2023

UNIVERSAL REGISTRATION DOCUMENT

INCLUDING THE ANNUAL FINANCIAL REPORT






IMERYS

Content

Message from the Chairman of the Board of Directors and the Chief Executive Officer 2

1 INTEGRATED REPORT **3**

1.1 Imerys in a nutshell 4

1.2 Our strategy 16

1.3 Our organization 30

1.4 Corporate governance 38

1.5 Risk management 42

2 RISK FACTORS AND INTERNAL CONTROL **45**

2.1 Risk factors 46

2.2 Risk management and internal control 51

3 SUSTAINABILITY **59**

3.1 An integrated approach to sustainability 60

3.2 Caring for our planet 76

3.3 Empowering our people 115

3.4 Business conduct, ethics and compliance 135

3.5 Vigilance Plan 139

3.6 Synthesis of quantitative information 143

3.7 Attestation of completeness and limited assurance report 148

4 CORPORATE GOVERNANCE **151**

4.1 Board of Directors 153

4.2 Executive Management 192

4.3 Compensation awarded to corporate officers 194

4.4 Transactions by corporate officers in Company shares 213

5 COMMENTS ON FISCAL YEAR 2023 **215**

5.1 Highlights 216

5.2 Commentary on the fourth quarter and 2023 annual results 219

5.3 Segment performance 222

5.4 Outlook 223

5.5 Definitions and reconciliation of alternative performance measures to IFRS indicators 224

5.6 Activity and earnings of Imerys S.A. in 2023 225

6 FINANCIAL STATEMENTS **229**

6.1 Consolidated financial statements 230

6.2 Statutory financial statements 315

6.3 Statutory auditors' reports 335

7 INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL **345**

7.1 Information about Imerys 346

7.2 Relations with shareholders 350

7.3 Share capital and shareholding 353

7.4 Factors that could have an impact in the event of a takeover bid 360

7.5 Dividends 361

7.6 Parent company/ Subsidiary organization 362

7.7 Statutory Auditors 364

7.8 Related party agreements and assessment procedure for standard agreements 364

8 ORDINARY SHAREHOLDERS' MEETING OF MAY 14, 2024 **365**

8.1 Agenda for the Ordinary Shareholders' Meeting 366

8.2 Presentation of the resolutions by the Board of Directors 366

8.3 Draft resolutions submitted to the Ordinary Shareholders' Meeting 376

9 APPENDICES **381**

9.1 Person responsible for the Universal Registration Document 382

9.2 Person responsible for the financial information 382

9.3 Declaration by the person responsible for the Universal Registration Document, including the Annual Financial Report 382

9.4 Information included in the Universal Registration Document by reference 382

9.5 Cross-reference table 384

2023

UNIVERSAL REGISTRATION DOCUMENT

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 beneficiating 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 26, 2024 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. This is a translation into English of the official version of the Universal Registration Document issued in French, in format ESEF (European Single Electronic Format) and it is available on the issuer's website.

Message from **the Chairman of the Board of Directors** and **the Chief Executive Officer**

« In a context characterized by softer demand across the world, Imerys has shown the resilience of its business model through robust financial achievements.

Guided by its strategic vision and embracing a forward-thinking approach, Imerys has embarked on a journey of expansion, focusing its strategic investments into growing markets such as mobile and sustainable energy. We have a major role to play in the energy transition and we are ready for it.

Our lithium projects advance steadily and represent a great opportunity for the future of our Group, with 2024 marking a significant milestone for both endeavors.

As outlined in this report, our sustainability roadmap is a testament to our unwavering commitment to be a leader in enabling a better tomorrow. We are determined to continue to lead the industry as we set even more ambitious objectives for the future. »

Patrick Kron
Imerys Chairman

« In 2023, Imerys continued to demonstrate resilience and agility in a complex market environment. The EBITDA margin remained stable despite softer volumes and cash flow generation increased significantly. These results have been achieved by an incredibly committed team, of which I am extremely proud.

Our main markets may have reached a low point and we will utilize every lever at our disposal to increase sales moving forward, such as recent capacity additions and innovative green mobility and sustainable energy products.

At Imerys, we look forward to demonstrating the enduring robustness of our business model and achieving new milestones on our strategic roadmap in 2024. »

Alessandro Dazza
Imerys CEO

1 INTEGRATED REPORT

1.1 Imerys in a nutshell **4**
- 1.1.1 A world leader 4
- 1.1.2 Business model 10
- 1.1.3 Key figures 14

1.2 Our strategy **16**
- 1.2.1 A long-term, profitable and sustainable growth 16
- 1.2.2 Investing in fast-growing markets with higher profitability, aligned with key megatrends 18
- 1.2.3 Sustainability fully integrated in our strategy 24
- 1.2.4 Innovation at the heart of our growth strategy 26

1.3 Our organization **30**

1.4 Corporate governance **38**

1.5 Risk management **42**

1.1 IMERYS IN A NUTSHELL

1.1.1 A world leader

Overview

As the world's leading supplier of mineral-based specialty solutions for the industry, Imerys offers high value-added and functional solutions to a wide range of industries and fast-growing markets such as solutions for the energy transition and sustainable construction, as well as natural solutions for consumer goods.

Imerys 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. As an enabler of tomorrow, Imerys pursues ambitious targets in terms of Environment, Social and Governance (Sustainability) to achieve responsible growth over time.

With €3,794 million of revenue in 126 countries in 2023, Imerys' value-added solutions are designed to meet the specific, technical requirements of our customers and can be split into three categories:

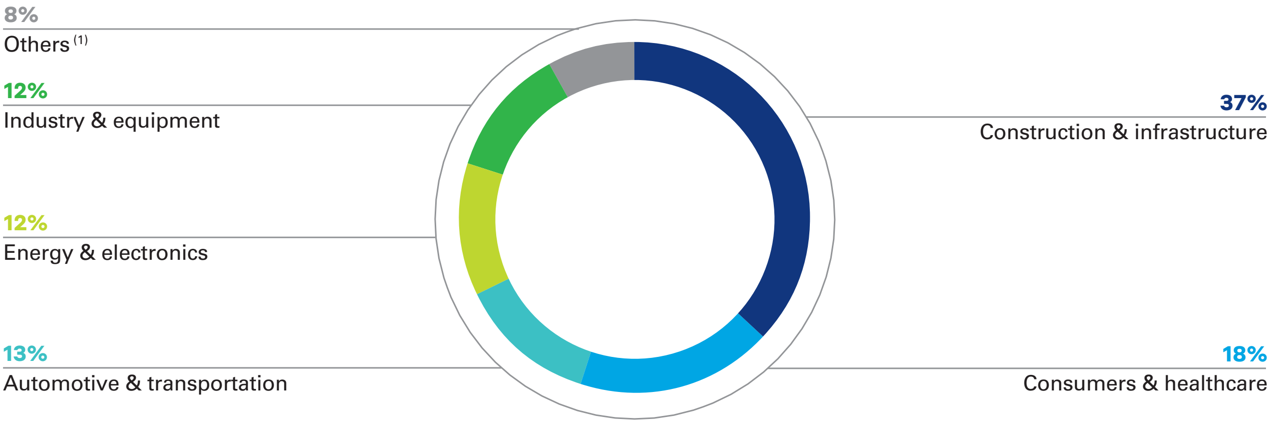
- **Functional additives:** integral part of the formulation of customers' products, but account for only a minor share of the finished product manufacturing cost (e.g. talc improves the rigidity of polymers used in the automotive industry; calcium carbonate makes plastic films breathable for use in baby diapers, or calcium aluminates used in self-leveling, quick-drying cement floor screeds).
- **Mineral components:** critical constituents in the formulation of customers' products (e.g. mineral solutions for ceramics, 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' specialty minerals solutions serve five specific end markets, supported by three megatrends:

