.3)	(6.4)	(13.2)	(22.6)
Unused reversals	(0.9)	(5.8)	(0.4)	(10.5)	(17.6)
Financial unwinding	-	0.9	1.6	0.4	2.9
Reclassification and other	-	-	0.2	(21.8)	(21.6)
Reclassification in liabilities related to assets held for sale ⁽¹⁾	-	(0.5)	(1.4)	-	(1.9)
Exchange rate differences	0.1	5.2	5.4	8.0	18.7
Balance at December 31, 2021	2.6	134.4	154.5	175.7	467.2
Change in the scope of consolidation	-	(4.2)	(4.9)	(0.5)	(9.6)
Increase	0.9	14.8	8.7	26.9	51.3
Utilizations	(0.1)	(5.9)	(8.1)	(18.9)	(33.0)
Unused reversals	(1.2)	(0.9)	-	(13.1)	(15.2)
Financial unwinding	-	0.8	1.3	0.8	2.9
Reclassification and other	-	(1.3)	-	(1.2)	(2.5)
Reclassification in liabilities related to assets held for sale ⁽²⁾	(1.2)	(22.5)	(6.1)	(15.8)	(45.6)
Exchange rate differences	(0.2)	(2.3)	2.3	7.8	7.6
Balance at December 31, 2022	0.8	112.9	147.7	161.7	423.1

(1) Hydrous kaolin business in the US (Note 25).

(2) Of which -€3.8 million with respect to the High Temperature Solutions line of business and -€36.6 million with respect to the business serving the paper market (Note 25).

NOTE 24 FINANCIAL LIABILITIES

24.1 CATEGORIES OF FINANCIAL LIABILITIES

The following tables analyze the value of financial instruments with respect to consolidated liabilities. The categories used to present the carrying amounts of financial instruments are explained in *Note 11*. The totals distinguish between operational hedge derivatives (hedge of operational foreign exchange risk and energy price risk) and financial hedge derivatives (hedge of financial foreign exchange risk, interest rate risk and conversion of financial statements risk). Financial hedge derivatives are used to calculate net financial debt (*Note 24.2 – Reconciliation of net financial debt*). Since they

correspond to the amount of cash to be paid, carrying amounts represent fair value for all instruments except bonds. The tables are followed by an analysis of the difference between carrying amounts and fair value. The fair value of listed bonds is directly observable as it corresponds to the market value at the end of the reporting period (level 1 fair value). The fair value of unlisted bonds including accrued interests is calculated by a model using observable data, i.e. a revised valuation of discounted future contractual flows (level 2 fair value).

At December 31, 2022

(<i>€ millions</i>)	Non-hedge accounting		Hedge accounting					Total
	IFRS 9 categories		Non IFRS 9	Cash flow hedge		Net investment hedge		
	Amortized cost	Fair value through profit or loss		Hedged item	Hedge	Hedged item	Hedge	
Non-current liabilities								
Borrowings and financial debt	1,694.5	-	-	-	-	-	-	1,694.5
Lease liabilities	98.1	-	-	-	-	-	-	98.1
Other debts	3.1	-	16.9	-	-	-	-	20.0
Derivative financial liabilities	-	-	-	-	4.1	-	-	4.1
Transactional currency risk	-	-	-	-	0.5	-	-	0.5
Energy price risk	-	-	-	-	3.6	-	-	3.6
Current liabilities								
Trade payables	540.1	-	-	-	-	-	-	540.1
Other debts	146.3	-	198.0	-	-	-	-	344.3
Derivative financial liabilities	-	1.2	-	-	27.2	-	0.6	29.0
Conversion of financial statements risk	-	-	-	-	-	-	0.6	0.6
Transactional currency risk	-	1.2	-	-	4.9	-	-	6.1
Energy price risk	-	-	-	-	22.3	-	-	22.3
Borrowings and financial debt	452.7	-	-	-	-	-	-	452.7
Lease liabilities	42.1	-	-	-	-	-	-	42.1
Bank overdrafts	3.7	-	-	-	-	-	-	3.7
Total⁽¹⁾	2,980.6	1.2	214.9	0.0	31.3	0.0	0.6	3,228.6
of which operational derivatives	-	-	-	-	31.3	-	-	31.3
of which financial derivatives	-	1.2	-	-	-	-	0.6	1.8

(1) The carrying amount at the end of the reporting period excludes the items of the High Temperature Solutions line of business and the business serving the paper market.

The fair value of fixed rate bonds included in “Borrowings and financial debt” is €192.4 million lower than their carrying amount:

Nominal amount (<i>in millions</i>)	Maturity	Listing	Interest rate		Carrying amount	Fair value	Difference
			Nominal	Effective			
300.0 EUR	03/31/28	Listed	1.88%	1.92%	303.2	269.0	(34.2)
500.0 EUR	12/10/24	Listed	2.00%	2.13%	499.1	486.4	(12.7)
600.0 EUR	01/15/27	Listed	1.50%	1.63%	604.4	549.2	(55.2)
300.0 EUR	07/15/31	Listed	1.00%	1.07%	298.6	208.3	(90.3)
Total at December 31, 2022 (<i>€ millions</i>)					1,705.3	1,512.9	(192.4)

At December 31, 2021

	Non-hedge accounting			Hedge accounting				Total
	IFRS 9 categories		Non IFRS 9	Cash flow hedge		Net investment hedge		
	Amortized cost	Fair value through profit or loss		Hedged item	Hedge	Hedged item	Hedge	
(€ millions)								
Non-current liabilities								
Borrowings and financial debt	1,695.0	-	-	-	-	-	-	1,695.0
Lease liabilities	155.7	-	-	-	-	-	-	155.7
Other debts	54.2	-	16.5	-	-	-	-	70.7
Derivative financial liabilities	-	-	-	-	-	-	1.8	1.8
Conversion of financial statements risk	-	-	-	-	-	-	1.8	1.8
Current liabilities								
Trade payables	660.1	-	-	-	-	-	-	660.1
Other debts	166.8	-	243.3	-	-	-	-	410.1
Derivative financial liabilities	-	2.2	-	-	5.7	-	-	7.9
Transactional currency risk	-	2.2	-	-	2.5	-	-	4.7
Energy price risk	-	-	-	-	3.2	-	-	3.2
Borrowings and financial debt	124.9	-	-	-	-	-	-	124.9
Lease liabilities	32.5	-	-	-	-	-	-	32.5
Bank overdrafts	30.1	-	-	-	-	-	-	30.1
Total⁽¹⁾	2,919.3	2.2	259.8	0.0	5.7	0.0	1.8	3,188.8
of which operational derivatives	(0.1)	-	-	-	5.7	-	-	5.6
of which financial derivatives	-	2.2	-	-	-	-	1.8	4.0

(1) The carrying amount at the end of the reporting period excluded the items of the hydrous kaolin business in the US.

The fair value of fixed rate bonds included in "Borrowings and financial debt" exceeded their carrying amount by €80.3 million:

Nominal amount (in millions)	Maturity	Listing	Interest rate		Carrying amount	Fair value	Difference
			Nominal	Effective			
300.0 EUR	03/31/28	Listed	1.88%	1.92%	303.0	326.5	23.5
500.0 EUR	12/10/24	Listed	2.00%	2.13%	498.4	524.9	26.5
600.0 EUR	01/15/27	Listed	1.50%	1.63%	603.3	637.1	33.8
300.0 EUR	07/15/31	Listed	1.00%	1.07%	298.3	294.8	(3.5)
Total at December 31, 2021 (€ millions)					1,703.0	1,783.3	80.3

24.2 CASH FLOWS RELATED TO FINANCIAL LIABILITIES

Changes in liabilities arising from financing activities

The *Consolidated Statement of Cash Flows* analyzes the change in “Cash and cash equivalents” broken down across three categories: operating activities, investing activities and financing activities. In the following tables, “Cash flow from financing activities” is presented in the “Cash changes” column, in accordance with their source positions in the Consolidated Statement of Financial Position.

In 2022, “Cash flow from financing activities” represented a net cash inflow of €102.6 million, including -€251.0 million broken down in the following table arising from changes in liabilities from financing activities. The main components driving this change include the reimbursement of lease liabilities (representing an outflow of €61.1 million) and the issue of short-term negotiable securities or NEU CP (representing an inflow of €333.00 million).

(€ millions)	Non-cash changes								
	01/01/2022	Cash changes	Change in the scope of consolidation	Change in lease liabilities against rights of use	Accrued interest	Fair value	Reclassification ⁽¹⁾	Exchange rate differences	12/31/2022
Non-current assets	(0.6)	0.0	0.0	0.0	0.0	0.0	0.6	0.0	0.0
Derivative financial assets	(0.6)	-	-	-	-	-	0.6	-	0.0
Current assets	(86.1)	0.7	0.0	0.0	0.0	49.0	5.2	0.2	(31.0)
Derivative financial assets	(75.4)	-	-	-	-	49.0	(0.6)	-	(27.0)
Other financial assets	(10.7)	0.7	-	-	-	-	5.8	0.2	(4.0)
Non-current liabilities	1,852.5	(30.7)	0.0	55.8	2.4	0.0	(105.4)	22.1	1,796.7
Borrowings and financial debt	1,850.7	(30.7)	-	55.8	2.4	-	(107.7)	22.1	1,792.6
Derivative financial liabilities	1.8	-	-	-	-	-	2.3	-	4.1
Current liabilities	165.3	281.0	0.0	0.0	(1.6)	24.4	60.9	(6.2)	523.8
Derivative financial liabilities	7.9	-	-	-	-	23.5	(2.4)	-	29.0
Borrowings and financial debt	157.4	281.0	-	-	(1.6)	0.9	63.3	(6.2)	494.8
Total	1,931.1	251.0	0.0	55.8	0.8	73.4	(38.7)	16.1	2,289.5
Loans issued	-	-	-	-	-	-	-	-	-
Repayments of borrowings	-	(6.8)	-	-	-	-	-	-	-
Payments of lease liabilities	-	(61.1)	-	-	-	-	-	-	-
Other cash inflows (outflows)	-	318.9	-	-	-	-	-	-	-

(1) Including reclassification to assets held for sale.

In 2021, “Cash flow from financing activities” represented a net cash outflow of €341.3 million, including €226.3 million broken down in the following table arising from changes in liabilities from financing activities. The main components driving this change include the issue of a Sustainability Linked Bond

(€300.0 million), the reimbursement of a bond issue (representing an outflow of €300.0 million), the reimbursement of lease liabilities (representing an outflow of €58.8 million) and the reimbursement of short-term negotiable securities (NEU CP, representing an outflow of €130.0 million).

Non-cash changes										
	(€ millions)	01/01/2021	Cash changes	Change in the scope of consolidation	Change in lease liabilities against rights of use	Accrued interest	Fair value	Reclassification	Exchange rate differences	12/31/2021
Non-current assets	(4.1)	0.0	0.0	0.0	0.0	0.0	0.0	3.5	0.0	(0.6)
Derivative financial assets	(4.1)	-	-	-	-	-	-	3.5	-	(0.6)
Current assets	(26.7)	(0.1)	0.0	0.0	2.3	(57.8)	(3.5)	(0.3)	(86.1)	
Derivative financial assets	(14.2)	-	-	-	-	(57.7)	(3.5)	-	(75.4)	
Other financial assets	(12.6)	(0.1)	-	-	2.3	-	-	(0.3)	(10.7)	
Non-current liabilities	1,866.6	257.4	(0.4)	34.4	0.0	0.0	(348.7)	43.2	1,852.5	
Borrowings and financial debt	1,866.1	257.4	(0.4)	34.4	-	-	(350.0)	43.2	1,850.7	
Derivative financial liabilities	0.5	-	-	-	-	-	1.3	-	1.8	
Current liabilities	309.5	(483.6)	0.0	0.0	2.9	1.4	348.7	(13.6)	165.3	
Derivative financial liabilities	6.0	-	-	-	-	3.2	(1.3)	-	7.9	
Borrowings and financial debt	303.5	(483.6)	-	-	2.9	(1.8)	350.0	(13.6)	157.4	
Total	2,145.2	(226.3)	(0.4)	34.4	5.2	(56.4)	0.0	29.3	1,931.1	
Loans issued	-	298.3	-	-	-	-	-	-	-	
Repayments of borrowings	-	(312.3)	-	-	-	-	-	-	-	
Payments of lease liabilities	-	(58.8)	-	-	-	-	-	-	-	
Other cash inflows (outflows)	-	(153.5)	-	-	-	-	-	-	-	

Reconciliation of net financial debt

Gross financial debt includes the non-current and current portion of “Borrowings and financial debt” and “Lease liabilities” as well as derivative financial assets and liabilities hedging debt risks. Net financial debt reflects the Group’s net position on the market and with financial institutions. It is used to manage the Group’s financial resources, in particular to calculate covenants with which Imerys has to comply as part of the financing agreements entered into with financial markets (*Note 24.5 – Borrower’s liquidity risk*).

Net financial debt corresponds to the total financing liabilities subscribed on the market and with financial institutions in the form of bonds, bank credits and bank overdrafts, minus cash, cash equivalents and other current financial assets. Although offset in the calculation of net financial debt, overdrafts and

surplus cash are presented separately on the statement of financial position, either in the form of bank overdrafts or cash, in accordance with the agreements signed between Imerys and its bank counterparties. In general, these agreements stipulate that the various accounts opened at the bank counterparties remain as debit or credit balances, without any offset. However, some netting agreements exist within the Group in order to achieve a single position with certain bank counterparties across a given scope. A single position is organized by the entity heading the netting scope, either directly through its own bank account, or indirectly through an investment made at the bank counterparty that is credited in the form of loans to the entities within the scope. Direct netting is practiced on agreements in force in Europe and the US, while indirect netting is applied in China.

The following table presents the link between net financial debt and the Consolidated Statement of Financial Position with a distinction between non-derivative and derivative financial instruments. Derivative financial instruments included in the calculation of net financial debt correspond to financing hedge assets and liabilities since they are part of the future cash outflows of this aggregate (*Note 24.5 – Borrower’s liquidity risk*). Operational hedge instruments (*Note 24.4 – Derivatives in the financial statements*) are not included in the calculation of net financial debt. The amount of cash and cash equivalents

held by the Group includes a balance of €11.8 million at December 31, 2022 (€2.7 million at December 31, 2021) not available for Imerys S.A. and its subsidiaries, of which €4.7 million recognized as assets held for sale. Of this total amount, €11.4 million (€2.0 million at December 31, 2021) is not available due to legal restriction on foreign exchange controls and €0.4 million (€0.7 million at December 31, 2021) due to statutory requirements. Cash equivalents were composed of €27.1 million in short-term deposits and similar investments (€91.7 million at December 31, 2021).

(€ millions)	Notes	2022	2021
Non-derivative financial liabilities		2,291.1	2,038.2
Borrowings and financial debt – non-current		1,694.5	1,695.0
Lease liabilities – non-current		98.1	155.7
Borrowings and financial debt – current		452.7	124.9
Lease liabilities – current		42.1	32.5
Bank overdrafts		3.7	30.1
Non-derivative financial assets		(622.2)	(585.2)
Other financial assets		(2.0)	(8.0)
Cash and cash equivalents		(620.2)	(577.2)
Hedge derivatives		(2.7)	(1.9)
Financing hedge instruments – liabilities	24.1	1.7	4.0
Financing hedge instruments – assets	21.1	(4.4)	(5.9)
Net financial debt		1,666.2	1,451.1

In 2022, the change in net financial debt corresponded to a net cash inflow of €73.9 million (net outflow of €76.4 million in 2021) as presented in the following table.

(€ millions)	2022	2021
Net financial debt at the beginning of the period	(1,451.1)	(1,508.0)
Change in net financial debt excl. exchange rate effects	(73.9)	76.4
Reclassification of discontinued operations ⁽¹⁾	(122.1)	-
Exchange rate effects	(19.1)	(19.5)
Change in net financial debt	(215.1)	56.9
Net financial debt at the end of the period	(1,666.2)	(1,451.1)

(1) The amount of -€122.1 million reclassified as discontinued operations corresponds to the non-Group net debt of the High Temperature Solutions line of business for -€83.1 million, -€38.2 million for the business serving the paper market and -€0.8 million for the hydrous kaolin business in the US (*Note 25*). Besides, the intragroup net debt remaining as of December 31, 2022 between the continuing and discontinued operations scopes amounts to €57.1 million, of which €110.0 million with respect to the High Temperature Solutions line of business and -€52.9 million with respect to the business serving the paper market.

The following tables analyze the change in net financial debt in two steps. Firstly, cash flow from recurring operations (net current free operating cash flow) and secondly, cash flow from non-recurring operations.

Net current free operating cash flow corresponds to the residual cash flow from recurring operations after current operating income taxes and operating capital expenditure, taking into account proceeds from operating asset disposals

and cash changes in operating working capital requirement. In comparison with the cash flow presented in the *Consolidated Statement of Cash Flows*, net current free operating cash flow corresponds to the recurring portion of “Net cash flows from (used in) operating activities” adjusted for acquisitions and disposals of intangible assets and property, plant and equipment in “Cash flow from investing activities” after income taxes.

(€ millions)	Notes	2022	2021
Items from the Consolidated Income Statement			
Revenue		5,172.6	4,382.9
Raw materials and consumables used		(1,898.2)	(1,495.6)
External expenses		(1,357.3)	(1,162.8)
Staff expenses		(1,021.3)	(939.8)
Taxes and duties ⁽¹⁾		(40.7)	(39.0)
Other current income and expenses		9.7	17.7
Share in net income of joint ventures and associates		26.6	12.8
Adjustments			
Change in provisions for employee benefits		(2.7)	(6.5)
Change in current operating write-downs and provisions		(2.9)	0.8
Share in net income of joint ventures and associates		(32.6)	(14.7)
Dividends received from joint ventures and associates		5.8	5.2
Current EBITDA		859.0	761.0
<i>of which discontinued operations⁽²⁾</i>		<i>139.0</i>	<i>112.4</i>
Income taxes			
Notional income tax on current operating income		(155.1)	(122.1)
Adjustments			
Change in operating working capital requirement ⁽³⁾		(232.8)	(19.3)
Carrying amount of intangible assets and property, plant and equipment disposed of		10.7	6.2
Net current operating cash flow		481.8	625.8
<i>of which discontinued operations⁽²⁾</i>		<i>41.0</i>	<i>65.4</i>
Investing activities			
Acquisitions of intangible assets and property, plant and equipment ⁽⁴⁾		(406.2)	(336.3)
Additions to right-of-use assets	18	(55.8)	(34.4)
Net current free operating cash flow		19.8	255.1
<i>of which discontinued operations⁽²⁾</i>		<i>14.2</i>	<i>38.9</i>
<i>(1) Consolidated Income Statement</i>			
<i>(2) High Temperature Solutions line of business (Note 25).</i>			
<i>(3) Change in operating working capital requirement (Consolidated Statement of Cash Flows)</i>			
<i>Adjustments for decrease (increase) in inventories</i>		<i>(198.8)</i>	<i>(145.7)</i>
<i>Adjustments for decrease (increase) in trade receivables</i>		<i>(79.1)</i>	<i>(40.7)</i>
<i>Adjustments for increase (decrease) in trade payables</i>		<i>45.1</i>	<i>167.1</i>
<i>(4) Acquisitions of intangible assets and property, plant and equipment (Consolidated Statement of Cash Flows)</i>			
<i>Acquisitions of intangible assets</i>		<i>(44.5)</i>	<i>(24.3)</i>
<i>Acquisitions of property, plant and equipment</i>		<i>(345.1)</i>	<i>(337.0)</i>
<i>Change in payables on acquisitions of intangible assets and property, plant and equipment</i>		<i>(16.6)</i>	<i>25.0</i>

The following table presents the cash flow from non-recurring operations, i.e. non-recurring operating transactions, changes in the scope of consolidation, financing transactions and transactions with shareholders. These cash flows, added to the net current free operating cash flow from the previous table, give the total change in net financial debt.

<i>(€ millions)</i>	2022	2021
Net current free operating cash flow	19.8	255.1
<i>of which discontinued operations⁽¹⁾</i>	<i>14.2</i>	<i>38.9</i>
Income taxes		
Notional income tax on financial income (loss)	13.3	10.7
Change in current and deferred tax assets and liabilities	12.7	(1.5)
Change in income tax payables and receivables	20.9	32.5
Income taxes paid on non-recurring income and expenses	2.9	8.3
Consolidated Income Statement		
Financial income (loss)	(52.8)	(39.7)
Other operating income and expenses	(137.6)	(67.8)
Adjustments		
Change in non-operating working capital requirement	1.2	(32.6)
Change in financial write-downs and provisions	2.7	-
Change in fair value of hedging instruments	3.6	(4.8)
Non-recurring impairment losses	108.0	(1.7)
Change in non-recurring write-downs and provisions	10.0	8.2
Share in net income of joint ventures and associates	(3.3)	-
Gain (loss) on businesses disposed of	(28.5)	(3.2)
Gain (loss) on intangible assets and property, plant and equipment disposed of	2.4	0.5
Investing activities		
Acquisition of businesses	(20.3)	(45.3)
Disposal of businesses	100.9	38.7
Disposal of intangible assets and property, plant and equipment	0.5	-
Loans and advances in cash received from (granted to) third parties	4.6	25.4
Equity		
Share capital increases (decreases)	-	1.5
Disposals (acquisitions) of treasury shares	(10.9)	(10.0)
Share-based payments	13.5	8.6
Dividends	(137.5)	(106.5)
Change in net financial debt excl. exchange rate effects	(73.9)	76.4

(1) High Temperature Solutions line of business (Note 25).

24.3 OTHER DEBTS

(€ millions)	2022	2021
Non-current liabilities		
Income tax payable	0.2	0.4
Debt on assets ⁽¹⁾	2.2	54.1
Tax debt	0.5	0.6
Social security debt	12.5	12.7
Other	4.6	2.9
Total	20.0	70.7
Current liabilities		
Debt on assets	90.7	125.5
Tax debt	28.5	46.6
Social security debt	167.9	194.3
Contract liabilities	1.6	2.4
Other	55.6	41.3
Total	344.3	410.1

(1) Including in 2021 debt of €50.2 million corresponding to the commitment to purchase a non-controlling stake in the Turkish group Haznedar, which was included at December 31, 2022 in the scope of the High Temperature Solutions discontinued line of business (Note 25).

Contract liabilities correspond to the value of goods and services to be transferred after the end of the reporting period as part of agreements signed with customers (Note 5) for which compensation is due before the transfer of the good or service. Of the €8.4 million of goods and services to be

transferred at December 31, 2022 (€16.7 million at December 31, 2021), €6.8 million of trade payables had been received (€14.2 million at December 31, 2021) and €1.6 million was still outstanding (€2.4 million at December 31, 2021).

24.4 DERIVATIVES

Derivatives management principles

The use of derivatives is controlled by a policy defined and implemented by the Group Treasury Department and periodically presented to the Board of Directors. The policy specifies that derivatives are exclusively used to hedge risks related to operating transactions (transactional currency risk and energy price risk), foreign investments (conversion of financial statements risk) and financing (transactional currency risk and interest rate risk). Imerys does not take speculative

positions. Derivatives are negotiated centrally by the Group Treasury Department on over-the-counter markets with the highest rated banking institutions. Imerys prohibits its entities from subscribing derivatives directly outside the Group, except to comply with local legal or regulatory requirements. The application of this policy to foreign exchange risk (transactional currency and conversion of financial statements), interest rate risk and energy price risk is detailed in Note 24.5.

Accounting policy

Derivatives are recognized at the transaction date, i.e. the date at which the hedging contract is agreed, in non-current and current assets and liabilities by maturity and that of underlying transactions. Derivatives are initially measured at fair value and subsequently re-measured at the end of each period in line with market conditions. The fair value including accrued interests of derivatives is measured by a model using observable data, i.e. prices at the closing date provided by third parties active on financial markets (level 2 fair value). These values are adjusted for counterparty credit risk and the Group's own credit risk. Therefore, when the market value of a derivative is positive (derivative asset), its fair value includes the probability of counterparty default (Credit Value Adjustment, CVA). When the market value of a derivative is negative (derivative liability), its fair value includes the probability of Imerys defaulting (Debit Value Adjustment, DVA). These adjustments are measured using the spread of bonds

outstanding on the secondary market, as issued by Imerys and its counterparties (level 2 fair value). The sole purpose of these instruments is to hedge the financial risks to which the Group is exposed. However, only those that meet hedge accounting criteria undergo the accounting treatment described below. All hedge accounting transactions are documented in reference to the hedging strategy by identifying the risk hedged, item hedged, hedging instrument, hedging relationship and method used to measure the hedge effectiveness. The measurement of hedge effectiveness is reviewed at the end of each reporting period. The recognition of hedge derivatives may vary depending upon their designation as either a fair value hedge, a cash flow hedge or a hedge of a net investment in foreign operations (Notes 11, 12 and 24.5). Any derivative that is not eligible for hedge accounting is recognized in financial income (loss).

Fair value hedges. When changes in the fair value of a recognized asset or liability or an unrecognized firm commitment are likely to impact profit or loss, they may be hedged using a fair value hedge. The hedged item and hedging instrument are both re-measured against profit or loss at the end of each reporting period. The impact in profit is limited to the ineffective portion of the hedge (*Note 11*).

Cash flow hedge. Cash flow hedges cover adverse changes in the cash flow of a recognized asset or liability or a highly probable future transaction, if these changes are likely to impact profit or loss. At the end of each reporting period, the effective portion of the hedge and any fluctuations in the time value of options or forward points of forward contracts are recognized in equity. The ineffective portion is recognized in profit or loss. When the transaction is recognized, the components previously recognized in equity are reclassified in profit at the same time the hedged item is recognized (*Note 11*). If a derivative is de-designated, i.e. hedge accounting is voluntarily discontinued, the effective portion of the hedge previously recognized in equity is amortized in operating income or financial income (loss), depending on the

nature of the hedged item, and the change in fair value after the de-designation date is recognized in financial income (loss).

Hedge of a net investment in foreign operations. Currency fluctuations generated by net assets held by the Group in foreign currencies may be hedged (*Note 24.5 – Conversion of financial statements risk*). At the end of each reporting period, the effective portion of the hedge is recognized in equity and the ineffective portion in profit or loss. The effective portion in equity is reclassified in other operating income and expenses only when control over a consolidated business is lost or interest in a business under significant influence is reduced.

The ineffective portion of operational hedge instruments is recognized in current operating income. The ineffective portion of financing hedge instruments is recognized in financial income (loss). Changes in fair value of financial instruments that do not qualify for hedge accounting are immediately recognized in other financial income (expenses) (*Note 11*). In the Consolidated Statement of Cash Flows, the cash flows of derivatives are presented in the same levels as the cash flows of the underlying transactions.

Derivatives in the financial statements

Assets and liabilities. Derivatives recognized in assets and liabilities are presented by type of risk covered, i.e. foreign exchange risk, interest rate risk, energy price risk and conversion of financial statements risk, in *Notes 21.1 and 24.1*. At December 31, 2022, no legally enforceable right existed to offset the amounts recognized above. Imerys intends neither to settle the net amount, nor to realize the asset and settle the liability simultaneously. However, in accordance with applicable framework agreements, any default of Imerys or one of its counterparties would settle their outstanding transactions on a net basis. The total of all positions that would be offset in the event of default would reduce total derivative financial assets and liabilities by €8.5 million at December 31, 2022 (€7.1 million at December 31, 2021).

Equity. As part of its strategy to manage foreign exchange, interest rate and energy price risks, Imerys holds derivatives to hedge certain future purchases and sales in foreign currencies, as well as part of its floating rate financing and part of its future energy consumption in the US, UK and France. These positions are considered cash flow hedges. The following table presents the amounts before income taxes recognized in equity in this respect as well as the reclassifications in profit or loss. Details of these reclassifications in underlying income and expenses are presented in *Note 11*. Cash flow hedges are further outlined in the context of managing foreign exchange, interest rate and energy price risks in *Note 24.5*.

(€ millions)	Transactional currency risk	Interest rate risk	Energy price risk	Total
Balance at January 1, 2021	4.2	0.0	3.2	7.3
Continuing hedges	4.2	-	3.2	7.3
Effective portion of hedges	(0.2)	-	93.2	93.0
Forward points of forward derivatives	0.1	-	-	0.1
• Transaction related hedged item	0.1	-	-	0.1
Recognition in equity	(0.1)	0.0	93.2	93.1
Continuing hedges	(2.7)	-	(38.6)	(41.3)
Reclassification in profit or loss	(2.7)	0.0	(38.6)	(41.3)
Balance at December 31, 2021	1.4	0.0	57.8	59.2
Continuing hedges	1.4	-	57.8	59.2
Effective portion of hedges	8.6	-	22.0	30.6
Recognition in equity	8.6	0.0	22.0	30.6
Continuing hedges	-	-	(100.3)	(100.3)
Reclassification in profit or loss	0.0	0.0	(100.3)	(100.3)
Balance at December 31, 2022	9.9	0.0	(20.5)	(10.6)
Continuing hedges	9.9	-	(20.5)	(10.6)

24.5 MANAGING RISKS ARISING FROM FINANCIAL LIABILITIES

Transactional currency risk

Description of the risk. Transactional currency risk is the risk whereby a cash flow labeled in foreign currency may be subject to a deterioration caused by unfavorable fluctuations in its cross-entry in functional currency.

Risk management. The transactions performed by the Group's entities are accounted for, wherever possible, in the

functional currency of the entity that carries out the transaction. The following table presents the impact of a change in foreign exchange rates on the underlying items of net financial debt, i.e. before foreign exchange rates derivatives at December 31, 2022. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2022 foreign exchange rates (*Note 26*) (actual 2022).

(€ millions)	Lower case	Actual 2022	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Net financial debt	1,683.9	1,666.2	1,648.5

When it is not possible to record a transaction in the functional currency of the entity, the transactional currency risk may be hedged on an individual basis using forwards, swaps or options. These instruments are used to hedge highly probable forecast transactions and are considered cash flow hedges.

At December 31, 2022, Imerys held €358.0 million in transactional currency hedges at nominal value (€325.2 million at December 31, 2021). The following table presents the amount before income taxes recognized in equity within the translation reserve as well as the reclassifications in profit or loss.

(€ millions)	2022	2021
Balance at the beginning of the period	1.3	4.1
Recognition in equity	8.6	(0.1)
Reclassification in profit or loss	-	(2.6)
Balance at the end of the period	9.9	1.4
of which reclassification in profit or loss expected within 12 months	9.9	1.4

The following table presents the impact of a change in foreign exchange rates on the portfolio of derivatives held at December 31, 2022 for highly probably future purchases and sales in foreign currencies. The analysis involves simulating both a decrease (lower case) and an increase (higher case)

in 2021 foreign exchange rates (*Note 26*) (actual 2022). The impact of changes in the effective portion of cash flow hedges is measured in equity while the impact of changes in the ineffective portion of cash flow hedges and non-hedge derivatives is measured in profit or loss.

(€ millions)	Lower case	Actual 2022	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Effective portion in equity at the closing date	11.6	9.9	9.1
Ineffective portion in profit or loss for the year	-	-	-

Interest rate risk

Description of the risk. Interest rate risk is the risk whereby interest due on financial debt may be subject to a deterioration by a rise in the market interest rates.

Risk management. Managing interest rate risk aims to guarantee the medium-term cost of net financial debt. Net financial debt is calculated in a report that records the financial debt of each entity with details of its components and characteristics. Reviewed each month by the Financial Department and each quarter by the Board of Directors, the report makes it possible to monitor the debt situation and adapt the management strategy where necessary. The management strategy is drawn up by the Group Treasury Department and approved every year by the Financial Department and the Board of Directors. As part of this

process, the Group Treasury Department works with the highest rated banking institutions and obtains financial data and pricing from information providers. The Group's strategy focuses on obtaining finances mainly in euros, which is the most accessible fixed-rate financial resource. Medium-term fixed-rate bond issues may be converted to floating rates using interest rate swaps. Given the interest rate trends anticipated in 2022, the Group fixed the interest rate for part of its future financial debt on various terms. The following table presents the impact of a change in interest rates on the interest expense generated by the underlying items of net financial debt, i.e. before interest rate derivatives at December 31, 2022. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2022 interest rates (actual 2022).

(€ millions)	Lower case	Actual 2022	Higher case
Interest rate	(0.5)%	-	0.5%
Net financial debt expense	(33.8)	(32.9)	(32.0)

Imerys usually holds a certain number of derivative instruments to hedge a portion of its floating rate debt. These instruments include interest rate swaps as well as options, including caps, floors, swaptions and futures. These instruments are considered cash flow hedges. At December 31, 2022, Imerys did not hold any interest

rate risk hedges. The nominal value at December 31, 2021 was therefore zero. The following table presents the amounts before income taxes recognized in equity in this respect as well as the reclassifications in profit or loss.

(€ millions)	2022	2021
Balance at the beginning of the period	0.0	0.0
Recognition in equity	-	-
Reclassification in profit or loss	-	-
Balance at the end of the period	0.0	0.0
of which reclassification in profit or loss expected within 12 months	-	-

The following table presents a breakdown of net financial debt between floating and fixed rate by currency at December 31, 2022:

(€ millions)	EUR	USD	JPY	Other foreign currencies	Total
Debt at fixed rate	1,797.1	14.5	0.7	15.5	1,827.8
Debt at fixed rate on issue	1,797.1	14.5	0.7	15.5	1,827.8
Fixed-for-floating swap	-	-	-	-	-
Debt at floating rate	(417.8)	304.8	(7.1)	(41.5)	(161.6)
Debt at floating rate on issue	447.5	-	-	9.4	456.9
Net cash and marketable securities	(401.3)	(44.2)	(8.5)	(164.5)	(618.5)
Fixed-for-floating swap	-	-	-	-	-
Exchange rate swap	(464.0)	349.0	1.4	113.6	-
Net financial debt at December 31, 2022	1,379.3	319.3	(6.4)	(26.0)	1,666.2

The following table presents a breakdown of interest rate hedging transactions by foreign currency at December 31, 2022:

(€ millions)	EUR	USD	JPY	Other foreign currencies	Total
Exposure at floating rate before hedging	(417.8)	304.8	(7.1)	(41.5)	(161.6)
Fixed rate hedges	-	-	-	-	-
Swap at average rate of	-	-	-	-	-
Capped rate hedges	-	-	-	-	-
Cap at average rate of	-	-	-	-	-
Exposure at floating rate after hedging	(417.8)	304.8	(7.1)	(41.5)	(161.6)

The following table presents the changes in interest rate hedging transactions at December 31, 2022 and beyond by maturity:

(€ millions)	2022	2023-2027	2028 and beyond
Total exposure before hedging	(161.6)	(161.6)	(161.6)
Fixed rate hedges	-	-	-
Swap at average rate of	-	-	-
Capped rate hedges	-	-	-
Cap at average rate of	-	-	-
Total exposure after hedging	(161.6)	(161.6)	(161.6)

The following table presents the impact of a change in the interest rate of net financial debt on the portfolio of interest rate derivatives held at December 31, 2022. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2022 interest rates (actual 2022). The impact of

changes in the effective portion of cash flow hedges is measured in equity while the impact of changes in the ineffective portion of cash flow hedges and non-hedge derivatives is measured in profit or loss.

(€ millions)	Lower case	Actual 2022	Higher case
Interest rate	(0.5)%	-	0.5%
Effective portion in equity at the closing date	-	-	-
Ineffective portion in profit or loss for the year	-	-	-

Energy price risk

Description of the risk. Energy price risk is the risk whereby the cash outflow due in relation to energy purchases may be subject to a deterioration by a rise in its market price. Imerys is exposed to the price risk of energy used in the production cycle of its activities, mainly natural gas, electricity and, to a lesser extent, coal.

Risk management. To manage energy price risk, Imerys sources its energy from a variety of geographical locations and sources. The Group looks to pass on any energy price increases in the selling price of its products. Furthermore, Imerys has centralized price risk management for natural gas in Europe and the US. The Group Treasury Department is responsible for implementing the framework and resources

needed for the single management strategy, which includes the appropriate use of financial instruments available in the market. Since 2006, the Group has strengthened its research programs on alternative energy sources as well as its projects to reduce energy consumption under the supervision of a Group Energy Supervisor. Since 2008, energy managers have been appointed across the Group. Energy price risk is hedged using forward and option contracts. These instruments are considered cash flow hedges. At December 31, 2022, Imerys held €98.3 million in energy price risk hedges at nominal value (€69.0 million at December 31, 2021). The following table presents the amounts before income taxes recognized in equity in this respect as well as the reclassifications in profit or loss.

(€ millions)	2022	2021
Balance at the beginning of the period	57.8	3.2
Recognition in equity	22.0	93.2
Reclassification in profit or loss	(100.3)	(38.6)
Balance at the end of the period	(20.5)	57.8
of which reclassification in profit or loss expected within 12 months	(20.5)	57.8

The following table summarizes the main energy price risk hedge positions at December 31, 2022:

	Net notional amounts (in MWh)	Maturity
Underlying position	6,279,816	<24 months
Management transactions	1,054,467	<24 months

The following table presents the impact of a change in natural gas and Brent prices on the portfolio of derivatives held at December 31, 2022 with respect to highly probable future purchases of natural gas and Brent crude. The analysis involves simulating both a decrease (lower case) and an

increase (higher case) in 2022 natural gas and Brent prices (actual 2022). The impact of changes in the effective portion of cash flow hedges is measured in equity while the impact of changes in the ineffective portion of cash flow hedges and non-hedge derivatives is measured in profit or loss.

(€ millions)	Lower case	Actual 2022	Higher case
Natural gas and Brent prices	(10.0)%	-	10.0%
Effective portion in equity at the closing date	(24.9)	(20.5)	(16.2)
Ineffective portion in profit or loss for the year	-	-	-

Borrower's liquidity risk

Description of the risk. Borrower's liquidity risk is the risk whereby Imerys would not be in a position to meet the repayment obligations of its financial liabilities. To assess the exposure of the Group to this risk, the following table presents maturity on issue at December 31, 2022. The maturity of lease liabilities presented below represents future cash outflows for

the lease liability measured across a reasonably certain lease term (*Note 18 – Accounting policy*). If all early termination options were exercised, future cash outflows for lease liabilities would total €202.7 million. If all extension options were exercised, future cash outflows for lease liabilities would total €254.3 million.