- **sustainable construction,**
- **solutions for energy transition, and**
- **natural solutions for consumer goods.**

Imerys end-market (% revenue, 2023)



Source: Imerys estimates.
(1) Including paper under strategic review.

Construction & infrastructure

- Additives for paints (such as interior decorative paints) and coatings (marine protection, façade coating, can coating, etc.)
- Minerals for technical ceramics and traditional ceramics (floor and wall tiles, large slabs and sanitaryware)
- Functional additives for plastics and thermoset, such as pipes and window frames
- Additives for adhesives, caulks and sealants
- High-performance binders for dry mix mortars and floor screeds in the construction industry

Consumers & healthcare

- Fillers and coatings for paper, board and packaging
- Filtration agents for liquids and blood plasma
- Pharmaceutical diluents, coloring agents and processing aids; glidants and lubricants for tablet production
- Engineered minerals for the cosmetics industry
- Food additives to preserve flavor
- Coating agents improving fertilizer fow
- Mineral-based cat litters

Automotive & transportation

- Functional additives for plastics and thermoset - lightweighting
- Additives for rubber & paints
- Ultra-fine alumina for high-performance abrasives and graphite in brake pads
- Carbon black for conductivity in onboard data systems

Energy & electronics

- Minerals used in the production of high purity silicon metal for electronics and solar panels
- High-purity graphite and carbon-based solutions for industrial applications (polymers, carbon brushes)
- Mineral solutions for batteries and energy storage (lithium-ion, alkaline, and lead-acid batteries; fuel cells)

Industry & equipment

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

Group history – Transform to perform: the Imerys story

1970-1990's: IMETAL

1974

Creation of Imetal, a holding company created by the Rotschild family, combining its former mining activities and its new acquisitions of a French clay roof tile maker and an American steel and metals processor.

1985

Shift from non-ferrous metallurgical activities to industrial minerals, with the acquisition of Damrec. A new structure is defined around three key sectors: Building Materials, Industrial Minerals and Metals Processing.

1990s

Increased focus on industrial minerals through the purchase of companies in Brazil, France, Canada, Switzerland, South Africa, the UK and the US, for producing minerals as such as kaolin, calcium carbonates, refractory minerals, monolithic refractories, ball clays, ceramics, graphite and white pigments.

1999

Further expansion in industrial minerals with additional acquisitions, such as English China Clays, and the strategic divestment of the remaining metall-related assets (Copperwell). Change in strategy reflected by the new company name: Imerys.

2000's: IMERYS

2000–2003

Enlargement of the Group's portfolio with new minerals such as clays, feldspar and halloysite, and further expansion in existing minerals (fused alumina and bauxite), while spreading the geographical footprint to worldwide presence.

In 2003, Imerys acquired the Willebroek carbon black production plant in Belgium, initially targeting minerals for plastics and rubber applications. It soon became clear the potential of this product as conductive additives for the growing lithium-ion battery market.

2005-2010

New wave of significant and sizeable acquisitions, including:

- Lafarge Réfractaires Monolithiques, enabling Imerys to become the European leader in monolithic refractories,
- World Minerals in the US, a global leader in filtration and performance minerals such as diatomite and perlite,
- Denain Anzin Minerals of France, providing Imerys with feldspar, mica, quartz and kaolin deposits across Europe.

Additional acquisitions at the end of the decade in calcined clays, extensive reserves of high-quality white marble in Malaysia, Vietnam and China, feldspar mines in the US, India and Turkey, and high-quality mica in the US and Canada consolidated Imerys' position as the global leader in industrial minerals.

2010–2019: SUBSTANTIAL ACQUISITIONS AND ORGANIZATIONAL CHANGE

Imerys became the world leader in talc in 2011 through the acquisition of the Luzenac Group from Rio Tinto. The same year, a joint-venture, The Quartz Corporation, was established to meet increasing demand for high purity quartz in the semiconductor and photovoltaic markets.

Smaller bolt-on and certain larger acquisitions were made in the period, including:

- S&B, a global player in bentonite, casting fluxes, wollastonite and perlite-based solutions (2015)
- Kerneos, the world leader in calcium aluminate binders (2017)

Imerys secured organic growth through significant investments in existing production and new product lines, doubling the capacity of the Willebroek carbon black plant, and building Imerys' first industrial facility in the Middle East, a fused alumina production plant in Bahrain.

At the end of the decade, the divestiture of the Roofing division represented a first important step in the positioning of Imerys as a pure specialty minerals company. In 2018, a simpler structure was put in place to make Imerys more customer-centric and foster organic growth. A new organization around two main segments was created: Performance Minerals and High Temperature Materials and Solutions, grouping five newly created business areas.

2020–2023: THE NEW IMERYS

2021

In 2021, Imerys launched a strategic review of its portfolio, leading to the decision to divest its High Temperature Solutions business area and its assets serving the paper market, and to focus on three areas of growth, aligned with today's megatrends:

- Solutions for the Energy Transition;
- Sustainable Construction;
- Natural Solutions for Consumers Goods.

2022

In October 2022, Imerys announced it was launching a major mining project to exploit lithium at its Beauvoir facility (Allier, France), which has produced kaolin for ceramics since the end of the 19th century. Once implemented, the so-called "EMILI" project will contribute to the European Union's ambitious energy transition. EMILI, together with the joint venture Imerys British Lithium in Cornwall (UK), represent a great opportunity and a major milestone in Imerys' strategic roadmap.

Imerys Purpose, Vision and Values

Imerys unveiled in 2023 its "Purpose, Vision and Values" to provide the Group and its employees with an aspiration and principles beyond business performance.

Unlocking Better **Futures**

for our people
for our customers
for our planet

IMERYS' PURPOSE

"Unlocking Better Futures, For Our People, Our Customers and Our Planet" reflects Imerys' constant commitments to its employees and its customers. It also strongly reflects and emphasizes Imerys' strategy to fully embed our role in protecting local ecosystems and economies over the long term, whilst combating climate change and preserving biodiversity.