(€ millions)	2023		2024-2028		2029 and beyond		Total
	Share capital	Stake	Share capital	Stake	Share capital	Stake	
Non-derivative financial liabilities	479.2	24.3	1,485.2	68.4	345.5	32.6	2,435.2
Eurobond/EMTN/Sustainability-Linked Bonds	-	22.8	1,400.0	61.0	300.0	16.5	1,800.3
Private placements	-	-	-	-	-	-	-
Short-term negotiable debt securities issued	433.0	-	-	-	-	-	433.0
Bilateral facilities	-	-	-	-	-	-	-
Other facilities	(4.7)	0.1	3.0	0.1	-	-	(1.5)
Lease liabilities	50.9	1.5	82.2	7.3	45.5	16.1	203.5
Hedge derivatives	(2.7)	-	-	-	-	-	(2.7)
Financing hedge instruments – liabilities	1.7	-	-	-	-	-	1.7
Financing hedge instruments – assets	(4.4)	-	-	-	-	-	(4.4)
Future cash outflows with respect to gross financial debt	476.5	24.3	1,485.2	68.4	345.5	32.6	2,432.5
Non-derivative financial liabilities	3.7	-	-	-	-	-	3.7
Bank overdrafts	3.7	-	-	-	-	-	3.7
Non-derivative financial assets	(622.2)	-	-	-	-	-	(622.2)
Other current financial assets	(2.0)	-	-	-	-	-	(2.0)
Cash and cash equivalents	(620.2)	-	-	-	-	-	(620.2)
Future cash outflows with respect to net financial debt	(142.0)	24.3	1,485.2	68.4	345.5	32.6	1,814.0
of which items recognized at December 31, 2022 (net financial debt)	(142.0)	(22.5)	1,485.2	-	345.5	-	1,666.2
Non-derivative financial liabilities	884.4	-	-	-	-	-	884.4
Trade payables	540.1	-	-	-	-	-	540.1
Other debts	344.3	-	-	-	-	-	344.3
Hedge derivatives	8.8	-	-	-	-	-	8.8
Operational hedge instruments – liabilities	31.4	-	-	-	-	-	31.4
Operational hedge instruments – assets	(22.6)	-	-	-	-	-	(22.6)
Future cash outflows	751.2	24.3	1,485.2	68.4	345.5	32.6	2,707.2

The maturity of the net financial debt after interest rate swaps is as follows:

(€ millions)	2023	2024-2028	2029 and beyond	Total
Debt at fixed rate	27.5	1,500.3	300.0	1,827.8
Debt at fixed rate on issue	27.5	1,500.3	300.0	1,827.8
Fixed-for-floating swap	-	-	-	-
Debt at floating rate	(161.6)	0.0	0.0	(161.6)
Debt at floating rate on issue	456.9	-	-	456.9
Net cash and other current financial assets	(618.5)	-	-	(618.5)
Fixed-for-floating swap	-	-	-	-
Net financial debt	(134.1)	1,500.3	300.0	1,666.2

Risk management. Imerys is required to maintain one covenant for a portion of its finance agreements. The main restrictive terms and conditions attached to certain bilateral facilities are as follows:

- Purpose: general corporate financing requirement.
- Covenant compliance obligations: consolidated net financial debt excluding IFRS 16 lease liabilities/consolidated equity shall, in accordance with the related financing agreements, be less than or equal to 1.60 at the end of each reporting period for annual consolidated financial statements. At December 31, 2022, the ratio worked out at 0.45 (0.39 at December 31, 2021).
- Absence of any collateral in favor of lenders.

Failure to comply with the above obligations in any of the related financing agreements could lead to the available amount being canceled and the corresponding financial debt becoming immediately due, upon demand of the lender(s) in question. Other than with two exceptions, the Group's financing agreements do not provide for any cross default if a mandatory covenant is breached. At December 31, 2022, Imerys had a long-term rating of Baa3, stable outlook (Baa3, stable outlook at December 31, 2021) from Moody's and BBB-, stable outlook (BBB-, stable outlook at December 31, 2021) from S&P.

On June 16, 2022, Imerys updated its Euro Medium Term Note program (EMTN) with the Financial Industry Regulatory Authority in Luxembourg, the Commission de Surveillance du Secteur Financier. The program amounted to €3.0 billion and is approved to issue notes similar to ordinary bonds with maturities from one month to 30 years. At December 31, 2022, outstanding securities amounted to €1,400.0 million (€1,400.0 million at December 31, 2021). Imerys also has a short-term negotiable securities program (NEU CP) capped at €1,000.0 million (€1,000.0 million at December 31, 2021) rated P-3 by Moody's (P-3 at December 31, 2021). At December 31, 2022, outstanding short-term negotiable securities amounted to €433.0 million (€100.0 million at

December 31, 2021). On June 8, 2022 Imerys introduced a short-term negotiable debt securities program (NEU MTN) with the Banque de France capped at €300.0 million (€0.0 million at December 31, 2021) rated Baa3 by Moody's and BBB- by S&P. No securities were issued in 2021 or 2022. At December 31, 2022, Imerys had access to €1,010.0 million in available bilateral facilities (€1,160.0 million at December 31, 2021), a portion of which secures the short-term negotiable securities issued, in accordance with the Group's financial policy.

Moreover, Imerys further underscored its commitment in its sustainable development policy by tying its financing strategy to its environmental ambition in 2021. Therefore, on May 14, 2021, the Group completed an issue of bonds indexed to its sustainable development objectives (Sustainability-Linked Bonds) for a principal amount of €300.0 million. These bonds, due to mature on July 15, 2031, bear an annual coupon of 1.00% and are admitted to trading on the regulated market of the Luxembourg Stock Exchange. Issued in accordance with the Sustainability-Linked Bond Principles as published by the International Capital Market Association (ICMA), these instruments are indexed to a target to reduce greenhouse gas emissions by 22.9% in 2025 and 36.0% in 2030 in relation to the revenue (tCO₂e/million euros) considering 2018 as the reference year, as approved by the Science Based Target initiative (SBTi). This includes Scope 1 emissions (direct emissions from sources owned or controlled by Imerys) and Scope 2 emissions (indirect emissions from the production of electricity, heat or steam imported or purchased by the Group). Failure to comply with these targets at December 31, 2025 and/or at December 31, 2030 could lead to the payment of penalties corresponding to 25 basis points of the principal amount for the 2025 target and/or 50 basis points of the principal amount for the 2030 target. At December 31, 2022, Imerys had reduced the metric tons of CO₂ emitted per million euros of revenue by 31.0% compared with 2018 levels (23.0% since 2018 at December 31, 2021).

Market liquidity risk

Description of the risk. Market liquidity risk is the risk whereby a non-confirmed financial resource (short-term negotiable securities [NEU CP], bank facility and accrued interests, or other debts and facilities) would not be renewed.

Risk management. Imerys tends to use financial resources to adjust its financing capabilities, which exist either as financial debt that has been drawn or financing commitments granted by the highest rated banking institutions. Medium-term financial

resources provided by bilateral facilities may be used over very short drawing periods (between one and 12 months) while remaining available over longer maturities (five years). The financial resources of the Group amounted to €2,710.0 million at December 31, 2022 (€2,860.0 million at December 31, 2021). Imerys manages the value of financial resources through regular comparison with the amount drawn down in order to measure available funds to which the Group may have access.

The robustness of financial resources is assessed on the basis of their amounts and average maturity as presented in the following table:

	2022	2021
Financial resources by maturity (€ millions)		
Maturity within Y+1	100.0	150.0
Maturity between Y+2 and Y+6	2,310.0	1,510.0
Maturity between Y+7 and +	300.0	1,200.0
Total	2,710.0	2,860.0
Financial resources by nature (€ millions)		
Bond resources		
Eurobond/EMTN	1,700.0	1,700.0
Private placements	-	-
Bank resources		
Miscellaneous bilateral facilities	1,010.0	1,160.0
Total	2,710.0	2,860.0
Average maturity of financial resources (in years)		
Bond resources	4.4	5.4
Bank resources	2.5	2.9
Total	3.7	4.4

The following table measures the available financial resources after repayment of financing from uncommitted resources. It measures the actual exposure of Imerys to an illiquidity crisis on both financial and banking markets. At December 31, 2022, available financial resources after repayment of uncommitted

resources corresponded to €425.2 million (€853.8 million at December 31, 2021), which gives the Group substantial room for maneuver, guarantees financial stability and helps to mitigate any going concern risk.

(€ millions)	2022			2021		
	Resources	Utilization	Available	Resources	Utilization	Available
Bonds	1,700.0	1,700.0	0.0	1,700.0	1,700.0	0.0
Short-term negotiable securities	-	433.0	(433.0)	-	100.0	(100.0)
Committed bank facilities	1,010.0	-	1,010.0	1,160.0	-	1,160.0
Bank facilities and accrued interests	-	12.8	(12.8)	-	13.2	(13.2)
Other debts and facilities	-	139.0	(139.0)	-	193.0	(193.0)
Total	2,710.0	2,284.8	425.2	2,860.0	2,006.2	853.8

Conversion of financial statements risk

Description of the risk. Conversion of financial statements risk is a form of foreign exchange risk whereby the value in euros of the financial statements of a foreign operation may be subject to a deterioration due to an unfavorable change in the foreign exchange rate of the functional currency of that business.

Risk management. Imerys hedges part of its net investments in foreign operations by granting loans specifically allocated to financing the operations in the long term and by controlling the proportion of its financial debt stated in foreign currencies.

The exchange rate differences generated by the loans and borrowings qualified as hedges of net investments in foreign operations are recognized in equity (*Note 26 – Translation reserve*) so as to neutralize, to a certain extent, the translation gains or losses on hedged net investments. At December 31, 2022, the borrowings and exchange rate swaps taken out to hedge net investments in foreign entities included: USD378.3 million, CHF47.5 million, GBP53.8 million and SGD25.5 million (USD378.3 million, CHF47.5 million, GBP62.4 million, DKK257.5 million and SGD37.9 million at December 31, 2021).

The following table presents financial debt before and after the impact of these foreign currency swaps:

(<i>€ millions</i>)	2022			2021		
	Before currency swap	After currency swap	After currency swap	Before currency swap	After currency swap	After currency swap
EUR	2,244.6	(464.0)	1,780.6	1,918.5	(359.2)	1,559.3
USD	14.5	349.0	363.5	23.3	365.2	388.5
JPY	0.7	1.4	2.1	3.4	8.7	12.1
Other foreign currencies	24.9	113.6	138.5	61.0	(14.7)	46.3
Total	2,284.7	0.0	2,284.7	2,006.2	0.0	2,006.2

At December 31, 2022, the portion of financial debt in each foreign currency, after swaps, was as follows:

(<i>€ millions</i>)	EUR	USD	JPY	Other foreign currency	Total
Gross financial debt	1,780.6	363.5	2.1	138.5	2,284.7
Net cash and marketable securities	(401.3)	(44.2)	(8.5)	(164.5)	(618.5)
Net financial debt at December 31, 2022	1,379.3	319.3	(6.4)	(26.0)	1,666.2

The following table presents the impact of a change in foreign exchange rates on the portfolio of foreign exchange swaps held at December 31, 2022 with respect to hedges of net investments in foreign operations. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2022 foreign exchange rates (*Note 26*) (actual 2022).

The impact of changes in the effective portion of hedges of net investments in foreign operations is measured in equity while the impact of changes in the ineffective portion of hedges of net investments in foreign operations and non-hedge derivatives is measured in profit or loss.

(<i>€ millions</i>)	Lower case	Actual 2022	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Effective portion in equity at the closing date	(259.2)	(204.7)	(160.2)
Ineffective portion in profit or loss for the year	-	-	-

OTHER INFORMATION

NOTE 25 MAIN CONSOLIDATED ENTITIES

Accounting policy

Imerys consolidates the financial statements of the entities it controls, i.e. those over which the Group has power, is exposed to variable yields and has the ability to exercise its power to influence company policy. Their assets, liabilities, income and expenses contribute to the various items in the consolidated financial statements. Intra-group transactions are eliminated. An entity's losses are allocated to non-controlling interests in proportion to the interest held, even if the result presents a negative balance. Where there is no impact on control, changes in interest are recognized in equity. In the absence of sufficient detail in existing standards and interpretations, Executive Management considers that any commitment entered into by Imerys with the intent to acquire shares from non-controlling interests is recognized as a liability measured at the fair value of the commitment against a derecognition of these interests. Any difference between the fair value of the liability and the carrying amount of the non-controlling interests is recognized in equity. Subsequent changes in the fair value of debt are recognized in equity. If, at the end of the reporting period, it is highly probable that non-current assets or groups of directly related assets and liabilities will be disposed of, they are designated as non-current assets or groups of assets held for sale. Disposal is considered highly probable if, at the end of the reporting period, a plan to sell them at a reasonable price given their fair value has been initiated to identify a buyer and definitively conclude the disposal within a maximum of one year. Executive Management makes judgments to assess the highly probable nature of the transaction. Non-current assets or groups of assets held for sale are presented in separate items in the assets and liabilities on the Statement of Financial Position,

separately from the remaining continuing operations, at the reporting date and without any comparative information provided for previous years. At the date on which they are designated as non-current assets or groups of assets held for sale, they cease to be amortized or depreciated and are measured either at carrying amount or fair value less costs to sell, whichever is lower. Non-current assets or groups of assets that are to be closed rather than sold are considered non-current assets to be abandoned and not held for sale. When non-current assets or groups of assets held for sale or to be abandoned are allocated to a separate line of business from the main operation and are to be abandoned as part of a single coordinated plan, they are categorized as discontinued operations and their related flows are disclosed separately in the income statement and statement of cash flows at the reporting date and without any comparative information provided for previous years. As non-current assets or groups of assets held for sale remain under the Group's control until the sale date, intra-Group transactions involving these assets and other continuing operations are eliminated from the statement of financial position and the income statement, with the exception in the income statement of transactions involving the discontinued operations that will continue after the date control is separated from continuing operations. This presentation, which has no impact on the amount of consolidated net income, enables users of the financial statements to measure the impact of discontinued operations on other continuing operations. Executive Management makes judgments to identify transactions that will continue after the date at which control over discontinued operations is separated from continuing operations.

Changes in the scope of consolidation

Performance Minerals (PM). In the second quarter of 2021, the segment received a proposal to purchase several of its hydrous kaolin mining and industrial transformation assets serving the paper market in Georgia, US. At June 30, 2021, the assets and liabilities of this business were classified as assets (and liabilities related to assets) held for sale. On July 24, 2021, Imerys announced the sale agreement had been finalized. After lifting the conditions precedent clauses in the offer received, the sale of the business to the US group Thiele Kaolin Company was finalized on March 1, 2022, generating a €9.4 million loss from the disposal (*Note 10*), of which a €3.7 million loss due to the reclassification of the translation reserve related to the business. The disposal price of this business amounts to €49.7 million paid in cash. Furthermore, on April 29, 2022, the segment sold its Canadian and Namibian natural graphite business to the Canadian group Northern Graphite Corporation (NGC), generating a €32.0 million gain (*Note 10*). The disposal price of the business amounted to €37.2 million, of which €33.5 million was paid in cash and €3.7 million in shares of the acquirer NGC. In addition, on September 9, 2022, the segment received an offer to purchase a group of mining and industrial assets serving the

paper market in the US, Europe and Asia. As Imerys Executive Management had already started to consider the offer made by the potential buyer and determined that the group of assets could be disposed of rapidly, in its current state and within the next 12 months, its assets and related liabilities were designated as assets (and liabilities related to assets) held for sale at the date the offer was received. Amortization and depreciation were no longer recognized after this date. The following table presents the assets (and liabilities related to assets) isolated from other continuing operations in the statement of financial position. The share of goodwill from the Performance Minerals business area allocated to the portion of the business sold totaled €110.0 million (*Note 16*). This amount was reduced by €108.0 million in order to limit the carrying amount of the business' assets (and liabilities related to assets) to the net fair value of the costs of the sale. The impairment loss was recognized in other operating income and expenses (*Note 10*). The translation reserve related to the business, which amounted to a negative balance of €220.0 million at December 31, 2022, will be reclassified in profit and loss for the amount at the date of the loss of control.

(€ millions)	2022
Non-current assets	222.0
Current assets	211.4
Assets held for sale	433.4
Non-current liabilities	55.8
Current liabilities	77.7
Liabilities related to assets held for sale	133.5

High Temperature Materials & Solutions (HTMS). The segment, which had not undergone any material change in the scope of consolidation since the acquisition of the French group Kerneos in 2017, received an offer on July 28, 2022 to purchase a substantive portion of its High Temperature Solutions line of business. As the Executive Management team at Imerys had acknowledged the offer made by the potential buyer and determined that the activity could be disposed of immediately, in its current state and within the next 12 months, it concluded that the line of business qualified as a disposal group held for sale. Amortization and depreciation were no longer recognized after the date at which the purchase offer was received. Furthermore, as the business area constituted a major division within the Group, it was accounted for in discontinued operations. The disposal of the business to US investment fund Platinum Equity was completed on

January 31, 2023 (Note 30). Proceeds of the disposal received in cash amounted to €708.0 million. The translation reserve related to the business, which amounted to a negative balance of €154.2 million at December 31, 2022, will be reclassified in profit and loss for the amount at the date of the loss of control. In the financial statements at December 31, 2022, the contribution of discontinued operations to earnings and cash flow were presented separately in the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of cash flows for the current and previous fiscal year presented. The tables below itemize the contribution of discontinued operations to the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of financial position and the consolidated statement of cash flows.

Consolidated income statement

(€ millions)	2022	2021
Revenue	981.0	801.5
Current operating income	135.8	93.9
Operating income	118.7	93.7
Financial income (loss)	(2.5)	0.7
Income taxes	(38.7)	(26.8)
Gain (loss) on the net monetary position ⁽¹⁾	(0.2)	0.0
Net income from discontinued operations	77.3	67.5

(1) First-time application of IAS 29 on hyperinflationary economies (Note 2.3).

In the consolidated income statement, the main impacts are as follows:

- **Operating income.** Executive Management identified the transactions that will continue after January 31, 2023 between the discontinued operations and the continuing operations, in accordance with the accounting policy described above. They primarily involve purchases of goods and services from the discontinued operations by the Refractory, Abrasives & Construction business area. Support services provided by the continuing operations to discontinued operations were allocated between both scopes based on agreements entered into as part of the transaction.

- **Financial income (loss).** Financial income (loss) includes interest on current accounts as set out in the existing agreements between the discontinued scope and the continued scope.
- **Income taxes** The impact of income taxes were allocated between the discontinued scope and the continued scope in accordance with the adjusted basis in current operating income and financial income (loss).

Reallocations made in accordance with these principles between the discontinued scope and the continued scope had the following impact by level of profit or loss:

(€ millions)	2022		2021	
	Continued operations	Discontinued operation	Continued operations	Discontinued operation
Operating income	118.5	(118.5)	97.6	(97.6)
Financial income (loss)	4.3	(4.3)	2.9	(2.9)
Income taxes	3.8	(3.8)	9.9	(9.9)
Net income	126.6	(126.6)	110.4	(110.4)

Consolidated statement of comprehensive income

<i>(€ millions)</i>	2022	2021
Net income	77.3	67.5
Other comprehensive income, before tax	13.7	(40.6)
Other comprehensive income	9.5	(41.5)
Total comprehensive income from discontinued operations	86.8	26.0

Consolidated statement of financial position

<i>(€ millions)</i>	2022
Non-current assets	503.2
Current assets	439.6
Assets held for sale	942.8
Non-current liabilities ⁽¹⁾	164.7
Current liabilities	170.8
Liabilities related to assets held for sale	335.5

(1) Including debt of €61.1 million corresponding to the commitment to purchase a non-controlling stake in the Turkish group Haznedar.

Consolidated statement of cash flows

<i>(€ millions)</i>	2022	2021
Net income	77.3	67.5
Net cash flows from (used in) operating activities	17.1	58.2
Cash flow from investing activities	23.9	(37.2)
Cash flow from financing activities	(35.1)	9.7
Change in cash and cash equivalents of discontinued operations	83.3	98.2

2022 Scope of consolidation

The following table presents the main consolidated entities in 2022. The percentages of interest are identical to the percentages of control, unless otherwise indicated. The Group holds no unconsolidated structured entity.

Country Entity	Segment	% Interest	Entity	Segment	% Interest
France					
Calderys France (SAS U) ⁽³⁾	HTMS	100.00	Imerys Refractory Minerals Clérac (SAS U)	HTMS	100.00
Imerys Aluminates (SAS)	HTMS	100.00	Imerys Refractory Minerals Glomel (SAS)	HTMS	100.00
Imerys Ceramics France (SAS)	PM	99.99	Imerys (SA)	Holding	Parent
Imerys Filtration France (SAS U)	PM	100.00	Imerys Services (SAS U)	Holding	100.00
Imerys Beyrède (SAS U)	HTMS	100.00	Imerys Tableware France (SAS)	PM	100.00
Imerys Minéraux France (SAS U)	PM	100.00	Imerys Talc Luzenac France (SAS U)	PM	100.00
Imerys Metalcasting France (SAS U) ⁽³⁾	HTMS	100.00	Mircal (SAS U)	Holding	100.00
Imerys PCC France (SAS U)	PM	100.00			
Europe					
Austria					
Imerys Villach GmbH	HTMS	100.00	Imerys Talc Austria GmbH	PM	100.00
Belgium					
Imerys Graphite & Carbon Belgium SA	PM	100.00	Imerys Talc Belgium (NV)	PM	100.00
Imerys Minéraux Belgique SA ⁽²⁾	PM	100.00			
Bulgaria					
Imerys Minerals Bulgaria AD	PM	99.73			
Denmark					
Imerys Industrial Minerals Denmark A/S	PM	100.00			
Finland					
Calderys Finland OY ⁽³⁾	HTMS	100.00	Imerys Minerals OY ⁽²⁾	PM	100.00
Germany					
Calderys Deutschland GmbH ⁽³⁾	HTMS	100.00	Imerys Metalcasting Germany GmbH ⁽³⁾	HTMS	100.00
Imerys Laufenburg GmbH	HTMS	100.00	Imerys Minerals GmbH	PM	99.99 ⁽¹⁾
Imerys Murg GmbH	HTMS	100.00	Imerys Tableware Deutschland (GmbH)	PM	100.00
Imerys Teutschenthal GmbH	HTMS	100.00			
Imerys Zschornowitz GmbH	HTMS	100.00			
Greece					
Imerys Bauxites Greece Single Member SA	HTMS	100.00	Imerys Industrial Minerals Greece Single Member SA	PM	100.00
Hungary					
Imerys Kiln Furniture Hungary KFT	PM	100.00			
Italy					
Calderys Italia Srl ⁽³⁾	HTMS	100.00	Imerys Minerali Corsico Srl	PM	100.00
Imerys Bentonite Italy SpA ⁽³⁾	HTMS	100.00	Imerys Talc Italy SpA	PM	99.66
Imerys Ceramics Italy Srl	PM	100.00	Imerys Minerali SpA ⁽²⁾	PM	100.00
Imerys Domodossola SpA	HTMS	100.00			
Luxembourg					
Imerys Minerals International Sales (SA)	PM	100.00			
Netherlands					
Calderys The Netherlands BV ⁽³⁾	HTMS	100.00			

(1) Percentage of direct control: 100.00%.

(2) Entity serving the paper market.

(3) Entity belonging to the High Temperature Solutions line of business.

Country Entity	Segment	% Interest	Entity	Segment	% Interest
Russian Federation					
OOO Calderys ⁽³⁾	HTMS	100.00			
Slovenia					
Imerys Ruse doo	HTMS	100.00			
Spain					
Imerys Diatomita Alicante SA	PM	100.00	Imerys Perlita Barcelona SA	PM	100.00
Sweden					
Calderys Nordic AB ⁽³⁾	HTMS	100.00	Peramin AB	HTMS	100.00
Imerys Mineral AB ⁽²⁾	PM	100.00			
Switzerland					
Imerys Graphite & Carbon Switzerland SA	PM	100.00			
UK					
Calderys NGJ Ltd ⁽³⁾	HTMS	100.00	Imerys PCC UK Ltd	PM	100.00
Imerys Aluminates Ltd	HTMS	100.00	Imerys UK Ltd	Holding	100.00
Imerys Minerals Ltd	PM/Holding	100.00			

Country Entity	Segment	% Interest	Entity	Segment	% Interest
US					
Americarb Inc ⁽²⁾	PM	100.00	Imerys Perlite USA Inc	PM	100.00
Calderys USA Inc ⁽³⁾	HTMS	100.00	Imerys Refractory Minerals USA Inc	HTMS	100.00
Imerys Carbonates USA Inc	PM	100.00	Imerys Steelcasting USA Inc ⁽³⁾	HTMS	100.00
Imerys Clays Inc ⁽²⁾	PM/Holding	100.00	Imerys USA Inc	Holding	100.00
Imerys Filtration Minerals Inc	PM	100.00	Imerys Wollastonite USA LLC	PM	100.00
Imerys Greeneville Inc	HTMS	100.00	Kentucky-Tennessee Clay Co	PM	100.00
Imerys Niagara Falls Inc	HTMS	100.00	Imerys Norfolk Inc	HTMS	100.00
Imerys Minerals USA Inc ⁽³⁾	HTMS	100.00			
Rest of the world					
Argentina					
Imerys Minerales Argentina SA ⁽²⁾	PM	100.00			
Australia					
Imerys Talc Australia Pty Ltd	PM	100.00			
Bahrain					
Imerys Al Zayani Co WLL	HTMS	70.00			
Brazil					
Imerys Do Brasil Comercio De Extracao de Minerios Ltda ⁽²⁾	PM	100.00	Pará Pigmentos SA ⁽²⁾	PM	100.00
Imerys Fused Minerals Salto Ltda	HTMS	100.00	Imerys Itatex Solucoes Minerais Ltda	PM	100.00
Imerys Rio Capim Caulim SA ⁽²⁾	PM	100.00			
Canada					
Imerys Canada Inc	PM	100.00	Imerys Graphite & Carbon Canada Inc	PM	100.00
Chile					
Imerys Minerales Chile SpA	PM	100.00			

(1) Percentage of direct control: 100.00%.

(2) Entity serving the paper market.

(3) Entity belonging to the High Temperature Solutions line of business.

Country Entity	Segment	% Interest	Entity	Segment	% Interest
China					
Calderys China Co Ltd ⁽³⁾	HTMS	100.00	Kerneos China Aluminate Technologies Co Ltd	HTMS	100.00
Guiyang Jianai Special Aluminates Co Ltd	HTMS	100.00	Linjiang Imerys Diatomite Co Ltd	PM	100.00
Imerys Fused Minerals Yingkou Co Ltd	HTMS	100.00	S&B Bentonite Chaoyang Co Ltd ⁽³⁾	HTMS	50.00
Imerys Pigments Wuhu Co Ltd	PM	100.00	Shandong Imerys Mount Tai Co Ltd	HTMS	65.00
Imerys Shanghai Investment Management Co Ltd ⁽²⁾	HTMS/PM/ Holding	100.00	Zhengzhou Jianai Special Aluminates Co Ltd	HTMS	90.00
Imerys Zhejiang Zirconia Co Ltd	HTMS	100.00			
India					
Calderys India Refractories Ltd ⁽³⁾	HTMS	100.00	Imerys Newquest India Private Ltd ⁽²⁾	PM	73.99
Imerys Ceramics India Private Ltd ⁽²⁾	PM	100.00	Imerys Steelcasting India Private Ltd ⁽³⁾	HTMS	100.00
Imerys Minerals India Private Ltd ⁽²⁾	PM	100.00			
Indonesia					
PT ECC (Corp) ⁽²⁾	PM	51.00	PT Indoporlen (Corp) ⁽³⁾	HTMS	70.00
Japan					
Calderys Japan Co Ltd ⁽³⁾	HTMS	100.00	Imerys Specialities Japan Co Ltd ⁽²⁾	PM	100.00
Imerys High Resistance Minerals Japan KK	HTMS	100.00	Niigata GCC Co Ltd ⁽²⁾	PM	60.00
Imerys Minerals Japan KK ⁽²⁾	PM	100.00			
Malaysia					
Imerys Minerals Malaysia SDN BHD	PM	100.00			
Mexico					
Imerys Almeria SA de CV	PM	100.00	Minera Roca Rodando S de RL de CV	PM	100.00
Imerys Ceramics Mexico SA de CV	PM	100.00			
Singapore					
Imerys Asia Pacific Pte Ltd ⁽²⁾⁽³⁾	PM	100.00			
South Africa					
Calderys South Africa Pty Ltd ⁽³⁾	HTMS	73.95	Imerys Refractory Minerals South Africa Pty Ltd	HTMS	73.95 ⁽¹⁾
South Korea					
Imerys Minerals Korea Ltd	PM	100.00			
Taiwan					
Calderys Taiwan Co Ltd ⁽³⁾	HTMS	100.00	Sunward Refractories Co Ltd ⁽³⁾	HTMS	78.31
Thailand					
MRD-ECC Co Ltd	PM	68.89	MRD Co Ltd	PM	68.89 ⁽¹⁾
Turkey					
Haznedar Durer Refrakter Malzemeleri Sanayi Ve Ticaret AS ⁽³⁾	HTMS	60.00	Haznedar Durer Dis Ticaret AS ⁽³⁾	HTMS	60.00 ⁽¹⁾

(1) Percentage of direct control: 100.00%.

(2) Entity serving the paper market.

(3) Entity belonging to the High Temperature Solutions line of business.

NOTE 26 TRANSLATION OF FOREIGN CURRENCIES

Accounting policy

The consolidated financial statements of Imerys are presented in euros. The main consolidated entities (Note 25) use the local currency as their functional currency. The accumulated impact of translating the financial statements of foreign operations is recognized in equity within the translation reserve. Assets and liabilities of foreign operations are translated at the exchange rate at the end of the reporting period and their income and expenses at the average exchange rate for the year. Non-monetary assets and liabilities from transactions in foreign currencies are measured at the exchange rate of the day or the average rate for the month of the transaction. With the exception of derivative financial instruments, monetary assets

and liabilities from transactions in foreign currencies are measured at the exchange rate at the end of the reporting period. The corresponding exchange rate differences are recognized in other financial income (expenses) (Note 12) except for those generated by monetary assets and liabilities from net investments in foreign operations and their hedges, which are recognized in equity within the translation reserve (Note 24.5 – Conversion of financial statements risk). Upon disposal of a foreign operation, the accumulated impact of translating financial statements and hedges is recognized in other operating income and expenses with the proceeds from the disposal of the business segment (Note 10).

Exchange rate

The following table presents the exchange rates applied to translate the financial statements of the main consolidated entities at December 31, 2022 (Note 25).

(\u20ac1 =)	Currency	2022		2021	
		Closing	Average	Closing	Average
Argentina	ARS	188.9250	137.1320	116.3747	112.5341
Australia	AUD	1.5693	1.5170	1.5615	1.5749
Bahrain	BHD	0.4037	0.3974	0.4288	0.4458
Brazil	BRL	5.5652	5.4410	6.3205	6.3773
Bulgaria	BGN	1.9558	1.9558	1.9558	1.9558
Canada	CAD	1.4440	1.3703	1.4393	1.4826
Chile	CLP (100)	9.1675	9.1717	9.5670	8.9789
China	CNY	7.4284	7.0683	7.2211	7.6304
Denmark	DKK	7.4365	7.4395	7.4364	7.4370
Hungary	HUF (100)	4.0087	3.9108	3.6919	3.5852
India	INR	88.2998	82.7117	84.1550	87.4225
Indonesia	IDR (100)	165.1982	156.4609	161.0042	169.2072
Japan	JPY (100)	1.4066	1.3798	1.3038	1.2988
Malaysia	MYR	4.7071	4.6300	4.7282	4.9006
Mexico	MXN	20.8560	21.2025	23.1438	23.9852
Russian Federation	RUB	74.3277	72.5779	85.3004	87.1527
Singapore	SGD	1.4300	1.4517	1.5279	1.5891
South Africa	ZAR	18.0986	17.2093	18.0625	17.4766
South Korea	KRW (100)	13.5170	13.5777	13.4270	13.5351
Sweden	SEK	11.1218	10.6291	10.2503	10.1465
Switzerland	CHF	0.9847	1.0049	1.0331	1.0811
Taiwan	TWD	32.7460	31.3443	31.3538	33.0750
Thailand	THB	36.8350	36.8561	37.6530	37.8368
Turkey ⁽¹⁾	TRY	19.9649	17.3961	15.2335	10.5124
UK	GBP	0.8869	0.8527	0.8403	0.8596
US	USD	1.0666	1.0537	1.1326	1.1827

(1) All the financial statements of the Haznedar group, the Group's main operation in Turkey, were converted at the closing rate pursuant to the 1st application of IAS 29 on hyperinflationary economies (Note 2.3). The Haznedar group is included at December 31, 2022 in the scope of the discontinued High Temperature Solutions line of business (Note 25).

Translation reserve

The following table presents the amount before income taxes recognized in equity within the translation reserve with respect to the translation of the financial statements of entities in the main

foreign currencies. This table provides details of movements related to hedges of net investment in foreign operations (Note 24.5 – Conversion of financial statements risk).

(€ millions)	BRL	GBP	INR	SGD	TRY	USD	Other foreign currency	Total
Balance at January 1, 2021	(372.9)	(80.4)	(87.3)	89.8	(48.9)	(57.1)	(122.7)	(679.5)
of which net investment hedge reserve	(0.5)	(25.8)	(3.5)	(3.1)	(6.4)	(135.8)	(30.4)	(205.5)
▪ continuing hedges	(0.5)	(25.8)	(3.5)	(3.1)	(6.4)	(135.8)	(30.4)	(205.5)
Recognition in equity	2.1	25.1	4.4	23.9	(51.9)	18.9	31.7	54.2
Hedges of net investments in foreign operations	-	(5.4)	1.9	-	-	8.7	(2.1)	3.1
Conversion of financial statements	2.1	30.5	2.5	23.9	(51.9)	10.2	33.8	51.1
Reclassification in profit or loss	-	0.6	-	-	(0.2)	1.3	(2.5)	(0.8)
of which net investment hedge reserve	-	-	-	-	-	-	(2.5)	(2.5)
Balance at December 31, 2021	(370.8)	(54.7)	(82.9)	113.7	(101.0)	(36.9)	(93.5)	(626.1)
of which net investment hedge reserve	(0.5)	(31.2)	(1.6)	(3.1)	(6.4)	(127.1)	(35.0)	(204.9)
▪ continuing hedges	(0.5)	(31.2)	(1.6)	(3.1)	(6.4)	(127.1)	(35.0)	(204.9)
Recognition in equity	33.7	(21.4)	(18.0)	25.9	19.9	31.9	(21.8)	50.2
Hedges of net investments in foreign operations	-	3.7	(3.4)	(0.3)	-	5.1	(4.9)	0.2
Conversion of financial statements	33.7	(25.1)	(14.6)	26.2	19.9	26.8	(16.9)	50.0
Reclassification in profit or loss ⁽¹⁾	-	-	-	-	(0.1)	3.5	(1.8)	1.6
Change in the scope of consolidation	-	-	-	-	-	-	(1.1)	(1.1)
Balance at December 31, 2022	(337.1)	(76.1)	(100.9)	139.6	(81.2)	(1.5)	(118.2)	(575.4)
of which net investment hedge reserve	(0.5)	(27.5)	(5.0)	(3.4)	(6.4)	(122.0)	(39.9)	(204.7)
▪ continuing hedges	(0.5)	(27.5)	(5.0)	(3.4)	(6.4)	(122.0)	(39.9)	(204.7)

(1) Of which €3.5 million with respect to the loss of control of the US hydrous kaolin business, -€1.9 million with respect to the loss of control of the Canadian and Namibian natural graphite business (Note 25).

NOTE 27 RELATED PARTIES

Related parties outside Imerys

Imerys has related party relationships with The Desmarais Family Residuary Trust, held by the Desmarais family (Canada), and Stichting A.K. Frère-Bourgeois, controlled by the Frère family (Belgium). These entities are the ultimate controlling parties of Imerys. Through their joint venture Parjointco, they

jointly control the Belgian group Groupe Bruxelles Lambert (GBL), which controls Belgian Securities BV (Netherlands), a shareholder of Imerys. In this respect, GBL is considered a related party of Imerys. Imerys is not involved in any transactions with these related parties.

Key management personnel of Imerys

The managers qualifying as related parties at December 31, 2022 are the 12 members of the Board of Directors, including the two employee representative directors and excluding the non-voting observer (12 members at December 31, 2021) and the 10 members of the Executive Committee, including the Chief Executive Officer (11 members at December 31, 2021).

In accordance with the acquisition agreement concluded between Imerys, S&B GP, Blue Crest and K and R Holdings Sarl on November 5, 2014 and subsequently amended, PropCo2, an entity affiliated with Blue Crest, which

holds 5.97% of voting rights in Imerys, in which Paris Kyriacopoulos, director of Imerys S.A. also holds a directorship, must reimburse Imerys Industrial Minerals Greece S.A., which owns land in the name and on behalf of this entity, for the expenses it incurred in relation to its ownership of this land. In 2022, this €11,000 commitment was considered a related party transaction. No amount was reimbursed in 2021 or 2022.

Compensation and assimilated benefits granted to these related parties are presented in the following table:

Notes	2022		2021		
	Expense	Liability	Expense	Liability	
(€ millions)					
Short-term benefits	1	(7.2)	2.3	(8.1)	3.5
Directors' compensation	2	(0.7)	0.3	(0.7)	0.3
Post-employment benefits	3	(0.3)	0.7	(0.2)	1.1
Contributions to defined contribution plans		(0.7)	-	(0.7)	-
Share-based payments	4	(4.4)	-	(3.2)	-
Total		(13.3)	3.3	(12.9)	4.9

Note 1. Short-term benefits. These amounts include the fixed part of the compensation paid for the year as well as the variable part also due for the year, but paid the subsequent year.

Note 2. Directors' compensation. These amounts correspond to the attendance fees paid to the members of the Board of Directors.

Note 3. Post-employment benefits. These amounts include in particular post-employment defined benefit plans available to

the main executives of the Group's entities in France who meet the eligibility criteria. They are recognized for the beneficiaries qualifying as related parties, some of whom are among the above-mentioned executives.

Note 4. Share-based payments. These amounts correspond to expenses recognized with respect to Imerys share options and free shares granted to related parties.

Post-employment benefits for Imerys employees

The post-employment benefit plans to which Imerys employees are entitled are deemed to be related party agreements. The amount of the contributions to external funds recognized as an expense in 2022 amounted to €15.7 million (€20.4 million in

2021), including €8.6 million for Imerys UK Pension Fund Trustees Ltd, United Kingdom (€7.5 million in 2021) and €1.6 million for Comerica, United States (€8.1 million in 2021).

Transactions with joint ventures and associates

Of the main joint ventures and associates in which Imerys holds a stake, The Quartz Corporation is the only one to which Imerys has granted a loan (€3.7 million December 31, 2021), which was fully repaid in 2022.

FCPE Imerys Actions

The corporate mutual fund holding Imerys shares, known as FCPE Imerys Actions, is managed by BNP Paribas Asset Management SAS and overseen by a Supervisory Board of eight members made up of four shareholder representatives and four

Imerys representatives. As Imerys, together with the shareholders, exercises joint control over FCPE Imerys Actions, the fund is deemed to be a related party. The amounts recognized in 2021 and 2022 for the FCPE Imerys Actions are immaterial.

NOTE 28 OBLIGATIONS

To the best of Imerys' knowledge, other than contracts agreed (i) in the ordinary course of business, including contracts covering operating rights for mineral reserves and resources, (ii) as part of an acquisition or disposal of assets or companies already completed or announced or (iii) in relation to the financing operations mentioned in the present Universal Registration Document, no major contracts have been signed by any Group company in the two years prior to the date the present Universal Registration Document was filed that are currently still in force and contain provisions imposing any obligations or commitments likely to have a material impact on the Group's business, financial position or cash flow.

Nevertheless, in the ordinary course of its business, Imerys is liable to third parties for obligations, often related to conditions or subsequent events that do not (or only partially) meet the criteria for recognizing liabilities but may impact the future financial position. The unrecognized portion of the obligation is designated hereinafter by the term commitment. Identified in accordance with applicable accounting standards, material commitments, both given and received, are presented in the following tables. When a business is recognized as an asset held for sale or a discontinued operation at the closing date, the commitment presented below include commitments relating to these businesses.

Commitments given

<i>(€ millions)</i>	Notes	2022	2021
Mineral leases and services on lease contracts	1	4.4	5.2
Site restorations	2	68.2	67.3
Commitments related to operating activities	3	112.8	208.7
Cash-related commitments	4	62.7	63.6
Other commitments	5	176.4	176.8
Total		424.5	521.6

Note 1. Mineral leases and services on lease contracts.

The remaining off balance sheet items are limited to contracts outside the scope of IFRS 16, Leases, in particular mineral leases and commitments to purchase services related to leases.

Note 2. Site restorations. These commitments correspond to sureties and guarantees obtained from financial institutions in accordance with legal requirements minus any recognized provisions (*Note 23.2*). Sureties and guarantees are generally taken out with government agencies to secure the financial capacity of Imerys to meet its environmental obligations.

Note 3. Commitments related to operating activities. These commitments correspond to firm purchase commitments made by Imerys as part of purchase contracts of goods, services, energy and freight. Energy supply commitments (mainly electricity and gas) amounted to €16.3 million at December 31, 2022 (€24.0 million at December 31, 2021).

Note 4. Cash-related commitments. These commitments correspond to letters of credit as well as sureties, guarantees, mortgages and pledges obtained by Imerys from financial institutions in order to guarantee operating treasury requirements in favor of customers.

Note 5. Other commitments. This item encompasses all commitments given that are not mentioned above, including seller warranties and price adjustment clauses given by the Group upon business disposals.

Commitments received

(€ millions)	Notes	2022	2021
Operating leases	1	22.9	24.5
Commitments related to operating activities	2	224.6	125.8
Cash-related commitments	3	3.0	3.0
Available financial resources	4	1,010.0	1,160.0
Other commitments	5	219.4	210.3
Total		1,479.9	1,523.6

Note 1. Operating leases. Operating lease commitments correspond to future rent payments on leases in which Imerys is the lessor.

Note 2. Commitments related to operating activities. These commitments correspond to firm purchase commitments made by customers in favor of Imerys as part of sales contracts of goods and services.

Note 3. Cash-related commitments. These commitments correspond to letters of credit as well as sureties, guarantees, mortgages and pledges obtained by certain suppliers from their financial institutions, in order to guarantee operating treasury requirements in favor of Imerys.

Note 4. Available financial resources. These commitments correspond to the amount of available financial resources after the repayment of financing from uncommitted resources. (Note 24.5 – Market liquidity risk).

Note 5. Other commitments. This item encompasses all the commitments received not mentioned above, including €201.0 million at December 31, 2022 (€188.5 million at December 31, 2021) in seller warranties and price adjustment clauses in favor of the Group upon business acquisitions.

NOTE 29 AUDIT FEES

For many years, the Group had appointed Ernst & Young et Autres and Deloitte & Associés as the two Statutory Auditors of Imerys to audit its entities across equal scopes. As the term accorded to Ernst & Young et Autres expired, PricewaterhouseCoopers Audit was appointed Statutory Auditor at the Shareholders' General

Meeting on May 10, 2022. Furthermore, for practical or historical reasons, other audit firms have also been involved in a marginal capacity. The following table presents the fees charged for the statutory audit of the consolidated financial statements broken down by firm.

	2022	2021
Audit fees for financial statements (€ millions)	7.3	7.8
Breakdown of fees		
Ernst & Young et Autres	5%	46%
Deloitte & Associés	43%	44%
PricewaterhouseCoopers Audit	38%	0%
Other firms	14%	10%

The following table presents the breakdown of fees awarded to Ernst & Young et Autres (EY), Deloitte & Associés (DA) and PricewaterhouseCoopers Audit (PwC) by the type of service rendered. Other services correspond to services other than statutory audit services as defined in French legal and

regulatory texts, various tax services and services provided when conducting agreed procedures, issuing various declarations and auditing consolidated, social, environmental and societal information.

	2022								2021			
	DA		DA network		PwC		PwC network		EY		DA	
	(€M)	(%)	(€M)	(%)	(€M)	(%)	(€M)	(%)	(€M)	(%)	(€M)	(%)
Certification of separate and consolidated accounts and half year limited review	1.2	67.8%	2.0	69.9%	1.1	100.0%	1.6	67.7%	3.6	89.1%	3.4	72.5%
Imerys SA	0.8		-		0.8		-		0.7		1.0	
Consolidated entities	0.4		2.0		0.4		1.6		2.9		2.4	
Services other than the certification of accounts required by French laws and regulations	0.0		0.0		0.0		0.0		0.0		0.0	
Imerys SA	-		-		-		-		-		-	
Consolidated entities	-		-		-		-		-		-	
Services other than the certification of accounts provided at the entity's request	0.6	32.2%	0.8	30.1%	0.0	0.0%	0.8	32.3%	0.4	10.9%	1.3	27.5%
Imerys SA	0.6		0.5		-		0.2		-		1.0	
Consolidated entities	-		0.3		-		0.6		0.4		0.3	
Services other than the certification of accounts (Sub-total)	0.6	32.2%	0.8	30.1%	0.0	0.0%	0.8	32.3%	0.4	10.9%	1.3	27.5%
Total	1.7	100.0%	2.8	100.0%	1.1	100.0%	2.3	100.0%	4.0	100.0%	4.7	100.0%

NOTE 30 EVENTS OCCURRING AFTER THE CLOSING DATE

Accounting policy

Events occurring between the end of the reporting period and the date at which the Board of Directors approves the financial statements for publication result in an adjustment to the financial statements only if they reveal, specify or confirm situations existing at the end of the reporting period.

Subsequent events

The annual consolidated financial statements at December 31, 2022 were approved by the Board of Directors at its meeting held on February 16, 2023.

On January 31, 2023, Imerys completed the disposal of almost all of its High Temperature Solutions line of business to US investment fund Platinum Equity. The transaction was carried out at an enterprise value of €930.0 million, generating

proceeds received in cash of €708.0 million. The High Temperature Solutions line of business had been recognized as a discontinued operation since July 28, 2022 (Note 25). Moreover, the disposal process for the business serving the paper market, recognized as an asset held for sale since September 9, 2022 (Note 25), is still underway.

6.2 STATUTORY FINANCIAL STATEMENTS

6.2.1 FINANCIAL STATEMENTS

INCOME STATEMENT

<i>(€ thousands)</i>	Notes	2022	2021
Operating revenue		171,562	137,704
Rendering of services		171,320	137,406
Other revenue and decreases in provisions		242	298
Operating expenses		(190,257)	(179,202)
Purchases and external services		(101,718)	(99,146)
Taxes and duties		(2,614)	(2,307)
Staff expenses		(66,620)	(59,536)
Amortization, depreciation, write-downs and provisions		(10,860)	(11,717)
Other expenses		(8,445)	(6,496)
Operating income (loss)	10	(18,695)	(41,498)
Financial income (loss)	11	157,605	158,610
Revenue from subsidiaries and affiliates		181,386	182,904
Net financial expenses		(12,110)	(7,612)
Increases and decreases in write-downs and provisions		(15,498)	(1,092)
Exchange rate gains (losses)		3,827	(15,590)
Current income		138,910	117,112
Exceptional income (loss)	12	(2,602)	(4,757)
Exceptional revenue		11,864	37,975
Exceptional expenses		(14,466)	(42,732)
Income tax	13	13,950	18,678
Net income		150,258	131,033

BALANCE SHEET

<i>(€ thousands)</i>	Notes	2022	2021
Net intangible assets		57,090	52,949
Intangible assets	14	100,359	86,863
Accumulated depreciation	14	(43,269)	(33,914)
Net property, plant and equipment		3,869	4,581
Property, plant and equipment	14	13,127	12,612
Accumulated depreciation	14	(9,258)	(8,031)
Net investments		4,525,511	4,518,730
Equity interests	15	4,528,725	4,518,730
Write-downs	15	(3,214)	0
Loans related to direct investments and other subsidiaries, net value	16	990,101	921,887
Loans related to direct investments and other subsidiaries		1,004,199	921,887
Write-downs		(14,098)	-
Other financial investments	17	12,937	14,873
Other financial investments		12,955	14,928
Write-downs		(18)	(55)
Non-current assets		5,589,508	5,513,020
Other receivables	16	45,573	64,337
Marketable securities	18	8,714	6,328
Cash and cash equivalents		256,407	132,885
Current assets		310,694	203,550
Regularization accounts	16	45,975	52,794
Assets		5,946,177	5,769,364
Share capital		169,882	169,882
Additional paid-in capital		614,414	614,414
Reserves		961,153	961,153
Retained earnings		604,089	604,391
Net income for the year		150,258	131,033
Equity	19	2,499,796	2,480,873
Provisions for risks and expenses	20	41,378	32,678
Financial debt	21	3,277,803	3,126,120
Other debts	21	81,135	78,720
Debt		3,358,938	3,204,840
Regularization accounts	21	46,065	50,973
Shareholders' equity and liabilities		5,946,177	5,769,364

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ACCOUNTING PRINCIPLES AND POLICIES

Imerys S.A. presents its annual financial statements in accordance with the accounting principles and policies established by the General Accounting Plan, as required by ANC Regulation No. 2014-03 issued by France's national accounting standards board on June 5, 2014 and amended by subsequent regulations. French generally accepted accounting principles were applied using a conservative approach in

accordance with the following fundamental assumptions: going concern, consistent accounting policies from one year to the next, independence of financial years and in accordance with the general rules of preparation and presentation of annual financial statements. The generally applied methodology uses the historical cost method for the items recognized in the financial statements.

NOTE 1 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Intangible assets

This item mainly includes:

- Software recognized at its acquisition cost or production cost (including acquisition fees);
- Development costs that are capitalized if they meet the specific conditions for activation.

Software and licenses acquired by the Company are recorded in the balance sheet at their acquisition cost or production cost (including acquisition fees) and amortized over their estimated lifetime, between three and eight years.

IT development costs are capitalized if they meet the following six criteria, in accordance with CNC notice 2004-15:

- Technical feasibility of the project;
- Intention to complete the project;
- Capacity to use it or sell it;
- Generation of future revenues;
- Sufficient resources to complete, use or sell the product;
- Capacity to reliably measure the costs.

Property, plant and equipment

Property, plant and equipment are measured at acquisition cost or contribution value.

Depreciation methods are representative of economic depreciation; therefore, no excess tax depreciation was recognized as liabilities on the balance sheet.

The depreciation methods and useful lives are applied as follows:

- machinery and equipment: straight-line method, over 10 years;
- equipment and office furniture: straight-line method, over 5 to 10 years;
- office equipment: straight-line method, over 5 years;
- IT equipment: straight-line method, over 3 to 5 years.

NOTE 2 LONG-TERM INVESTMENTS

Equity investments

Equity investments and other long-term investments are recorded in the balance sheet at their acquisition cost excluding incidental costs or their contribution value.

The Company has opted to record acquisition costs in the cost price of these investments.

At each reporting date the asset value is determined on the basis of the highest of the value in use or market value.

The value in use is calculated according to a mixed approach based on the net carrying amount and the restated net asset value.

Any unrealized gains included in the restated net asset value can be estimated, in particular, on the basis of cash flow projections.

The main assumptions used are:

- A long-term growth rate ;
- A discount rate according to the segment and region concerned.

If the value in use exceeds the carrying amount recognized on the balance sheet, the carrying amount is not modified.

On the contrary, if value in use is less than the carrying amount recognized on the balance sheet, the investment is written down.

Investments in foreign currencies are not remeasured at the closing exchange rate. Unrealized losses from fluctuations in foreign currencies in which long-term investments are denominated are not meant to be realized. Therefore, unrealized foreign exchange losses are not in themselves sufficient to systematically justify a write-down.

Loans and receivables

Loans and receivables are valued at their nominal value. All of these items are impaired where there is a risk of non-recovery.

Treasury shares

When the Company buys back its own shares, they are recognized at their acquisition cost as treasury shares, under other financial investments, if they are not specifically intended to stabilize the stock market price or for employees. When their acquisition cost is higher than their average market price of the

last month of the financial year, these shares are impaired, except for those that are to be canceled. Treasury shares intended to stabilize the share price on the market or to be used for employee share plans are classified as marketable securities.

NOTE 3 RECEIVABLES AND DEBT

Receivables are impaired when the present value, determined according to the risk of non-recovery, is lower than the carrying amount.

Receivables and debt in foreign currencies are translated at the closing exchange rate. The difference resulting from this translation is recorded under unrealized exchange rate gains or losses. In the absence of hedging, an unrealized loss results in the booking of a provision for risks under liabilities.

NOTE 4 MARKETABLE SECURITIES

The value in use of marketable securities is assessed at the average market price over the last month of the period for listed securities, at the last known redemption price for money market funds and at net asset value for mutual funds. Unrealized losses result in a write-down and unrealized gains are not recognized.

Treasury shares acquired with the express objective of being subsequently allocated to employees are recorded under *marketable securities*.

When the acquisition cost is higher than the average market price of the last month of the financial year, these shares are impaired, except for those intended for employees and allocated to determined plans, the latter being subject to a provision for risks, as they are intended to cover performance share plans, share plans contingent on the condition of ongoing employment and stock options.

NOTE 5 PROVISIONS

Provisions for risks and expenses are recorded in the case of an obligation to a third party where it is likely or certain that this obligation will result in an outflow of resources estimated with sufficient reliability to the benefit of this third party, with no equivalent compensation expected from the latter.

Potential liabilities are not recorded but are mentioned in the notes to the financial statements, unless the probability of an outflow of resources is very low.

Provisions for risks

Provisions for risks cover identified risks and are determined as follows:

- provisions for management risks include ongoing disputes related to recurring operations;
- provisions for restructuring relate to restructuring plans that have been officially approved and initiated before the end of the reporting period;
- provisions for the risk of fluctuations in the value of certain equity interests are determined in accordance with the latest financial information available taking into account the outlook for the future; in particular, a provision is booked in the case of a residual risk on a subsidiary once all the corresponding assets have been impaired;
- provisions for risks relating to free share grants are determined by maturity, on the basis of the opening share price at the date of their allocation to the plan or, if the shares have not been purchased before the end of the reporting period, at the share price at that date, in accordance with CNC Recommendation No. 2014-03 issued by France's national accounting standards commission. When a performance share plan is decided via the grant of existing shares, a provision is recorded. It is based on an estimate of the final number of fully vested shares using assumptions for employee turnover and the achievement of economic and/or financial performance targets to which these shares are contingent and proportionate. This provision is based on the weighted average price of the treasury shares at the end of the financial year for the part covered by treasury shares. The provision is valued at market price for commitments not covered by treasury shares. Increases and decreases in provisions and expenses for employer contributions are presented in staff expenses.

Provisions for expenses

Provisions for expenses include:

- provisions for the refurbishment of the company headquarters;
- provisions for complementary pension plans and retirement benefits for former employees;
- the retirement indemnities expense, calculated using the Projected Unit Credit Method. Actuarial differences are recognized using the corridor rule.

NOTE 6 FINANCIAL DEBT

- commission due and external costs incurred in connection with new borrowings, which are recognized in “Expenses to be allocated over several periods” and are spread on a straight-line basis over the maturity of borrowings;
- bond redemption premiums are amortized on a straight-line basis over the maturity of each bond.

NOTE 7 DERIVATIVES

Management principles

As the holding company of the Imerys Group, Imerys S.A. implements the Group’s risk management strategy relating to the financial markets identified within the Group: foreign exchange risk, interest rate risk and energy price risk. Derivatives subscribed by Imerys S.A. are intended solely

to hedge the financial risks to which the Group is exposed. Derivatives are negotiated centrally by the Group Treasury Department on over-the-counter markets with the highest rated banking institutions. Imerys prohibits its entities from subscribing derivatives directly outside the Group.

Accounting policy

Derivatives are accounted for in accordance with ANC Regulation No. 2015-05 issued on July 2, 2015 by France’s national accounting standards board.

Simple hedge. A derivative qualifies as a simple hedge if it is the subject of documentation identifying the hedged item, the type of hedging instrument, the type of risk hedged, the hedging relationship and the method used to assess its effectiveness. At the time of subscription, the nominal value of the derivative is recognized in off balance sheet commitments (*Note 23 – Commitments on interest rate risk*). Realized and unrealized interest coupons are recognized symmetrically with the hedged item in profit.

Isolated open position. Any derivative that does not meet the documentation criteria of a simple hedge is classified as an isolated open position. This designation applies in particular to derivatives subscribed to hedge foreign exchange risk (swaps, forwards and options) and energy price risk (swaps and options). At the time of subscription, the nominal value of the derivative is recognized in off balance sheet commitments

(*Note 23 – Commitments on foreign exchange risk, Commitments on energy price risk*). Subsequently, the fair value of derivatives is measured as follows:

- With foreign exchange risk hedges, the value of derivatives measured at the closing exchange rate is aggregated with the value of the underlying assets (loans and borrowings in foreign currencies) in a comprehensive foreign exchange position, calculated by currency or strongly correlated currencies. The resulting unrealized exchange rate gains and losses are recognized separately in regularization accounts – in assets for unrealized exchange rate losses (*Note 16*) and in liabilities for unrealized exchange rate gains (*Note 21*). A provision is recorded to fully cover unrealized exchange rate losses (*Note 20*).
- With energy price risk, the value of derivatives measured at the closing price is aggregated into a comprehensive commodity position calculated for all energy sources. A provision is recorded to fully cover unrealized losses (*Note 20*).

Fair value

The following table presents the derivatives held by Imerys S.A. at the end of the reporting period for interest rate risk (simple hedging) as well as foreign exchange and energy price risks (isolated open positions).

(€ millions)	2022				
	Derivative assets		Derivative liabilities		Net
	External	Internal	External	Internal	
Foreign exchange risk (forwards, swaps, options)	18.1	5.3	6.6	7.2	9.6
Forward derivatives	18.1	5.3	6.6	7.2	9.6
Options derivatives	0.0	0.0	0.0	0.0	0.0
Interest rate risk (swaps)	0.0	0.0	0.0	0.0	0.0
Forward derivatives	0.0	0.0	0.0	0.0	0.0
Options derivatives	0.0	0.0	0.0	0.0	0.0
Energy price risk (swaps, options)	6.5	25.1	25.9	2.1	3.6
Forward derivatives	6.5	25.1	25.9	2.1	3.6
Options derivatives	0.0	0.0	0.0	0.0	0.0
Total	24.6	30.4	32.5	9.3	13.2

NOTE 8 TAX CONSOLIDATION

Since 1993, Imerys S.A. and some of its French subsidiaries have been taxed in accordance with Article 223-A of the French Tax Code (*Code général des impôts*) on group tax consolidation. Imerys Refractory Minerals International Sales was the only entity that exited the tax consolidation scope in 2022. At December 31, 2022, the tax consolidation scope included the following 23 entities:

• Ardoisières d'Angers	• Imerys Services
• Calderys France	• Imerys Metalcasting France Sarl
• Imertech	• Imerys Tableware France
• Imerys SA	• Imerys Talc Europe SAS
• Imerys Aluminates S.A.	• Imerys Talc Luzenac France
• Imerys Ceramics France	• Imerys Aluminates Corporate SAS
• Imerys Filtration France	• Imerys Aluminates Groupe SAS
• Imerys Fused Minerals Beyrede	• Mircal
• Imerys PCC France	• Mircal Brésil
• Imerys Minéraux France	• Parimetal
• Imerys Refractory Minerals Clerac	• Parnasse 32
• Imerys Refractory Minerals Glomel	

Relationships within the tax group, headed by Imerys S.A., are governed by an agreement that sets out the following principles:

- each entity in the tax group records in its accounts the amount of tax that it would have paid on a stand-alone basis;
- all additional liabilities arising as a result of tax consolidation are recorded by Imerys S.A., which benefits from any savings resulting from consolidation.

NOTE 9 TRANSFER OF EXPENSES

“Transfer of expenses” includes:

- transfers of expenses to balance sheet accounts (expenses incurred on new borrowings and capital increase expenses);
- transfers from one category of expenses to another (operating expenses transferred to exceptional or financial expenses or vice versa).

NOTES TO THE INCOME STATEMENT

NOTE 10 OPERATING INCOME (LOSS)

In 2022, operating income amounted to €171.6 million (€137.7 million in 2021), representing an increase of €33.9 million (24%). It consisted of €163 million from Group services, €1.7 million in guarantee fees and €6.7 million in miscellaneous re-invoicing. Revenue of €171.3 million includes Export sales for €124.9 million and sales in France for €46.4 million.

Operating expenses came to €190.3 million (€179.2 million in 2021), up €11.1 million, primarily due to additional staff expenses following the increase in headcount and external services related to planned disposals.

Purchases and external services break down as follows:

<i>(€ thousands)</i>	2022	2021
Lease liabilities and rental charges	6,909	8,738
Purchases of non-inventory items	1,028	722
Staff and services re-invoiced by the Group	35,120	36,017
IT services ⁽¹⁾	18,012	20,352
Fees	31,075	26,932
Travel and assignments	3,686	1,436
Telecommunications expenses	2,443	2,066
Insurance	1,461	1,342
Other services (Subscriptions, transport, documents)	1,984	1,541
Purchases and external services	101,718	99,146
<i>(1) Of which transfer of expenses (Note 9)</i>	<i>(4,778)</i>	<i>(2,735)</i>

Other expenses break down as follows:

<i>(€ thousands)</i>	2022	2021
Royalties and concessions Patents Licenses	7,421	5,469
Attendance fees	863	954
Exchange rate losses on trade receivables and payables	159	67
Miscellaneous daily management expenses	2	6
Other expenses	8,445	6,496

NOTE 11 FINANCIAL INCOME (LOSS)

<i>(€ thousands)</i>	2022	2021
Financial revenue	403,815	293,856
Revenue from subsidiaries and affiliates ⁽¹⁾	181,386	182,904
Other financial income ⁽¹⁾	176,181	74,617
Decrease in provisions and transfer of expenses	5,323	9,450
Exchange rate gains	40,925	26,885
Financial expenses	246,210	135,246
Financial interest and expenses on financial instruments ⁽²⁾	188,291	83,147
Increase in financial amortization and provisions	20,821	9,624
Exchange rate losses	37,098	42,475
Financial income (loss)	157,605	158,610
<i>(1) Of which revenue related to controlled entities</i>	<i>233,819</i>	<i>211,974</i>
<i>(2) Of which expenses related to controlled entities</i>	<i>131,402</i>	<i>42,390</i>

Revenue from subsidiaries and affiliates amounted to €181.4 million, down €1.5 million on 2021. Imerys S.A. manages the foreign exchange risk related to changes in directly or indirectly held foreign net assets, as well as that resulting from loans and advances granted to subsidiaries and entities under cash pooling agreements, by adjusting the

proportion of its debt drawn in foreign currencies. In 2022, Imerys S.A. recognized in this respect a net foreign exchange gain of €3.8 million (compared with a €15.6 million net loss in 2021). Increases and decreases in financial provisions are presented in *Note 20*.

NOTE 12 EXCEPTIONAL INCOME (LOSS)

<i>(€ thousands)</i>	2022	2021
Gains (losses) on asset disposals	(2,875)	(13,025)
Other exceptional revenue	393	0
Decrease in provisions and transfer of expenses	889	15,323
Increase in provisions	0	(250)
Other exceptional expenses	(1,009)	(6,805)
Exceptional income (loss)	(2,602)	(4,757)

Exceptional income and expenses include items qualified as exceptional by nature according to the accounting rules (in particular income from asset disposals, back taxes other than income tax). When a type of expense or income also exists in the list of operating items of the General Tax Plan, they are only classified as exceptional income (loss) if their amount and/or frequency is not recurring.

In 2022, the Group reversed €0.5 million in provisions for receivables and €0.4 million in provisions for staff-related risks to cover the exceptional expenses incurred in 2022. Capital losses on the disposal of assets relate to the write-off of investments on the OPERA project (Metalcasting entities). In 2021, the Group reversed €8.4 million in provisions for tax risks and €6.5 million in provisions for staff-related risks to cover the exceptional expenses incurred in 2021. The losses on disposals concern the sale of Fiberlean shares on March 15, 2021.

NOTE 13 INCOME TAX

(€ thousands)	2022	2021
Tax on long-term capital gains	-	-
Income tax	13,950	18,678
Total	13,950	18,678

Breakdown of tax expenses

(€ thousands)	Profit or loss before tax	Tax	Profit or loss after tax
Current income	138,910	0	138,910
Exceptional income (loss)	(2,602)	0	(2,602)
Impact of tax consolidation	0	13,950	13,950
Total	136,308	13,950	150,258

In accordance with the terms of the tax consolidation agreements signed by each Imerys Group company in France, the tax expense or savings recognized in the accounts of Imerys S.A. is made up of:

- the tax expense of Imerys S.A., calculated on a stand-alone basis; and
- the net amount of additional expenses and savings resulting from tax consolidation.

In this respect, Imerys S.A. recognized *savings* of €13.9 million in 2022 (€18.7 million in 2021).

In 2022, Imerys S.A. recorded a loss of €0.9 million on a stand-alone basis. Imerys S.A. carried forward losses on a stand-alone basis for a cumulative amount of €1,421.5 million at December 31, 2022 (€1,420.6 million at December 31, 2021).

Deferred tax

The deferred tax position is due to temporary differences in the treatment of certain items of revenue and expenses between tax rules and accounting rules. In accordance with French generally accepted accounting principles, decreases and

increases in the future tax expense resulting from such differences are not recognized, but are subject to the following disclosure:

(€ thousands)	2022	2021
Deferred tax assets (decrease in the future tax expense)	5,131	6,757
Deferred tax liabilities (increase in the future tax expense)	657	1,738

The tax rate applied for 2022 is 25.83% (same as for 2021).

The deferred tax assets and liabilities bases mainly consist of exchange rate gains and losses as well as provisions for vacation pay and pensions that are deductible the following year.

NOTES TO THE BALANCE SHEET

**NOTE 14 CHANGE IN INTANGIBLE ASSETS AND PROPERTY,
PLANT AND EQUIPMENT**

<i>(€ thousands)</i>	Gross amount 12/31/2021	Increase	Decrease	Reclassificati ons of items	Gross amount 12/31/2022
Software	75,075	63	(64)	4,652	79,726
Internet/Intranet sites	138				138
Intangible Assets in progress	11,650	21,571	(7,727)	(4,999)	20,495
Total Gross Amounts	86,863	21,634	(7,791)	(347)	100,359
Amort. Software	(33,776)	(9,384)	29		(43,131)
Amort. Internet/Intranet Sites	(138)				(138)
Amort. Intang. Assets in progress					0
Total Amortization	(33,914)	(9,384)	29	0	(43,269)
Net Carrying Amount Intangible Assets	52,949	12,250	(7,762)	(347)	57,090

<i>(€ thousands)</i>	Gross amount 12/31/2021	Increase	Decrease	Reclassificati ons of items	Gross amount 12/31/2022
Machinery and Tooling	2				2
Grenelle Facilities	3,937				3,937
IT Equipment	5,785	2		520	6,307
Office Furniture	1,380				1,380
Grenelle Dismantling Facilities	1,496				1,496
Tangible Assets in progress	12	166		(173)	5
Total Gross Amounts	12,612	168	0	347	13,127
Deprec. Machinery and Tooling	(2)				(2)
Deprec. Grenelle Facilities	(1,621)	(397)			(2,018)
Amortization and depreciation IT Equipment	(5,127)	(526)			(5,653)
Deprec. Office Furniture	(575)	(138)			(713)
Deprec. Grenelle Dismantling Facilities	(706)	(166)			(872)
Impair. Tang. Assets in progress					0
Total Depreciation	(8,031)	(1,227)	0	0	(9,258)
Net Carrying Amount Tang. Assets	4,581	(1,059)	0	347	3,869

In 2022, Imerys S.A. continued to invest in its management IT systems which is amortized over a period of 8 years using the straight-line method.

NOTE 15 CHANGE IN THE VALUE OF INVESTMENTS

At December 31, 2022, the total gross amount of investments amounted to €4,528.7 million (€4,518.7 million at December 31, 2021).

(€ thousands)	Gross amount 12/31/2021	Increases	Decreases	Gross amount 12/31/2022
Parimetal	230			230
Mircal	3,076,544			3,076,544
Imerys USA	721,734			721,734
Imerys Services	1,043			1,043
S&B Minerals Finance	712,768			712,768
Imertech	5,037			5,037
Calderys NGJ		10,010		10,010
Parnasse 32	15		(15)	0
Imerys (SHANGHAI) Investment Management Company Limited	1,359			1,359
Total Equity Investments	4,518,730	10,010	(15)	4,528,725

(€ thousands)	Write-downs at 12/31/2021	Increase	Decrease	Write-downs 12/31/2022
Calderys NGJ		(3,214)		(3,214)
Total impairment of investments		(3,214)		(3,214)

NOTE 16 RECEIVABLES AND REGULARIZATION ACCOUNTS

(€ thousands)	Amount gross	Maturity in less than 1 year	Maturity from 1 to 5 years	Maturity beyond 5 years
Loans and receivables related to investments	1,004,199	601,905	356,294	46,000
Loans and receivables related to direct investments	357,830	227,791	130,039	
Loans and receivables related to other Group subsidiaries	646,369	374,114	226,255	46,000
Other receivables	45,573	40,622	4,338	613
Operating receivables	39,447	39,447		
Bond issuance premium	6,126	1,175	4,338	613
Regularization accounts	45,975	43,167	2,278	530
Prepaid expenses ⁽¹⁾	6,248	6,248		
Bond issuance cost	3,615	807	2,278	530
Unrealized exchange rate losses ⁽²⁾	36,112	36,112		
Total	1,095,747	685,694	362,910	47,143

(1) Prepaid expenses mainly comprise external services.

(2) Unrealized exchange rate gains and losses derive from remeasuring loans and receivables in foreign currencies at the closing exchange rate and adjustments on cash instruments.

The gross amount of loans and receivables related to investments increased by €82.3 million. Loans and receivables related to investments are governed by loan agreements and intra-group credit agreements aimed at optimizing cash

management and concern Group subsidiaries. Loans and receivables related to direct investments correspond to loans granted to directly-held entities (Note 15).

<i>(€ thousands)</i>	Gross amount 12/31/2021	Net increase	Net decrease	Gross amount 12/31/2022
Loans and receivables related to direct investments	336,955	20,875		357,830
Loans and receivables related to other Group subsidiaries	584,932	61,437		646,369
Total Loans and receivables related to equity investments (Gross)	921,887	82,312	0	1,004,199
Impairment Loans and receivables related to other subsidiaries		(14,098)		(14,098)
Total Impairment	0	(14,098)	0	(14,098)
Loans and receivables related to equity investments (Net)	921,887	68,214	0	990,101

NOTE 17 OTHER FINANCIAL INVESTMENTS

At end-2022, other financial investments totaled €12.9 million, down €2.0 million compared with at December 31, 2021. This line consists of the following items:

<i>(€ thousands)</i>	Gross amount 12/31/2021	Net increase	Net decrease	Gross amount 12/31/2022
Collateral Deposits and Guarantees	24		(1)	23
Treasury Shares	14,899		(1,972)	12,927
Other non-consolidated investments	5			5
Total Other financial investments	14,928	0	(1,973)	12,955

<i>(€ thousands)</i>	Write-downs at 12/31/2021	Increase	Decrease	Write-downs 12/31/2022
Treasury shares	(55)	(18)	55	(18)
Total impairment of financial investments	(55)	(18)	55	(18)

NOTE 18 MARKETABLE SECURITIES

Net securities

<i>(€ thousands)</i>	2022	2021
Money market funds and mutual funds	2,928	2,618
Certificates of deposit	1	5
Treasury shares	5,785	3,705
Total	8,714	6,328

NOTE 19 CHANGE IN SHAREHOLDERS' EQUITY

(€ thousands)	Share capital	Share premium	Reserves ⁽¹⁾			Carried forward to new	Income for the year	Total
			Legal	Regulated	Other			
Equity at January 01, 2021 before appropriation of net income	169,882	614,414	15,986	273,471	670,481	303,107	399,821	2,447,162
Appropriation of 2020 income	-	-	1,003	-	-	398,818	(399,821)	0
Dividends	-	-	-	-	-	(97,534)	-	(97,534)
Change in accounting policy	-	-	-	-	212	-	-	212
Income at 12/31/2021	-	-	-	-	-	-	131,033	131,033
Equity at January 01, 2022 before appropriation of net income	169,882	614,414	16,989	273,471	670,693	604,391	131,033	2,480,873
Appropriation of 2021 income	-	-	0	-	-	131,033	(131,033)	0
Dividends	-	-	-	-	-	(131,335)	-	(131,335)
Income at 12/31/2022	-	-	-	-	-	-	150,258	150,258
Equity at January 01, 2023 before appropriation of net income	169,882	614,414	16,989	273,471	670,693	604,089	150,258	2,499,796
Proposed appropriation of income	-	-	-	-	-	150,258	(150,258)	0
Dividend payout ⁽²⁾	-	-	-	-	-	(327,023)	-	(327,023)
Shareholders' equity at 01/01/2023 incl. proposed appropriation of income	169,882	614,414	16,989	273,471	670,693	427,324	0	2,172,773

(1) Imerys' shareholders' equity does not include remeasurement differences.

(2) Submitted for approval to the Shareholders' General Meeting on May 10, 2023.

Number of shares making up the capital

	2022	2021
Number of shares outstanding at the beginning of the period	84,940,955	84,940,955
Capital increase		
Capital decrease		
Number of shares outstanding at the end of the period	84,940,955	84,940,955

Imerys' fully paid up share capital amounted to €169,881,910 divided into 84,940,955 shares, each with a par value of €2.

At December 31, 2022:

- parent company equity amounted to €2,499.8 million (€2,480.9 million at December 31, 2021) on the basis of which the Board of Directors has proposed a dividend of €3.85 per share (€1.55 in 2021);
- no share options were exercised in 2022 and 1,376,475 free shares were granted to certain employees and executive corporate officers that have not been exercised or not yet vested, which represents 1.60% of the share capital of Imerys S.A. after dilution (1.66% of the share capital after dilution at December 31, 2021);

- after transactions made throughout the year to purchase, sell, cancel or transfer shares, Imerys S.A. held 573,022 Imerys shares (356,196 shares at December 31, 2021).

The capital of Imerys S.A. is subject to a number of mandatory requirements under the French Code of Commerce. These requirements do not have any material impact on the financial statements. Furthermore, part of the Group's financing is secured through debt instruments, issued on the condition of compliance with a covenant related to the amount of consolidated equity and is subject to banking covenants.

The share capital has not changed and the number of voting rights has not undergone any significant change between December 31, 2022 and February 16, 2023, i.e. the date at which the annual financial statements at December 31, 2022 were approved by the Board of Directors.

Change in treasury shares

(€ thousands)	2022	2021
Gross value of treasury shares at January 1	13,394	6,732
Disposals (acquisitions) of treasury shares	10,999	9,687
Transfer of treasury shares to be granted (free shares)	(5,681)	(3,025)
Capital decrease by cancelling treasury shares		
Gross value of treasury shares at December 31⁽¹⁾	18,712	13,394

(1) At December 31, 2022, treasury shares were recognized under other financial investments for €12.9 million and under marketable securities for €5.8 million

NOTE 20 WRITE-DOWNS AND PROVISIONS

(€ thousands)	Amount at the year	Increases			Decreases ⁽¹⁾			Amount at the year
		Operating	Financial	Exceptional	Operating	Financial	Exceptional	
Write-downs								
Equity interests	0	-	3,214	-	-	-	-	3,214
Trade receivables	0	-	-	-	-	-	-	0
Loans and receivables related to investments	0	-	14,098	-	-	-	-	14,098
Non-consolidated investments	0	-	-	-	-	-	-	0
Bond issuance premium ⁽²⁾	7,692	-	-	-	-	(1,566)	-	6,126
Miscellaneous debts	460	-	-	-	-	-	(460)	0
Marketable securities	0	-	-	-	-	-	-	0
Total assets	8,152	0	17,312	0	0	(1,566)	(460)	23,438
Provisions								
Provisions for risks	27,725	19,542	1,072	0	(6,326)	(5,252)	(85)	36,676
Management risks	20,355	19,542			(6,326)		(85)	33,486
Provisions for exchange rate losses	6,730	-	1,072	-	-	(5,252)	-	2,550
Staff-related risks	640	-	-	-	-	-	-	640
Financial instruments	0	-	-	-	-	-	-	0
Risks related to subsidiaries and investments	0	-	-	-	-	-	-	0
Provisions for expenses	4,953	248	46		(184)	(16)	(345)	4,702
Refurbishment of Company premises	1,496	-	-	-	-	-	-	1,496
Future employee benefits	2,518	248	46		(184)	(16)		2,612
Provisions for termination benefits	939	-	-	-	-	-	(345)	594
Total liabilities	32,678	19,790	1,118		(6,510)	(5,268)	(430)	41,378
Total write-downs and provisions	40,830	19,790	18,430		(6,510)	(6,834)	(890)	64,816

(1) Reversals of unused provisions for €545K.

(2) No new bond issuance premium was recognized at December 31, 2022.

As head of the Group, Imerys S.A. recognizes provisions for management risk, specifically in relation to future performance share grants, as well as environmental provisions. In 2022, a €32.3 million provision for risks was set aside in view of future performance share grants with respect to shares not yet acquired. The €20.0 million provision for risks recorded in 2021 was reversed in 2022 following the grant of 152,048 treasury

shares during the year and new plans granted in 2022 for an amount of €6.3 million. Increases in financial provisions are related to the impairment of Calderys NGJ Limited shares. The depreciation of loans and receivables related to investments is related to the loans granted by Imerys S.A. to its Ukrainian subsidiaries due to the geopolitical context.

Future employee benefits

The defined benefit plans include both retirement benefits awarded in accordance with the collective bargaining agreement applicable to the metalworking industry, and complementary retirement plans, which has not taken on any new active beneficiaries since 2008.

In accordance with the ANC recommendation No. 2013-02, the Company has recognized past service costs immediately in profit and loss and determined the return on plan assets at a

discount rate set to calculate the current value of the commitment. This change helps produce better financial information as Imerys S.A. seeks to harmonize the policies applied in its company financial statements and its consolidated financial statements.