OUR VISION

"We aim to lead the specialty minerals industry by empowering our people, applying our expertise to serve our customers, leveraging our resources to expand our presence in fast growing markets, innovating the products and technologies of tomorrow in a digital world and embedding responsible and sustainable thinking into everything we do".

OUR VALUES

Every person matters

Creating a safe, healthy, and inclusive environment.

Imerys believes its people are its greatest strength. It starts by caring about the health and safety of everyone the Group works with. Every voice is important and building an environment where all people can thrive will unlock its collective value.

Partner of choice

Helping our customers solve tomorrow's challenges.

Imerys is committed to developing mutually beneficial relationships with its customers and partners based on reliability and innovative collaboration. The Group applies its knowledge and expertise to help them solve tomorrow's challenges.

Strive for better

Continuously learning, improving and innovating.

Imerys performs at its best and leads with innovation to unlock the sustainable potential of minerals.It strives for continuous improvement in everything Imerys does and helps its customers meet their challenges.

One team together

Collaborating for better results.

Imerys is at its best when working as a whole team. Imerys will always look beyond boundaries to collaborate with each other, its partners, and its customers to achieve the best results possible.

Enablers of tomorrow

Protecting the planet and the future through its actions.

Imerys will protect the future of its people, its business, the communities in which it operates, and the world in which it lives. Imerys strives to embed responsible thinking into everything it does and becomes a more sustainable business.

Imerys' focus is on bringing its purpose to life by aligning its processes, policies, tools and practices.

Human Resources advancements:

Extensive efforts have been pursued in 2023 to engage our people with our purpose, vision and values. A global network of dedicated ambassadors and resources were mobilized to provide the opportunity to our people to participate in "Living our Purpose" workshops. Customized interventions were designed for our people working at our operations through short and intuitive "tool box" talks that spanned throughout the year. This approach allowed us to reach more than 83% of our global workforce.

For Every Person to Matter, Imerys has reviewed and established its new 'Leadership Competency Model' which lays the foundation of expectations from every employee.

The major management development programs such as "Managing and Developing your People" and the "Imerys Leadership Program" have been redesigned to reflect the Imerys' Purpose, Vision and Values.

Spotlighting sustainability education and awareness:

Encapsulating its focus on being Enablers of Tomorrow is the core work on sustainability. Imerys is upgrading its in-house training programs, which will ensure its workforce is well-versed in the latest industry developments.

Regular Sustainable Talks sparked dialogue with employees - to answer key questions about sustainability topics, with the dedicated "Imerys Connect Day" providing the opportunity to engage and discuss environmental plans alongside safety focuses. Every year on a precise day, at each Imerys plant, stopping for that occasion, workshops are organized about safety and sustainability topics.

The realignment of the SustainAgility framework with the Purpose, Vision and Values, accomplished at the beginning of 2023, ensures a cohesive integration within the sustainability objectives.

The climate change roadmap progress summary underscores Imerys' commitment to sharing information on governance, roadmap definition, project quantification, and data accuracy within the Group.

Targeting efficiency and the environment through CAPEX and M&A:

To further our role as Enablers of Tomorrow, we are integrating sustainability, and in particular climate-related criteria, into the preparation of CAPEX and M&A projects to ensure these parameters factor into the decision making process.

Imerys has an essential role to play in society. Guided by a clear vision that rest upon solid values, in every aspect of business, through every day decisions and behaviours, Imerys is unlocking better futures for our people, our customers and our planet.

1.1.2 Business model

ASSETS

BUSINESS MODEL

HUMAN RESOURCES

13,700 employees in **54** countries

81% of employees have benefited **from at least one training course in 2023**

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 "Musée d'Histoire Naturelle" Patrimoine Naturel for biodiversity

PEOPLE AND SOCIETY

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

FINANCIAL RESOURCES

Equity: €3,157 M

Net debt: €1,118 M
(35% of equity and 1.8x of current EBITDA)

Investment grade credit rating:
BBB- (S&P), Baa3 (Moody's)

INDUSTRIAL AND COMMERCIAL RESOURCES

179 industrial sites and 86 mines in 39 countries

Capital expenditures in maintenance and development: €390 M

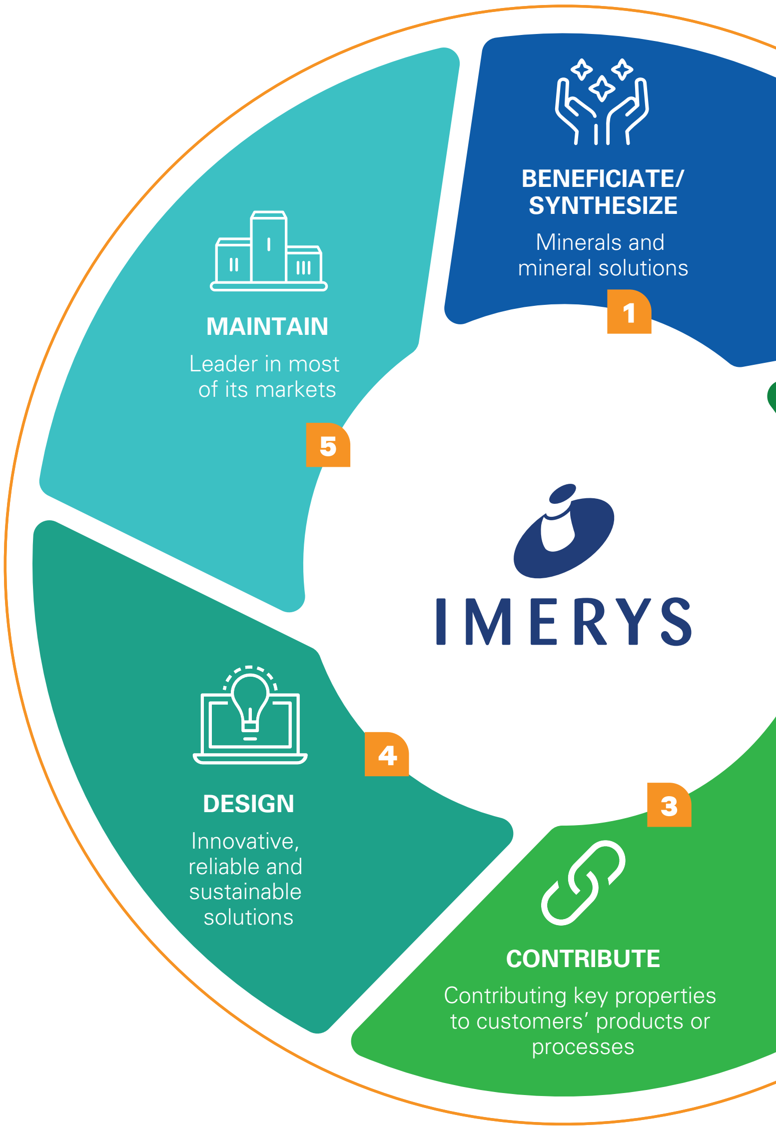
I-Cube industrial improvement program

INTELLECTUAL RESOURCES

Portfolio of over 220 patented innovations

300 people working in **9 R&D centers**

More than 50 new products launched



2023 HIGHLIGHTS

HUMAN RESOURCES

Safety: 2.36 Total Recordable Injury Rate

Diversity, Equity and inclusion: 27% of women in the Group's senior management team