The provision for future employee benefits is calculated using the following assumptions:

	Pension plans	Other long-term employee benefits
Discount rate	2.8%	2.4%
Expected rate of salary increases	2.7%	2.2%
Annual turnover rate:		
• Managers and non-managers under 30 years old	7.6%	7.6%
• Managers and non-managers between 30 and 39 years old	5.7%	5.7%
• Managers and non-managers between 40 and 49 years old	4.0%	4.0%
• Managers and non-managers between 50 and 55 years old	2.3%	2.3%
• Managers and non-managers over 55 years old	-	-

Change in the discounted value of obligations

(<i>€ thousands</i>)	2022			2021		
	Retirement	Other	Total	Retirement	Other	Total
Obligations at the beginning of the period	(7,105)	(1,149)	(8,254)	(7,354)	(1,078)	(8,432)
Interest cost	(38)	(8)	(46)	(40)	(4)	(44)
Current service cost	(217)	(118)	(335)	(195)	(120)	(315)
Payments to beneficiaries	85	1	86	95	14	109
Curtailments and settlements	85		85	488		488
Reclassification			0			0
Actuarial gains (losses)	0	216	216	(99)	39	(60)
Obligations at the end of the period	(7,190)	(1,058)	(8,248)	(7,105)	(1,149)	(8,254)
Funded by plan assets	(4,914)		(4,914)	(4,899)		(4,899)
Unfunded	(2,276)	(1,058)	(3,334)	(2,206)	(1,149)	(3,352)

Change in fair value of plan assets

(<i>€ thousands</i>)	2022			2021		
	Retirement	Other	Total	Retirement	Other	Total
Assets at the beginning of the period	5,249	0	5,249	5,238	0	5,238
Expected return on assets	16		16	21		21
Payments to beneficiaries			0			0
Employer contributions			0			0
Actuarial gains (losses)			0	(10)		(10)
Assets at the end of the period	5,265	0	5,265	5,249	0	5,249

Assets/liabilities recorded in the balance sheet

(<i>€ thousands</i>)	2022			2021		
	Retirement	Other	Total	Retirement	Other	Total
Funded obligations	(4,914)		(4,914)	(4,899)		(4,899)
Fair value of assets	5,265		5,265	5,249		5,249
Funded status	351	0	351	350	0	350
Unfunded obligations	(2,276)	(1,058)	(3,334)	(2,206)	(1,149)	(3,355)
Unrecognized past service cost	85			38		38
Net unrecognized actuarial differences	286			450		450
Assets (provisions) in the balance sheet	(1,554)	(1,058)	(2,612)	(1,368)	(1,149)	(2,517)
Provisions for pensions	-	-	0	-	-	0
Provisions for future employee benefits	(1,554)	(1,058)	(2,612)	(1,368)	(1,149)	(2,517)

Change in assets (provisions) in the balance sheet

(<i>€ thousands</i>)	2022			2021		
	Retirement	Other	Total	Retirement	Other	Total
Assets (provisions) at the beginning of the period	(1,368)	(1,149)	(2,517)	(1,244)	(1,078)	(2,322)
Reclassification			0			0
Current service cost after curtailments/settlements	(271)	90	(181)	(235)	(85)	(320)
Contributions	85	1	86	111	14	125
Assets (provisions) at the end of the period	(1,554)	(1,058)	(2,612)	(1,368)	(1,149)	(2,517)

NOTE 21 DEBT AND REGULARIZATION ACCOUNTS

(<i>€ thousands</i>)	Amount	Maturity in less	Maturity from	Maturity beyond
		than 1 year	1 to 5 years	5 years
Financial debt	3,277,803	1,524,602	1,153,201	600,000
Other debts ⁽¹⁾	81,135	81,135	-	-
Deferred income	-	-	-	-
Unrealized exchange rate gains	46,065	46,065	-	-
Total	3,405,003	1,651,802	1,153,201	600,000

(1) Other debts include €15.3 million in intra-group debt, €10.1 million of which relates to tax consolidation in France, €48 million in trade payables and invoices not received and €17.8 million in tax and social debt.

Fixed-rate bonds are included in Financial debt and break down as follows:

Nominal amount (<i>in millions</i>)	Maturity	Listing	Interest rate		Carrying amount
			Nominal	Effective	
500 EUR	12/10/2024	Listed	2.00%	2.13%	500.6
600 EUR	01/15/2027	Listed	1.50%	1.63%	608.7
300 EUR	03/31/2028	Listed	1.88%	1.92%	304.2
300 EUR	07/15/2031	Listed	1.00%	1.07%	301.4
Total at December 31, 2022 (€ millions)					1714.9

The Group's various bank overdrafts do not provide any grants or guarantees to the benefit of the lending banks. The following table presents the breakdown of financial debt by foreign currency:

<i>(€ thousands)</i>	Amount
EUR	2,943,336
USD	162,709
GBP	27,804
JPY	8,784
Other foreign currencies	135,170
Total	3,277,803

The following table analyzes financial debt by type and maturity:

<i>(€ thousands)</i>	Amount	Maturity in less than 1 year	Maturity from 1 to 5 years	Maturity beyond 5 years
Bonds	1,702,982		1,102,982	600,000
Commercial papers	433,000	433,000	-	-
Deposits and securities received	60	-	60	-
Subsidiary loans	51,287	1,128	50,159	-
Group financial current accounts	1,087,109	1,087,109	-	-
Bank overdrafts and accrued interests	3,365	3,365	-	-
Total	3,277,803	1,524,602	1,153,201	600,000

Debt due to mature in less than one year is backed up by draw-downs on confirmed, non-utilized and available bilateral credit lines if necessary. The amount of confirmed and available bilateral credit lines at December 31, 2022 is presented in *Note 23*.

NOTE 22 ACCRUED RECEIVABLES AND PAYABLES

<i>(€ thousands)</i>	Accrued receivables	Accrued payables
Operating	-	3,446
Financial	457 ⁽¹⁾	669
Total	457	4,115

(1) *Accrued receivables are mainly made up of accrued interests on financial instruments.*

OTHER INFORMATION

NOTE 23 OFF BALANCE SHEET COMMITMENTS

Endorsements, sureties, guarantees

At December 31, 2022, the amount of confirmed, non-utilized and available multi-currency bilateral credit lines granted to Imerys and maturing between 2023 and 2026 totaled €1,010 million.

The following table presents the amount of commitments received and given for endorsements, sureties and guarantees to subsidiaries (direct investment), equity interests (indirect investment) and other entities:

Commitments given

<i>(€ thousands)</i>	Equity interests	Other controlled companies	Other	Total
Endorsements, sureties, guarantees	50,164	137,606	32,775	220,545

Commitments on foreign exchange risk

The following table presents the breakdown of net commitments on forward purchases and sales by foreign currency at December 31, 2022 (the equivalent value in thousands of euros is presented in the two right-hand columns):

	<i>(local currency thousands)</i>		<i>(€ thousands)</i>	
	Forward purchases	Forward sales	Forward purchases	Forward sales
AUD	37,189	1,027	23,698	654
BRL	44,146	0	7,932	0
CAD	39,274	7,400	27,198	5,125
CHF	78,683	85,489	79,905	86,817
CLP	3,045,951	0	3,323	0
CNY	111,898	0	15,063	0
CZK	2,349	505	97	21
DKK	6,998	396,826	941	53,362
GBP	80,461	77,156	90,718	86,992
HUF	8,067,170	1,894,724	20,124	4,727
INR	0	5,136,124	0	58,167
JPY	315,488	1,568,626	2,243	11,152
MXN	3,148,056	1,366,910	150,942	65,540
MYR	38,381	0	8,154	0
NZD	6,067	693	3,612	413
PLN	6,970	0	1,489	0
SAR	405	0	101	0
SEK	0	442,821	0	39,816
SGD	138,101	100,728	96,574	70,439
THB	0	265,403	0	7,205
TRY	71,720	0	3,592	0
USD	57,265	667,067	53,690	625,414
VND	43,608,864	0	1,730	0
ZAR	489,565	142,774	27,050	7,889
Total			618,176	1,123,733

These transactions were entered into to hedge the foreign exchange risk generated by intra-group funding and investments in foreign currencies.

Commitments on interest rate risk

Imerys has not held any interest rate derivatives since March 16, 2019.

Commitments on energy price risk

The following table presents the positions taken at December 31, 2022 to hedge energy price risk:

	Net notional amounts (MWh)	Maturity
Underlying position	6,279,816	<24 months
Management transactions	1,054,467	<24 months

NOTE 24 ITEMS RECOGNIZED IN MORE THAN ONE LINE ON THE BALANCE SHEET (NET VALUE)

(€ thousands)	Total	Of which controlled entities ⁽¹⁾
Investments	4,525,511	4,525,511
Loans related to direct investments and other subsidiaries	990,101	990,101
Other financial investments	12,955	0
Operating receivables	45,573	13,807
Financial debt	3,277,803	1,138,418
Other debts	81,135	16,520

(1) Controlled entities are companies that are fully consolidated in the same group.

NOTE 25 MAJOR SHAREHOLDERS

	Number of shares	% of interest	% of voting rights ⁽¹⁾
Belgian Securities B.V. ⁽²⁾	46,341,270	54.56%	68.37%
Blue Crest Holding S.A.	4,305,235	5.07%	5.97%
Group employees	848,233	1.00%	1.12%
Treasury shares	573,022	0.67%	0.00%
Public float	32,873,195	38.70%	24.54%
Total at December 31, 2022	84,940,955	100.00%	100.00%

(1) Total theoretical voting rights: 135,569,156.

(2) A wholly-owned subsidiary of Groupe Bruxelles Lambert.

The consolidated financial statements of Imerys are included in the scope of consolidation of the Belgian group GBL.

NOTE 26 2022 AVERAGE HEADCOUNT

	Non-managers	Managers	Total
Full time	27	269	296
Part time	1	14	15
Total employees of the entity	28	283	311

NOTE 27 COMPENSATION AWARDED TO DIRECTORS AND EXECUTIVE MANAGERS

(€ thousands)	2022	2021
Board of Directors	725	915
Executive management	1,460	2,065
Total	2,185	2,980

NOTE 28 SUBSEQUENT EVENTS

The annual consolidated financial statements at December 31, 2022 were approved by the Board of Directors at its meeting held on February 16, 2023.

On January 31, 2023, Imerys completed the disposal of almost all of its High Temperature Solutions line of business to US investment fund Platinum Equity. The transaction was carried

out at an enterprise value of €930.0 million, generating proceeds received in cash of €708.0 million. The High Temperature Solutions line of business had been designated as a discontinued operation since July 28, 2022. Moreover, the disposal process for the business serving the paper market, recognized as an asset held for sale since September 9, 2022, is still underway.

NOTE 29 APPROPRIATION OF PROFIT

The appropriation of profit is proposed in accordance with the provisions of Article L. 232-7 of the French Code of Commerce⁽¹⁾.

(€)	
Income for the period	150,257,913.27
Allocation to the legal reserve to reach 10% of the share capital	0.00
Retained earnings	604,088,941.33
Distributable profit	754,346,854.60
Dividend of €3.85 paid for each of the 84,940,955 shares making up the share capital at December 31, 2022	(327,022,676.75)
Retained earnings	427,324,177.85

(1) Which will be submitted for approval at the Shareholders' General Meeting on May 10, 2023.

NOTE 30 TABLE OF SUBSIDIARIES AND EQUITY INTERESTS

	Country	Number of SIREN	<i>(local currency thousands)</i>		Number of shares held by Imerys	Type of securities
			Share capital	Equity other than share capital		
Subsidiaries (at least 50% of equity held by Imerys)						
Mircal	France	333,160,620	1,352,038	2,087,825	90,135,856	shares of €15
Imerys USA	US	-	594,700	1,234,459	1,000	shares of USD1
Imerys Services	France	320,750,730	371	(260)	24,700	shares of €15
S&B Minerals Finance	Luxembourg	-	121,505	232,369	12,150,505,599	shares of €0.01
Imertech	France	509,434,296	5,037	299	503,700	shares of €10
Calderys NGJ	United Kingdom	-	8,620	(2,944)	8,620,000	shares of GBP1
Imerys (Shanghai) Investment Management Company Limited	China	-	14,404	150,086	1	share of CNY14,404,000

	<i>(€ thousands)</i>								
	% Interest held by Imerys	Net carrying amount of shares held	Net carrying amount of shares held	Loans and advances granted by Imerys and not repaid	Borrowings taken out by Imerys and not repaid	Guarantees, endorsements given by Imerys	Dividends received by Imerys in 2022	Revenue 2022	Net profit or loss for the year 2022
Subsidiaries (at least 50% of equity held by Imerys)									
Mircal	100.00	3,076,544	3,076,544	-	9,996	-	180,272	-	185,623
Imerys USA	100.00	721,734	721,734	357,829	77,480	47,325	-	-	624,113
Imerys Services	100.00	1,043	1,043	-	4,749	-	963	-	(319)
S&B Minerals Finance	100.00	712,768	712,768	-	52,527	-	-	-	3,431
Imertech	100.00	5,037	5,037	-	2,556	-	151	-	(374)
Calderys NGJ	99.99	10,010	6,796	-	-	-	-	21,324	(888)
Imerys (Shanghai) Investment Management Company Limited	100.00	1,359	1,359	-	-	-	-	69,282	3,760
Equity interests									
Between 10 and 50% of equity held by Imerys		-	-	-	-	-	-	-	-
Miscellaneous equity interests									
Immaterial French entities		230	230	-	17	-	-	-	-
Total		4,528,725	4,525,511	357,829	147,325	47,325	181,386	90,606	815,346

6.3 STATUTORY AUDITORS' REPORTS

6.3.1 STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

This is a translation into English of the statutory auditors' report on the consolidated financial statements of the Company issued in French and it is provided solely for the convenience of English-speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the information concerning the Group presented in the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the year ended December 31, 2022

To the Annual General Meeting of Imerys,

OPINION

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying consolidated financial statements of Imerys ("the Group") for the year ended December 31, 2022.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2022, and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (code de commerce) and the French Code of Ethics (code de déontologie) for statutory auditors, for the period from January 1st, 2022, to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics (code de déontologie) for statutory auditors.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (code de commerce) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Measurement of the recoverable amount of goodwill

Notes 16 & 19 of the consolidated financial statements

Risk identified	<p>The carrying value of goodwill on the balance sheet amounts to 1 852,2 million euros as of December 31, 2022. Such goodwill are tested at the level at which they are monitored by management as indicated in note 19 to the consolidated financial statements.</p> <p>An impairment test of goodwill is carried out every 12 months at the end of the period. During the year, Management reviews any indicator of impairment for group of CGUs. As soon as facts indicating that a group of CGUs may be impaired, Management performs an impairment test at an interim date.</p> <p>An impairment test consists in comparing the carrying value of the assets in the scope of IAS 36 with its recoverable amount, corresponding to the highest amount between its value in use, estimated based on discounted future cash flows and its fair value less cost to sell.</p> <p>We considered the measurement of the recoverable amount of goodwill to be a Key Audit Matter for the following reasons:</p> <ul style="list-style-type: none"> • The amount of goodwill is material in the consolidated financial statements; • The sensitivity of the tests carried out to certain major data and assumptions and to management's judgments in a complex and evolving economic environment. These data and assumptions include in particular the levels of expected organic growth underlying the projected cash flows, the perpetual growth rates and the discount rates.
Our response	<p>Our audit procedures mainly consisted in:</p> <ul style="list-style-type: none"> • reviewing the process implemented by management to measure the recoverable amount of goodwill and to assess the principles and methods for determining the recoverable amounts of the groups of CGUs to which the goodwill is attached; • reviewing the groups of CGUs at the level of which goodwill is monitored by Management, and assessing their consistency with the Group's internal organization, the level at which investments are monitored and the internal reporting; • assessing, with the support of our valuation experts: <ul style="list-style-type: none"> • the reasonableness of the cash flow projections relating to each group of CGUs compared to the economic and financial context in which they operate; • the consistency of these cash flow projections with the most recent Management estimates that were presented to the Board of Directors as part of the budget process, taking into account the market outlook and the risks related to climate change and with external studies related to the markets served by the group; • the relevance of the measurement models used, the reasonableness of hypothesis applied to the projected cash flows, mainly long-term growth rate and discount rates, with regards to market analyses, the consensus of the main players and the economic environment of countries in which the Group operates. We also verified the arithmetical accuracy of these models and their consistency with the main source data. <p>We have also assessed the appropriateness of the information disclosed in note 19 to the consolidated financial statements and verified the arithmetical accuracy of sensitivity analyses performed by Management.</p>

Valuation of provisions for the industrial sites dismantling and mining sites restoration

Note 23.2 of the consolidated financial statements

Risk identified	<p>As described in note 23.2 to the consolidated financial statements, Imerys is subject to different regulatory requirements relating to the restoration of its mines as well as industrial sites dismantling obligations.</p> <p>Provisions have been recognized on the balance sheet for this purpose, for an amount of 252,8 million euros as of December 31, 2022 (147,7 million euros for mining site restoration and 105,1 million euros for dismantling obligations).</p> <p>The calculation of these provisions requires management's judgement and relies on assumptions to:</p> <ul style="list-style-type: none"> • estimate the useful life of the mines and industrial sites • evaluate the restoration and dismantling obligation costs and the respective implementation timetables, depending on each site's specificities and local regulatory requirements • determine the discount rates applied to forecasted costs. <p>Management also relies on in-house experts to determine the main assumptions, and the expected impacts, where applicable, of regulatory changes.</p> <p>The valuation of provisions for industrial sites dismantling and mining sites restoration obligations are therefore considered to be a Key Audit Matter given the high level of management judgement required for their determination.</p>
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Our response	<p>We performed a critical review of restoration and dismantling obligations, as well as provisions recorded, and disclosures provided. Our work mainly consisted in:</p> <ul style="list-style-type: none"> • Examining the procedures implemented by management to identify, assess and account for these provisions and have performed certain specific tests on a sampling of operating entities. As part of those tests: <ul style="list-style-type: none"> • We have examined the competence of the in-house experts used by the Group; • We have assessed the appropriateness of the method adopted and analyzed the reasonableness of the cost estimates with respect to applicable legal, regulatory or contractual requirements; • We have assessed, with the support of our valuation experts, the relevance of the models used, the discount rates applied, in light of market practices, and verified their arithmetical accuracy and their consistency with the main source data; • Analyzing, for the other entities, the changes in provisions to identify any possible inconsistencies with respect to our understanding of the relevant site restoration or dismantling programs. • Verifying that Note 23.2 to Group consolidated financial statements contains the appropriate disclosures on the restoration and dismantling obligations
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Assessment of the financial impacts relating to the talc litigation

Note 23.2 of the consolidated financial statements

Risk identified	<p>Certain Group subsidiaries are involved in litigations related to the talc business in the United States.</p> <p>In February 2019, the North American entities exposed to these disputes filed for Chapter 11 bankruptcy protection. Under this procedure, even though the Group remains legal owner of the relevant entities, Imerys lost its control over these entities. Therefore, they were removed from the Group's consolidation scope on February 13, 2019.</p> <p>In May 2020, Imerys and claimants' representatives filed a jointly agreed reorganization plan (the "Plan" or "Disclosure Statement") which was latter approved by the Judge in January 2021. During this process, in October 2020, an agreement was concluded with Magris Resources for the sale of North American talc activities for a purchase price of 223 M\$ and the sale was closed in February 2021.</p> <p>The voting process of the Plan failed to obtain 75% of favorable votes at the end of 2021. A revised plan is, as of today, still under negotiation. As of December 31, 2022, the remaining provisions for these claims amounts to 106,4 million euros.</p> <p>The assessment of a provision depends on management's judgment of making a reliable estimate of the resulting obligation and all the related costs, where necessary. Considering the material financial impacts for the Group and the decisive nature of the judgments and estimates made by Management to assess the potential liability, we considered the assessment of this provision to be a Key Audit Matter.</p>
Our response	<p>We assessed the reasonableness of the provision recorded in the balance sheet, based on:</p> <ul style="list-style-type: none"> • The 'Disclosure Statement' approved by the Court; • Extracts from the minutes of the Group's various Board of Directors' meetings, featuring the exchanges relating to this talc dispute in the US and the Chapter 11 proceedings • Inquiries with Management, especially with the Group General Counsel <p>We obtained confirmation from the external legal advisors representing the Company in connection with the Chapter 11 proceedings of its North American subsidiaries that the provision reflected a reasonable estimate of the net financial impact for the Group arising from the potential resolution of these proceedings.</p> <p>We assessed the appropriateness of information disclosed in the note 23.2 to the consolidated financial statements with 'IAS 37 'Provisions, contingent liabilities and contingent assets'.</p>

Accounting treatment and presentation of the divestment operations of the High Temperature Solutions business as well as the assets serving the paper market

Note 25 to the consolidated financial statements

Risk identified	<p>Within the context of the proposed sale of the Imerys High Temperature Solutions business as well as the assets serving the paper market, as described in Note 25 "Main consolidated entities" to the consolidated financial statements, the group considered that the conditions of application of IFRS 5 "Non-current Assets held for Sale and Discontinued Operations", were fulfilled and consequently reclassified the related assets and liabilities as assets and liabilities held for sale as at 31 December 2022 for the total respective amounts of 1 376,2 million euros and 468,9 million euros.</p> <p>In addition, the transactions relating to the High Temperature Solutions business and having an impact on the group's income statement have been reclassified in a separate line in the income statement entitled "Net result from discontinued operations", this activity having been considered by the group as a separate major line of business within the meaning of IFRS 5, as stated in Note 25 to the consolidated financial statements.</p> <p>The assets and liabilities held for sale as at 31 December 2022 were valued at the lower of their net carrying amount as at the date of reclassification and their fair value less costs to sell, leading to the recognition of an impairment loss of 108 million euros for the assets serving the paper markets, as indicated in the note 16 to the consolidated financial statements.</p> <p>In view of the significance of these judgments and their impact on the group's consolidated financial statements, we considered the related accounting treatment and presentation of these planned disposals in the consolidated financial statements to be a Key Audit Matter.</p>
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Our response	<p>Our work consisted mainly in:</p> <ul style="list-style-type: none"> • assessing the relevance of the application of IFRS 5 regarding the facts and circumstances of these planned disposals; • examining the procedures for identifying and reclassifying the assets and liabilities as assets and liabilities held for sale in the group's consolidated statement of financial position as of December 31, 2022, as well as the reclassification of the transactions affecting the consolidated income statement in "Net result from discontinued operations" for the 2022 financial year and its comparative information for the 2021 financial year; • comparing the net carrying amount of the net assets held for sale with the expected sale price less costs to sell, notably based on the agreements signed with the third-party acquirers; • assessing the appropriateness of the information disclosed in respect of these transactions in the notes to the consolidated financial statements, in particular Note 25 "Main consolidated entities".
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SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verification required by laws and regulations of the Group's information given in the management report of the Board of Directors.

We have no matters to report as to their fair presentation and their consistency with the consolidated financial statements.

We attest that the consolidated non-financial statement required by Article L.225-102-1 of the French Commercial Code (code de commerce) is included in the Group's management report, it being specified that, in accordance with Article L.823-10 of this Code, we have verified neither the fair presentation nor the consistency with the consolidated financial statements of the information contained therein. This information should be reported on by an independent third party.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements intended to be included in the annual financial report mentioned in Article L.451-1-2, 1 of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018. As it relates to consolidated financial statements, our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the consolidated financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Besides, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Imerys by the Annual General Meeting held on May 5 2003 for the firm Deloitte & Associés and on May 10, 2022, for the PricewaterhouseCoopers.

As at December 31, 2022, the firm Deloitte & Associés and the firm PricewaterhouseCoopers Audit were in the 20th and 1st year of total uninterrupted engagement respectively.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.822-10 to L.822-14 of the French Commercial Code (code de commerce) and in the French Code of Ethics (code de déontologie) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND

6.3.2 STATUTORY AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

For the year ended December 31, 2022

This is a translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Imerys Shareholders' Meeting,

OPINION

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Imerys for the year ended December 31, 2022.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2022 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence requirements of the French Commercial Code (Code de commerce) and the French Code of Ethics for Statutory Auditors (Code de déontologie de la profession de commissaire aux comptes) for the period from January 1, 2022 to the date of our report, and specifically we did not provide any prohibited non audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014.

JUSTIFICATION OF ASSESSMENTS - KEY AUDIT MATTERS

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements, accounts or items of the financial statements.

Valuation of equity interests

Notes 2, 15 and 30 to the financial statements

<p>Risk identified</p>	<p>Equity interests, appearing on the balance sheet as of December 31, 2022 for a net amount of 4,525,511 thousand euros, represent the most significant balance sheet item. They are recognized on their entry date at acquisition cost</p> <p>At each year-end, the fair value is determined based on the higher of value in use and market value. Value in use is calculated according to a mixed approach based on the accounting net assets and net asset value. Any unrealized capital gain included in the net asset value may be estimated based on cash flow projections. The main assumptions used are a long-term growth rate and a discount rate determined according to the segment and region.</p> <p>Where the fair value exceeds the carrying amount recorded on the balance sheet, the latter is not modified. Otherwise, a provision for impairment of securities is recorded.</p> <p>The estimate of the value in use of these securities requires Management to exercise its judgment in its choice of items to consider according to the type of equity interests concerned. Such items may correspond to historical items such as equity, or forward-looking items such as profitability outlook and the economic situation.</p> <p>Competition and the economic environment confronted by certain subsidiaries as well as the geographical location of some of them can lead to a decrease in their activity and a deterioration in their operating income. In this context and because of uncertainties inherent to certain items and specifically the probability of attaining forecasts, we considered the valuation of equity interests based on a value in use to be a key audit matter.</p>
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Our audit procedures mainly consisted in:

- assessing the valuation methods used by management;
- reconciling the retained equity with the source data from the accounts of the subsidiaries concerned and reviewing any adjustments made and the documentation underlying such adjustments;
- reviewing the correct determination of (i) value in use on the basis of the methods chosen by management and (ii) possible impairment and in particular:

Our response

- obtaining cash flow forecasts for the entities concerned prepared by management and assessing their consistency with forecast data from the budget,
- verifying the consistency of the assumptions adopted with the economic environment on the accounts closing and preparation dates,
- reconciling the value resulting from cash flow forecasts adjusted for the amount of indebtedness of the entity with the net carrying amount of the securities on the balance sheet;
- reviewing the appropriateness of the disclosures in the following notes to the financial statements: Note 2 "Long-term investments", Note 15 "Changes in equity interests" and Note 30 "Information on subsidiaries and affiliates".

SPECIFIC VERIFICATIONS

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information given in the Management Report and in the Other Documents Addressed to Shareholders on the Financial Position and the Financial Statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents addressed to shareholders with respect to the financial position and the financial statements.

We attest that the Board of Directors' report on corporate governance contains the information required by Articles D.441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L. L.225-37-4, L.22-10-10 and L. 22-10-9 of the French Commercial Code.

Concerning the information presented in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled by it that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

With respect to the information relating to items that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 22-10-11 of the French Commercial Code, we have agreed this information to the source documents communicated to us. Based on these procedures, we have no observations to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER LEGAL AND REGULATORY VERIFICATIONS OR INFORMATION

Format of presentation of the financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the financial statements included in the annual financial report mentioned in Article L.451-1-2, I of the French Monetary and Financial Code (code monétaire et financier), prepared under the responsibility of Chief Executive Officer, complies with the single electronic format defined in the European Delegated Regulation No. 2019/815 of December 17, 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the statutory auditors

We were appointed statutory auditors of Imerys by the Shareholders' Meeting of May 5, 2003 for Deloitte & Associés and May 10, 2022 for PricewaterhouseCoopers Audit.

As of December 31, 2022, Deloitte & Associés was in its 20th year of uninterrupted engagement and PricewaterhouseCoopers Audit in its 1st year.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements have been approved by the Board of Directors.

STATUTORY AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**Objective and audit approach**

Our role is to issue a report on the financial statements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, we modify our opinion;
- evaluates the overall presentation of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also bring to its attention any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we will discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND



Financial statements

Statutory auditors' reports

6.3.3 Statutory auditors' special report on regulated agreements with third parties

For the Year ended December 31, 2022

This is a free translation into English of the Statutory Auditors' special report on regulated agreements with third parties that is issued in the French language and is provided solely for the convenience of English-speaking readers. This report on regulated agreements should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France. It should be understood that the agreements reported on are only those provided by the French Commercial Code and that the report does not apply to those related party transactions described in IAS 24 or other equivalent accounting standards.

To the Shareholders' of Imerys

Limited company

43, quai de Grenelle

75015 PARIS

In our capacity as statutory auditors of your Company, we hereby report on regulated agreements with third parties.

It is our responsibility to inform you, based on information provided to us, of the characteristics and principal terms and conditions as well as the reasons justifying the interest for your Company of those agreements of which we have been informed or which we discovered at the time of our engagement, without expressing an opinion on their usefulness and appropriateness or seeking to identify other agreements. It is your responsibility, pursuant to Article R.225-31 of the French Commercial Code (Code de Commerce), to assess the benefits resulting from the conclusion of these agreements prior to their approval.

Furthermore, it is our responsibility, where applicable, to inform you in accordance with Article R.225-31 of the French Commercial Code (Code de Commerce) relating to the performance, during the past fiscal year, of the agreements already approved by the annual shareholders' meeting.

We conducted the procedures we deemed necessary in accordance with professional guidance issued by the French statutory auditors' Institute (Compagnie nationale des commissaires aux comptes) relating to this type of engagement. These procedures consisted in verifying that the information provided to us is consistent with the documentation from which it has been extracted.

AGREEMENTS SUBMITTED FOR APPROVAL OF THE ANNUAL SHAREHOLDERS' MEETING

Agreements authorized and entered into during the fiscal year

We hereby inform you that we have not been advised of any agreements authorized and entered into in the course of the year to be submitted to the General Meeting of Shareholders for approval in accordance with Article R225-38 of the French Commercial Code (Code de commerce).

AGREEMENTS ALREADY APPROVED BY THE SHAREHOLDERS' MEETING

Agreements approved during previous fiscal years whose implementation continued during the fiscal year

We hereby inform you that we have not been notified of any agreements previously approved by the Annual General Meeting, whose implementation continued during the year ended December 31, 2022.

Neuilly-sur-Seine and Paris-La-Défense, March 15th, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit
Cédric HAASER

Deloitte & Associés
Olivier BROISSAND

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The details included in the present chapter regarding the terms and conditions of shareholders' participation in the Shareholders' General Meeting (*see section 7.1 of the present chapter*), financial authorizations currently in force (*see paragraph 7.3.3 of the present chapter*), elements that could have an impact in the event of a takeover bid (*see section 7.4 of the present chapter*) and the assessment process to which

related party agreements are subject (*see section 7.8 of the present chapter*) form an integral part of the Corporate Governance Report. This report, the cross-reference table for which can be found in *chapter 9*, was approved by the Board of Directors on February 16, 2023. *Chapter 4* and *chapter 8* cover all other elements of the Corporate Governance Report.

7.1 INFORMATION ABOUT IMERYS

CORPORATE NAME

Imerys.

REGISTERED OFFICE AND COMPANY WEBSITE

43, quai de Grenelle, 75015 Paris, France.

Telephone: + 33 (0)1 49 55 63 00.

The Company website can be accessed at www.imerys.com⁽¹⁾.

INCORPORATION DATE AND TERM

Imerys was incorporated on April 22, 1880.

An extension to the Company's term was approved by the Shareholders' General Meeting held on May 3, 2017 until May 3, 2116 (article 5 of the by-laws).

REGISTRATION AND LEGAL ENTITY IDENTIFIER

The Company is registered at the Paris Trade and Companies Registry under number 562 008 151. Its N.A.F. code (French industry classification) is 7010Z. Its Legal Entity Identifier (LEI) is 54930075MZSSIB2TGC64.

LEGAL FORM

Imerys is a French Public Limited Company (*Société Anonyme*) with a Board of Directors (*Conseil d'Administration*) governed by French law.

TIMELINE – KEY DATES

The Group was originally formed as a mining and metallurgy business. Initially, its core business involved extracting and processing non-ferrous metals. Numerous acquisitions led the Group to withdraw from the metallurgy of non-ferrous metals to focus on industrial minerals.

In the early 1970s, united under the name Imetal, the Group acquired the French company Huguenot Fenal, marking its entry into the clay roof tile market. It then purchased Copperweld Corporation (US), a company specialized in steel production and metals processing.

In 1985, the Group made its first material investment in refractory minerals and ceramics with the acquisition of Damrec (France). It then structured its business around three sectors: Building Materials, Industrial Minerals and Metals Processing. This reorganization was part of the Group's later withdrawal from non-ferrous metallurgy activities.

From 1990, the Group began to focus heavily on developing industrial minerals⁽²⁾, entering the markets for kaolin (Dry Branch Kaolin Company, US), calcium carbonate (Georgia Marble, US), refractory minerals (C-E Minerals, US), monolithic refractories (Plibrico, Luxembourg), ball clays (Ceratera, France), ceramic bodies (KPCL, France), graphite (Stratmin Graphite, Canada and Timcal, Switzerland) and technical ceramics (Imerys Kiln Furniture, France). Through its Timcal subsidiary (North America, Europe, Asia) acquired in 1994, Imerys became a leading supplier of technical applications for high performance graphite.

In 1999, the Group became one of the world's leading producers⁽³⁾ of white pigments following the acquisition of industrial mineral specialist English China Clays plc (ECC, UK). It then strengthened its presence in kaolin resources by acquiring Rio Capim Caulim S.A. (Brazil) and continued to grow its industrial base in refractory minerals with the acquisitions of Transtech and Napco (US) and Rhino Minerals (South Africa). By acquiring ECC and consequently divesting from Copperweld (US) and ECC's specialty chemicals business (Calgon, US), the Group focused on processing industrial minerals. To reflect this development, Imetal changed its name to Imerys.

Since then, Imerys has kept developing by continually growing its range of products, extending its geographic network into high-growth areas and expanding into new markets.

From 2000 to 2002, Imerys added new minerals to its portfolio, including halloysite (New Zealand China Clays, New Zealand), clays and feldspar (K-T Clay, US and Mexico). The Group increased its carbonate resources in South America (Quimbarra, Brazil), Asia (Honaik, Malaysia) and France (AGS-BMP's carbonate activity). The takeover of the world's leading producer of corundum (fused alumina and bauxite), Treibacher Schleifmittel (Austria), was followed by further acquisitions in the sector in Brazil, China, the Czech Republic and Germany. By acquiring local kaolin producer MRD-ECC (Thailand), the Group increased its presence in the Asian market for applications designed mainly for the sanitaryware industry.

(1) The information published on the Company website does not form part of the Universal Registration Document, except where it is incorporated by reference in the present document.

(2) Industrial minerals: non-metallic and non-combustible rocks or minerals, mined and processed for industrial purposes.

(3) Throughout the Universal Registration Document, information on market positions corresponds to assessments made by Imerys on the basis of its market knowledge, or is derived from trade publications such as Roskill and Industrial Minerals.

In early 2005, Imerys became the leading European supplier of monolithic refractories following the acquisition of Lafarge Réfractaires Monolithiques. The merger of these activities with Plibrico, acquired a few years earlier, led to the creation of a new entity, Calderys. In July, Imerys acquired World Minerals (US), a leading producer of filtration and performance minerals, which introduced diatomite and perlite into the Group's activities. The year ended with the acquisition of Denain Anzin Minerals, providing the Group with deposits of feldspar, mica, quartz and kaolin in Europe.

From 2006 to 2008, the Group continued to grow, acquiring calcined clay specialists AGS (France) and Vatutinsky (Ukraine), extensive reserves of high-quality white marble in China, Malaysia and Vietnam as well as Europe, and several feldspar mines across the world including Jumbo Mining (India), the Feldspar Corporation (US) and others in Turkey. The acquisition of ACE, the leading monolithic refractory company in India, took Calderys to a new level, further reinforced by the acquisitions of B&B (South Africa) and Svenska Silikaverken A.B. (Sweden). Imerys added fused zircon (a mineral for the refractory, technical ceramics and automotive markets) to its portfolio, becoming the world's leading provider with the successive acquisitions of UCM Group Plc (UK) and Astron China. The perlite businesses were bolstered in South America with the acquisition of Perifiltra (Argentina). The acquisitions of Kings Mountain Minerals, Inc. (North Carolina, US) and Suzorite Mining, Inc. (Quebec, Canada) added high-quality mica to the Group's mineral portfolio.

In 2010, the acquisition of Pará Pigmentos S.A. increased the Group's kaolin resources in Brazil.

In 2011, Imerys acquired the Luzenac Group and became the world's leading talc processing company. A production unit was inaugurated in Andersonville (Georgia, US) to manufacture ceramic proppants, used to keep fractures open in unconventional oil and gas exploration. Through "The Quartz Corp S.A.S.", a joint venture created with the Norwegian group Norsk Mineral A.S., the Group was able to meet the increasing demand for high-purity quartz in the semiconductor and photovoltaic markets. The Group extended the production capacity of its calcium carbonate plant in Malaysia and the Miyagi plant in Japan, which was rebuilt after the tsunami.

In 2012, the Group strengthened its operations in Brazil, extending its product range for the paint, polymer and rubber markets with the acquisition of Itatex and a refractory bauxite deposit from the Vale Group.

In 2013, several acquisitions were made by the Group's businesses: PyraMax Ceramics LLC (US) and its ceramic proppant manufacturing plant, Goonvean (UK) and its kaolin reserves in Cornwall, and local feldspar producer Ceraminas (Thailand). To support soaring demand in the mobile energy sector, the Group doubled capacity at the Willebroek carbon black plant (Belgium). The lime production plant in Deresopolis (Brazil) was completed and put into production. Arefcon B.V. (Netherlands), Indoporlen (Indonesia) and Tokai (Japan) were brought into the Group's Monolithic Refractories division. The disposal of Imerys Structure (brick walls, partitions and flues) to Bouyer Leroux group (France) was finalized.

In 2014, the acquisition of Termorak (Finland) strengthened the Group's expertise in designing and installing refractory materials for the petrochemical and thermal industries. The Group expanded its geographical footprint in natural calcium carbonate with the integration of Kinta Powdertec Sdn Bhd (Malaysia). An applied R&D center opened in Japan to support the Group's major local graphite and carbon black customers. The result of a joint venture with Al Zayani Investments, the fused alumina production plant in Bahrain went into production after construction began in 2012. It represented Imerys' first industrial base in the Middle East, enabling the Group to gain a foothold in the region. At the same time, the Group disposed of four calcium carbonate paper plants in Europe and the US as well as a production plant in Tunisia, and it permanently closed the Ardoisières d'Angers site (France).

In 2015, Imerys acquired the S&B Group, the world's leading producer of steel casting fluxes, wollastonite and perlite-based solutions and the leading European supplier of bentonite. The Group also acquired the Precipitated Calcium Carbonate divisions (Austria, France, Germany and UK) of the Solvay Group, Europe's leading producer of fine and ultrafine PCC, which is used as a functional additive in specialty applications (polymers, paints, hygiene, health and beauty), and the Matisco Development Group (France), a company specialized in metal profile manufacturing.

In 2016, Imerys stepped up its development strategy by signing an agreement to acquire the Kerneos group, a leading global expert in high-performance calcium aluminate-based binders. The Group also purchased the specialty alumina business from the Alteo group (France and Germany) and completed its geographical coverage of monolithic refractories by acquiring the industrial production site SPAR (US), and extending its service offer with the acquisition of Fagersta Eldfasta (Sweden).

In 2017, Imerys completed its acquisition of the Kerneos group initiated in 2016. A major year in the rollout of Imerys' strategy, 2017 also saw the completion of several further acquisitions, allowing the Group to broaden its specialty offering and continue to develop its presence in countries such as Brazil, China and India.

In 2018, Imerys completed the disposal of its Roofing division to the private equity fund Lonestar.

In 2019, Imerys disposed of its ceramic proppants business (IOS) in the US and its plastics recycling business (Imerplast) in the UK. The Company acquired certain assets from EDK (a leading producer of Ground Calcium Carbonate) in Brazil, as well as a 65% stake in Shandong Luxin Mount Tai, the foremost producer of abrasive grains in China.

In 2020, Imerys acquired a 60% majority stake in the Haznedar group (Turkish supplier of high-quality refractory bricks and monolithic products), a 100% stake in Cornerstone and American Garden Perlite (horticulture and industrial grade perlite mining and transformation in the US), a 75.9% stake in Sunward (manufacturer of high-grade monolithic refractories and refractory bricks in Taiwan and Asia) and a 100% stake in Hysil (major manufacturer of calcium silicate blocks in India). Imerys also disposed of its Kaolin business in Australia.

In 2021, Imerys inaugurated its European Research & Development center for performance minerals in Toulouse, fitted with specialist equipment for the polymer, ceramics, building materials, filtration, health and food markets. Imerys also announced the Group was increasing its production capacity of carbon black in its Willebroek plant (Belgium) in order to meet growing demand in special conductive additives, in particular for lithium-ion batteries. The Group disposed of its 50% stake in Fiberlean Technologies in Werhahn (Germany), as well as four cellulose microfibrils production facilities for customers in the paper and board markets in France, India and the US. Furthermore, Imerys began the process to dispose of its non-strategic natural graphite assets in Namibia and Lac des Iles (Canada). Early 2022, Imerys disposed of its US-based kaolin assets serving the paper and board markets in North America.

In 2022, Imerys announced it was launching a major project mining lithium at its Beauvoir facility (Allier, France), which has produced kaolin for ceramics since the end of the 19th century. Once implemented, this project will assist France and the European Union in bringing about their energy transition. The Group also announced the major disposals of certain or its assets serving the paper market and the High Temperature Solutions business area. These transactions fall within the Group's strategic plan for 2023-2025, presented to investors in November 2022. The Group also pledged to adopt new SBTi (Science-Based Target Initiative) objectives aligned with the 1.5°C trajectory. As such, the Group is seeking to cut its CO₂ emissions by 42% in absolute terms (tCO₂) by 2030, with 2021 serving as the base year.

REGULATORY ENVIRONMENT

Although they do not operate in an industry subject to specific regulation that may materially affect their business, the Group's companies must comply with a great number of national and regional laws and regulations due to the nature of their work (particularly mining and natural resources) and their industrial operations.

CORPORATE PURPOSE (ARTICLE 3 OF THE BY-LAWS)

Imerys is the parent company of an industrial trading group that is the world's leading supplier of mineral-based specialty solutions for industry.

Under the terms of article 3 of the by-laws, "The Company's purpose, in France and overseas, is:

- the research, acquisition, farmout, sale and operation of mines and quarries, of any kind whatsoever;
- the processing, transformation and trading of any minerals, metals, organic or non-organic materials and mineral substances, as well as their by-products and alloys;
- the manufacturing of any product in which minerals, metals, organic or non-organic materials and mineral substances are used;

- the purchase, acquisition, operation, concession, sale and full or partial, temporary or permanent handover, of any patents, certificates or licenses pertaining to the aforementioned purposes;
- the creation, acquisition, sale and concession of any buildings, plants, means of transportation and energy sources;
- the participation in any country in any mining, quarrying, commercial, industrial and maritime operations to promote or develop the Company's own industries and businesses, through the creation of new companies, alliances, joint ventures or otherwise; and, generally, any mining, quarrying, commercial, industrial, maritime, real estate, personal property and financial operations related directly or indirectly, in whole or in part, to any of the purposes specified above or any other similar or related purposes."

FINANCIAL YEAR (ARTICLE 28 OF THE BY-LAWS)

The financial year spans a 12-month period that begins on January 1 and ends on December 31 of each year.

BOARD OF DIRECTORS (ARTICLES 12 AND 13 OF THE BY-LAWS)

The Company is managed by a Board of Directors composed of at least three but no more than eighteen members, subject to certain exceptions permitted by law.

Directors are appointed for a three-year term of office, renewed by the Ordinary Shareholders' General Meeting, which may remove them at any time. In accordance with legal provisions, the number of directors over the age of 70 may not exceed one third of all directors in office. In the event that this limit should be exceeded, the oldest director shall automatically be deemed to have resigned. The Board of Directors also includes one or several employee representative directors, in accordance with current legal provisions.

Furthermore, the Board of Directors may appoint up to two non-voting observers for a three-year term, who may or may not already be Imerys shareholders.

For further details regarding the powers, structure and operating procedures of the Board of Directors, *see chapter 4, section 4.1 of the Universal Registration Document.*

SHAREHOLDERS' GENERAL MEETINGS (ARTICLES 21 AND 22 OF THE BY-LAWS)

Convening

Shareholders' General Meetings are convened under the terms and conditions provided by current legal provisions and are held at the registered office or any other place specified in the notice of meeting.

Admission

All shareholders have the right to take part in Shareholders' General Meetings – whether in person or by proxy – simply by providing proof of their identity and share ownership by means of either registering shares, or providing a share certificate proving the registration of bearer shares. These formalities must be completed in accordance with the deadlines set out in the notice of meeting. Shareholders may also, by decision of the Board of Directors indicated in the notice of meeting, take part in General Meetings and vote through video conference and/or by any other means of communication under the conditions provided by current legal provisions.

Exercising voting rights

All documents specified by articles R. 225-81 and R. 225-83 of the French Commercial Code (*Code de commerce*), including a postal or proxy voting form, are sent to shareholders on request. This form can only be effectively taken into account if it is completed in accordance with current legislation and returned to the registered office or to the address given in the notice of meeting. Moreover, any shareholder may, by decision of the Board of Directors indicated in the notice of meeting, receive and return the voting form by post, proxy, email or by any other means of communication, under the terms and conditions provided by current legal provisions.

Double voting rights

Shares held in registered form under the name of the same shareholder for at least two years carry double voting rights. This right is provided by article 22 of the by-laws and aims to reward the Company's loyal shareholders. Double voting rights are also granted to new free shares in the event of a capital increase, if the old shares also carried this right. The double voting right ceases automatically when a registered share is converted to a bearer share or is transferred, except in cases of collateral assignment, transfer as life interest, inheritance or family bequest. Finally, double voting rights may be canceled by decision of an Extraordinary Shareholders' General Meeting after having obtained the prior authorization of the Special General Meeting of the holders of this right.

Restriction of voting rights

None.

PUBLICLY AVAILABLE DOCUMENTS

The by-laws, minutes of Shareholders' General Meetings, statutory and consolidated financial statements, Statutory Auditors' reports and all documents that must be made available to shareholders may be accessed *via* the Company's registered office or on the Company's website (www.imerys.com – Finance – Shareholders' corner).

7.2 RELATIONS WITH SHAREHOLDERS**7.2.1 GENERAL INFORMATION**

Imerys takes special care of its shareholders, ensuring they are regularly informed about changes in its business, strategy, investments, earnings and outlook. This is reflected in the various communication tools that are made available to involve shareholders in the life of the Group, such as:

- the website www.imerys.com, which enables shareholders to keep up to date in real time with changes in the Group and share prices, including a specific section dedicated to individual shareholders, where they can find the "Shareholders' Guide";
- a Letter to Shareholders published several times a year, detailing the Group's news, earnings and outlook;
- the Universal Registration Document, including the Integrated Report, the Annual Financial Report and the Management Reports, which itself includes the Corporate Governance Report, as well as a Half-year Financial Report;
- a direct phone number and e-mail address.

All these documents are published in both English and French and are sent electronically to every holder of registered or bearer shares who wishes to receive them regularly.

Imerys also informs the financial community and individual shareholders about the Company's business through financial announcements published in the press (print and/or web format) whenever results are published and the annual Shareholders' General Meeting is held.

Through the intermediary of Uptevia (formerly CACEIS Corporate Trust), in charge of share registry services, Imerys provides holders of shares in registered form with an online service that allows them to consult their share portfolio *via* the secure website <https://www.investor.uptevia.com>. The website gives shareholders access to the prices and characteristics of the shares in their portfolio, their recent transactions as well as the availability of their stocks and the attached voting rights. It also contains all documentation concerning the annual Shareholders' General Meeting and gives them the option to vote on-line ahead of the day.

Imerys maintains regular, open and transparent relations with the entire financial, institutional and socially responsible investment community through individual meetings, industry conventions and conference calls.

The Group will publish its quarterly results on the following dates:

May 2, 2023	Q1 2023 Results
July 27, 2023	H1 2023 Results
October 30, 2023	Q3 2023 Results

The Group Finance Department is responsible for Financial Communication:

- Telephone: + 33 (0)1 49 55 64 01
- Fax: + 33 (0)1 49 55 63 16
- e-mail: finance@imerys.com

Imerys share registry services are provided by:

- Uptevia
12, place des États-Unis
CS 40083
92549 Montrouge Cedex
Telephone: +33 (0)1 57 78 34 44
e-mail: ct-contact@uptevia.com

Uptevia is more specifically at the service of registered shareholders to provide support and manage their Imerys shares.

7.2.2 IMERYS STOCK MARKET INFORMATION

Imerys shares are listed on Euronext Paris and are eligible for the deferred settlement service (*Service à Règlement Différé – SRD*) (ISIN code FR 0000120859-Mnemo NK). Imerys is included in the CAC MD (mid 60) index within the SBF 120, which represents the 120 largest stocks listed on Euronext Paris (in terms of market capitalization, free float and trading volumes), as well as in the CAC Basic Materials index. Since November 2, 2009, Imerys shares have been listed on the SBF 120 under the general mining sector (“55102000 General Mining” according to ICB classification).

The Group also places great importance on the ratings of non-financial rating agencies (*see chapter 3, section 3.2 of the Universal Registration Document*).

No shares belonging to any subsidiary of Imerys are traded on a stock exchange.

STOCK MARKET HIGHS AND LOWS BETWEEN 2018 AND 2022

Full year	Highest market price* (€)	Lowest market price* (€)	Market closing price for the year (€)
2018	87.45	41.04	41.98
2019	51.65	32.10	37.68
2020	43.54	20.68	38.66
2021	46.14	33.44	36.54
2022	42,12	27,74	36,34

* Market prices observed during trading (sources: Bloomberg and Euronext).

TRADING SINCE JANUARY 2020

	Highest market price* (€)	Lowest market price* (€)	Total monthly trading volume		Average daily trading		
			Number of shares	Capital (€ millions)	Number of shares	Capital (€ millions)	Number of transactions
2020							
January	41.72	36.54	4,088,903	160.2	185,859	7.34	1,698
February	43.54	34.50	4,394,199	176.3	219,710	8.76	2,243
March	36.50	20.68	5,143,930	136.1	233,815	6.32	2,209
April	29.80	21.12	2,401,536	58.2	120,077	2.96	1,051
May	32.20	26.82	2,951,233	85.7	147,562	4.33	1,326
June	34.90	28.64	3,309,135	103.1	150,415	4.71	1,438
July	34.74	28.96	2,352,226	73.0	102,271	3.20	978
August	36	31.24	1,656,948	56.2	78,902	2.67	800
September	34.66	30.16	2,028,234	67.4	92,192	3.06	975
October	33.16	24.66	2,636,644	77.7	119,847	3.44	1,172
November	35.80	25.80	2,733,790	87.2	130,180	4.11	1,189
December	39.24	34.48	2,157,586	80.8	98,072	3.66	1,174
2020 Total	-	-	35,854,364	1,161.9	-	-	-
2021							
January	44.30	38.66	2,742,150	112.9	137,108	5.63	1,555
February	43.32	39.66	1,699,274	70.2	84,964	3.53	1,052
March	44.92	41.22	2,483,435	105.3	107,975	4.60	1,246
April	45.34	41.6	2,528,028	108.9	126,401	5.42	1,360
May	46.14	41.66	1,717,640	74.7	81,792	3.57	926
June	43.7	39.4	1,591,976	66.6	72,363	3	976
July	40.20	35.98	1,612,166	61.7	73,280	2.80	1,013
August	40.66	37.64	1,563,435	61.4	71,065	2.79	942
September	39.92	36.58	1,285,043	49.4	58,411	2.24	824
October	38.54	36.78	1,357,808	51.3	64,658	2.43	847
November	38.9	34.52	1,602,647	59	72,848	2.67	951
December	36.54	33.44	1,328,855	46.2	57,776	2.01	785
2021 Total	-	-	21,512,457	867.6	-	-	-
2022							
January	41.52	36.54	2,106,005	81.9	100,286	3.93	1,221
February	42.12	37.66	1,480,819	60.1	74,041	2.99	1,068
March	40.48	33.72	2,599,223	99.3	113,010	4.30	1,208
April	39.46	36.7	1,239,824	47	65,254	2.48	761
May	37.3	33.36	1,478,215	51.1	67,192	2.33	917
June	35.18	28.72	1,725,726	55.2	78,442	2.46	833
July	32.98	27.74	1,558,674	46.7	74,222	2.23	738
August	33.54	28.4	1,456,965	46.2	63,346	1.98	655
September	31.06	28.06	1,761,465	52	80,067	2.38	740
October	41.46	31.6	2,433,101	87.7	115,862	4.27	1,358
November	41.88	37.7	2,420,417	93.7	110,019	4.29	1,235
December	37.9	35.88	1,600,433	59.2	76,211	2.82	698
2022 Total	-	-	21,860,867	780.1	-	-	-

* Market prices observed during trading (sources: Bloomberg and Euronext).

7.3 SHARE CAPITAL AND SHAREHOLDING

7.3.1 SHARE CAPITAL

SHARE CAPITAL AT DECEMBER 31, 2022

Imerys' fully-paid up share capital at December 31, 2022 totaled €169,881,910, made up of 84,940,955 shares with a par value of €2, including 51,201,223 that carried double voting rights pursuant to article 22 of Imerys' by-laws. In total, 136,142,178 theoretical voting rights were attached to outstanding shares. Taking into account the 573,022 treasury shares held by the Company at December 31, 2022 (see paragraph 7.3.4 of the present chapter), the total number of net voting rights attached to outstanding shares was 135,569,156 at that date.

Taking into account the 1,376,475 free shares granted to certain employees and executive corporate officers and not yet exercised or acquired at December 31, 2022, the maximum potential dilution of the share capital was 1.6% at this date (i.e. a nominal amount of €2,752,950).

No stock options were exercised in 2022 and no share options remained at December 31, 2022.

The Imerys share capital has not changed since this date.

PLEDGES

The Company has not pledged any directly registered shares.

7.3.2 CHANGES IN SHARE CAPITAL OVER THE PAST FIVE YEARS

Over the past five years, the following changes have occurred in the number of shares and the Company's share capital:

Full year	Transaction	Nominal change in capital (€)	Additional paid-in capital/ Issue premium (€)	Number of shares created	Par value (€)	Company capital (€)	Number of shares that make up the capital
2018	Cancelation of shares	(471,762)	14,232,373	(235,881)	2	158,736,808	79,368,404
	Exercise of stock options	234,580	5,495,695	117,290	2	158,971,388	79,485,694*
2019	Exercise of stock options**	29,526	480,388	14,763	2	159,000,914	79,500,457*
2020	Cancelation of shares	(314,684)	(12,046,384)	(157,342)	2	158,686,230	79,343,115
	New shares issued in consideration for the 2019 dividend payment	11,343,880	108,447,493	5,671,940	2	170,030,110	85,015,055
	Cancelation of shares	(148,200)	(2,880,198)	(74,100)	2	169,881,910	84,940,955
2021	N/A***	0	0	0	2	169,881,910	84,940,955
2022	N/A***	0	0	0	2	169,881,910	84,940,955

* At December 31.

** The increase in capital due to stock options exercised in 2019 was acknowledged by the Board of Directors on February 12, 2020, taking effect at December 31, 2019.

*** The number of shares and share capital did not change in 2021 and in 2022.

7.3.3 FINANCIAL AUTHORIZATIONS

SUMMARY OF THE FINANCIAL AUTHORIZATIONS AND DELEGATIONS OF AUTHORITY IN FORCE

Type of authorization	Expiration and term of the authorization	Maximum nominal amount authorized	Use in 2022
Share buyback and cancelation of shares			
Treasury share purchase by the Company (<i>Shareholders' General Meeting of May 10, 2022, 17th resolution</i>)	November 9, 2023 (18 months)	10% of outstanding shares at January 1, 2022 (representing 8,494,095 shares)	968,746 shares (i.e. 1.14% of share capital)
Share capital decrease by canceling treasury shares (<i>Shareholders' General Meeting of May 10, 2021, 23rd resolution</i>)	July 9, 2023 (26 months)	10% of the capital per 24-month period	None
Issue of shares and securities			
Issue of shares or securities conferring entitlement to the Company's capital with pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2021, 14th resolution</i>)	July 9, 2023 (26 months)	Capital: €75 million Debt securities: €1 billion the amount issued being included in the Overall Cap	None
Issue of shares or securities conferring entitlement to the Company's capital without pre-emptive subscription rights, but with, where applicable, a priority period granted by the Board of Directors open to the public (<i>Shareholders' General Meeting of May 10, 2021, 15th resolution</i>)	July 9, 2023 (26 months)	Capital: €15 million Debt securities: €1 billion, the amount issued being included in the Overall Cap and Sub-Cap	None
Issue of shares or securities conferring entitlement to the Company's capital through private placements without pre-emptive subscription rights granted to qualified institutional buyers or a limited number of investors (<i>Shareholders' General Meeting of May 10, 2021, 16th resolution</i>)	July 9, 2023 (26 months)	10% of the capital at the issue date, the amount issued being included in the Overall Cap and Sub-Cap	None
Increase in the number of shares to be issued in the event of excess demand for issued shares or securities conferring entitlement to the capital with or without pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2021, 17th resolution</i>)	July 9, 2023 (26 months)	15% of the initial issue, the amount issued being included in the Overall Cap and, where applicable, the Sub-Cap	None
Setting of the issue price of shares or securities conferring entitlement to capital in the event pre-emptive subscription rights are canceled (<i>Shareholders' General Meeting of May 10, 2021, 18th resolution</i>)	July 9, 2023 (26 months)	10% of capital per year the amount issued being included in the Overall Cap and Sub-Cap	None
Issue of shares or securities conferring entitlement to capital in consideration for contributions in kind made up of shares or securities (<i>Shareholders' General Meeting of May 10, 2021, 19th resolution</i>)	July 9, 2023 (26 months)	Capital: 10% of capital per year Debt securities: €1 billion, the amount issued being included in the Overall Cap and Sub-Cap	None
Increase of share capital paid up by capitalizing retained earnings, profits, additional paid-in capital or issue premiums (<i>Shareholders' General Meeting of May 10, 2021, 20th resolution</i>)	July 9, 2023 (26 months)	€75 million the amount issued being included in the Overall Cap	None
Overall cap for share capital increases and issues of debt securities with or without pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2021, 21st resolution</i>)	July 9, 2023 (26 months)	Capital: €75 million represents the maximum common cap set in the 14 th to the 20 th resolutions approved by the Shareholders' General Meeting of May 10, 2021 (the "Overall Cap") Capital: €15 million represents the common cap applicable to issues without pre-emptive subscription rights (the "Overall Sub-Cap")	-
Issues granted to employees and executives			
Issue of shares or securities conferring entitlement to capital reserved for Group employees who are members of a Company or Group savings plan (<i>Shareholders' General Meeting of May 10, 2021, 22nd resolution</i>)	July 9, 2023 (26 months)	€1.6 million	None
Grant of Imerys stock options to employees and corporate officers or certain categories among them (<i>Shareholders' General Meeting of May 4, 2020, 22nd resolution</i>)	July 3, 2023 (38 months)	Common cap: 3% of share capital at the grant date	None
Free Imerys share grant to employees and corporate officers or certain categories among them (<i>Shareholders' General Meeting of May 4, 2020, 23rd resolution</i>)	July 3, 2023 (38 months)	Sub-cap for executive corporate officers: 0.5% of share capital at the grant date	437,250 performance shares were granted in 2022, representing 0.26% of the Company's share capital

SUMMARY OF THE FINANCIAL AUTHORIZATIONS FOR WHICH RENEWALS HAVE BEEN SUBMITTED FOR APPROVAL AT THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' GENERAL MEETING OF MAY 10, 2023

The following table presents the financial authorizations submitted to the approval of the Ordinary and Extraordinary Shareholders' General Meeting of May 10, 2023.

√ For further details see chapter 8, paragraph 8.2.7 of the Universal Registration Document.

Type of authorization	Expiration and term of the authorization	Maximum nominal amount authorized
Share buyback and cancelation of shares		
Treasury share purchase by the Company (<i>Shareholders' General Meeting of May 10, 2023, 14th resolution</i>)	November 9, 2024 (18 months)	10% of outstanding shares at January 1, 2023 (representing 8,494,095 shares)
Share capital decrease by canceling treasury shares (<i>Shareholders' General Meeting of May 10, 2023, 25th resolution</i>)	July 9, 2025 (26 months)	10% of the capital per 24-month period
Issue of shares and securities		
Issue of shares or securities conferring entitlement to the Company's capital with pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2023, 15th resolution</i>)	July 9, 2025 (26 months)	Capital: €75 million Debt securities: €1 billion the amount issued being included in the Overall Cap
Issue of shares or securities conferring entitlement to capital without pre-emptive subscription rights, but with, where applicable, a priority period granted by the Board of Directors open to the public (<i>Shareholders' General Meeting of May 10, 2023, 16th resolution</i>)	July 9, 2025 (26 months)	Capital: €15 million Debt securities: €1 billion, the amount issued being included in the Overall Cap and Sub-Cap
Issue of shares or securities conferring entitlement to capital through private placements without pre-emptive subscription rights granted to qualified institutional buyers or a limited number of investors (<i>Shareholders' General Meeting of May 10, 2023, 17th resolution</i>)	July 9, 2025 (26 months)	10% of the capital at the issue date, the amount issued being included in the Overall Cap and Sub-Cap
Increase in the number of shares to be issued in the event of excess demand for issued shares or securities conferring entitlement to capital with or without pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2023, 18th resolution</i>)	July 9, 2025 (26 months)	15% of the initial issue, the amount issued being included in the Overall Cap and, where applicable, the Sub-Cap
Setting of the issue price of shares or securities conferring entitlement to capital in the event pre-emptive subscription rights are canceled (<i>Shareholders' General Meeting of May 10, 2023, 19th resolution</i>)	July 9, 2025 (26 months)	10% of capital per year the amount issued being included in the Overall Cap and Sub-Cap
Issue of shares or securities conferring entitlement to capital in consideration for contributions in kind made up of shares or securities (<i>Shareholders' General Meeting of May 10, 2023, 20th resolution</i>)	July 9, 2025 (26 months)	Capital: 10% of capital per year Debt securities: €1 billion, the amount issued being included in the Overall Cap and Sub-Cap
Increase of share capital paid up by capitalizing retained earnings, profits, additional paid-in capital or issue premiums (<i>Shareholders' General Meeting of May 10, 2023, 21st resolution</i>)	July 9, 2025 (26 months)	€75 million the amount issued being included in the Overall Cap
Overall cap for share capital increases and issues of debt securities with or without pre-emptive subscription rights (<i>Shareholders' General Meeting of May 10, 2023, 22nd resolution</i>)	July 9, 2025 (26 months)	Capital: €75 million represents the maximum common cap set in the 15 th to the 21 th resolutions and 23 rd and 24 th resolutions to be approved by the Shareholders' General Meeting of May 10, 2023 (the "Overall Cap") Capital: €15 million represents the common cap applicable to issues without pre-emptive subscription rights (the "Overall Sub-Cap")
Issues granted to employees and executives		
Issue of shares or securities conferring entitlement to capital reserved for Group employees who are members of a Company or Group savings plan (<i>Shareholders' General Meeting of May 10, 2023, 23rd resolution</i>)	July 9, 2025 (26 months)	3% (or 0.5% for executive corporate officers) of the capital at the issue date, the amount issued being included in the Overall Cap
Free Imerys share grant to employees and corporate officers or certain categories among them (<i>Shareholders' General Meeting of May 10, 2023, 24th resolution</i>)	July 9, 2026 (38 months)	the amount issued being included in the Overall Cap

OTHER SECURITIES

On May 10, 2022, as the decision to issue ordinary bonds falls within the authority of the Board of Directors, in accordance with article L. 228-40 of the French Commercial Code, the Board of Directors delegated full powers to the Chief Executive Officer for the purposes of carrying out such issues and

deciding their conditions, in particular for the Company's Euro Medium Term Note ("EMTN") program, within the period of one year and a maximum nominal amount per year of €1.5 billion and a maximum nominal amount per operation of €600 million. At its meeting of May 10, 2023, the Board of Directors will consider renewing this delegation to the Chief Executive Officer.

7.3.4 SHARE BUYBACK PROGRAM

LEGAL FRAMEWORK OF SHARE BUYBACK PROGRAMS IMPLEMENTED IN 2022

The Ordinary Shareholders' General Meeting held on May 10, 2022 renewed for a period of 18 months, *i.e.* until November 9, 2023, the authorization previously granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' General Meeting held on May 10, 2021. In accordance with articles L. 22-10-62 *et seq.* of the French Commercial Code, this authorization enables the Company to buy back its own shares within the limit of 10% of the shares existing and outstanding at January 1, 2022, representing 8,494,095 shares, and within the limit of a total investment of approximately €722 million. It was also decided at the Shareholders' General Meeting that the number of shares likely to be held by the Company, directly or indirectly, at any time, shall not exceed 10% of the total share capital. Lastly, the maximum acquisition price was set at €85 per share.

On May 10, 2022, in accordance with article L. 22-10-62 paragraph 3 of the French Commercial Code, the Board of Directors delegated full powers for the purposes of purchasing Company shares to the Chief Executive Officer, within the conditions and limits set by the Shareholders' General Meeting.

TRANSACTIONS CARRIED OUT IN 2022⁽¹⁾

In accordance with article L. 225-211 of the French Commercial Code, the following transactions were carried out as part of the Company's share buyback programs in force in 2022.

Transactions completed between January 1 and May 9, 2022 as part of the share buyback program approved by the Shareholders' General Meeting of May 10, 2021

As part of the liquidity agreement, which complies with decision n° 2021-01 made by the French Financial Market Authority (*Autorité des marchés financiers* – AMF) on June 22, 2021, concluded by the Company with Exane on April 1, 2021 and coming into effect on April 12, 2021⁽²⁾ (the "**Liquidity Agreement**"), the following transactions were completed:

- 235,723 shares were purchased on the market at an average weighted price of €38.226; and
- 232,418 shares were sold on the market at an average weighted price of €38.566.

Transactions completed between May 10 and December 31, 2022 as part of the share buy-back program approved by the Ordinary Shareholders' General Meeting of May 10, 2022

As part of the Liquidity Agreement:

- 362,023 shares were purchased on the market at an average weighted price of €33.723; and
- 367,454 shares were sold on the market at an average weighted price of €33.717.

Furthermore, on 27 June 2022, the Company granted a share purchase agreement to an investment services firm ("**PSI**"), in accordance with Regulation (EU) No 596/2014, Commission Delegated Regulation (EU) No 2016/1052, articles 241-1 *et seq.* of the AMF's General Regulations and the AMF's guidelines on trading by issuers in their own shares and stabilization measures, which had expired by the date the program was completed on September 6, 2022 (the "**Purchase Agreement**"). Under the Purchase Agreement, 371,000 of the Company's shares were purchased on the market between June 28, 2022 and September 6, 2022 at an average weighted price of €29.67.

Treasury shares held at December 31, 2022

Taking into account:

- the balance of treasury shares held at December 31, 2021, representing 356,196 shares;
- the delivery in 2022 of 152,048 vested shares to the beneficiaries of performance share grants (for further details, see chapter 4, paragraph 4.3.3 of the *Universal Registration Document*);
- 597,746 shares purchased and 599,872 shares sold under the Liquidity Agreement in 2022;
- 371,000 shares purchased under the Purchase Agreement;
- the balance of treasury shares held at December 31, 2022 totaled 573,022. These shares, which have a par value of €2, represented 0.67% of share capital at December 31, 2022.

(1) All prices and amounts are given excluding fees and commission.

(2) As updated on January 24, 2022, taking effect retroactively from July 1, 2021.

It should be noted that:

- the transactions carried out by the Company in 2022 as part of its share buy-back programs were made in full and without opening any buying or selling positions;
- the Company does not use derivatives as part of its share buy-back programs;
- taking into account the shares bought back within the framework of the Purchase Agreement, the Company incurred trading fees of €9,492.79 and paid €32,981.61 in financial transaction tax.

DETAILS OF THE SHARE BUYBACK PROGRAM PUT FORWARD FOR RENEWAL

As the authorization granted to the Board of Directors by the Ordinary Shareholders' General Meeting held on May 10, 2022 expires on November 9, 2023, shareholders will be asked to renew it at the Ordinary and Extraordinary Shareholders' General Meeting held on May 10, 2023 for a further period of 18 months, *i.e.* until November 9, 2024 (see chapter 8, paragraph 8.6 of the *Universal Registration Document*).

The buyback program put forward for renewal at the Ordinary and Extraordinary Shareholders' General Meeting held on May 10, 2023 was drawn up in accordance with articles L. 22-10-62 et seq. of the French Commercial Code, Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, and articles 241-1 to 242-7 of the AMF's General Regulations.

Purpose of the share buyback program

The purpose of the program is to enable the Company to buy back its own shares, primarily so as to:

- cancel the shares at a later date to reduce the Company's share capital;
- implement and cover stock option plans and/or free share grants, as well as any shares granted under employee share ownership plans set up by the Company (or assimilated plans), or with respect to profit-sharing programs for current employees, former employees and/or corporate officers of the Company and/or any related companies as defined by articles L. 225-180, L. 225-197-2 and L. 233-16 of the French Commercial Code, within the current legal framework or ad hoc plans set up by the Company;

- grant or exchange shares purchased, in particular, on exercise of rights or issue of shares or securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- maintain the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity agreement, it being specified that for the calculation of the 10% cap on purchases set out above, the number of shares bought back should be considered net of any shares sold within the duration of the agreement;
- hold them before using them at a later date as payment for or in consideration of external growth operations; and
- more generally, operate for any other purpose that is or may come to be authorized by law, and/or implement any market practice that is or may come to be authorized by the AMF.

Maximum proportion of capital, maximum number and characteristics of shares, maximum purchase price

The number of shares that could be purchased under the agreement cannot exceed 8,494,095 shares, representing 10% of shares issued and outstanding at January 1, 2023 (or 5% of the total number of shares that make up the share capital if the shares were acquired by the Company with a view to holding them before using them at a later date as payment for or in consideration of a merger, demerger or contribution). Buybacks concern Imerys shares (code ISIN FR0000120859) listed on Euronext Paris. The purchase price may not exceed €85 per share, representing a maximum total investment of €721,998,075.

Buyback conditions

Shares are purchased on the market or over the counter and by any means, including through block transfers and with the use or exercise of any financial instrument, financial agreement or derivative, and at any time, except during a public offer for the Company's shares.

7.3.5 SHAREHOLDING

7.3.5.1 BREAKDOWN OF SHARE CAPITAL AND VOTING RIGHTS OVER THE PAST THREE YEARS

The following changes in the breakdown of share capital and voting rights have occurred over the past three years:

	At December 31, 2020				At December 31, 2021				At December 31, 2022			
	Number of shares	% of share capital	Voting rights ⁽¹⁾	% of voting rights ⁽²⁾	Number of shares	% of share capital	Voting rights ⁽¹⁾	% of voting rights ⁽²⁾	Number of shares	% of share capital	Voting rights ⁽¹⁾	% of voting rights ⁽²⁾
Belgian Securities B.V.	46,341,270	54.56	89,192,743	67.53	46,341,270	54.56	89,192,743	67.53	46,341,270	54.56	92,682,540	68.37%
Blue Crest Holding S.A.	4,305,235	5.07	7,835,669	5.93	4,305,235	5.07	7,989,470	6.05	4,305,235	5.07	8,087,217	5.97
Group employees	959,332	1.13	1,510,561	1.14	774,751	0.91	1,373,685	1.04	848,233	1.00	1,512,081	1.12
Treasury shares	182,330	0.21	182,330 ⁽³⁾	0.14	356,196	0.42	0	0	573,022	0.67	0	0
Public float	33,152,788	39.03	33,350,984	25.25	33,163,503	39.04	33,529,808	25.38	32,873,195	38.70	33,287,318	24.55
Total	84,940,955	100	132,072,287	100	84,940,955	100	132,085,706	100	84,940,955	100	135,569,156	100

(1) In accordance with article 22 of the Company by-laws, shares held in registered form for over two years carry double voting rights.

(2) Percentages are calculated on the basis of the theoretical voting rights existing at December 31 of each year.

(3) These figures reflect theoretical voting rights, as treasury shares are stripped of voting rights at Shareholders' General Meetings.

7.3.5.2 CROSSING OF STATUTORY THRESHOLDS

No disclosures were made to the Company to report a threshold being crossed in 2022 and up to the date the Universal Registration Document was filed.

To the best of Imerys' knowledge, no shareholder other than those mentioned in *paragraph 7.3.5.1 of the present chapter* either directly or indirectly held more than 5% of the Company's share capital or voting rights at the date of the Universal Registration Document was filed.

Shareholders are reminded that the Imerys by-laws do not contain any clauses requiring disclosures to be made when thresholds are crossed, other than those required by law. Any shareholder, whether acting alone or in concert, whose ownership exceeds or drops below one of the thresholds for the Company's capital and/or voting rights provided by the legislation in force must comply with the provisions of articles L. 233-7 et seq. of the French Commercial Code and article 223-14 of the AMF's General Regulations.

7.3.5.3 CONTROL OF THE COMPANY AND SHAREHOLDERS' AGREEMENT

Control of the Company

Given the number of voting rights held, the Company is legally controlled by Belgian Securities B.V., which itself is controlled directly by Groupe Bruxelles Lambert ("GBL") and indirectly by the Frère and Desmarais families through the company Parjointco (for further details, *see the organization chart in paragraph 7.3.5.6 of the present chapter*). Nevertheless, the

Company does not believe there is a risk such control be exerted abusively. The Company and its Board of Directors have always considered protecting shareholder interests to be of great importance and consistently spare no effort to comply with Corporate Governance rules and best practice, as demonstrated, in particular, by the number of independent members sitting on the Board of Directors and its committees (for further details on the structure of the Board of Directors and its committees, *see chapter 4, paragraph 4.1.1 of the Universal Registration Document*).

Shareholders' agreement

On November 5, 2014, GBL, Belgian Securities B.V. and Blue Crest Holding S.A. ("**Blue Crest**") entered into a shareholders' agreement with respect to their direct or indirect shareholding in the Company, which was updated by riders on March 17, 2015 and December 23, 2021.

Governed by Luxembourg law, the agreement currently includes the following conditions:

- joint tag-along rights granted by GBL to Blue Crest, in the event that GBL transfers Imerys shares to a third party, causing its interest to fall below 40% of Imerys' capital;
- a pre-emptive right granted to GBL to purchase any Imerys shares that Blue Crest may wish to sell;
- a right for Blue Crest to be represented on the Board of Directors. As such, as long as Blue Crest holds at least 3% of Imerys shares, a person nominated by Blue Crest will sit on the Imerys Board of Directors. This director will also sit on the Strategic Committee and will be invited to attend (without being a member) meetings of the Audit Committee.

Information about the Company and its share capital

Share capital and shareholding

The shareholders' agreement will remain in force until one of the following situations arise:

- Blue Crest comes to directly or indirectly hold less than 50% of the 3,728,308 shares created in consideration for the share transfer completed on February 26, 2015;
- the agreement is terminated by GBL, which it would be authorized to do if Blue Crest's current controlling shareholders were to change or no longer directly or indirectly hold 100% of capital in Blue Crest;
- GBL's direct or indirect interest in Imerys was to fall below 40%;
- on January 15, 2024, if one of the parties sends the other parties a letter informing them that they wish to terminate the agreement before December 15, 2023 (or before December 15 of the previous year with respect to subsequent years). If no such letter is sent by any of the parties, the agreement will be automatically renewed for another year.

It should be noted that the shareholders' agreement does not constitute a concert party as defined in articles L. 233-10 and L. 233-10-1 of the French Commercial Code. A copy of the agreement (as it currently stands) was sent to the AMF and the

Company on December 24, 2021 (the AMF decision and information No. 221C3611 dated December 24, 2021 are both available on the AMF website: www.amf-france.org).

At the date this Universal Registration Document was filed, the Company had not been made aware of any other agreement between its shareholders, nor of any agreement that, if implemented, could trigger a change of control.

7.3.5.4 EMPLOYEE SHAREHOLDING

At December 31, 2022, Group employees held 1.00% of outstanding share capital and 1.12% of theoretical voting rights in the Company, particularly through operations intended to promote employee share ownership (see paragraph 7.3.1 of the present chapter).

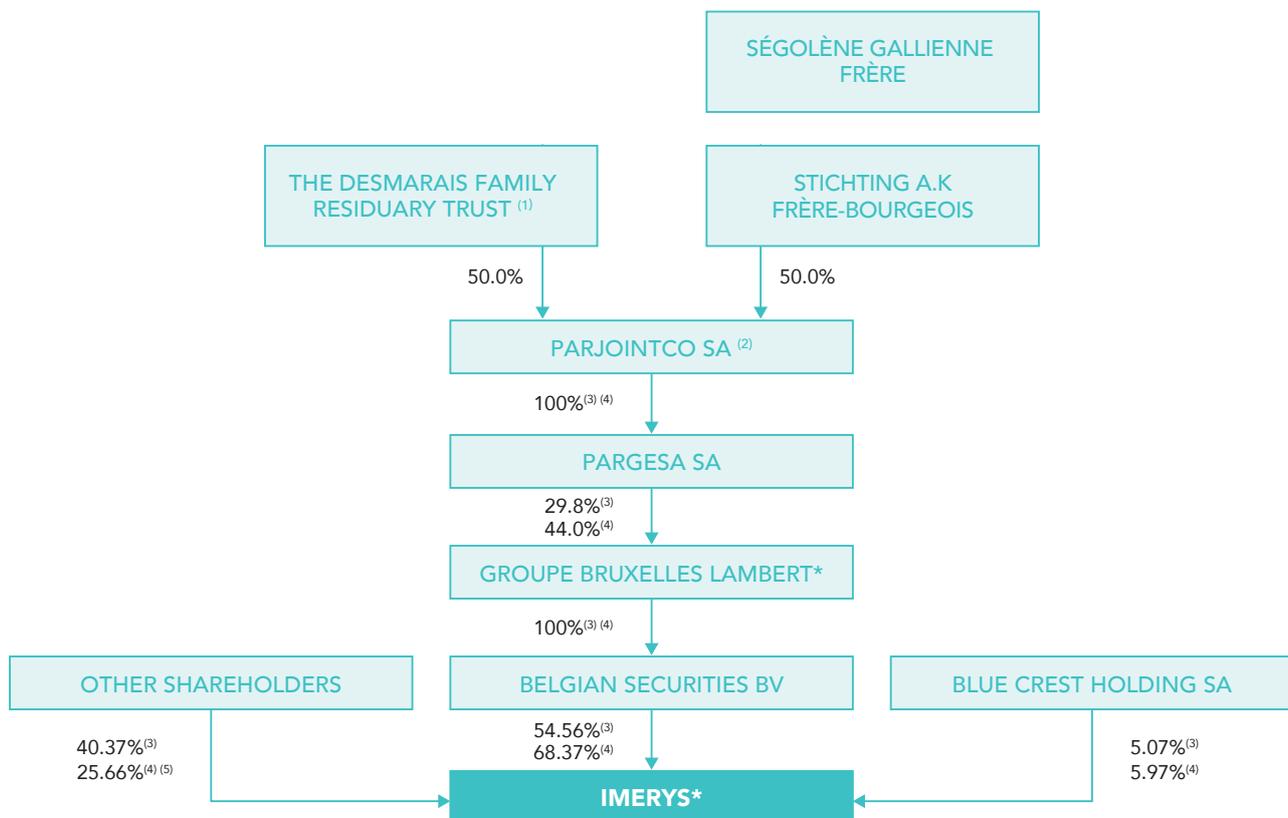
Details of the various long-term incentive plans, including past stock option and performance share grants, are presented in chapter 4, paragraph 4.3.3.

7.3.5.5 IDENTIFICATION OF BEARER SHARES

The Company has not carried out a survey of identifiable bearer shares during the last two years.

7.3.5.6 GROUP SHAREHOLDING STRUCTURE

The following diagram represents the relationships between Imerys shareholders by share capital and theoretical voting rights at December 31, 2022 (see paragraph 7.3.1 of the present chapter):



* Listed company.