Local community engagement: 35 new community engagement initiatives launched

ENVIRONMENTAL RESOURCES

Fight against climate change:

24% reduction scope 1 & 2 greenhouse gas emissions (tCO_2eq) from 2021 base year

BUSINESS CONDUCT

Responsible purchasing:

61% suppliers assessed

LIFE CYCLE ANALYSIS (LCA)

250 products analyzed

FINANCIAL RESOURCES

Current EBITDA: €633 M

(margin on revenue 16.7%)

Net current free operating cash flow: €288 M

(before strategic capex)

Dividend per share: €1.35*

INDUSTRIAL AND COMMERCIAL RESOURCES

24,000 customers across 126 countries

Market leader in 75% of its activities

VALUE CREATED FOR STAKEHOLDERS

IMERYS

€3,794 M

REVENUE

SUPPLIERS

€2,355 M

(RAW MATERIALS, CONSUMABLES USED AND EXTERNAL EXPENSES)

EMPLOYEES

€869 M

SALARIES AND SOCIAL SECURITY CONTRIBUTIONS, BONUSES

STATES

€110 M

(OF WHICH €81 M OF CORPORATE TAX)

SHAREHOLDERS

€330 M

(DIVIDEND)

BANKS

€34 M

(DEBT SERVICING COSTS)

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

A differentiated value proposition

MARKETS AND CUSTOMERS

>

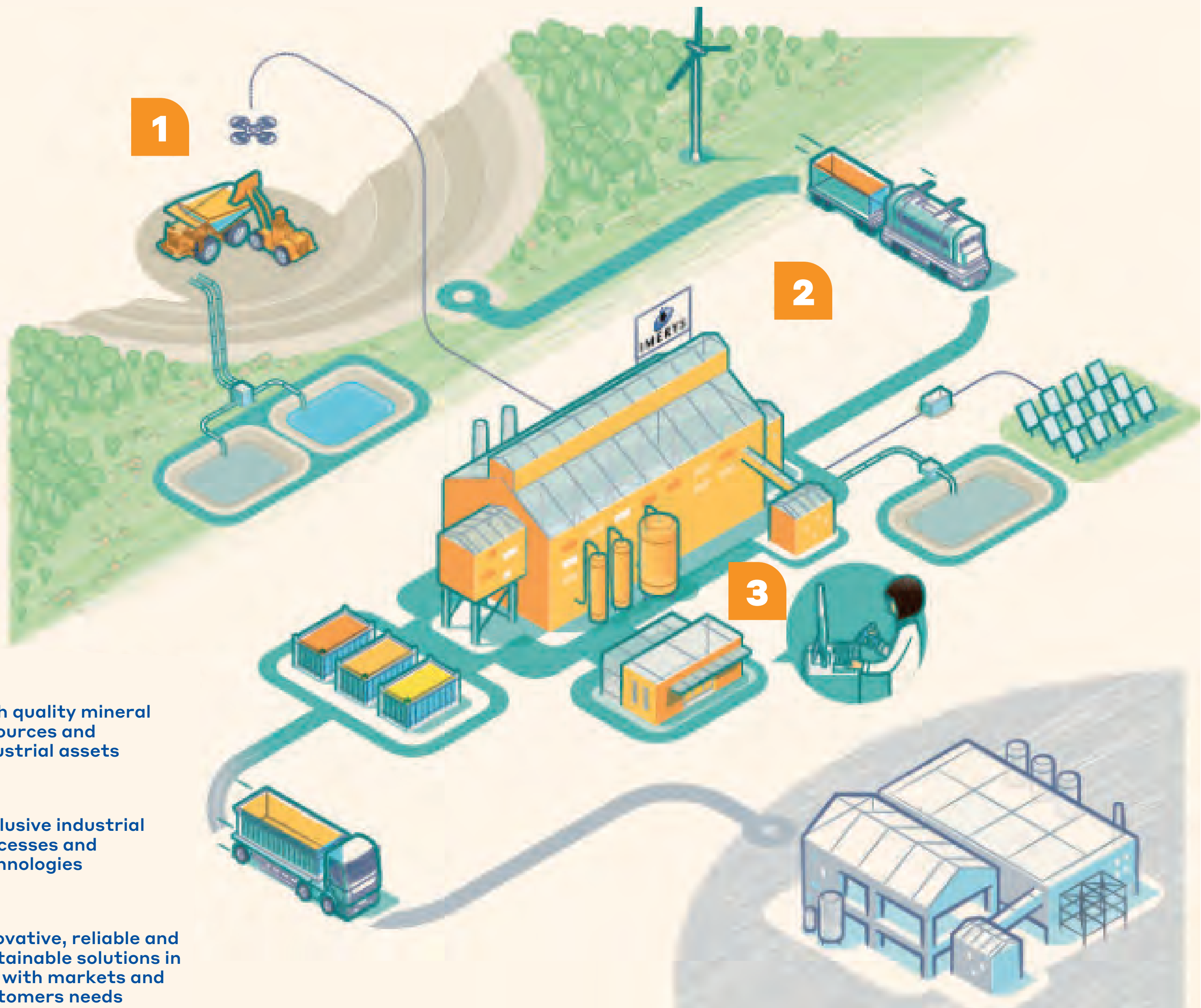
High quality minerals and industrial assets

Exclusive industrial processes and technologies

Innovative, reliable and sustainable solutions in line with market and customer needs

>

DIFFERENTIATED VALUE PROPOSITION FOR CUSTOMERS



1 High quality mineral resources and industrial assets

2 Exclusive industrial processes and technologies

3 Innovative, reliable and sustainable solutions in line with markets and customers needs

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 86 mineral deposits throughout the world and mines and/or processes more than 20 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 Imerys into mineral solutions designed to enhance the properties required for their end-use applications and meet the specifications of its customers.

2

Exclusive industrial processes and technologies

Imerys 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.

86

MINERAL DEPOSITS THROUGHOUT THE WORLD

3

Innovative, reliable and sustainable solutions in line with markets and customers needs

Imerys 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.

Those solutions are 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, whilst optimizing value selling, pricing and opportunity management.
- Imerys takes a tailored approach to managing its operations, allocating resources to markets with the most promising outlook for growth.

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.