(1) Trustees of a trust set up on the death of Paul G. Desmarais, for the benefit of certain members of the Desmarais family.

(2) Joint control and action in concert on GBL between the Power and Frère groups.

(3) Stake held in share capital.

(4) Stake held in voting rights.

(5) Given treasury shares with no voting right.

Parjointco is a company governed by Belgian law whose registered office is located at Avenue Marnix 24, 1000 Brussels (Belgium). It is jointly owned and controlled by the Desmarais family (Canada) and the Frère family (Belgium).

Pargesa S.A. is a company governed by Swiss law whose registered office is located at 11, Grand-Rue, CH-1204 Geneva (Switzerland).

Groupe Bruxelles Lambert is a company governed by Belgian law whose registered office is located at Avenue Marnix 24, 1000 Brussels (Belgium).

For any additional information concerning the shareholding of Groupe Bruxelles Lambert, refer to GBL's 2022 annual report, in section 8.3.3.

Belgian Securities B.V. is a company governed by Dutch law whose registered office is located at Amstel 134, 1017 AD Amsterdam (Netherlands).

The direct affiliation of Imerys to the GBL group resulted from the Company's merger with Parfinance completed on June 30, 1998. Parfinance was the Company's controlling shareholder at that time and had been so for several years.

Blue Crest Holding S.A. is a company governed by Luxembourg law whose registered office is located at 19, rue Eugène Ruppert, L-2453 Luxembourg (Luxembourg). It is owned and controlled by the Kyriacopoulos family (Greece).

7.4 ELEMENTS THAT COULD HAVE AN IMPACT IN THE EVENT OF A TAKEOVER BID

It should be noted that no specific mechanism has been set up by the Company.

Structure of the share capital – direct or indirect investments in the share capital – shareholders' agreements

Information regarding the Company's share ownership (structure of the share capital, threshold crossings and control of the Company) appear in *section 7.3 of the present chapter*.

Restrictions on voting rights and transfers of shares or agreements of which the Company is aware

See paragraph 7.3.5.3 of the present chapter.

Holders of shares carrying specific control rights

The Company's by-laws state that shares held in registered form by the same shareholder for over two years carry double voting rights (*see section 7.1 of the present chapter*).

Control mechanisms applied to employee shareholding schemes

None.

Agreements between shareholders known by the Company that could lead to restrictions of share transfers and voting rights

See paragraph 7.3.5.3 of the present chapter.

Specific rules governing the appointment or replacement of directors and amendments to the Company's by-laws

None.

Powers of the Board of Directors, in particular regarding issues of shares or share buybacks

The terms and conditions of share buybacks are set out in *paragraphs 7.3.3 and 7.3.4 of the present chapter*.

It should be noted that when expired financial authorizations were submitted for renewal at the Shareholders' General Meetings held on May 10, 2021 and May 10, 2022, shareholders excluded the option for the Board of Directors to buy back shares or use the delegations of authority granted to it during a takeover bid for the Company's shares. The same applies to the renewal of the aforementioned authorizations put forward at the next Shareholders' General Meeting (*see Chapter 8, paragraph 8.2.7 of the Universal Registration Document*).

Agreements that may be amended or terminated in the event of a change of control of the Company

Among the Company's main financing agreements (*see Note 24.5 to the consolidated financial statements published in chapter 6, paragraph 6.1.2 of the Universal Registration Document*) some contain a clause that provides for early reimbursement, under certain conditions and on the Company's initiative, in the event of a change of control.

Joint venture agreements entered into by the Company's subsidiaries generally include an exit clause in the event of a change of control.

Agreements including compensation clauses to be paid to members of the Board of Directors or employees if they resign or are dismissed without genuine or serious cause or if their contract is terminated as a result of a takeover bid

The terms and conditions applicable to compensation payable to corporate officers for termination of office are detailed in *chapter 4, section 4.3 of the Universal Registration Document*.

7.5 DIVIDENDS

Imerys bases the distribution of dividends on the consolidated net income from current operations recorded in the financial year in question. The allocation of income is determined in accordance with current legal and regulatory provisions, as detailed in article 30 of the Company by-laws (published on its website www.imerys.com – Group – Governance).

In accordance with the provisions of article 243 bis of the French General Tax Code (*Code général des impôts*), the dividends paid in respect of the last three financial years were as follows:

	2021	2020	2019
Net income from current operations, per share	€3.40	€2.03	€3.50
Net dividend per share	€1.55	€1.15	€1.72
Gross dividend per share	€1.55	€1.15	€1.72
Number of shares carrying dividend rights	84,732,456	84,811,788	79,032,835
Total net distribution	€131.3 million	€97.5 million	€135.9 million*

* Including a €16.1 million dividend payment in cash and a €119.8 million dividend payment in shares.

As a general rule, Imerys does not distribute interim dividends. Dividends are paid once a year following the Shareholders' General Meeting held to approve the management and financial statements for the previous financial year. The Shareholders' General Meeting may grant to each shareholder, for all or part of the dividend being distributed, or where applicable for interim dividends, the option to choose between payment of the dividend in cash or in shares. ⁽¹⁾

Dividends that have not been claimed within five years after the dividend payment date are time-barred. Unclaimed dividends are paid to the French State in the first 20 days of January of the year following the expiration of the period of limitation.

(1) This situation arose following the decision made by the Shareholders' General Meeting of May 4, 2020, when shareholders representing 88.1% of voting rights opted for the alternative dividend payment in shares, which led to a €119.8 million increase in capital (issuance premium included). The dividend payment in cash totaled €16.1 million.

7.6 PARENT COMPANY/SUBSIDIARY ORGANIZATION

At December 31, 2022, the Group was made up of 282 companies based in 54 countries (the main consolidated entities of the Group are listed in *Note 25 to the consolidated financial statements published in chapter 6, paragraph 6.1.2 of the Universal Registration Document*). The Group's organizational structure is detailed in *chapter 1, paragraphs 1.1.2 et seq. of the Universal Registration Document*.

Imerys is the Group's holding company and therefore does not directly carry out any industrial or business activity. The Company's assets are mainly comprised of the investments it holds directly in certain Group subsidiaries.

√ For further details about the subsidiaries directly controlled by the Company, *see Note 30 to the statutory financial statements published in chapter 6, paragraph 6.2.2 of the Universal Registration Document*.

Imerys, along with certain local holding companies, provides all their subsidiaries with general support and expertise in the following areas in particular:

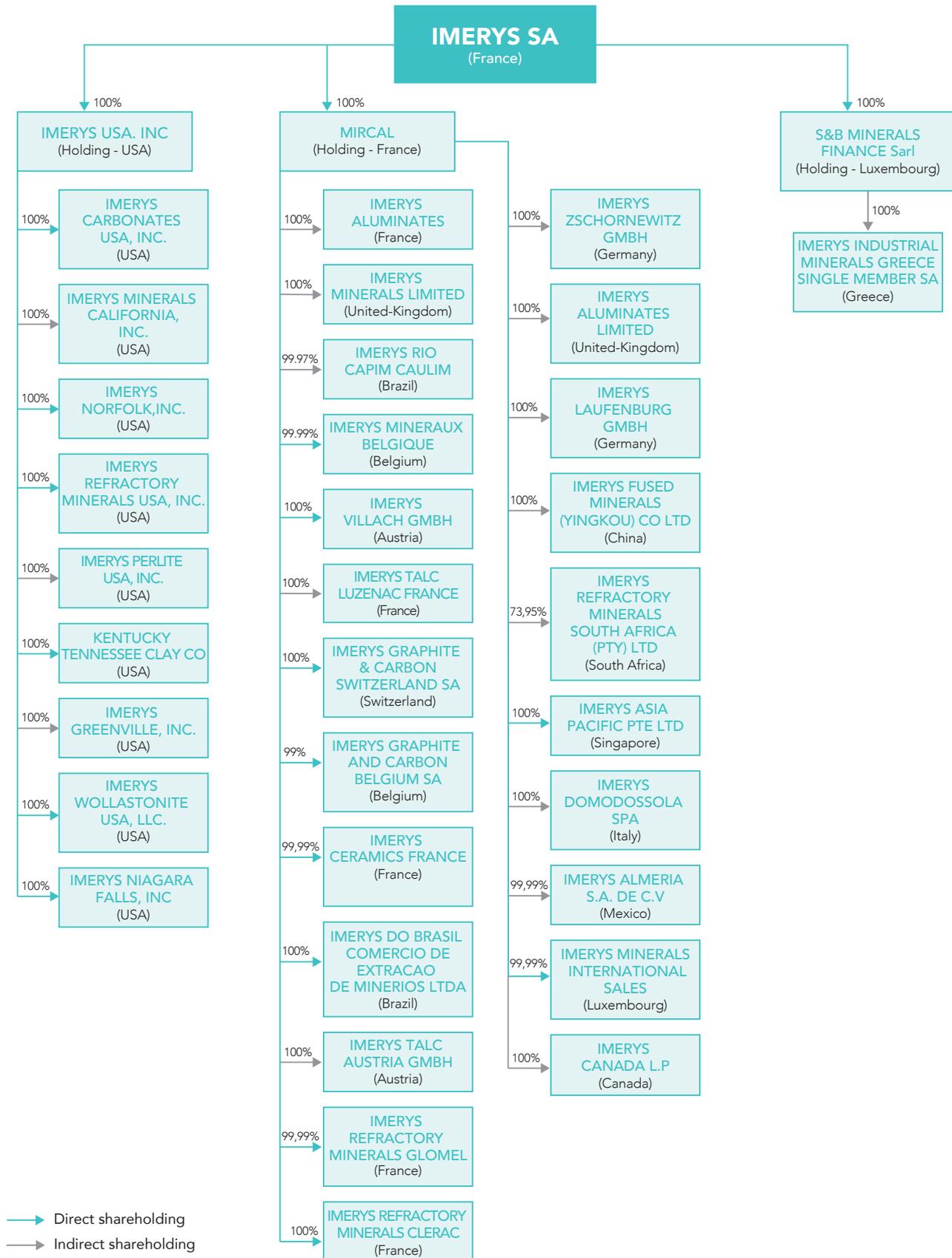
- Accounting & Financial Control;
- Audit;
- Cash Management;
- Communication;
- Environment, Health & Safety;
- Geology;
- Human Resources;
- Industrial Projects;
- Information Technology;
- Innovation, Research & Development;
- Insurance;

- Intellectual Property;
- Legal;
- Mineral Transformation Processes;
- Operational Excellence;
- Purchasing;
- Strategy;
- Tax.

These services include: support and advice in ad-hoc requests from its subsidiaries, as well as more general studies and analyses or even recommendations or suggested preventive measures.

Compensation for these services is determined on the basis of the costs incurred by Imerys and its local holding companies. These costs are allocated to the subsidiaries that benefit from the services, either in proportion to their total revenue compared to the total revenue of their operating segment or in proportion to the number of their employees. In addition, external costs incurred specifically on behalf of a subsidiary along with the cost of seconding employees to a subsidiary are allocated to that subsidiary separately. In 2022, the Company invoiced a net total amount of approximately €150.5 million for services provided to its subsidiaries. Furthermore, Imerys charges subsidiaries a fee to use the Imerys brand. Imerys is also the parent company of the tax consolidation group for the Group's companies based in France where more than 95% of the share capital is held by Imerys (*see Note 8 to the statutory financial statements published in chapter 6, paragraph 6.2.2 of the Universal Registration Document*).

The simplified organization chart presented below illustrates the main operating entities of the Group whose gross revenue exceeded €50 million at December 31, 2022.



7.7 STATUTORY AUDITORS

PRINCIPAL STATUTORY AUDITORS⁽¹⁾

Deloitte & Associés	PricewaterhouseCoopers Audit
represented by Olivier Broissand 6, place de la Pyramide, 92908 Paris-La Défense, France	represented by Cédric Haaser 63, rue de Villiers, 92208 Neuilly-sur-Seine, France
first appointed by the Ordinary and Extraordinary Shareholders' General Meeting held on May 5, 2003 and most recently re-appointed for a period of six years by the Ordinary Shareholders' General Meeting held on May 10, 2022, which will come to an end following the 2028 Ordinary Shareholders' General Meeting called to approve the financial statements at December 31, 2027.	first appointed by the Ordinary Shareholders' General Meeting held on May 10, 2022 for a period of six years, which will come to an end following the 2028 Ordinary Shareholders' General Meeting called to approve the financial statements at December 31, 2027.

ALTERNATE AUDITORS

Since the Shareholders' General Meeting held on May 10, 2022, the Company no longer has any alternate auditors, in accordance with the provisions of article L. 823-1-I, paragraph 2 of the French Commercial Code and the Company's by-laws.

7.8 RELATED PARTY AGREEMENTS AND ASSESSMENT PROCEDURE FOR STANDARD AGREEMENTS

CHARTER ON RELATED PARTY AND STANDARD AGREEMENTS (CONVENTIONS LIBRES)

On July 25, 2019 the Company's Board of Directors adopted a charter on related party agreements and standard agreements, which sets out the procedure to assess standard agreements and identify any related party agreements that require prior approval from the Board. The Charter is published on the Company website (www.imerys.com).

In accordance with article L. 22-10-10 6° of the French Commercial Code, the charter defines the notions of "standard agreement", details the criteria taken into account in the assessment of such agreements, lists the agreements that are presumed to ordinarily be conducted in the standard course of business, identifies the people responsible for the assessment process and describes the conditions under which the annual assessment is conducted by the Board. The Board thereby assesses the categorization of agreements as concluded with related parties (given the criteria set out in the aforementioned charter).

RELATED PARTY AGREEMENTS IN 2022

At its meeting on February 16, 2023, the Board of Directors conducted its annual review of related party agreements for 2022, in accordance with the aforementioned charter.

As mentioned in the Statutory Auditors' special report published in *chapter 6, section 6.3 of the Universal Registration Document* and detailed in *chapter 8, paragraph 8.2.2 of the Universal Registration Document*, it should be noted that:

- no related party agreements were concluded in 2022 and no agreement concluded in previous years was no longer or newly considered to be a related party agreement;
- no related party agreements concluded in previous years continued to apply in 2022.

(1) Deloitte & Associés and PricewaterhouseCoopers Audit are members of the Auditors' Regional Company of Versailles (Compagnie régionale des Commissaires aux comptes de Versailles).

8

Ordinary and Extraordinary Shareholders' Meeting of May 10, 2023

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At its meeting of February 16, 2023, the Board of Directors drew up the agenda and resolutions that will be submitted to the Ordinary and Extraordinary Shareholders' Meeting of May 10, 2023.

8.1 AGENDA FOR THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

ORDINARY RESOLUTIONS

1. Approval of the Company's management and statutory financial statements for the year ended December 31, 2022;
2. approval of the consolidated financial statements for the year ended December 31, 2022;
3. appropriation of profit and setting the dividend with respect to the year ended December 31, 2022;
4. statutory Auditors' special report governed by article L. 225-40 of the French Commercial Code;
5. approval of the compensation policy applicable to the Chairman of the Board of Directors with respect to the 2023 financial year;
6. approval of the compensation policy applicable to the Chief Executive Officer with respect to the 2023 financial year;
7. approval of the compensation policy applicable to members of the Board of Directors with respect to the 2023 financial year;
8. approval of the information relating to the compensation of corporate officers with respect to the 2022 financial year, presented in article L. 22-10-9 I of the French Commercial Code;
9. approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chairman of the Board of Directors with respect to the year ended December 31, 2022;
10. approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chief Executive Officer with respect to the year ended December 31, 2022;
11. re-appointment of Annette Messemer as a director;
12. re-appointment of Véronique Saubot as a director;
13. appointment of Stéphanie Besnier as a director;
14. purchase by the Company of its own shares.

EXTRAORDINARY RESOLUTIONS

15. Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, with pre-emptive subscription rights;
16. delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, without pre-emptive subscription rights, through an offer to the public and excluding offers defined by article L. 411-2-1° of the French Monetary and Financial Code and detailed in the seventeenth resolution;
17. delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, without pre-emptive subscription rights, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1° of the French Monetary and Financial Code;
18. delegation of authority granted to the Board of Directors to increase the number of shares to be issued in a capital increase by up to 15% of the initial issue, with or without pre-emptive subscription rights;
19. authorization granted to the Board of Directors to set the issue price of shares or securities conferring entitlement to capital, for issues without pre-emptive subscription rights, up to 10% of capital per year;
20. delegation of power granted to the Board of Directors to increase the share capital in consideration for contributions in kind made up of shares or securities conferring entitlement to capital, immediately or at a later date, up to 10% of capital per year;
21. delegation of authority granted to the Board of Directors to increase the share capital by capitalizing retained earnings, profits, additional paid-in capital, issue premiums or other items;
22. overall cap for the par value of share capital increases and issues of debt securities resulting from the aforementioned delegations and authorizations;
23. delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital reserved for members of a Company or Group savings plan without pre-emptive subscription rights;
24. authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, free shares in the Company;
25. authorization granted to the Board of Directors to reduce share capital by canceling treasury shares;
26. powers to carry out formalities.

8.2 PRESENTATION OF THE RESOLUTIONS BY THE BOARD OF DIRECTORS

Of the resolutions submitted for approval at the Shareholders' General Meeting, resolutions 1 to 14 and 26 will be submitted to the Ordinary Shareholders' Meeting and resolutions 15 to 25 will be submitted to the Extraordinary Shareholders' Meeting.

Pursuant to the provisions of articles L. 225-37, L. 22-10-8, L. 22-10-9, L. 225-37-4, L. 22-10-10, L. 225-100 and L. 22-10-34 of the French Commercial Code (*Code de commerce*), *paragraphs 8.2.3 to 8.2.5 and section 8.3 of the present chapter* form an integral part of the Corporate Governance Report.

8.2.1 2022 ANNUAL FINANCIAL STATEMENTS AND APPROPRIATION OF PROFIT

(Three resolutions submitted to the Ordinary Shareholders' General Meeting)

Shareholders are invited to approve the Company's annual financial statements (**first resolution**) and the Group's consolidated financial statements (**second resolution**) for the year ended December 31, 2022.

These financial statements, along with the financial situation, business and results of the Group and the Company for the year ended December 31, 2022, as well as various items of information required by current laws and regulations, are published in *chapter 5 (Comments on 2022) and chapter 6 (Financial statements) of the Universal Registration Document*.

The shareholders approve the total amount of charges and expenses, as defined in article 39, paragraph 4 of said Code, which corresponded to €176,541.38 over the year ended December 31, 2022. No tax was incurred on these expenses.

Shareholders are then called upon to approve the appropriation of the Company's distributable profit for 2022 (**third resolution**). In 2022, the Company's distributable profit totaled €754,346,854.60, representing €150,257,913.27 in net profit plus €604,088,941.33 in retained earnings (without any

allocation to the legal reserve, which already represents 10% of the Company's capital). The Board of Directors recommends paying a per-share dividend of €3.85 of which €1.50 per share corresponds to an ordinary dividend and €2.35 per share corresponds to the payment of a special dividend related to the disposal of the High Temperature Solutions business area.

The total dividend payout will be adjusted to take into account the difference between the number of shares eligible for the dividend at the ex-dividend date and the 84,940,955 shares making up the Company's capital at December 31, 2022. Consequently, the amount allocated to retained earnings will be determined on the basis of the total actual dividend payout.

Pursuant to the provisions of article 243 *bis* of the French Tax Code (*Code général des impôts*), individual shareholders domiciled for tax purposes in France may benefit from a 40% tax allowance on the proposed dividend for 2022, as stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting for their income from movable property to be taxed according to the progressive income tax bands set out in article 200-A-2 of said Code.

Dividends paid for the past three financial years were as follows:

Financial year ending	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Net dividend per share	€1.55*	€1.15*	€1.72*
Number of shares carrying dividend rights	84,732,456	84,811,788	79,032,835
Total net distribution	€131.3 million	€97.5 million	€135.9 million**

* Fully eligible for the 40% tax allowance for individual shareholders domiciled in France for tax purposes stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting to be taxed according to the progressive income tax bands.

** The Ordinary and Extraordinary Shareholders' Meeting of May 4, 2020 approved an alternative payment option in shares for the dividend paid with respect to the 2019 financial year, which led to a €119.8 million increase in capital (issuance premium included) and a payment in cash totaling €16.1 million.

The ex-dividend date will be May 15, 2023 and the dividend will be paid on May 17, 2023.

8.2.2 RELATED PARTY AGREEMENTS

(One resolution submitted to the Ordinary Shareholders' General Meeting)

Pursuant to the provisions of article L. 225-40 of the French Commercial Code, shareholders are asked to approve the Statutory Auditors' special report on related party agreements governed by articles L. 225-38 et seq. of said Code and published in *chapter 6, section 6.3 of the Universal Registration Document (fourth resolution)*.

Shareholders are also informed that at its meeting held on February 16, 2023 and in accordance with legal requirements

and its internal charter on related party agreements and on standard agreements (see *chapter 7, section 7.8 of the Universal Registration Document*), the Board of Directors reviewed all agreements in place with related parties.

The Board of Directors noted that:

- no related party agreements were concluded in 2022; and
- no related party agreements concluded in previous years and already approved by the Shareholders' General Meeting continued to apply in 2022.

8.2.3 COMPENSATION POLICIES APPLICABLE TO CORPORATE OFFICERS IN 2023

(Three resolutions submitted to the Ordinary Shareholders' General Meeting)

Pursuant to the provisions of article L. 22-10-8 of the French Commercial Code, shareholders are asked to approve the compensation policies applicable to corporate officers (Chairman of the Board of Directors (**fifth resolution**), Chief Executive Officer (**sixth resolution**) and members of the Board of Directors (**seventh resolution**) with respect to the 2023 financial year, which protect the Company's corporate interests, contribute to its long-term success and reflect its business strategy.

In this regard, and in comparison with the 2022 compensation policies, at its meeting held on February 16, 2023 and based on proposals made by the Compensation Committee, the Board of Directors decided to:

- confirm the compensation policy previously approved for the Chairman of the Board of Directors;
- confirm the components of the compensation policy applicable to the Chief Executive Officer and approved by the Shareholders' General Meeting held on May 10, 2022, yet make a number of key changes to simplify the structure of the annual variable compensation applicable and ensure it better reflects the Group's commitments to promote ESG. These changes are based on studies and analysis of market practices across comparable companies conducted by independent experts in order to develop a competitive

compensation policy enabling the Company to retain or attract top quality executives within the Group.

The Board of Directors considered the proposed modifications would help in particular to:

- better align the compensation policy applicable to the Chief Executive Officer with shareholder interests by integrating some of their observations;
- factor in the growing importance of ESG considerations and the manner in which they should be reflected in executive compensation policies in particular in favor of and for the climate;
- rewards the potential achievement of the ambitious targets set and incentivizes performance as the Group rolls out its new strategic ambitions.

The main changes submitted for approval by the Shareholders' General Meeting of May 10, 2023 (in comparison with the 2022 compensation policy) are set out in *chapter 4, section 4.3 of the Universal Registration Document*.

- confirm the compensation policy applied to members of the Board of Directors previously approved by maintaining the gross annual budget and allocation bands.

Details of the compensation policies applicable to corporate officers (Chairman of the Board of Directors, Chief Executive Officer and members of the Board of Directors) with respect to the 2023 financial year are set out in *chapter 4, section 4.3 of the Universal Registration Document*.

8.2.4 COMPONENTS OF COMPENSATION PAID OR GRANTED TO CORPORATE OFFICERS IN 2022

(Three resolutions submitted to the Ordinary Shareholders' General Meeting)

8.2.4.1 INFORMATION ON COMPONENTS OF CORPORATE OFFICER COMPENSATION IN 2022 (EIGHTH RESOLUTION)

Pursuant to the provisions of article L. 22-10-34 I of the French Commercial Code, shareholders are asked to approve the information set out in article L. 22-10-9 I of said Code, which includes in particular details of 2022 compensation awarded to all corporate officers, as well as the average and median pay

ratio between workers and executive corporate officers. This information forms part of the Corporate Governance Report and is presented in *chapter 4, section 4.3 of the Universal Registration Document*.

8.2.4.2 COMPONENTS OF COMPENSATION PAID OR GRANTED WITH RESPECT TO THE YEAR ENDED DECEMBER 31, 2022 TO THE CHAIRMAN OF THE BOARD OF DIRECTORS, PATRICK KRON (NINTH RESOLUTION)

Patrick Kron has held the office of Chairman of the Board of Directors since June 25, 2019.

Components of compensation subject to approval	Amount paid in the year ended December 31, 2022	Amount granted in the year ended December 31, 2022 or equivalent accounting value	Details
Fixed compensation	€400,000	€400,000	Gross annual fixed compensation granted with respect to 2022 and paid in 2022: €400,000 (as decided by the Board of Directors at its meeting held on February 16, 2022) <i>√ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.</i>
Annual variable compensation	N/A	N/A	N/A
Multi-annual variable compensation	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and any other long-term benefit	N/A	N/A	N/A
Severance package	N/A	N/A	N/A
Complementary pension plan	N/A	N/A	N/A
Directors' compensation	N/A	N/A	<i>√ See details under "fixed compensation" above.</i>
Benefits in kind	N/A	N/A	N/A

8.2.4.3 COMPONENTS OF COMPENSATION PAID OR GRANTED WITH RESPECT TO THE YEAR ENDED DECEMBER 31, 2022 TO THE CHIEF EXECUTIVE OFFICER, ALESSANDRO DAZZA (TENTH RESOLUTION)

Alessandro Dazza has held the office of Chief Executive Officer since February 17, 2020.

Components of compensation subject to approval	Amount paid in the year ended December 31, 2022	Amount granted in the year ended December 31, 2022 or equivalent accounting value	Details
Annual fixed compensation	€800,000	€800,000	<p>Gross annual fixed compensation granted with respect to 2022 and paid in 2022: €800,000 (as decided by the Board of Directors at its meeting held on February 16, 2022)</p> <p>√ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.</p>
Annual variable compensation	€1,265,000	€660,000	<p>Annual variable compensation for 2021:</p> <p>The annual variable compensation for 2021, set at €1,265,000 by the Board of Directors at its meeting of February 16, 2022 and paid in 2022, following the approval by the Shareholders' General Meeting of May 10, 2022.</p> <p>Annual variable compensation for 2022:</p> <p>At its meeting of February 16, 2023 and based on the recommendations of the Compensation Committee, the Board of Directors considered the extent to which the Chief Executive Officer had achieved the quantitative and individual targets set for 2022 in order to determine the amount of variable compensation payable for the year.</p> <p>The quantitative criteria relating to financial performance for 2022 were tied to targets for the Group's current operating income, free operating cash flow and organic revenue growth, accounting for 40%, 40% and 20%, respectively.</p> <p>The individual criteria related in particular to pursuing the strategic repositioning of Imerys to high-growth markets; picking up the pace of growth by expanding market share and making targeted acquisitions; investing to facilitate organic growth in markets with high potential, effectively managing the Group's costs in an inflationary economy; retaining and developing key talent to strengthen the Group's succession plan; deploying the Group's ESG policy, in particular by picking up the pace at which Imerys cuts its CO₂ emissions and enhancing diversity within the Executive Committee and Senior Management team.</p> <p>After assessing the extent to which the quantitative criteria relating to financial performance had been met, the resulting amount of annual variable compensation was calculated based on the reference compensation equal to 110% of annual fixed compensation. The criteria are triggered when targets are 85% fulfilled. In the event annual quantitative targets are exceeded, the amount of variable compensation awarded for quantifiable criteria related to financial performance may represent up to 137.5% of annual fixed compensation.</p> <p>A factor of between 0.8 and 1.2 is applied to this amount depending on the fulfillment of individual performance criteria. Total annual variable compensation cannot exceed a maximum cap of 165% of the Chief Executive Officer's annual fixed compensation.</p> <p>To determine the extent to which the quantitative objectives relating to financial performance had been met, the Board of Directors assessed the performance criteria with respect to the 2022 budget, reviewed by the Board at its meeting in December 2021. The Board acknowledged that all two out of three criteria had been met.</p> <p>The Board of Directors considered the Chief Executive Officer's individual performance met the criteria set, given the following:</p> <ul style="list-style-type: none"> the Board considered that the Group had pursued an appropriate commercial strategy in a difficult economic context and implemented the actions necessary to develop high-potential activities (particularly in sustainable mobility and green energy); the Board noted the effective management of inflationary impacts on the cost base and their fair impact in commercial policies; the Board noted the implementation of internal promotions within the Executive Committee as well as the internal development of talent in an extremely dynamic social environment;

Ordinary and Extraordinary Shareholders' Meeting of May 10, 2023

Presentation of the resolutions by the Board of Directors



Components of compensation subject to approval	Amount paid in the year ended December 31, 2022	Amount granted in the year ended December 31, 2022 or equivalent accounting value	Details
			<ul style="list-style-type: none"> the Board took note of the positive developments, particularly in the following key areas: safety and health at work, diversity and inclusion, environmental audits, reduction of greenhouse gas emissions, external rating of the Group in terms of sustainable development, deployment of solutions "SustainAgility Solution Assessments" (SSA). <p>Consequently, the annual variable compensation granted to Alessandro Dazza with respect to 2022 amounts to €660,000, representing 82.5% of his fixed compensation granted/paid in 2022. This figure reflects the achievement of 62.5% of the quantitative targets, multiplied by a factor of 1.2 reflecting his individual performance.</p> <p>This sum will be paid to Alessandro Dazza, subject to the approval of the tenth resolution submitted to the Shareholders' General Meeting of May 10, 2023.</p> <p>The Company does not have the possibility to ask for this variable compensation to be returned.</p> <p>√ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.</p>
Multi-annual variable compensation	N/A	N/A	No decision was made to award multi-annual variable compensation (in cash) with respect to 2022.
Exceptional compensation	N/A	€250,000	<p>Allocation by the Board, on a proposal from the Compensation Committee, of an exceptional compensation in the amount of €250,000, i.e. 31.25% of the annual fixed compensation of the Chief Executive Officer.</p> <p>This allocation is part of the successful completion of the Group's strategic repositioning, in a particularly difficult context, with the sale of the High Temperature Solutions activity finalized in January 2023. The Board took into consideration the strategic and structuring nature of this transaction for the Group, its implementation in line with the expected valuation objectives, as well as its contribution to the repositioning of the Group as a pure-player player in specialty minerals in line with the strategic orientations set by the Board and the announcements made to the financial markets in 2022.</p> <p>√ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.</p>

Components of compensation subject to approval	Amount paid in the year ended December 31, 2022	Amount granted in the year ended December 31, 2022 or equivalent accounting value	Details
Stock options, performance shares and any other long-term benefit	N/A	€1,857,093 (accounting value of performance shares granted in 2022)	<p><u>Performance shares</u></p> <p>At its meeting held on May 10, 2022 and based on the recommendations of the Compensation Committee, the Board of Directors decided to grant Alessandro Dazza 75,000 performance shares, representing approximately 0.09% of the Company's share capital. This grant was made pursuant to the compensation policy approved by the Ordinary Shareholders' General Meeting of May 10, 2022 (sixth resolution) and the authorization granted by the Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2020 (twenty-third resolution).</p> <p>The shares are subject to the same financial performance conditions as those applicable to the 2022 General Performance Share Plan offered to the Group's executive managers. The objectives related to the increase in net income from current operations per share and the Group's free cash flow over the period 2022-2024 (weighted 60/40).</p> <p>No other benefit/long-term compensation was granted in 2022.</p>
Severance package	N/A	N/A	<p><u>Termination benefit</u></p> <p>Alessandro Dazza would be due severance pay in the event of a change in control, strategy or a major disagreement over these issues.</p> <p>The amount paid with respect to this package would be subject and proportionate to performance conditions – as detailed below – over a three-year period prior to departure. In the event the term of office exceeds two years, the severance package may not exceed two years' annual compensation (fixed and average variable compensation for the last two full financial years). Should Alessandro Dazza leave within the first two financial years, the amount of variable compensation taken into account will reflect the sum of the variable components paid over the period, divided by the number of years in office.</p> <p>The performance conditions applicable to the severance package include:</p> <ul style="list-style-type: none"> • free operating cash flow: <ul style="list-style-type: none"> • if free operating cash flow was positive across each of the past three financial years (or each year in office if the time served is less than three years), 100% of severance pay would be due, • if free operating cash flow was positive in two of the past three financial years (or for over two thirds of the number of years spent in office if the time served is less than three years), 66% of severance pay would be due, • if free operating cash flow was positive in one of the past three financial years (or for over one third of the number of years spent in office if the time served is less than three years), 33% of severance pay would be due, • if free operating cash flow was negative across each of the past three financial years (or each year in office if the time served is less than three years), no severance pay would be due; • current operating income: <ul style="list-style-type: none"> • if Group current operating income, calculated at constant scope and exchange rates, fell by over 20% per year over the last three years in office prior to departure, the severance package calculated above would be reduced by 50%, • if Group current operating income, calculated at constant scope and exchange rates, fell by over 25% per year over the last three years in office prior to departure, no severance pay would be due. <p>No compensation would be due if Alessandro Dazza voluntarily steps down and is soon able to claim retirement benefits or if he is dismissed for gross or serious misconduct.</p> <p>√ For further details, see chapter 4, paragraph 4.3.2 of the Universal Registration Document.</p>

Components of compensation subject to approval	Amount paid in the year ended December 31, 2022	Amount granted in the year ended December 31, 2022 or equivalent accounting value	Details
			<p><u>Non-compete indemnity</u></p> <p>Alessandro Dazza is subject to a non-compete period of one year following the date at which his duties as Chief Executive Officer are terminated. The Board of Directors reserves the right to decide whether or not to enforce this clause. In the event it is enforced, Alessandro Dazza will receive the equivalent of one year's annual fixed compensation plus the average of the last two years' annual variable compensation.</p> <p>No compensation would be due if Alessandro Dazza opts to claim retirement benefits.</p> <p>√ For further details, see chapter 4, paragraph 4.3.2 of the <i>Universal Registration Document</i>.</p>
Complementary pension plan	N/A	N/A	Alessandro Dazza benefits from complementary defined contribution pension plans as defined in article 83 (awarded to certain senior executives in the Group) and article 82, to which the Company makes contributions of 5% of his annual fixed compensation. See below for details of the related contributions (<i>Benefits in kind</i>).
Directors' compensation	N/A	N/A	-
Benefits in kind	€119,880	€119,880	These benefits include a complementary article 82 pension plan (detailed above) and official accommodation.

8.2.5 COMPOSITION OF THE BOARD OF DIRECTORS

(Three resolutions submitted to the Ordinary Shareholders' General Meeting)

The terms of office of Aldo Cardoso, Annette Messemer and Véronique Saubot are due to expire at the close of the present Shareholders' General Meeting.

At its meeting held on February 16, 2023 and having considered the opinion given by the Appointments Committee, the Board of Directors:

- took note of Aldo Cardoso's wish not to renew his term of office following the present Shareholders' General Meeting;
- decided to submit for approval at the Shareholders' General Meeting the renewal for a term of three years, i.e. until the Shareholders' General Meeting held in 2026 to approve the financial statements for the year ending December 31, 2025, the directorships of Annette Messemer (**eleventh resolution**) and Véronique Saubot (**twelfth resolution**) and to appoint Stéphanie Besnier (**thirteenth resolution**) as a new director⁽¹⁾.

Information and details of the careers of the directors put forward for re-appointment are published in *chapter 4, paragraph 4.1.2 of the Universal Registration Document*. Furthermore, in accordance with article R. 225-83 5° of the French Commercial Code, the information and details of the career of Stéphanie Besnier, who has been put forward for appointment, are also published in *chapter 4, paragraph 4.1.2 of the Universal Registration Document*.

Regarding these candidates for appointment or re-appointment, the Board of Directors considered that:

- renewing the directorship of Annette Messemer was in the interest of the Company, especially given her considerable contribution to the work of the Board and the Audit, Appointments and Compensation committees of which she is a member. Annette Messemer is renowned for her expertise in finance, accounting and risk management, which she acquired during her 20-year career within financial institutions and major international corporations. Renewing the term of office of Annette Messemer would also help to maintain the proportion of women on the Board at 40%, and the proportion of independent directors at 60%;
- renewing the directorship of Véronique Saubot was also in the interest of the Company, especially given her considerable contribution to the work of the Board and the Strategic Committee, as well as her role as the ESG Referent Director. Véronique Saubot brings her vast experience in strategic and innovation consulting, acquired in multinational groups, start-ups and non-governmental organizations. The positions she occupies in Simplon.co clearly illustrates Véronique Saubot's skills in bringing about digital transformation and social innovation. Renewing the term of office of Véronique Saubot would also help to maintain the proportion of women on the Board, as well as that of independent directors;

(1) The appointment of Stéphanie Besnier will be submitted to the next Shareholders' General Meeting subject to the opinion given by the High Authority for the transparency of public life.

- appointing Stéphanie Besnier would be beneficial for the Board, given her considerable expertise in strategy, finance and corporate governance. Stéphanie Besnier has held the position of Managing Director in Wendel, a listed company, and Deputy Chief Executive Officer at the Agence des participations de l'État. As such, Stéphanie Besnier has sat on the boards of directors and audit committees of Safran, Engie, Orange and Air-France KLM. Her strong financial skills were also taken into account, particularly with respect to her appointment as a member of the Audit Committee. The appointment of Stéphanie Besnier would also help to maintain the proportion of independent directors at 60% and increase the proportion of women on the Board to 50% (excluding employee representative directors and the non-voting observer).

In line with the proposal from the Appointments Committee, in accordance with the principles applied by the Company to determine the independent status of its directors, and after assessing their individual situations, the Board of Directors recognized the independent status of Annette Messemer, Véronique Saubot and Stéphanie Besnier (for further details, *see chapter 4, paragraph 4.1.1 of the Universal Registration Document*).

Consequently, at the close of the Shareholders' General Meeting of May 10, 2023 and subject to approval of the above proposals, the Board of Directors will be made up of 10 people, 50% of whom are women and 60% of whom are independent, as well as two employee representative directors. In detail, the Board will be composed as follows:

Expiration of term of office	Name	Independent
2026	Stéphanie Besnier	Yes
	Annette Messemer	Yes
	Véronique Saubot	Yes
2025	Bernard Delpit	No
	Ian Gallienne	No
	Laurent Raets	No
	Lucile Ribot	Yes
2024	Patrick Kron, Chairman of the Board	Yes
	Paris Kyriacopoulos	No
	Marie-Françoise Walbaum	Yes
2023	Dominique Morin, employee representative director	N/A
	Carlos Perez, employee representative director	N/A

In addition, the term of office of Rein Dirx, the non-voting observer on the Board of Directors, will be considered for renewal by the Board in 2025.

Finally, in 2023, elections will take place to appoint future directors representing employees.

8.2.6 SHARE BUYBACK PROGRAM AND CANCELTION OF TREASURY SHARES

(One resolution submitted to the Ordinary Shareholders' General Meeting and one resolution submitted to the Extraordinary Shareholders' General Meeting)

Share buyback program

The authorization to buy back the Company's shares granted to the Board of Directors for an 18-month period by the Ordinary Shareholders' General Meeting of May 10, 2022 will expire on November 9, 2023. Shareholders are therefore asked to renew the authorization at the present meeting, in accordance with current provisions (**fourteenth resolution**).

For further details about the way in which the Company implemented its share buyback programs in 2022, *see chapter 7, paragraph 7.3.4 of the Universal Registration Document*.