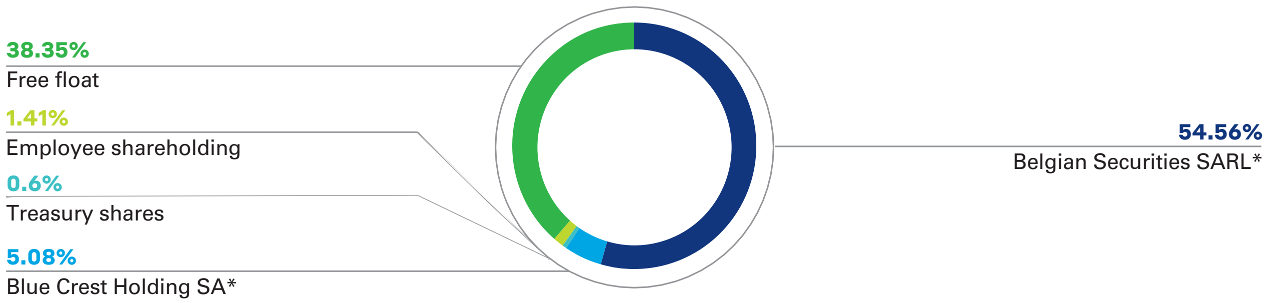
1.1.3 Key figures

Financial performance

	2021	2022	2023
MAIN FINANCIAL INDICATORS			
Results and profitability *(€ millions)*			
Revenue	3,665	4,282	3,794
Change at constant scope and exchange rates	-	+12.5%	-9.0%
Current EBITDA	648	720	633
Current EBITDA margin	17.7%	16.8%	16.7%
Current operating income	358	439	365
Current operating margin	9.8%	10.2%	9.6%
Operating income	291	318	108
Current net income from continuing operations, Group share	232	278	242
Net income, Group share	240	237	51
Capital employed	5,253	4,700	4,873
Data per share (€)			
Current net income from continuing operations, Group share, per share	€2.69	€3.28	€2.86
Dividend per share	€1.55	€3.85	€1.35
Balance Sheet and Cash Flow *(€ millions)*			
Net current free operating cash flow	216	6	191
Capital expenditure booked	312	389	399
Net financial debt	1,451	1,666	1,118
Net financial debt/current EBITDA	1.9x	2.3x	1.8x
Equity	3,242	3,385	3,157
Gearing	45%	49%	35%
Financial resources	2,860	2,710	3,210
Moody's/Standard & Poor's rating	Baa3/BBB-	Baa3/BBB-	Baa3/BBB-

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

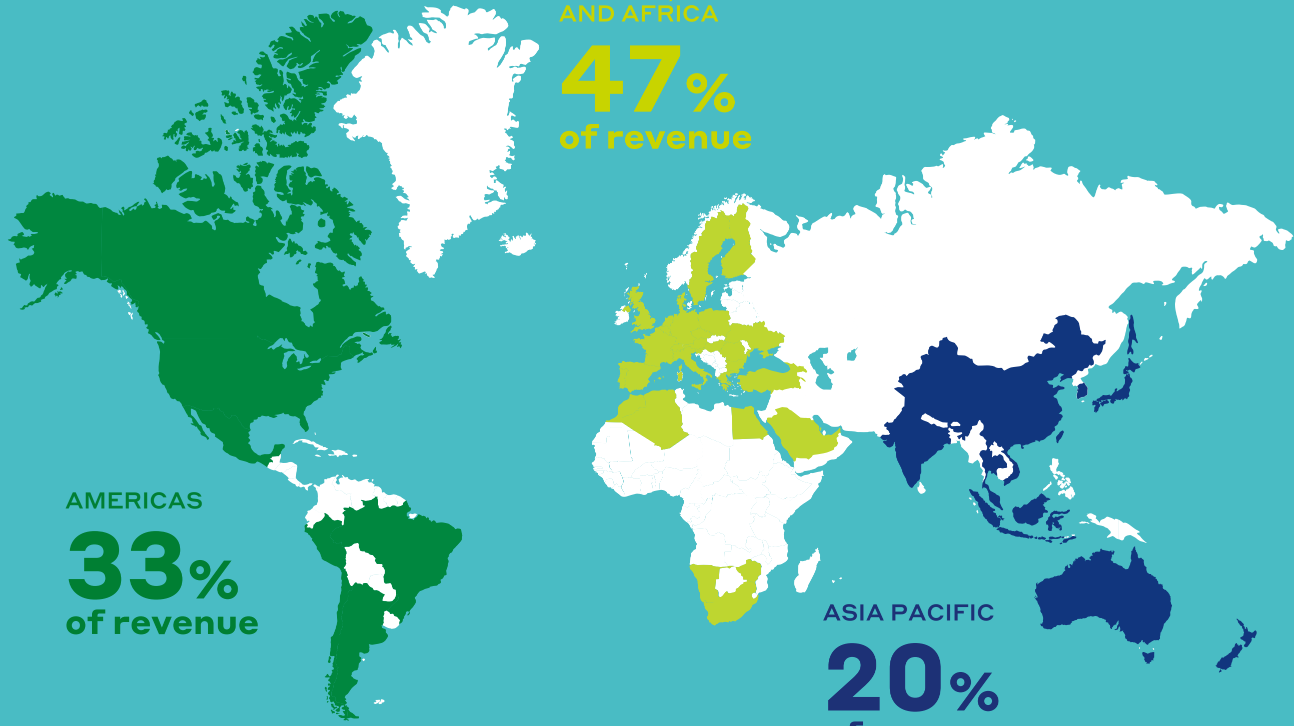
Shareholding structure *(in %)*



*Blue Crest Holding SA, a company registered in Luxembourg, is owned and controlled by the Kyriacopoulos family (Greece). Belgian Securities SARL is indirectly fully owned by Groupe Bruxelles Lambert, a listed company, registered in Belgium.

For any additional information concerning the shareholding structure of the Company, please refer to Chapter 7 of this Universal Registration Document.

2023 CONSOLIDATED REVENUE *(%)*



Sustainability key figures

3
YEAR ROADMAP (2023 - 2025)

13
OBJECTIVES

SCOPE 1 & 2 CO_2 EMISSIONS (TCO_2EQ) :
-42% (1)
TARGET 2030

SUSTAINABLE SOLUTIONS TARGET 2025 :
75%
OF NEW PRODUCT DEVELOPMENT WILL BE SUSTAINABLE(2)

Safety: TRIR(3)	
2.43	**2.36**
2022	2023

Women in the Executive Committee	
18%	**33%**
2022	2023

Women in senior management	
26%	**27%**
2022	2023

(1) *Base year 2021.*
(2) *Based on SustainAgility Solution Assessment.*
(3) *Total recordable injury rate.*

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

1.2 OUR STRATEGY

1.2.1 A long-term, profitable and sustainable growth

Imerys 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. After a successful completion of its organizational transformation in 2021, Imerys launched major strategic moves in 2022 to reinforce its position on higher growth end-markets exposure. As a result, it is now more resilient, focused, dynamic and ready for the future.

Four key strategic objectives to unlock better futures

Imerys is committed to Unlocking Better Futures through sustainable solutions and making our planet a better place for future generations, while being a leader in 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 sustainability profile as a competitive advantage;
- Generating profitability above the industry average.

The new Imerys: entering the next phase of growth

Imerys has delivered on its Connect & Shape internal transformation and is now benefiting from an agile, customer-centric organization with a lean structure, supported by Centers of Excellence (e.g. purchasing & supply) and shared services. This transformation has resulted in market share gains, strong cross-sell opportunities, and savings of €100m+.

- Imerys' 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").
- The Group is committed to improving its current EBITDA margin thanks to operational excellence and a culture of continuous improvement. Imerys organization facilitates swift decision making, with a reduced number of managerial layers and managers empowered with greater responsibility. Four key programmes are supporting Imerys operational excellence: I-Cube for continuous improvement of our operations, Inergize to support energy efficiency, 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 programmes is supporting the Group's profitability, aiming at delivering savings above 3% of costs of goods sold per year.

Thanks to Imerys' fundamental changes post-transformation, the Group has shown remarkable resilience during recent crises (such as Covid, energy, and inflation). This resilience is attributed to factors including integration into mining operations, exposure to diverse applications and regions, innovative approaches and application expertise, maintaining leadership in the industry, managing a balance between price and cost, and demonstrating a steadfast commitment to sustainability.

Perfectly equipped to be the global leader in specialty minerals, with strong growth ambitions

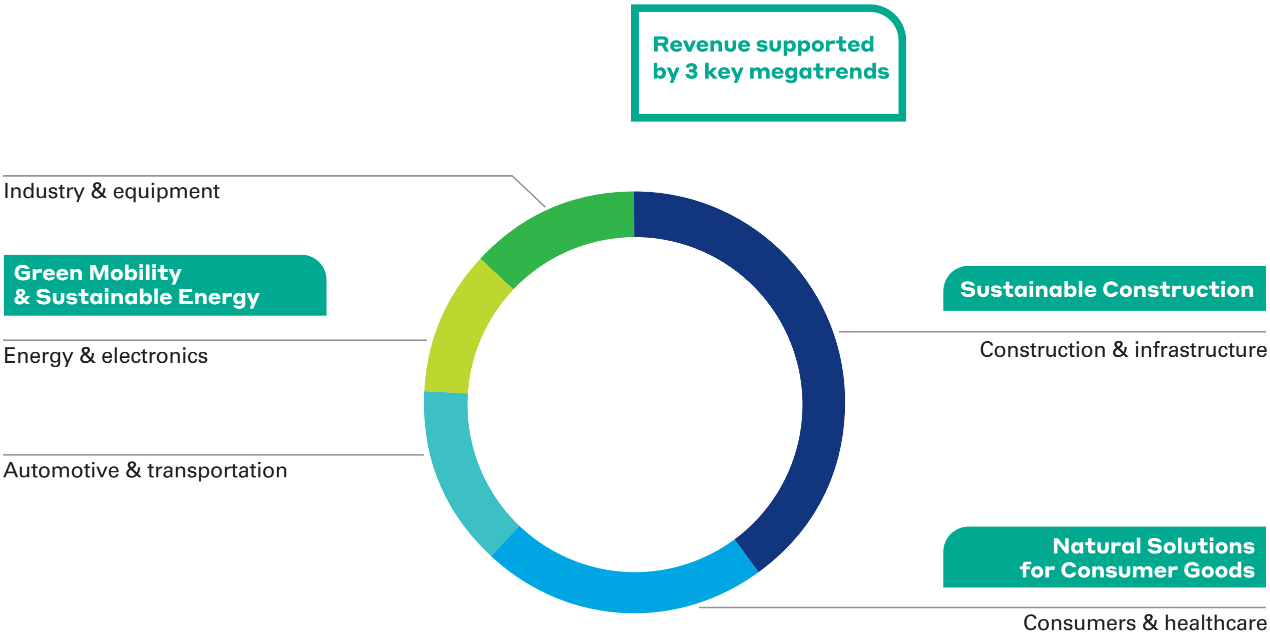
Imerys is actively managing its business portfolio through a regular review of performance and strategic alignment. Next to few small disposals of non core assets, the divestiture of the High Temperature Solutions business has reinforced Imerys as a pure specialty minerals player, less cyclical and aligned with global megatrends.

This move makes the Group more resilient and faster-growing. Imerys is now simplified with most of the Group's end markets aligned with three megatrends which will drive future growth. Imerys is:

- A 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;
- 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 lithium projects, rising demand for "green" minerals and opportunistic M&A for both bolt-ons and/or transformative transactions.

Benefiting from megatrends, Imerys is ready to deliver superior growth

Alignment with megatrends post contemplated divestitures



1.2.2 Investing in fast-growing markets with higher profitability, aligned with key megatrends

Green Mobility & Sustainable Energy

MOBILE ENERGY

LIGHTWEIGHTING

GREEN ENERGY

- Graphite & Carbon black for energy transition & EVs
- High performance minerals for plastic lightweighting in automotive
- TQC for high purity quartz in semiconductor and photovoltaic markets

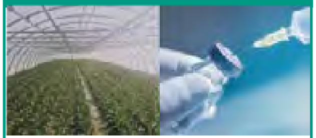
Sustainable Construction

HIGH PERFORMANCE AND DURABLE BUILDING

REDUCED CO_2 EMISSION MATERIALS

- Aluminates for mineral foam insulation
- Metakaolin as green supplementary cementitious material

Natural solutions for consumer goods



FEEDING THE WORLD

GOOD HEALTH AND WELL BEING

- Minerals substituting microplastics & chemicals
- Capacity increase in high purity filtration for pharmaceuticals

Lithium for mobile energy

ENERGY TRANSITION

MOBILE ENERGY

- Emili project & Imerys British Lithium joint venture
- Production of lithium for Li-ion batteries for electric vehicles

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.

Imerys is fully aligned with three megatrends which will drive future growth: green mobility and sustainable energy, sustainable construction and natural solutions for consumer goods.

ENERGY TRANSITION, TO FIGHT CLIMATE CHANGE

Imerys holds strong world leadership positions in sustainable energy and mobility, with products such as conductive additive 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.

On this megatrend, Imerys benefits from:

- Technological leadership, fueled by a constant R&D effort and continuous industrial investments to support growth;
- Leading market position serving all top 15 battery makers but also Tier-1 players;
- A dynamic market environment, as demand for electric vehicles (EV) demand for EV is growing rapidly, supported by stringent regulations and ambitious public decarbonation targets.

MOBILE ENERGY

Imerys Graphite & Carbon is a specialty business producing synthetic graphite, carbon black and other graphite-based products. Imerys solutions are used in the production of lithium-ion batteries, 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 growing fuel cells which typically find application in heavy duty vehicles, using hydrogen as a fuel. Graphites and carbons are also used in the production of thermally conductive polymers for auto parts.

Imerys is strongly positioned to capture future market growth and has significantly grown its revenues over the last four years. Imerys has announced around €180 million investments for an additional production lines for high purity carbon black at its plant in Willebroek, Belgium, as well as a new line for specialty synthetic graphite in Bodio, Switzerland. This ambitious capacity expansion program will allow Imerys Graphite & Carbon to double its revenue over time and support the world's energy transition.