This authorization enables the Board of Directors to purchase a maximum of 10% of Company shares outstanding at January 1, 2023 (i.e. 8,494,095 shares) mainly for the purpose of:

- canceling the shares at a later date to reduce the Company's share capital, subject to shareholders approving the twenty-fifth resolution;

- implementing and covering stock option plans and/or free share grants, as well as any shares granted under employee share ownership plans set up by the Company (or assimilated plans), or with respect to profit-sharing programs for current employees, former employees and/or corporate officers of the Company and/or any related companies as defined by articles L. 225-180, L. 225-197-2 and L. 233-16 of the French Commercial Code, within the current legal framework or ad hoc plans set up by the Company;
- granting or exchanging shares purchased, in particular, on exercise of rights or issue of shares or securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- maintaining the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity agreement, it being specified that for the calculation of the 10% cap on purchases set out above, the number of shares bought back should be considered net of any shares sold within the duration of the authorization;

- holding them before using them at a later date as payment for or in consideration of external growth operations; and
- more generally, operating for any other purpose that is or may come to be authorized by law or regulations, and/or implementing any market practice that is or may come to be authorized by the AMF.

The number of shares that may be held, directly or indirectly at any time, may not exceed 10% of the Company's share capital or 5% of the total number of shares that make up the share capital if the shares were acquired by the Company with a view to holding them before using them at a later date as payment for or in consideration of a merger, demerger or contribution. Furthermore, the purchase price may not exceed €85 per share, representing a maximum total investment of €721,998,075.

Shares may be purchased by any means, including block transfers and with the use of derivatives, at any time except during a public offer for the Company's shares.

The share buyback program, details of which are set out in *chapter 7, paragraph 7.3.4 of the Universal Registration Document*,

8.2.7 FINANCIAL AUTHORIZATIONS

(Eight resolutions submitted to the Extraordinary Shareholders' General Meeting)

The Board of Directors has been granted a number of financial authorizations, renewed most recently at the Shareholders' Meetings held on May 10, 2021, which enable it to increase the Company's capital by issuing shares, debt securities or securities conferring entitlement to the Company's share capital, either immediately or at a later date, with or without pre-emptive subscription rights, or by capitalizing retained earnings, profits, additional paid-in capital or any other means (the table summarizing the delegations and financial authorizations in force is published in *chapter 7, paragraph 7.3.3 of the Universal Registration Document*).

As in previous years, these financial authorizations are designed to give the Board of Directors the greatest scope and flexibility to decide the most effective and appropriate way of issuing shares to drive growth for the Company and the Group that are also the best suited to market conditions and the economic context at that time.

None of the delegations and authorizations that will expire on July 9, 2023 were exercised by the Board of Directors. Shareholders are asked to renew the delegations and authorizations under the same terms and conditions. The new delegations and authorizations will be granted for a period of 26 months, expiring the July 9, 2025, and will supersede those previously granted by the

was drawn up in accordance with articles L. 22-10-62 et seq. of the French Commercial Code, Regulation (EU) no. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, and articles 241-1 to 242-7 of the AMF's General Regulations.

Cancelation of treasury shares

Shareholders are also invited to renew the authorization (subject to the same terms and conditions and for a period of 26 months) granted to the Board of Directors at the Shareholders' General Meeting held on May 10, 2021 to cancel all or part of the treasury shares held due to a Company share buyback program, representing up to 10% of its capital per 24 month period, reducing its share capital by an equal amount and allocating the difference between the purchase price of the canceled shares and their par value to issue premiums and retained earnings (**twenty-fifth resolution**).

No shares were canceled under the authorization previously granted to the Board.

Shareholders' Meetings held on May 10, 2021, which would no longer be valid. These financial delegations and authorizations are subject to various caps that remain unchanged. The Statutory Auditors' reports, which were made available to shareholders within the legal deadlines, are published in *paragraph 8.3 of the present chapter*.

Furthermore, the Board of Directors cannot exercise these delegations and authorizations during a public offer for the Company's shares without prior approval from the Shareholders' Meeting.

Issue of shares or securities conferring entitlement to capital with pre-emptive subscription rights

The **fifteenth resolution** proposes to renew the delegation of authority granted to the Board of Directors to issue ordinary shares and any other securities conferring entitlement to capital with pre-emptive subscription rights for a period of 26 months and under the same terms and conditions. The Board of Directors proposes to maintain the cap for capital increases of this kind at **€75 million** (representing approximately 44% of the Company's share capital at December 31, 2022) or the equivalent value. The total par value of debt securities that may be issued under this delegation may not exceed **€1 billion**, or the equivalent value. The amount is included in the overall cap for debt securities issues set in the **twenty-second resolution**.

Issue of shares or securities conferring entitlement to the Company's share capital through an offer to the public without pre-emptive subscription rights

Shareholders are asked in the **sixteenth resolution** to renew the delegation of authority granted to the Board of Directors for a period of 26 months to issue ordinary shares or any other securities through an offer to the public without pre-emptive subscription rights, with the exclusion of offers detailed in article L. 411-2 1° of the French Monetary and Financial Code (*Code monétaire et financier*). The possibility of carrying out such issues enables the Company to attract a wider pool of investors both in France and overseas as well as reduce the time it takes to implement share issues, making them easier to carry out. The Board of Directors may grant shareholders a priority subscription term and modalities to be set up in accordance with the legal requirements in force.

The Board of Directors proposes to maintain the cap for such capital increases at **€15 million** (i.e. 9% of the Company's share capital at December 31, 2022), or the equivalent value. This amount is included in the overall cap of **€75 million** for all capital increases and the sub-cap of **€15 million** for capital increases carried out without pre-emptive subscription rights set in the **twenty-second resolution**.

The total par value of debt securities that may be issued under the present delegation may not exceed **€1 billion** or the equivalent value. The amount is included in the overall cap for issues of debt securities set in the **twenty-second resolution**.

The subscription price for shares that may be issued under the present delegation is set by the Board of Directors in accordance with the provisions of articles L. 22-10-52 and R. 22-10-32 of the French Commercial Code. The price must be equal to at least the weighted average of the Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%. The amount immediately received by the Company for issues of securities conferring entitlement to capital, plus where applicable the amount that may be received at a later date for each share issued as a result of the securities issue, must be at least equal to the minimum issue price set for the shares.

The **sixteenth resolution** proposes that ordinary shares or securities conferring entitlement to capital may be issued in consideration for securities tendered to the Company as part of a public share exchange offer that meets the conditions stipulated by article L. 22-10-54 of the French Commercial Code.

Issue of shares or securities conferring entitlement to capital without pre-emptive subscription rights addressed to qualified buyers or a limited number of investors

Shareholders are asked in the **seventeenth resolution** to renew the delegation granted to the Board of Directors for a period of 26 months to carry out share capital increases by issuing shares, securities or debt securities conferring entitlement to shares of the Company to qualified institutional buyers or a limited number of investors, as defined in article L. 411-2 1° of the French Monetary and Financial Code. These capital increases would entail a waiver of shareholders' pre-emptive subscription rights, enabling the Company to take advantage of greater flexibility and faster access to the market, and thereby enjoy favorable financing terms.

The Board of Directors proposes to set the overall cap for the capital increases that may be carried out under the present delegation at **10% of the Company's share capital at the issue date**. This amount is included in the overall cap of **€75 million** for all capital increases and the sub-cap of **€15 million** for capital increases carried out without pre-emptive subscription rights set in the **twenty-second resolution**.

The total par value of debt securities that may be issued under the present delegation may not exceed **€1 billion** or the equivalent value. The amount is included in the overall cap for issues of debt securities set in the **twenty-second resolution**.

The subscription price for shares that may be issued under the present delegation is set in accordance with the provisions of article R. 22-10-32 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%.

Increase in the number of shares to be issued in the event of excess demand, up to a maximum of 15% of the number of shares initially issued

In accordance with the provisions of article L. 225-135-1 of the French Commercial Code, the delegation of authority put forward in the **eighteenth resolution** enables the Board of Directors to increase the number of shares to be issued, within the conditions and deadlines set out in current regulations and within the cap of the fifteenth, sixteenth and seventeenth resolutions, if it observes excess demand for shares as part of an issue carried out under these resolutions. The provisions of article R. 225-118 of the French Commercial Code set the currently applicable conditions and deadlines as follows: the number of shares must be increased within thirty days of the subscription closing, by a maximum of 15% of the number of shares and at the same price at that set for the initial issue.

Setting the issue price

In the **nineteenth resolution**, shareholders are invited to renew the authorization granted to the Board of Directors to overlook the conditions for setting the issue price of shares or securities conferring entitlement to the Company's share capital, within the annual cap of 10% of the Company's share capital, as part of share issues without pre-emptive subscription rights. This price can then be set:

- for ordinary share issues, at a price equal to at least the share price from the last trading day of the Imerys share preceding the date at which the price is set, which may be discounted by a maximum of 10%;
- for issues of securities conferring entitlement to capital, at a price equal to the amount immediately received by the Company, plus where applicable the amount likely to be received by the Company at a later date. Therefore, for each ordinary share issued as a result of the securities issue, a price at least equal to the issue price of the aforementioned shares.

This facility, set out in the provisions of paragraph 2 of article L. 22-10-52 of the French Commercial Code, makes it possible to carry out capital increases in the event of a downward trend on the Imerys share, which the sixteenth and seventeenth resolutions do not allow.

Capital increases in consideration for contributions in kind made up of shares or securities

Shareholders are also invited to approve the **twentieth resolution** to renew the delegation of powers granted to the Board of Directors, for a period of 26 months and under similar terms and conditions, to carry out capital increases by issuing shares, securities or debt securities conferring entitlement to capital on one or several occasions in consideration for contributions in kind tendered to the Company not as part of a public exchange offer and made up of shares or securities conferring entitlement to shares of another company, within the limit of **10% of the Company's share capital** and upon presentation of a report prepared by one or several auditors. This amount is included in the overall cap of **€75 million** for all capital increases and the sub-cap of **€15 million** for any capital increases carried out without pre-emptive subscription rights set in the **twenty-second resolution**.

The total par value of debt securities that may be issued under the present delegation may not exceed **€1 billion** or the

equivalent value. The amount is included in the overall cap for issues of debt securities set in the **twenty-second resolution**.

This delegation is intended in particular to finance acquisitions by remunerating the vendor of shares or securities conferring entitlement to capital with shares of the Company.

Capital increases paid up by capitalizing retained earnings, profits, additional paid-in capital or issue premiums

The **twenty-first resolution** seeks the possibility to increase the Company's capital by capitalizing issue premiums, retained earnings, profits, additional paid-in capital or any other item that may be capitalized up to the maximum overall cap set in paragraph 1 of the twenty-second resolution, i.e. **€75 million** (representing approximately 44% of the Company's share capital at December 31, 2022), or the equivalent value. A capital increase of this kind would lead to the creation and grant of free shares and/or an increase in the par value of existing shares.

Issue caps

The overall cap applicable to increases of the Company's share capital that may result from exercising the delegations and authorizations granted by the fifteenth through twenty-first resolutions is set in the **twenty-second resolution** at **€75 million**, representing approximately 44% of capital at December 31, 2022, or the equivalent value.

Furthermore, shareholders are reminded that the capital increases carried out without pre-emptive subscription rights under the sixteenth, seventeenth, eighteenth and nineteenth resolutions are included in a separate sub-cap set in the twenty-second resolution of **€15 million**, representing approximately 9% of capital at December 31, 2022, or the equivalent value. Where necessary, the caps are increased by the par value of shares to be issued due to adjustments required to maintain the rights of bearers of securities or other shares conferring entitlement to capital that may exist at the date at which the issue in question is carried out.

The maximum par value of debt securities that may be issued under authorizations to issue securities conferring entitlement, immediately or at a later date, to a proportion of share capital granted by the fifteenth, sixteenth, seventeenth and twentieth resolutions remains at **€1 billion**.

8.2.8 CAPITAL INCREASES RESERVED FOR MEMBERS OF A COMPANY OR GROUP SAVINGS PLAN

(One resolution submitted to the Extraordinary Shareholders' General Meeting)

As the present Shareholders' General Meeting has been asked to approve the renewal of a number of delegations and financial authorizations granted to the Board of Directors that may lead to increases on one or several occasions in the Company's capital, shareholders are asked under the **twenty-third resolution** to renew the delegation of authority previously granted to the Board of Directors by the Shareholders' General Meeting held on May 10, 2021 to carry out capital increases reserved for

employees and/or corporate officers who are members of a Company or Group savings plan for a period of 26 months.

Increases in the Company's share capital as a result of exercising this delegation is subject to the overall caps covered in the **twenty-second resolution** (previously set at €1.6 million, representing 0.94% of capital at December 31, 2022). This cap may not exceed 3% of capital (common cap from the twenty-third and twenty-fourth resolution). Subject to shareholders' approval, the present delegation will supersede the previous one, which would cease to be valid.

8.2.9 SPECIFIC AUTHORIZATIONS GRANTED TO EMPLOYEES AND/OR CORPORATE OFFICERS OF THE GROUP

(One resolution submitted to the Extraordinary Shareholders' General Meeting)

Shareholders are asked to renew the authorization previously granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of May 4, 2020 to grant performance shares (**twenty-fourth resolution**) to employees and/or corporate officers of the Group in order to retain and closely tie them to its development (the policy and detail of performance share grants agreed by the Board of Directors under existing authorizations is published in [chapter 4, paragraph 4.3.3 of Universal Registration Document](#)).

The terms and conditions attached to this new authorization, which is similar to the existing one, are as follows:

- performance share grants may be subject to fulfilling one or several performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers;

- the total number of performance shares that may be granted to executive corporate officers under this authorization may not exceed 0.5% of share capital at the date the Board decides to award the shares;
- shares that currently exist or will be issued under this authorization cannot represent more than 3% of the Company's share capital at the date the Board decides to award the shares;
- the minimum vesting period would be set at (i) one year, following which the shares remain subject to a further lock-up period of one year, or (ii) two years, following which no lock-up period would apply. The Board of Directors has the choice between these two options and may use them alternatively or concurrently. The Board also has the possibility to extend the vesting and/or lock-up periods in scenario (i) or extend the vesting period and/or introduce a lock-up period in scenario (ii).

8.2.10 POWERS TO CARRY OUT FORMALITIES

(One resolution submitted to the Ordinary Shareholders' General Meeting)

As in previous years, the last resolution grants all necessary powers to carry out legal formalities arising from the Shareholders' General Meeting (**twenty-sixth resolution**).

8.3 STATUTORY AUDITORS' REPORTS

8.3.1 STATUTORY AUDITORS' REPORT ON THE ISSUE OF ORDINARY SHARES AND/OR SECURITIES WITH RETENTION AND/OR CANCELLATION OF PREFERENTIAL SUBSCRIPTION RIGHTS

Combined Shareholders' Meeting of May 10, 2023

15th, 16th, 17th, 18th, 19th, 20th and 21st resolutions

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Imerys Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company (the "Company") and pursuant to the procedures set forth in Articles L. 228-92, L. 225-135 et seq., as well as in Article L. 22-10-52 of the French Commercial Code (Code de commerce), we hereby report to you on the proposed delegations of authority to the Board of Directors to carry out various issues of shares and/or marketable securities, transactions on which you are being asked to vote.

Based on its report, your Board of Directors proposes:

- to delegate to it, for a period of 26 months starting from the date of this Meeting, the authority to decide the following transactions and to set the final terms and conditions of these issues and proposes, where appropriate, to cancel your preferential subscription rights:
 - issue, with retention of preferential subscription rights (15th resolution), of ordinary shares and/or all other marketable securities of the Company, whether or not debt securities, conferring entitlement to ordinary shares to be issued of the Company or, in accordance with Article L.228-93 of the French Commercial Code, of any company that owns, directly or indirectly, more than half of the Company's share capital or in which the Company owns, directly or indirectly, more than half of the share capital;
 - issue, with cancellation of preferential subscription rights, by public offering – with the exception of offerings referred to in Article L. 411-2 1° of the French Monetary and Financial Code (Code monétaire et financier) and provided for in the 17th resolution - (16th resolution), of ordinary shares and/or all other marketable securities, whether or not debt securities, conferring entitlement to ordinary shares to be issued of the Company or, in accordance with Article L.228-93 of the French Commercial Code, of any company that owns, directly or indirectly, more than half of the Company's share capital or in which the Company owns, directly or indirectly, more than half of the share capital, it being specified that these shares may be transferred to the Company as part of a public exchange bid initiated in France or abroad, in accordance with the limits and conditions set forth in Article L. 22-10-54 of the French Commercial Code;
 - issue, with cancellation of preferential subscription rights, by an offering in favor of qualified investors or a restricted group of investors referred to in Article L. 411-2 1° of the French Monetary and Financial Code (17th resolution), of ordinary shares and/or all other marketable securities, whether or not debt securities, conferring entitlement to ordinary shares of the Company to be issued;
- that you authorize it, pursuant to the 19th resolution and in connection with the implementation of the delegation referred to in the 16th and 17th resolutions, to set the issue price for up to the annual legal maximum of 10% of the share capital existing as of the end of the month preceding the issue date;
- that you delegate to it, for a period of 26 months as from the date of this Shareholders' Meeting, the authority to issue ordinary shares and/or all other marketable securities, whether or not debt securities, conferring entitlement to ordinary shares of the Company to be issued, in consideration of in-kind contributions made to the Company that are comprised of equity securities or marketable securities conferring entitlement to share capital (20th resolution), for up to a maximum of 10% of the Company's share capital existing as of the date this delegation is used.

The total par value amount of potential share capital increases likely to be carried out, immediately or in the future, may not exceed, pursuant to the 22nd resolution, €75 million under the 15th to 21st resolutions, it being specified that the total par value amount of potential share capital increases likely to be carried out immediately or in the future, may not exceed:

- €75 million under the 15th resolution,
- €15 million under the 16th resolution, this amount representing, pursuant to the 22nd resolution, a sub-ceiling applicable to all issues that may be carried out pursuant to the 16th, 17th, 18th and 20th resolutions, and
- 10% of the share capital of the Company on the issue date, under each of the 17th and 20th resolutions.

The overall nominal amount of debt securities that may be issued may not exceed, pursuant to the 22nd resolution, €1 billion under the 15th, 16th, 17th, 18th and 20th resolutions, it being specified that this amount is the ceiling for the 15th, 16th and 17th resolutions.

These ceilings include the additional number of marketable securities to be created on the implementation of the delegations of authority resulting from the 15th, 16th and 17th resolutions, under the conditions set forth in Article L. 225-135-1 of the French Commercial Code, should you adopt the 18th resolution.



Ordinary and Extraordinary Shareholders' Meeting of May 10, 2023

Statutory Auditors' reports

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fair presentation of the quantified financial information extracted from the accounts, on the proposal to cancel preferential subscription rights and on certain other information concerning these transactions, as set out in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Such procedures consisted in verifying the content of the Board of Directors' report as it relates to these transactions and the terms and conditions on which the issue price of the equity securities to be issued is determined.

Subject to a subsequent review of the terms and conditions of proposed issues that may be decided, we have no comments on the procedures for determining the issue price of the equity securities to be issued presented in the Board of Directors' report in connection with the 16th, 17th and 19th resolutions.

Furthermore, as the report does not include information on the terms and conditions on which the issue price of the equity securities to be issued is determined pursuant to the 15th and 20th resolutions, we cannot express an opinion on the issue price calculation inputs.

As the final terms and conditions under which the issues will be carried out have not yet been set, we express no opinion on them and, consequently, on the proposed cancellation of preferential subscription rights on which you are being asked to vote in the 16th and 17th resolutions.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, where necessary, when this delegation of authority is used by your Board of Directors in the event of the issue of marketable securities which are equity securities conferring entitlement to other equity securities, in the event of the issue of marketable securities conferring entitlement to equity securities to be issued, and in the event of the issue of ordinary shares with cancellation of preferential subscription rights.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND

8.3.2 STATUTORY AUDITORS' REPORT ON THE ISSUE OF ORDINARY SHARES AND/OR MARKETABLE SECURITIES CONFERRING ENTITLEMENT TO SHARE CAPITAL RESERVED FOR EMPLOYEES OF A CORPORATE SAVINGS PLAN OF THE COMPANY OR ITS GROUP

Combined Shareholders' Meeting of May 10, 2023

Twenty-third resolution

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Imerys Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company (the "Company") and pursuant to the procedures set forth in Articles L. 228-92 and L. 225-135 et seq. of the French Commercial Code (Code de commerce), we hereby report to you on the proposed delegation of authority to the Board of Directors to decide on the issue of ordinary shares and/or all marketable securities conferring entitlement to the share capital of the Company, with cancellation of preferential subscription rights, reserved for employees who are members of a corporate savings plan of the Company or its Group and/or its affiliated French or foreign companies or groupings within the meaning set forth in Article L. 225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code (Code du travail), a transaction on which you are being asked to vote.

The par value amount of capital increases that may be carried out, immediately or in the future, may not represent more than 3% of the Company's share capital on the date the issue was decided, it being specified that this limit is applicable jointly to this resolution and the 24th resolution and within the overall share capital increase limit set in the 22nd resolution of this Shareholders' Meeting.

This transaction is submitted to you for your approval pursuant to Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 et seq. of the French Labor Code.

Based on its report, your Board of Directors proposes that you confer on it, for a period of 26 months, the authority to decide on one or more issues and cancel your preferential subscription rights to the shares and marketable securities to be issued. If applicable, it will be responsible for determining the final issuance terms and conditions of this transaction.

It is the responsibility of the Board of Directors to prepare a report in accordance with Articles R. 225-113 et seq. of the French Commercial Code. Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed cancellation of preferential subscription rights and on certain other information pertaining to the issuance as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Such procedures consisted in verifying the content of the Board of Directors' report as it relates to this transaction and the terms and conditions on which the issue price of the equity securities to be issued is determined.

Subject to a subsequent review of the terms and conditions of the proposed issues that may be decided, we have no comments on the procedures for determining the issue price of the equity securities to be issued presented in the Board of Directors' report.

As the final terms and conditions under which the issues will be carried out have not yet been set, we express no opinion on them and, consequently, on the proposed cancellation of preferential subscription rights on which you are being asked to vote.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, where necessary, when this delegation of authority is used by your Board of Directors in the event of the issue of ordinary shares, in the event of the issue of marketable securities which are equity securities conferring entitlement to other equity securities, and in the event of the issue of marketable securities conferring entitlement to equity securities to be issued.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND



Ordinary and Extraordinary Shareholders' Meeting of May 10, 2023

Statutory Auditors' reports

8.3.3 STATUTORY AUDITORS' REPORT ON THE FREE GRANT OF EXISTING SHARES OR SHARES TO BE ISSUED

Combined Shareholders' Meeting of May 10, 2023

Twenty-fourth resolution

This is a free translation into English of a report issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Imerys Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code (Code de commerce), we hereby report on the proposed free grant of existing shares or shares to be issued, reserved for employees and corporate officers of your Company and, where applicable, of the companies and groupings affiliated with it under the conditions set out in Article L. 225-197-2 of the French Commercial Code, or certain categories of them, a transaction upon which you are called to vote.

The number of existing shares or shares to be issued which may be granted pursuant to this authorization may represent no more than 3% of the share capital of the Company at the date of the Board's grant decision, it being specified that this limit is applicable jointly to this resolution and the 23rd resolution and within the overall share capital increase limit set in the 22nd resolution of this Shareholders' Meeting.

Furthermore, the number of existing shares or shares to be issued which may be granted to corporate officers pursuant to this authorization may represent no more than 0.5% of the share capital at the date of the Board's grant decision.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of thirty-eight months as of the date of this Shareholders' Meeting to grant, for free, existing shares or shares to be issued.

It is the responsibility of the Board of Directors to prepare a report on the proposed transaction. Our role is to report on any matters relating to the information regarding the proposed transaction.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (Compagnie Nationale des Commissaires aux Comptes) for this type of engagement. These procedures consisted in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed free grant of shares.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND

8.3.4 STATUTORY AUDITORS' REPORT ON THE SHARE CAPITAL DECREASE

Combined Shareholders' Meeting of May 10, 2023

Twenty-fifth resolution

This is a free translation into English of a report issued in the French language and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction and construed in accordance with French law and professional auditing standards applicable in France.

To the Imerys Shareholders' Meeting,

As Statutory Auditors of your Company (the "Company") and pursuant to the assignment set forth in Article L. 22-10-62 of the French Commercial Code (Code de commerce) concerning share capital decreases by cancellation of shares purchased, we hereby present our report on our assessment of the reasons for and terms and conditions of the proposed share capital decrease.

Shareholders are requested to confer all necessary powers on the Board of Directors, during a period of 26 months commencing the date of this Shareholders' Meeting, to cancel, up to a maximum of 10% of its share capital by 24-month period, the shares purchased by the Company pursuant to an authorization to purchase its own shares, as part of the provisions of the aforementioned article.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (Compagnie Nationale des Commissaires aux Comptes) applicable to this engagement. Such procedures consisted in verifying the fairness of the reasons for and the terms and conditions of the proposed share capital decrease, which does not undermine shareholder equality.

We have no comments to make on the reasons for and the terms and conditions of the proposed share capital decrease.

Neuilly-sur-Seine and Paris-La Défense, March 15, 2023

The Statutory Auditors

PricewaterhouseCoopers Audit

Cédric HAASER

Deloitte & Associés

Olivier BROISSAND

8.4 DRAFT RESOLUTIONS SUBMITTED TO THE ORDINARY AND EXTRAORDINARY SHAREHOLDERS' MEETING

ORDINARY RESOLUTIONS

FIRST RESOLUTION

Approval of the Company's management and statutory financial statements for the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered both the Board of Directors' Report and the Statutory Auditors' report on the annual financial statements, the shareholders approve the financial statements for the year ended December 31, 2022 as presented, as well as the transactions reflected in them and referred to in the reports.

In accordance with article 223 quater of the French Tax Code (*Code général des impôts*), the shareholders approve the total amount of charges and expenses, as defined in article 39, paragraph 4 of said Code, which corresponded to €176,541.38 over the year ended December 31, 2022. No tax was incurred on these expenses.

SECOND RESOLUTION

Approval of the consolidated financial statements for the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered both the Board of Directors' Report and the Statutory Auditors' report on the Group's consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2022 as presented, as well as the transactions reflected in them and referred to in the reports.

THIRD RESOLUTION

Appropriation of profit and setting the dividend with respect to the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' Report, the shareholders:

• acknowledge that the Company registered profit in 2022 of:	€150,257,913.27
• plus retained earnings of:	€604,088,941.13
• without any allocation to the legal reserve, which already represents 10% of the Company's capital:	N/A
• representing a total distributable amount of:	€754,346,854.60
• decide to award a dividend of €3.85 with respect to 2022 to each of the 84,940,955 shares that made up the share capital at December 31, 2022, representing a distribution of:	€(327,022,676.75)
• and allocate the balance to retained earnings, which now amount to:	€427,324,177.85

The payment of 3.85 euros per share corresponds to an ordinary dividend of 1.50 euro per share and a special dividend of 2.35 euros per share.

The shareholders decide that the difference between the number of shares eligible for the dividend at the ex-dividend date and the 84,940,955 shares making up the Company's capital at December 31, 2022 will lead to an adjustment to the total actual dividend payout. The amount allocated to retained earnings will be determined on the basis of the actual dividend payout.

The ex-dividend date will be May 15, 2023 and the dividend will be paid on May 17, 2023. In accordance with article 243 bis of the French Tax Code, individual shareholders domiciled for tax purposes in France may benefit from a 40% tax allowance, as stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting for their income from movable property to be taxed according to the standard progressive income tax bands set out in article 200-A-2 of said Code. The shareholders acknowledge that the dividends paid with respect to the previous three financial years were as follows:

Financial year ending	Dec. 31, 2021	Dec. 31, 2020	Dec. 31, 2019
Net dividend per share	€1.55*	€1.15*	€1.72*
Number of shares carrying dividend rights	84,732,456	84,811,788	79,032,835
Total net distribution	€131.3 million	€97.5 million	€135.9 million**

* Fully eligible for the 40% tax allowance for individual shareholders domiciled in France for tax purposes stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting to be taxed according to the progressive income tax bands.

** The Ordinary and Extraordinary Shareholders' Meeting of May 4, 2020 approved an alternative payment option in shares for the dividend paid with respect to the 2019 financial year, which led to a €119.8 million increase in capital (issuance premium included) and a payment in cash totaling €16.1 million.

FOURTH RESOLUTION

Statutory Auditors' special report governed by article L. 225-40 of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' special report prepared in accordance with the provisions of article L. 225-40 of the French Commercial Code, the shareholders approve the special report and all the items covered therein.

FIFTH RESOLUTION

Approval of the compensation policy applicable to the Chairman of the Board of Directors with respect to the 2023 financial year

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chairman of the Board of Directors of the Company with respect to the 2023 financial year, as detailed in chapter 4, section 4.3 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-8^{II} of said Code.

SIXTH RESOLUTION

Approval of the compensation policy applicable to the Chief Executive Officer with respect to the 2023 financial year

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy applicable to the Chief Executive Officer of the Company with respect to the 2023 financial year, as detailed in chapter 4, section 4.3 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-8^{II} of said Code.

SEVENTH RESOLUTION

Approval of the compensation policy applicable to members of the Board of Directors with respect to the 2023 financial year

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the compensation policy applicable to members of the Company's Board of Directors with respect to the 2023 financial year, as detailed in chapter 4, section 4.3 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-8^{II} of said Code.

EIGHTH RESOLUTION

Approval of the information relating to corporate officer compensation in 2022 as defined in article L. 22-10-9 I of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve all the components of compensation granted to corporate officers with respect to the 2022 financial year set in article L. 22-10-34 I. of the French Commercial Code, as detailed in chapter 4, section 4.3 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-9^I of said Code.

NINTH RESOLUTION

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chairman of the Board of Directors with respect to the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chairman of the Board of Directors with respect to the financial year ended December 31, 2022, as detailed in chapter 4, section 4.3 and chapter 8, paragraph 8.2.4 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-34 II of said Code.

TENTH RESOLUTION

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chief Executive Officer with respect to the year ended December 31, 2022

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components of the total compensation and benefits paid or granted to the Chief Executive Officer with respect to the financial year ended December 31, 2022, as detailed in chapter 4, section 4.3 and chapter 8, paragraph 8.2.4 of the Company's 2022 Universal Registration Document, in accordance with the provisions of article L. 22-10-34 II of said Code.

ELEVENTH RESOLUTION

Re-appointment of Annette Messemer as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Board of Directors' Report and acknowledged that the directorship of Annette Messemer expires at the close of the present Shareholders' General Meeting, the shareholders decide to re-appoint her as a director for a term expiring at the close of the Shareholders' General Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025, in accordance with statutory provisions.

TWELFTH RESOLUTION

Re-appointment of Véronique Saubot as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Board of Directors' Report and acknowledged that the directorship of Véronique Saubot expires at the close of the present Shareholders' General Meeting, the shareholders decide to re-appoint her as a director for a term expiring at the close of the Shareholders' General Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025, in accordance with statutory provisions.

THIRTEENTH RESOLUTION⁽¹⁾

Appointment of Stéphanie Besnier as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board of Directors' Report, the shareholders decide to appoint Stéphanie Besnier as a director of the Company for the first time, for a term expiring at the close of the Shareholders' General Meeting to be held in 2026 to approve the financial statements for the year ending December 31, 2025, in accordance with statutory provisions.

FOURTEENTH RESOLUTION

Purchase by the Company of its own shares

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Board of Directors' Report and in accordance with the provisions of articles L. 22-10-62 of the French Commercial Code, Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, articles 241-1 to 241-7 of the French Financial Market Authority (AMF)'s General Regulations and authorized market practices, the shareholders:

1. grant the Board of Directors, or any representative duly empowered in accordance with the law, an authorization to purchase the Company's shares in order to:
 - cancel them at a later date to reduce the Company's share capital, under the authorization sought in the twenty-fifth resolution submitted to the present Shareholders' General Meeting,
 - implement and cover stock purchase option plans and/or free share grants, as well as any shares granted under shareholding plans set up by the Company (or assimilated plans), or with respect to profit-sharing for current employees, former employees and/or corporate officers of the Company and/or any related companies in accordance with articles L. 225-180 and L. 233-16 of the French Commercial Code, within the legal framework in force or ad hoc plans set up by the Company,
 - grant or exchange shares purchased, in particular, following the exercise of rights or issue of shares or securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company,

- maintain the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity agreement, it being specified that for the calculation of the 10% cap on purchases set out in paragraph 2 of the present resolution, the number of shares bought back should be considered net of any shares sold within the duration of the authorization,
- hold them before using them at a later date as payment for or in consideration of external growth operations, and
- more generally, operate for any other purpose that is or may come to be authorized by law or regulations, and/or implement any market practice that is or may come to be authorized by the AMF.

Shares may be purchased, sold, transferred or exchanged at any time, except during a public offer for the Company's shares, in accordance with applicable regulations, on the market or over the counter and by any means, including through block transfers and with the use or exercise of any financial instrument, financial contract or derivative;

2. set the following limits within which the Board of Directors may use the present authorization:
 - the number of shares that may be purchased cannot exceed 10% of shares issued and outstanding at January 1, 2023, i.e. 8,494,095 shares (or 5% of the total number of shares that make up the share capital if the shares were acquired by the Company with a view to holding them before using them at a later date as payment for or in consideration of a merger, demerger or contribution),
 - the number of shares the Company may hold, whether directly or indirectly at any time, may not exceed 10% of the Company's share capital,
 - the price at which shares are purchased may not exceed €85,
 - consequently, the Company's total investment in share buybacks may not exceed €721,998,075;
3. decide that, if the par value of shares changes, the capital is increased by capitalizing reserves or granting free shares, or in the event of a stock split or reverse stock split, the aforementioned maximum investment available for share buybacks and the maximum number of shares able to be repurchased will be adjusted by the ratio between the number of shares that made up the capital before the operation and the number after the operation. The Board of Directors will also have the power to adjust the maximum unit price in order to take account of the impact of these transactions on the share price;
4. grant the present authorization for a period of 18 months from the date of the present Shareholders' General Meeting, which supersedes the unused portion of any authorizations previously granted to the Board of Directors regarding share buybacks;

(1) The appointment of Stéphanie Besnier will be submitted to the next Shareholders' General Meeting subject to the opinion given by the High Authority on the transparency of public life.

5. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement this authorization and, in particular, place any and all buy and sell orders, sign any and all sale, exchange or transfer agreements, file any statements with the AMF or any other organization, make any adjustments

provided for above, reallocate where authorized any shares purchased for one of the objectives of the share buyback program to another one or several other objectives, even shares bought under previous authorized programs, carry out all other formalities, and generally do everything necessary to use this authorization.

EXTRAORDINARY RESOLUTIONS

FIFTEENTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, with pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 225-129-2 and L. 228-91 et seq. of the French Commercial Code, the shareholders:

1. delegate authority to the Board of Directors to increase the Company's share capital, on one or more occasions, on the market in France and/or overseas, in euros or any other currency, by issuing ordinary shares and/or any securities or debt securities conferring entitlement of any kind to ordinary shares of the Company to be issued, immediately or at a later date (at any time or at a set date), or in accordance with article L. 228-93 of the French Commercial Code any company that directly or indirectly holds over half of the capital in securities that are redeemable, convertible, exchangeable or otherwise exercisable for shares. These securities, issued with pre-emptive subscription rights, may be denominated in foreign currencies or any monetary unit determined by reference to a basket of several currencies. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide to set the cap for issues carried out by the Board of Directors under the present delegation of authority as follows:
 - the total par value of ordinary shares that may be issued, directly or in consideration for securities, under the present delegation may not exceed €75 million, i.e. approximately 44% of the Company's capital at December 31, 2022, or the equivalent value. The par value of shares issued under the present delegation is included in the overall cap for capital increases set in paragraph 1 of the twenty-second resolution and is increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions,

- the total par value of debt securities that may be issued under the present delegation and confer entitlement immediately or at a later date to shares of the Company may not exceed €1 billion or the equivalent value on the date at which the decision is made to carry out the issue. The par value of such issues is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution;

3. in the event the present delegation of authority is used:
 - decide that the issue(s) will give priority to existing shareholders able to exercise non-renounceable pre-emptive subscription rights,
 - grant the Board of Directors the possibility of offering renounceable subscription rights,
 - decide, in accordance with the provisions of article L. 225-134 of the French Commercial Code, that in the event the non-renounceable pre-emptive subscription rights and where applicable the renounceable subscription rights are not sufficient to absorb the full issue as detailed above, the Board of Directors may use one or any of the following as it sees fit:
 - limit the issue to the amount subscribed, if this amount is equal to a minimum of at least three quarters of the issue initially considered,
 - freely allocate all or part of the unsubscribed shares,
 - offer all or part of the unsubscribed shares to the public;
4. note that the present delegation requires shareholders to waive their pre-emptive subscription rights to shares of the Company to which securities issued under the present delegation may confer entitlement;
5. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
 - set the conditions of the issue(s) and in particular the type and characteristics of the securities to be created, decide the dates at which to open and close the subscription period, acknowledge any resulting increase in capital and make any changes to the by-laws,
 - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,

- carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares conferring entitlement to capital, where required,
 - delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors,
 - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
- 6. decide that the Board of Directors may not use the present delegation of authority during a public offer for the Company's shares without prior approval from the shareholders;
- 7. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.
- 2. decide to set the cap for issues carried out by the Board of Directors under the present delegation of authority as follows:
 - the total par value of ordinary shares that may be issued, directly or in consideration for securities, under the present delegation may not exceed €15 million, i.e. approximately 9% of the Company's capital at December 31, 2022. The par value of shares issued under the present delegation is included in the overall cap for capital increases of €75 million set in paragraph 1 of the twenty-second resolution and the sub-cap of €15 million applicable to all issues without pre-emptive subscription rights set in paragraph 2 of the twenty-second resolution. These caps are increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions,
 - the total par value of debt securities that may be issued under the present delegation and confer entitlement immediately or at a later date to shares of the Company may not exceed €1 billion or the equivalent value on the date at which the decision is made to carry out the issue. The par value of such issues is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution;

SIXTEENTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, without pre-emptive subscription rights, through an offer to the public and excluding offers defined by article L. 411-2-1° of the French Monetary and Financial Code and detailed in the seventeenth resolution

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 225-129-2, L. 225-135, L. 22-10-51, L. 22-10-52, L. 22-10-54 and L. 228-91 et seq. of the French Commercial Code, the shareholders:

1. delegate authority to the Board of Directors to increase the Company's share capital, on one or more occasions, on the market in France and/or overseas, in euros or any other currency, by issuing to the public (excluding the offers referred to in article L. 411-2 1° of the French Monetary and Financial Code and provided for in the seventeenth resolution) ordinary shares and/or any securities or debt securities conferring entitlement of any kind to ordinary shares of the Company to be issued, immediately or at a later date (at any time or at a set date), or in accordance with article L. 228-93 of the French Commercial Code any company that directly or indirectly holds over half of its capital or in which it directly or indirectly holds over half of the capital in securities that are redeemable, convertible, exchangeable or otherwise exercisable for shares. These securities may be denominated in foreign currencies or any monetary unit determined by reference to a basket of several currencies. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide that:
3. decide to cancel the shareholders' pre-emptive subscription rights to shares issued under the present resolution while maintaining the Board of Directors' authority to grant shareholders a priority subscription period, in accordance with article L. 22-10-51 of the French Commercial Code, that does not give rise to tradable rights, which must be applied in proportion to the number of shares owned by each shareholder. Applicable to all or part of the issue, this period may last as long and be applied in any way agreed by the Board of Directors;
4. note that the present delegation requires shareholders to waive their pre-emptive subscription rights to shares of the Company to which securities issued under the present delegation may confer entitlement;
5. decide that:
 - the issue price for ordinary shares issued under the present delegation is set by the Board of Directors in accordance with the provisions of articles L. 22-10-52 and R. 22-10-32 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%,
 - the issue price for securities conferring entitlement to capital of the Company is set at a price equal to the amount immediately received, plus where applicable the amount that may be received at a later date, meaning for each ordinary share of the Company issued as a result of the securities issue, the price must be at least equal to that required by the previous paragraph after taking into account any difference in price at the transfer of ownership date;

6. decide that the Board of Directors may, within the limit of the total issue amount authorized in paragraph 2 above, exercise the present delegation in consideration for securities tendered to the Company as part of a public share exchange offer initiated in France or overseas (or any other operation under national law in another country that has the same effect as a public share exchange offer, such as a reserve triangular merger or a scheme of arrangement) that meets the conditions stipulated by article L. 22-10-54 of the French Commercial Code;
7. decide, in the event the present delegation is used and in accordance with the provisions of article L. 225-134 of the French Commercial Code, that in the event the subscription rights are not sufficient to absorb the full issue, the Board of Directors may use one or any of the following as it sees fit:
 - limit the issue to the amount subscribed, if this amount is equal to a minimum of at least three quarters of the issue initially considered,
 - freely allocate all or part of the unsubscribed shares,
 - offer all or part of the unsubscribed shares to the public;
8. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
 - set the conditions of the issue(s) and in particular the type and characteristics of the securities to be created, decide the dates at which to open and close the subscription period, acknowledge any resulting increase in capital and make any changes to the by-laws,
 - for share issues in consideration for securities tendered to the Company as part of a public share exchange offer: set the number and type of shares in consideration, the terms and conditions of the issue, the exchange ratio as well as any balance to be paid in cash,
 - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
 - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares conferring entitlement to capital, where required,
 - delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors,
 - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
9. decide that the Board of Directors may not use the present delegation during a public offer for the Company's shares without prior approval from the shareholders;
10. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.

SEVENTEENTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital of the Company, immediately or at a later date, without pre-emptive subscription rights, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1° of the French Monetary and Financial Code

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 225-129-2, L. 225-135, L. 225-136, L. 22-10-51, L. 22-10-52 and L. 228-91 et seq. of the French Commercial Code and article L. 411-2-1° of the French Monetary and Financial Code, the shareholders:

1. delegate authority to the Board of Directors to increase the Company's share capital, on one or more occasions, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2 1° of the French Monetary and Financial Code, in France or overseas, of ordinary shares and/or any securities or debt securities conferring entitlement of any kind to ordinary shares of the Company to be issued, immediately or at a later date (at any time or at a set date) that are redeemable, convertible, exchangeable or otherwise exercisable for shares. These securities may be denominated in foreign currencies or any monetary unit determined by reference to a basket of several currencies. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide to set the cap for issues carried out by the Board of Directors under the present delegation of authority as follows:
 - the total par value of shares that may be issued, directly or in consideration for securities, under the present delegation may not exceed 10% of the Company's capital at the date of issue. The par value of shares issued under the present delegation is included in the overall cap for capital increases of €75 million set in paragraph 1 of the twenty-second resolution and the sub-cap of €15 million applicable to all issues without pre-emptive subscription rights set in paragraph 2 of the twenty-second resolution. These caps are increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions,
 - the total par value of debt securities that may be issued under the present delegation and confer entitlement immediately or at a later date to shares of the Company may not exceed €1 billion or the equivalent value on the date at which the decision is made to carry out the issue. The par value of such issues is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution;

3. decide to cancel the shareholders' pre-emptive subscription rights to shares issued under the present resolution;
4. note that the present delegation requires shareholders to waive their pre-emptive subscription rights to shares of the Company to which securities issued under the present delegation may confer entitlement;
5. decide that:
 - the issue price for ordinary shares issued under the present delegation is set by the Board of Directors in accordance with the provisions of articles L. 22-10-52 and R. 22-10-32 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%;
 - the issue price for securities conferring entitlement to capital of the Company is set at a price equal to the amount immediately received, plus where applicable the amount that may be received at a later date, meaning for each ordinary share of the Company issued as a result of the securities issue, the price must be at least equal to that required by the previous paragraph after taking into account any difference in price at the transfer of ownership date;
6. decide, in the event the present delegation is used and in accordance with the provisions of article L. 225-134 of the French Commercial Code, that in the event the subscription rights are not sufficient to absorb the full issue, the Board of Directors may use one or any of the following as it sees fit:
 - limit the issue to the amount subscribed, if this amount is equal to a minimum of at least three quarters of the issue initially considered,
 - freely allocate all or part of the unsubscribed shares,
 - offer all or part of the unsubscribed shares to the public;
7. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
 - set the conditions of the issue(s) and in particular the type and characteristics of the securities to be created, decide the dates at which to open and close the subscription period, acknowledge any resulting increase in capital and make any changes to the by-laws,
 - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
 - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares conferring entitlement to capital, where required,
 - delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors, and
 - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
8. decide that the Board of Directors may not use the present delegation during a public offer for the Company's shares without prior approval from the shareholders;
9. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.

EIGHTEENTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the number of shares to be issued in a capital increase, with or without pre-emptive subscription rights, by up to 15% of the initial issue

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of article L. 225-135-1 of the French Commercial Code, the shareholders:

1. delegate to the Board of Directors, or any representative duly empowered in accordance with the law, the authority to increase the number of shares to be issued under the fifteenth, sixteenth and seventeenth resolutions of the present Shareholders' General Meeting, within the deadline and percentage of the initial issue set by legal and regulatory provisions in force at the time of the issue (currently, within 30 days of closing the subscription period and within 15% of the initial issue), and at the same price as that set for the initial issue;
2. decide that the par value of issues carried out under the present delegation is included in the specific cap for capital increases applicable to the initial issue set in the fifteenth, sixteenth and seventeenth resolutions of the present Shareholders' General Meeting, as applicable, and within the overall caps set in paragraph 1 and, where applicable, paragraph 2 of the twenty-second resolution of the present Shareholders' General Meeting;
3. decide that the total par value of debt securities conferring entitlement to capital of the Company that may be issued under the present delegation is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution of the present Shareholders' General Meeting;
4. decide that the Board of Directors may not use the present delegation during a public offer for the Company's shares without prior approval from the shareholders;
5. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.

NINETEENTH RESOLUTION

Authorization granted to the Board of Directors to set the issue price of shares or securities conferring entitlement to capital in the event pre-emptive subscription rights are canceled, up to 10% of capital per year

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 225-129-2 and L. 22-10-52, paragraph 2 of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to overlook the conditions for setting the issue price of ordinary shares, securities or debt securities conferring entitlement to capital, as part of issues without pre-emptive subscription rights under the terms and conditions set by the sixteenth and seventeenth resolutions and within the annual cap of 10% of the Company's share capital at the end of the month preceding the issue date. This price can then be set:
 - for ordinary share issues, at the closing price from the last trading day of the Imerys share on the Euronext Paris stock exchange preceding the date at which the issue price is set, which may be discounted by a maximum of 10%,
 - for issues of securities conferring entitlement to capital, at a price equal to the amount immediately received by the Company, plus where applicable the amount that may be received by the Company at a later date, meaning for each ordinary share of the Company issued as a result of the securities issue, the price must be at least equal to that required by the previous paragraph;
2. confirm, where necessary, the par value of issues carried out under the present authorization is included in the overall cap for capital increases of €75 million set in paragraph 1 of the twenty-second resolution and the sub-cap of €15 million applicable to all issues without pre-emptive subscription rights set in paragraph 2 of the twenty-second resolution;
3. confirm, where necessary, that the total par value of debt securities conferring entitlement to capital of the Company that may be issued under the present delegation is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution of the present Shareholders' General Meeting;
4. decide that the Board of Directors may not use the present authorization during a public offer for the Company's shares without prior approval from the shareholders;
5. grant the present authorization for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous authorization granted for the same purpose.

TWENTIETH RESOLUTION

Delegation of power granted to the Board of Directors to increase the share capital in consideration for contributions in kind made up of shares or securities conferring entitlement to capital, immediately or at a later date, up to 10% of capital per year

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 225-147, L. 22-10-53 and L. 228-91 et seq. of the French Commercial Code, the shareholders:

1. delegate to the Board of Directors all necessary powers to issue ordinary shares and/or any securities or debt securities conferring entitlement of any kind to existing or future ordinary shares of the Company, immediately or at a later date (at any time or at a set date), in consideration for contributions in kind granted to the Company and made up of shares or securities conferring entitlement to capital on the basis of a report prepared by one or several auditors and within the limit of 10% of the Company's share capital at the date at which the present delegation is used, wherever the provisions of article L. 22-10-54 of the French Commercial Code do not apply;
2. decide that the par value of issues approved under the present delegation is included in the overall cap for capital increases of €75 million set in paragraph 1 of the twenty-second resolution of the present Shareholders' General Meeting and the sub-cap of €15 million applicable to all issues without pre-emptive subscription rights set in paragraph 2 of the twenty-second resolution. These caps are increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions,
3. decide that the total par value of debt securities conferring entitlement to capital of the Company that may be issued under the present delegation is included in the overall cap for issues of debt securities set in paragraph 3 of the twenty-second resolution of the present Shareholders' General Meeting;
4. note, as necessary, that the present delegation requires shareholders to waive their pre-emptive subscription rights to shares of the Company issued under the present delegation in favor of the bearers of shares or securities tendered as contributions in kind;
5. decide to grant full powers, within the limits set above, to the Board of Directors, or any representative duly empowered in accordance with the law, to assess the contributions and approve the report prepared by one or several auditors, fix the terms and conditions of authorized transactions and in particular the way in which the contributions are assessed and where applicable any special benefits granted, set the number of shares to be issued in consideration as well as their characteristics, carry out where necessary any allocations to issue premiums, acknowledge any resulting increase in capital, make any changes to the by-laws, carry out all formalities, make any declaration and do everything necessary to successfully complete the planned issues;

6. decide that the Board of Directors may not use the present delegation during a public offer for the Company's shares without prior approval from the shareholders;
7. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.

TWENTY-FIRST RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by capitalizing retained earnings, profits, additional paid-in capital, issue premiums or other items

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered the Board of Directors' Report and in accordance with the provisions of articles L. 225-129, L. 225-129-2, L. 225-130 and L. 22-10-50 and of the French Commercial Code, the shareholders:

1. grant authority to the Board of Directors to increase the Company's capital, on one or several occasions, by capitalizing all or part of retained earnings, profits, additional paid-in capital or issue premiums or any other item that may be capitalized, through free share grants, increasing the par value of existing shares or a combination of both these methods. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide that the total par value of ordinary shares that may be issued under the present delegation may not exceed the overall cap for capital increases of €75 million set in paragraph 1 of the twenty-second resolution and is increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions;
3. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
 - set the terms and conditions of the issue(s), in particular the amount and type of retained earnings or premiums to capitalize, decide the number of new shares to issue or the amount by which the par value of shares making up the share capital will be increased, set the transfer of ownership date, which may be retrospective, or the date at which the increase will come into effect, acknowledge the resulting increase in capital and make any changes to the by-laws,
 - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
 - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares conferring entitlement to capital, where required,
 - decide, where necessary, that fractional shares may not be traded or transferred and must be sold, the value of which will be allocated to the rights holders within the time and under the conditions set out in current regulations,

- delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors, and
- and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;

4. decide that the Board of Directors may not use the present delegation during a public offer for the Company's shares without prior approval from the shareholders;
5. grant the present delegation for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous delegation granted for the same purpose.

TWENTY-SECOND RESOLUTION

Overall cap for the par value of share capital increases and issues of debt securities resulting from the aforementioned delegations and authorizations

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Board of Directors' Report, the shareholders decide to set:

1. at €75 million (representing approximately 44% of the Company's share capital at December 31, 2022) or the equivalent value if the issue is carried out in another currency, the maximum par value of capital increases that may be carried out immediately or at a later date under the delegations and authorizations granted in the fifteenth through twenty-first resolutions of the present Shareholders' General Meeting. This cap is increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions;
2. at €15 million (representing approximately 9% of the Company's share capital at December 31, 2022) or the equivalent value if the issue is carried out in another currency, the maximum par value of capital increases that may be carried out immediately or at a later date without pre-emptive subscription rights under the delegations and authorizations granted in the sixteenth, seventeenth, eighteenth and twentieth resolutions of the present Shareholders' General Meeting. This cap is increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions;
3. at €1 billion, or the equivalent value on the date at which the decision is made to carry out the issue, the maximum par value of debt securities that may be issued under the delegations and authorizations to issue securities conferring entitlement, immediately or at a later date, to a proportion of share capital granted by the fifteenth, sixteenth, seventeenth, eighteenth and twentieth resolutions of the present Shareholders' General Meeting.

TWENTY-THIRD RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities conferring entitlement to capital reserved for members of a Company or Group savings plan without pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' report and in accordance with the provisions of articles L. 3332-1 et seq. of the French Labor Code (*Code du travail*) regarding employee savings schemes and articles L. 225-129-2 to L. 225-129-6 and L. 225-138-1 of the French Commercial Code, the shareholders:

1. grant authority to the Board of Directors to increase the Company's capital, on one or several occasions, by issuing ordinary shares and/or any securities conferring entitlement of any kind to shares of the Company, immediately or at a later date, reserved for members of a company or group savings plan set up by the Company and/or companies or groups of entities based in France or overseas related to it within the meaning of article L. 225-180 of the French Commercial Code and article L. 3344-1 of the French Labor Code, and which meet any conditions that may be set by the Board of Directors. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide that the par value of capital increases that may be carried out under the present delegation may not exceed 3% of the Company's capital at the grant date set by the Board. The cap covers both the present resolution and the twenty-fourth resolution, and is included in the overall cap for capital increases set in the twenty-second resolution of the present Shareholders' General Meeting. The amount at which the cap is fixed does not take into account the number of shares to be issued, where necessary, in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions;
3. decide that the subscription price for shares issued under the present delegation may not be less than the average share price from the last 20 trading days preceding the date at which the Board of Directors sets the opening date for subscriptions, minus any maximum discount authorized by law at the date of the Board of Directors' decision;
4. decide to cancel the shareholders' pre-emptive subscription rights to shares issued to the aforementioned beneficiaries;
5. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement the present delegation and, in particular, to:
 - identify the companies whose employees and corporate officers are eligible to subscribe to issues under the present delegation, and set the terms and conditions, in particular minimum length of service, beneficiaries must meet to be eligible to subscribe,
 - set the conditions of the issue(s), acknowledge any resulting increase in capital and make any changes to the by-laws,
 - set the opening and closing subscription dates, the price, the transfer of ownership date for shares issued and the conditions under which shares may be paid up,
 - decide whether subscriptions may be made directly and/or indirectly through a mutual fund,
 - set the terms and conditions for joining company or group savings plans, draw up and modify the rules for existing plans if necessary,
 - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
 - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares conferring entitlement to capital, where required,
 - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
6. grant the present authorization for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous authorization granted for the same purpose.

TWENTY-FOURTH RESOLUTION

Authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, free shares in the Company

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' special report and in accordance with the provisions of article L. 225-197-1 et seq. of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to award free grants of existing or future shares of the Company to employees and corporate officers of the Company and, where applicable, any company or related economic interest grouping in accordance with the conditions of article L. 225-197-2 of the French Commercial Code, or certain categories among them, on one or more occasions, as it deems appropriate;
2. decide that the existing or future shares of the Company granted under the present authorization may not exceed 3% of the Company's capital at the grant date set by the Board. This cap covers both the present resolution and the twenty-third resolution above, and is included in the overall cap for capital increases set in the twenty-second resolution of the present Shareholders' General Meeting. The amount at which the cap is fixed does not take into account the number of shares to be issued, where necessary, in order to maintain the rights of bearers of securities or other shares conferring entitlement to capital, in accordance with any applicable legal and contractual provisions;

3. decide that the existing or future shares that may be awarded to executive corporate officers under the present authorization may not exceed 0.5% of the Company's share capital at the date the Board decides to award the shares;
4. decide that free share grants, with the exception of those awarded as part of employee share ownership plans set up by the Company, may be subject to fulfilling one or several quantitative performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers;
5. decide that beneficiaries will definitively acquire the shares following (i) a minimum vesting period of one year, following which the shares remain subject to a further lock-up period of one year, or (ii) a minimum vesting period of two years, following which no lock-up period would apply. The Board of Directors has the choice between these two options and may use them alternatively or concurrently. The Board also has the possibility to extend the vesting and/or lock-up periods in scenario (i) or extend the vesting period and/or introduce a lock-up period in scenario (ii);
6. take note that, in the event new free shares are issued, the present resolution requires shareholders to waive their preferential subscription rights to such free shares in favor of the beneficiaries and the portion to be allocated to capitalizing retained earnings, profits, and issue premiums as part of the grant;
7. agree that existing shares granted under the present resolution must have been acquired by the Company, either under article L. 225-208 of the French Commercial Code, as part of a share buyback program authorized by the eighteenth resolution submitted for approval at the present Shareholders' General Meeting under article L. 225-209 of the French Commercial Code or any other share buyback program put in place before or after the adoption of the present resolution;
8. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement the present authorization and, in particular, to:
 - determine the categories of beneficiaries eligible for such grants, as well as the conditions, especially, where applicable, the quantitative performance criteria to which the free share grants are subject,
 - set the vesting and lock-up periods, where applicable, in line with the aforementioned minimum periods set out above and as required by regulations in force. It is up to the Board of Directors to decide whether or not the shares granted to executive corporate officers, as defined by article L. 225-197-1, II paragraph 4 of the French Commercial Code, can be sold by the beneficiaries before they leave the Company, as well as the number of shares they are required to hold in registered form until they leave the Company,
 - set and agree the conditions under which the shares may be issued under the present authorization,
 - adjust, where necessary, the number of shares relating to any potential operations on the Company's capital during the vesting period in order to maintain the rights of beneficiaries,
 - acknowledge, where applicable, the capital increase(s) carried out under the present authorization, amend the Company's by-laws accordingly and conduct or under all formalities required to make such capital increases definitive,
 - and more generally, do anything required;
9. grant the present authorization for a period of 38 months from the date of the present Shareholders' General Meeting, which supersedes the unused portion of any previous authorization granted for the same purpose.

TWENTY-FIFTH RESOLUTION

Authorization granted to the Board of Directors to reduce share capital by canceling treasury shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Board of Directors' Report and the Statutory Auditors' Report and in accordance with the provisions of article L. 22-10-62 of the French Commercial Code, the shareholders:

1. grant authority to the Board of Directors, or any representative duly empowered in accordance with the law, to cancel on one or several occasions all or part of its treasury shares, representing up to 10% of its capital per 24-month period, reducing its share capital by an equal amount and allocating the difference between the purchase price of the canceled shares and their par value to issue premiums and retained earnings;
2. grant full powers to the Board of Directors to decide the amount by which to reduce the Company's share capital within the limits stipulated by law and the present resolution and set the conditions, acknowledge the impact, allocate the difference between the purchase price of the canceled shares and their par value to issue premiums or retained earnings as it sees fit, carry out all duties, formalities, or declarations to complete the capital reductions under the present authorization and amend the by-laws accordingly;
3. grant the present authorization for a period of 26 months from the date of the present Shareholders' General Meeting, which supersedes any previous authorization granted for the same purpose.

TWENTY-SIXTH RESOLUTION

Powers to carry out formalities

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders give full powers to the bearer of an extract or copy of the minutes of the present Shareholders' General Meeting to carry out any and all filing and publication formalities.

9

Appendices

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9.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT

Alessandro Dazza, Chief Executive Officer.

9.2 PERSON RESPONSIBLE FOR THE FINANCIAL INFORMATION

Sébastien Rouge, Chief Financial Officer.

9.3 DECLARATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT, INCLUDING THE ANNUAL FINANCIAL REPORT

I hereby certify that the information presented in this Universal Registration Document is to the best of my knowledge in conformity with the Company's actual situation and contains no omission likely to affect the fairness of the presentation.

I further declare that to the best of my knowledge the financial statements have been prepared in compliance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and results of the Company

and all consolidated entities, and that the Management Report published on pages 184 to 193 presents a fair review of business developments, the results of operations as well as the financial position of the Company and all consolidated entities, in addition to a description of the main risks and uncertainties to which they are exposed.

Paris, March 22, 2023

Alessandro Dazza, Chief Executive Officer.

9.4 INFORMATION INCLUDED IN THE UNIVERSAL REGISTRATION DOCUMENT BY REFERENCE

Pursuant to article 19 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017, the following information is incorporated by reference in the present Universal Registration Document:

- With respect to the financial year ending December 31, 2021, the consolidated financial statements, annual financial statements, the related Statutory Auditors' Reports, the Statutory Auditors' special report on related party agreements and the Management Report published in chapter 6 – Financial Statements (pages 180 to 262 and pages 263 to 280), chapter 6 – Reports on the fiscal year 2021 (pages 2821 to 285 and pages 286 to 289) and chapter 5 – Comments on fiscal year 2021 (pages 168 to 177), respectively, of the 2021 Universal Registration Document filed with the AMF on 22 March 2022 under number 22-0131 available on the Company's website (<https://www.imerys.com/public/2022-04/imerys-22-03-2022-document-enregistrement-universel2021.pdf>).

- With respect to the financial year ending December 31, 2020, the consolidated financial statements, annual financial statements, the related Statutory Auditors' Reports, the Statutory Auditors' special report on related party agreements and the Management Report published in chapter 6 – Financial Statements (pages 170 to 250 and pages 251 to 269), chapter 6 – Reports on the fiscal year 2020 (pages 270 to 274 and pages 275 to 278) and chapter 5 – Comments on fiscal year 2020 (pages 156 to 168), respectively, of the 2020 Universal Registration Document filed with the AMF on March 22, 2021 under number D.21-0167 available on the Company's website (<https://www.imerys.com/public/2021-11/IMERYS-DEU-2020-FR-RAPPORT-FINANCIERANNUUEL.pdf>).

Any information included in these prior-year universal registration documents and not in the present Universal Registration Document is either of no relevance to investors or mentioned in another part of the Universal Registration Document.

The information published on the websites linked in the present document does not form part of the Universal Registration Document, except where it is incorporated by reference. Therefore, it has not been reviewed or approved by the AMF.

Hyperlinks	Pages
www.amf-france.org	330
www.imerys.com	321; 332; 335
www.investor.uptevia.com	321
https://sdgs.un.org/2030agenda	54
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inpn.mnhn.fr	97
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www.Speak-up.imerys.com	80
ghgprotocol.org	105
www.eiolca.net	105
www.undp.org/	77
ecovadis.com	78
www.transparency.org	78

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Appendices

Information included in the Universal Registration Document by reference

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www.fraserinstitute.org	78
epi.yale.edu	78
alliance-education-uw.org	75
fondation-nit.univ-lorraine.fr	75
ensg.univ-lorraine.fr	75
www.wbcds.org	82
www.amcconsultants.com	110
www.iso.org	82
crisco.com	106

9.5 CROSS-REFERENCE TABLE

9.5.1 UNIVERSAL REGISTRATION DOCUMENT

The present cross-reference table sets out the sections included in Annex 1 and 2 of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 and indicates the pages of the present Universal Registration Document where users can find the information regarding each section.

Information	Chapter	Pages
1 Persons responsible, third party information, experts' reports and competent authority approval		
1.1 Identification of persons responsible	9	368
1.2 Declaration by the persons responsible	9	368
1.3 Statement for expert reports	3	116-118
1.4 Third party declaration	N/A	N/A
1.5 Statement without prior approval	N/A	N/A
2 Statutory Auditors	7	335
3 Risk factors	2	42 - 46
4 Information about the Issuer		
4.1 Legal and commercial name	7	318
4.2 The place of registration of the Issuer, its registration number and its legal entity identifier (LEI)	7	318
4.3 Date of incorporation and the length of life of the Issuer	7	318
4.4 Registered office of the Issuer, its legal form, the legislation under which it operates, its country of incorporation, its address, telephone number of its registered office and its website	7	318
5 Business overview		
5.1 Principal activities	1	6-17
5.2 Principal markets	1	6-17
5.3 Important events in the development of the Issuer's business	5	184-187
5.4 Strategy and objectives	1 ; 5	7 ; 18-28 ; 189
5.5 Summary information regarding the extent to which the Issuer is dependent on patents or licenses, industrial, commercial or financial contracts or new manufacturing processes	1	10
5.6 Competitive position	1	13 ; 15 ; 17 ;
5.7 Investments	1 ; 5	7 ; 18-28 ; 186-187
6 Organizational structure		
6.1 Brief description of the Group	1	6-17
6.2 List of the Issuer's significant subsidiaries	6 ; 7	276-278 ; 334
7 Operating and financial review		
7.1 Financial condition	5 ; 6	184-193 ; 196-202
7.2 Operating income	5 ; 6	184-193 ; 196-197 ; 292
8 Capital resources		
8.1 Information concerning the Issuer's capital resources	5 ; 6 ; 7	184-187 ; 199 ; 245 ; 298- 299 ; 196-316 ; 324-331
8.2 Sources and amounts of the Issuer's cash flows	5 ; 6	184-187 200-202
8.3 Information on the borrowing requirements and funding structure of the Issuer	5 ; 6	184-187 ; 200-202 ; 257-272 ; 301
8.4 Restrictions on the use of capital resources	6	269-270
8.5 Anticipated sources of funds	5 ; 6	184-187 ; 220 ; 257-272 ; 301
9 Regulatory environment	7	320

Information	Chapter	Pages
10 Trend information		
10.1 Most significant recent trends in production, sales, inventory, costs and selling prices since December 31	5	184-189
10.2 Description of any significant change in the Group's financial performance	5	184-189
10.3 Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects	5	184-189
11 Profit forecasts or estimates		
11.1 Profit forecasts or estimates	N/A	N/A
11.2 Main underlying assumptions of profit forecasts or estimates	N/A	N/A
11.3 Statement regarding the basis for preparing and compiling profit forecasts and estimates	N/A	N/A
12 Administrative, management and supervisory bodies and senior management		
12.1 Information on the members of the Board of Directors and the Executive Management	4	122-159
12.2 Administrative, management and supervisory bodies and senior management conflicts of interests	4 ; 6 ; 7 ; 8	131 ; 281 ; 316 329-330 ; 335 ; 340
13 Remuneration and benefits		
13.1 Remuneration & benefits in kind	4 ; 6 ; 8	281 ; 300 ; 160- 178 ; 340-345
13.2 Total amounts set aside or accrued by the Issuer or its subsidiaries to provide for pension, retirement or similar benefits	4 ; 6 ; 8	300 ; 160-178 ; 340-345
14 Board practices		
14.1 Date of expiration of the current term of office and the period during which the person has served in that office	4	123
14.2 Information about members of the administrative, management or supervisory bodies' service contracts with the Issuer or any of its subsidiaries	4	125
14.3 Information about the Issuer's audit committee and remuneration committee	4	149-155
14.4 Statement of compliance with the corporate governance regime(s) applicable to the Issuer	4	149-155
14.5 Potential material impacts on the corporate governance	4 ; 8	124 ; 345-346
15 Employees		
15.1 Number of employees and breakdown of employed persons	1 ; 3	6 ; 68 ; 71 ; 111- 115
15.2 Shareholdings and stock options	4	123
15.3 Arrangements for involving the employees in the capital of the Issuer	6	281
16 Major shareholders		
16.1 Shareholders holding more than a 5% interest in the Issuer's share capital or voting rights	7	329
16.2 Different voting rights	7	329
16.3 Control or direct or indirect ownership of the Issuer	6 ; 7	304 ; 330
16.4 Arrangements, known to the Issuer, the operation of which may at a subsequent date result in a change in control of the Issuer	7	331
17 Related party transactions	6 ; 7	281
18 Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses		
18.1 Historical financial information	5	184-189
18.2 Interim and other financial information	5 ; 6	184-189 ; 196-316
18.3 Auditing of historical annual financial information	6	307-316
18.4 Pro forma financial information	N/A	N/A
18.5 Dividend policy	1 ; 5 ; 6	7 ; 191 ; 305
18.6 Legal and arbitration proceedings	6	254-256
18.7 Significant change in the financial position	5	184-189

Information	Chapter	Pages
19 Additional information		
19.1 Share capital	6 ; 7	245 ; 298 ; 299 ; 304 ; 324
19.1.1 Issued capital	6 ; 7	245 ; 298 ; 299 ; 304 ; 324
19.1.2 Shares not representing capital	N/A	N/A
19.1.3 Treasury shares	6 ; 7	245 ; 299 ; 327- 329
19.1.4 Convertible securities, exchangeable securities or securities with warrants	N/A	N/A
19.1.5 Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital	N/A	N/A
19.1.6 Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option	N/A	N/A
19.1.7 History of share capital	7	324
19.2 Memorandum and Articles of Association	7	318 ; 320-321
19.2.1 Corporate purpose	7	320
19.2.2 Description of rights, preferences and restrictions attached to shares	7	321
19.2.3 Provisions of the Issuer's articles of association, statutes, charter or by-laws that would have an effect of delaying, deferring or preventing a change in control of the Issuer	7	331
20 Material contracts	1	6-33
21 Documents available	7	321

9.5.2 MANAGEMENT REPORT

In accordance with applicable legal provisions, the following information is incorporated by reference in the Company's Management Report (as published in *chapter 5*):

Required information	Chapter	Pages
Business of the Company		
Analysis of changes in business performance, results and financial condition, in particular the debt position with respect to business volume and complexity	5	184-193
Key financial and non-financial performance indicators (article L. 225-100-1 of the French Commercial Code)	1	7
Main risks and uncertainties (article L. 225-100-1 of the French Commercial Code)	2	42-46
Financial risks of climate change and measures taken by the Company (article L. 22-10-35 of the French Commercial Code)	2 ; 3	42 ; 46-52 ; 97-105
Internal control and risk management procedures put in place by the Company to collate and process financial and accounting data (article L. 22-10-35 of the French Commercial Code)	2	46-52
Purpose, hedging policy and exposure of the Company to price, credit, liquidity and cash risks; use of financial instruments (article L. 225-100-1 of the French Commercial Code)	6	257-272
Position of the Company during the previous financial year, its likely development, significant events that occurred between the closing date and the date at which the report is approved (article L. 232-1 of the French Commercial Code)	5	184-193
Research and development (article L. 232-1 of the French Commercial Code)	1	10
Investments and material takeovers made (article L. 233-6 of the French Commercial Code)	N/A	N/A
Main subsidiaries and equity interests (article L. 233-6 of the French Commercial Code)	6 ; 7	276-278
Corporate governance⁽¹⁾		
Board of Directors' Corporate Governance Report (articles L. 225-37 <i>et seq.</i> and L. 22-10-8 <i>et seq.</i> of the French Commercial Code)	9	376
Shareholding and capital		
Employee shareholding at December 31 (article L. 225-102 of the French Commercial Code)	7	329-330
Trading in the Company's own shares (article L. 225-211 of the French Commercial Code)	7	325 ; 327-328
Trading of Company shares by corporate officers (article 223-26 of the AMF's General Regulations and article L. 621-18-2 of the French Monetary and Financial Code)	4	181
Social, environmental and societal information		
Declaration of non-financial performance (articles L. 225-102-1, L. 22-10-36 and R. 225-105 of the French Commercial Code)	9	377 ⁽²⁾
Duty of care (article L. 225-102-4 of the French Commercial Code)	9	378 ⁽³⁾

(1) See relevant chapters and pages indicated in the concordance table on the Corporate Governance Report (paragraph 9.5.4 below).

(2) See relevant chapters and pages indicated in the concordance table on the declaration of non-financial performance (paragraph 9.5.5.1 below).

(3) See relevant chapters and pages indicated in the concordance table on the duty of care (paragraph 9.5.5.2 below).

9.5.3 ANNUAL FINANCIAL REPORT

This Universal Registration Document includes the information contained in the Annual Financial Report mentioned in article L. 451-1-2 paragraph 1 of the French Monetary and Financial Code (*Code monétaire et financier*) and article 222-3 of the AMF's General Regulations.

The following table presents the cross-references between the two documents.

Sections	Pages
Statutory financial statements	285-306
Consolidated financial statements	196-284
Statutory Auditors' Report on the annual financial statements	312-315
Statutory Auditors' Report on the consolidated financial statements	307-311
Board of Directors' Management Report	184-193
Declaration by the person responsible for the Board of Directors' Management Report	368
Board of Directors' Corporate Governance Report ⁽¹⁾	376
Declaration by the person responsible for the Annual Financial Report	368

(1) See relevant pages indicated in the concordance table on the Corporate Governance Report (paragraph 9.5.4 below).

9.5.4 CORPORATE GOVERNANCE REPORT

The present cross-reference table sets out the items comprising the Corporate Governance Report, as required by articles L. 225-37 *et seq.* and L. 22-10-8 *et seq.* of the French Commercial Code (*Code de commerce*) and indicates the chapters and pages of the present Universal Registration Document where users can find the information regarding each item.

Information	Chapter	Pages
• Offices and positions held by corporate officers	4	123 ; 132-145 ; 158
• Related party agreements	6 ; 7 ; 8	316 ; 335 ; 340
• Summary table of financial delegations	7	325-326
• Operating procedures of Executive Management	4	158-160
• Composition, preparation and organization of the work of the Board of Directors	4	120-157
• Diversity policy applied to members of the Board of Directors	4	127-129
• Restrictions on the powers of the Chief Executive Officer	4	146-147
• Framework Corporate Governance code	4	120
• Terms and conditions of shareholders' participation in Shareholders' General Meetings	7	320-321
• Assessment procedure for standard agreements	7	335
• Compensation package of corporate officers (<i>ex ante</i>)	4	160-168 ; 175-176
• Compensation and benefits paid in the last financial year (<i>ex post</i>)	4	169-174
• Relative proportion of fixed and variable compensation	4	160-174
• Variable compensation awarded	4	160-174
• Commitments of any kind given by the Company in the last financial year	4	160-174
• Compensation within the scope of consolidation	4	169-174
• Pay gap (ratio) between top executives and employees	4	179
• Annual changes in compensation over the past five years	4	179
• Compliance with the compensation policy in force	4	169-174
• Consideration of the vote at the last Ordinary General Meeting on the compensation policy (<i>ex ante</i>)	4	160-168
• Deviation and derogation from the compensation policy	4	160-168
• Suspension/restoration of directors' compensation for lack of diversity	4	172-174
• Capital structure	7	331
• Statutory restrictions on voting rights and transfers of shares or agreements known by the Company	7	329-331
• Share ownership structure	7	331
• Holders of shares carrying specific control rights	7	329-331
• Control mechanisms applied to employee shareholding schemes	7	331
• Shareholder agreements	7	331
• Rules governing the appointment or replacement of members of the Board and amendments to the Company's by-laws	7	329-331
• Powers of the Board	7	331
• Agreements amended or terminated in the event of a change of control of the Company	7	331
• Compensation awarded to members of the Board or employees in the event of a public offer	7	331

9.5.5 DECLARATION OF NON-FINANCIAL PERFORMANCE AND DUTY OF CARE

9.5.5.1 DECLARATION OF NON-FINANCIAL PERFORMANCE

Components of the “Declaration of non-financial performance”		Pages
Business model		23
Social		
Main social considerations, including:		
	Social commitments in favor of sustainable development	65-75
	Collective bargaining agreements and their impact on the Company's financial performance	69-70
	Employee working conditions	68-69
	Discrimination	71-74
	Diversity	71-74
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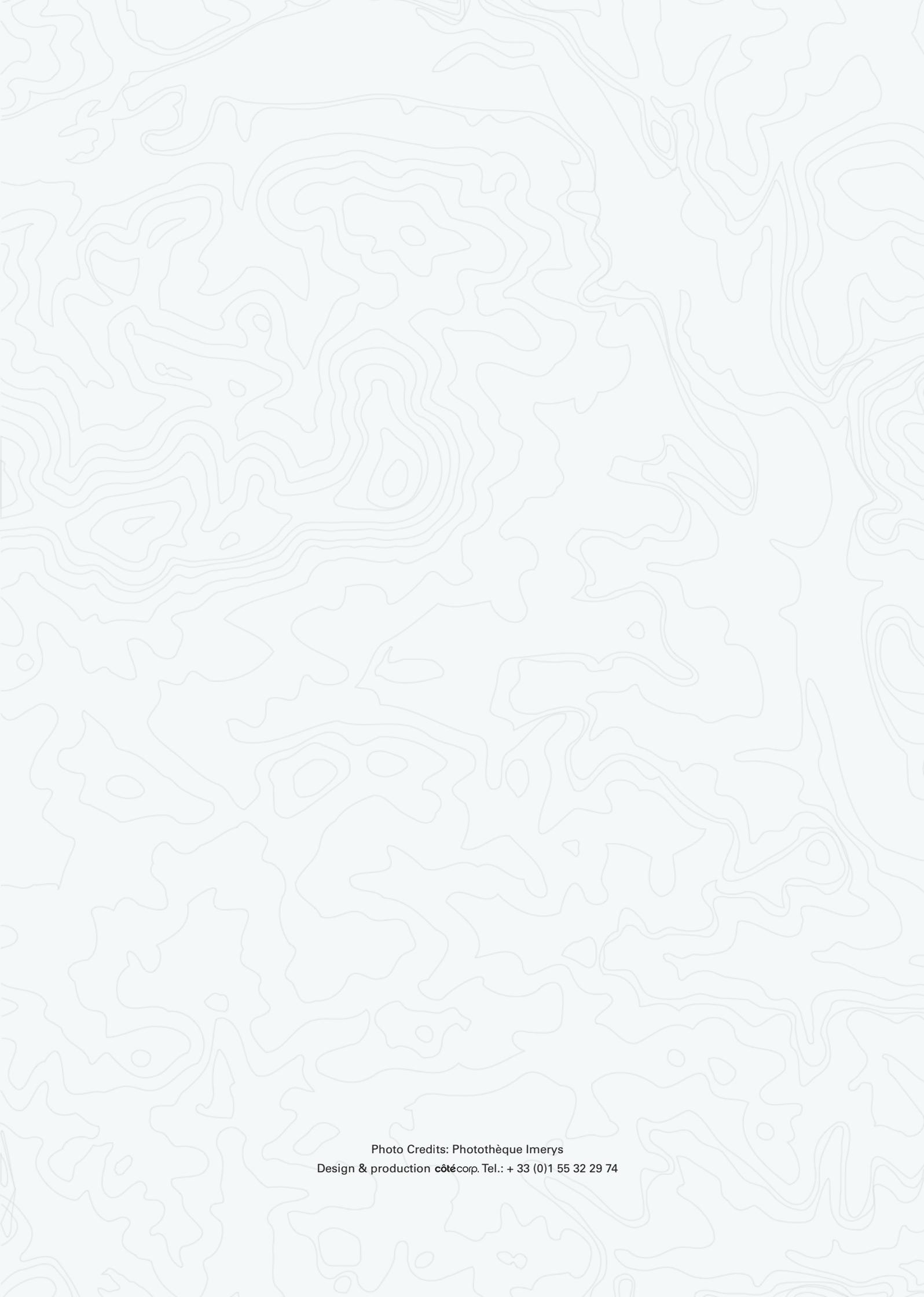


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