SUSTAINABLE ENERGY

Imerys offers a variety of solutions for 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 private family-owned Norwegian company founded in 1948. TQC provides extremely high purity quartz solutions for crucibles used in the manufacturing of solar panel, semiconductors and optical fibers;
- Imerys is also present in the biofuel purification market. Imerys solution consists in removing unwanted contaminants from fats, oils and greases used in biodiesel and sustainable aviation fuel plants through filter aids.

LIGHTWEIGHTING

Imerys serves the Automotive & Transportation end markets in many ways, such as talc in tires, abrasives in breaking pads, and carbonates in paints or 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 with the specific High Aspect Ratio technology, bring solutions to the compounders and automotive OEMs by ensuring high mechanical performance plastics while maintaining safety and other properties.

Imerys is the undisputed leader in this market and has invested €43m to build a new manufacturing facility in China to produce specialty talc grades for polymers lightweighting in the automotive industry. With this investment which complements Imerys large footprint for lightweighting mineral production in Europe, Imerys is poised to capture the significant growth opportunities offered by the EV industry in Asia. The greenfield plant was inaugurated on October 31st 2023 and will help expand Imerys presence in China, the largest car producing country in the world.

SUSTAINABLE CONSTRUCTION, TO HELP URBANIZATION AND RAREFACTION OF RESOURCES

Imerys is a key player in Sustainable Construction, which is showing significant opportunities in the next 5 to 10 years, driven by the need to reduce CO_2 in the construction industry. Through its wide range of innovative mineral solutions for sustainable building materials, Imerys is ready to meet the challenges its customers face. Construction & Infrastructure is the largest business of the Group, representing 37% of end markets served (in new construction, renovation and infrastructure). With opportunities to grow in - and beyond these markets - Imerys is 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 supports sustainable construction by offering a diverse range of minerals and solutions, from durable materials, insulating solutions, and low carbon footprint products - such as unique calcium aluminates binders. Across the wide range of mineral solutions, Imerys effectively addresses various challenges , thanks to in-depth understanding of customers needs and end markets.

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 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 improved sustainability of waste water infrastructures from acid corrosion. As an example, the **LEAP** solution - **LE**an calcium **A**luminate binders for sustainable **P**erformance - is a new specialty binder brand that allows for both enhanced product performance and more sustainable construction, meaning manufacturers can do much more with much less;
- 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 external thermal insulation composite systems by being lightweight and fast drying). In these markets, Imerys is delivering rapid growth driven by capacity additions.

DECARBONIZATION SOLUTIONS

Imerys has a comprehensive offer to help customers in construction meet their CO_2 emissions reduction target, from concrete to flooring and plastics to paints. Some examples are the following:

- Green cement: Imerys has a unique portfolio of minerals that contribute up to a 70% substitution of cement clinker , while speeding up hardening time of low carbon concrete. These include minerals such as 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 leads to higher cycle times, production efficiency and throughput;
- New partnership announced with VINCI Construction: To develop low-carbon concrete, based on the formulation of a binder composed of different minerals to replace Portland cement. Imerys has two mineral solutions: metakaolin and calcium carbonate. Metakaolin, produced by Imerys in Clérac, is currently being used by VINCI Construction as part of the construction of the new Nantes University Hospital, France's first low-carbon building at this scale.

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. Imerys has accelerated in this direction and recent achievements include:

- Remined™ products, a portfolio of 100% LEED certified pre-consumer recycled calcium carbonates from one of Imerys’ US assets. By offering a sustainable product range to industries such as carpet, flooring, mortars and adhesive, Imerys enables its customers to meet sustainability targets and reduce carbon footprint, while contributing to their LEED credits (US Certification for green building);
- Since December 2023, Imerys & Seitiss joined forces in a joint venture (Seitiss Imerys Minéraux Circulaires) to provide circular economy solutions that recycle mineral waste from industrial activities. Seitiss is a French start-up providing digital tools to locate unexploited sources of waste and create channels allowing them to be recycled into circular products. Imerys brings its industrial and commercial expertise and know-how along with its international deployment capabilities.

NATURAL SOLUTIONS FOR CONSUMER GOODS, TO SUPPORT DEMOGRAPHICS AND HEALTHIER LIVING

Natural solutions for consumer goods is the second largest end market for Imerys, serving packaging, food and beverage, healthcare, tableware, animal food and agriculture. It tends to be recession resilient and offers above-average growth rates. Imerys' 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' 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 WELL BEING

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

- Ultra-high purity filter aid for blood plasma fractionation with Imerys' proprietary technology for mineral purification and a state-of-the-art facility to meet strict pharmaceutical and regulatory requirements;
- Natural solutions for cosmetics: replacing microplastics and chemicals in cosmetic formulations, for instance with carbonates as soft-focus agent, 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;
- Filmlink: an engineered treated ground calcium carbonate that's been designed specifically to promote breathability in breathable film membranes; used for hygiene products and roofing films.

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

LITHIUM: A GAME CHANGER

EMILI PROJECT

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

In October 2022 Imerys announced a landmark lithium 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; especially 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 (Initiative for Responsible Mining Assurance) Standard, which is the benchmark for responsible mining.

In this framework, Imerys intends to use underground mining methods in order to minimize the impact on 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 CO_2 emissions from its operations, with the aim to produce lithium with less than half of the CO_2 emissions of typical existing hard rock lithium operations in the world. Examples of CO_2 reduction initiatives would include an electric mining fleet, transport by underground pipelines, trains, or the use of the French low-carbon electricity mix.

Subject to the completion of the laboratory and industrial pilot phases, production and commercialization are expected to begin within the next five years. It is anticipated that 1,500 direct and indirect jobs locally 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

IMERYS BRITISH LITHIUM

On June 29, 2023, Imerys and British Lithium formed a joint venture with the objective of creating the UK's first integrated producer of battery-grade lithium carbonate. Imerys brings its lithium mineral resources, land and infrastructure for an 80% stake in the joint venture, whilst British Lithium brings its bespoke lithium processing technology, its technical team and its lithium pilot plant for the remaining 20%.

As part of the agreement, Imerys provides a large lithium deposit: 161 million tonnes of inferred resources at 0.54% lithium oxide content, indicating a life of mine exceeding 30 years. Drilling programme and pre feasibility study (PFS) are in progress. Cornwall would become the leading lithium hub in the UK, with target annual production of 21,000 tonnes of lithium carbonate equivalent, enough to equip 500,000 electric cars per year, by the end of the decade. The mine will adhere to the highest social and environmental standards and follow the IRMA Standard – the most demanding global benchmark for responsible mining.

Since 2017, British Lithium has carried out drilling and exploration on Imerys-owned land in Cornwall and developed a unique process and pilot plant to produce battery-grade lithium carbonate. It received financial support from Innovate UK, UK's national innovation agency, and the Automotive Transformation Fund, a funding program to support the electrification of vehicles and their supply chains in the UK.

This joint venture would reduce the UK's and Europe's dependence on critical raw materials imports, thus contributing to the achievement of the European and British climate change targets and the creation of the first fully integrated regional electrical vehicle value chain. The combination of this and the EMILI project in France would make Imerys the largest integrated lithium producer in Europe, representing more than 20% of the announced European lithium output by 2030.

21,000 TONS

PRODUCTION TARGET OF LITHIUM CARBONATE PER YEAR FROM 2028

1.2.3 Sustainability fully integrated in our strategy

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.

> **"The ultimate goal to be achieved through sustainagility is to further embed sustainability within the group strategy and drive systematic continuous improvement of sustainability aspects in all its activities."**

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

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

Imerys' 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.

SustainaAgility: vision and ambition

The SustainAgility program is articulated around Empowering our People, Growing with our Customers and Caring for our Planet. The program is based on six pillars and 15 themes, which are in line with, and contribute to, the United Nations Sustainable Development Goals (SDG).

Imerys' 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.

EMPOWERING OUR PEOPLE

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.

Health & Safety
- Occupational Safety Management
- Occupational Health Management

Human Capital
- Labor Practices
- Talent Development
- Diversity, Equity & Inclusion
- Community Engagement

GROWING WITH OUR CUSTOMERS

Behaving ethically, operating fairly, ensuring responsible purchasing, and advancing sustainable products and processes.

Business Conduct
- Business Ethics & Compliance
- Responsible Purchasing

Sustainable Solutions
- Portfolio Sustainability
- Sustainable Processes

CARING FOR OUR PLANET

Protecting the environment, promoting natural resources efficiency, respecting biodiversity and acting on climate change.

Environmental Stewardship
- Environmental Management
- Natural Resource Efficiency
- Biodiversity & Land Rehabilitation

Climate Change
- Climate Change Mitigation
- Climate Change Adaptation

Imerys' sustainability roadmap

To drive the necessary change, Imerys works 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. In the nearterm, Imerys is focused on concrete actions in four strategic areas that will support the achievement of the Group mid-term sustainability objectives.

EMPOWERING OUR PEOPLE

1. Reinforce our maturity on core values

GROWING WITH OUR CUSTOMERS

2. Sustain business ethics in the whole value chain

3. Accelerate the development of sustainable solutions

CARING FOR OUR PLANET

4. Strengthen our commitments to preserve the planet

1

Being a safe and diverse place to work is the cornerstone of Imerys' values. Imerys 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, Equity & Inclusion program.

2

Ensuring ethical business conduct in a rapidly evolving global business environment is achieved through strong governance, which is the foundation upon which the Group is built. Imerys believes that high standards in all Environmental, Social and Governance areas are essential for all of its business operations across the globe. Imerys expects its suppliers to adhere to the same guiding principles as those expressed in its Code of Business Conduct and Ethics.

3

Imerys is scaling up efforts to deliver new solutions and opportunities to extend the life cycle of its portfolio, recognizing both the society and customer demand to produce better for longer. Imerys 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.

4

Imerys is firmly committed to playing a positive role within the local ecosystem, through the conservation of biological diversity and its restoration, communicating concrete actions through act4nature International and partnering with recognised scientific experts such as UMS Patrimoine Naturel. Imerys is focused on optimizing natural resource consumption, in particular with regards to mineral resources by introducing non-virgin materials. Imerys is also committed to accelerating its decarbonization roadmap, both within its own operations as well as within its value chain, by working to achieve new targets in line with SBTi criteria aligned with a 1.5 °C trajectory in absolute tons of CO_2.

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

1.2.4 Innovation at the heart of our growth strategy

1.2.4.1 Imerys innovation at a glance

2023 Key figures

51
NEW PRODUCT LAUNCHES

32
NEW PROJECTS GOING TO PILOT PHASE

MORE THAN 300
PEOPLE (SCIENTIST AND TECHNICIANS) WORKING IN INNOVATION IN 9 IMERYS TECHNOLOGY CENTERS

AROUND 12%
NPD SALES (NEW PRODUCT DEVELOPMENT, LESS THAN 5 YEARS

IMERYS GEOGRAPHICAL MAIN LABORATORIES

Atlanta, USA
Focus areas:
Filtration, life sciences, polymers, paints & coatings

Par Moor, UK
Focus areas:
Paints, polymer films and paper and board

Bironico, Switzerland
Focus areas:
Graphite and carbon applications

Villach, Austria
Focus areas:
Abrasives and advanced ceramics

Toulouse, France
Focus areas:
Ceramics, cosmetics, filtration life science and polymers

Lyon, France
Focus areas:
Refractory, building and infrastructure

Tianjin, China
Focus areas:
Refractory, advanced ceramics, building & infrastructure, paints, coatings and polymers

1.2.4.2 The four pillars of our innovation strategy

Culture of innovation: Through excellence in people, delivery, and technologies:

- A global coordination of projects using nine main technology centers all over the world; shared equipment and expertise between teams achieves efficiencies and best practice sharing; with 40 new projects entering in the pipeline every year;
- An international pool of talent with PhDs (80) and scientists coming from the industry and academia;
- A portfolio management governance through stage gate process, business lead, analytics and KPIs review;
- The implementation of a new Artificial Intelligence material informatics pilot for applications development;
- Balancing new product development and technical support in our labs while arbitrating between short-term and long-terms projects;
- The protection of our technical novelties with patents to ensure long and profitable sales on new products.

Investing in Sustainable Growth by:

- Sustainability inclusion in new products development during stage gate process (2023 target reached with 70% market launched new products as sustainable solutions);
- Capitalizing on opportunities to advance circular minerals, and repurpose those coming from industry (as the recent joint-venture agreement with Seitiss) (see page 20);
- Product sustainability assessment, called "SustainAgility" used for each innovation project gate analysis;
- Product stewardship and REACH[1] certification, a license to operate in all markets.

Solutions for global challenges through customer-centric innovation organization by:

- Being a partner of choice for our customers by delivering on-time, key differentiated new products;
- Organizing innovation teams per markets and applications in order to develop solutions, applications and services based on market trends and customers needs;
- Creating development partnerships with customers or startups through open innovation challenges or during technical days;
- Leveraging our innovation know-how through publications and communications in international conference on industrial minerals;
- Recognising our customers as innovation and sustainability key suppliers through frequent workshops arranged with them to collectively identify innovative solutions.

Imerys is creating value for all its stakeholders by exploring all industrial mineral capabilities:

- With the help of natural minerals, which represent the majority of our sales and developments, Imerys helps its customers to replace oil based materials, in accordance with the global megatrends identified;
- Circular or recycled minerals included in Imerys solutions respond to the questions of ore availability, recyclability and sustainability; Imerys develops new techniques to improve re-using, regeneration and waste management;
- Synthetic or geomimetic minerals help create tailor made solutions for customers, specifically for high value niche applications.

(1) Registration, Evaluation, Authorisation and Restriction of Chemicals

1.2.4.3 Key innovative solutions around the three megatrends and circular economy

Focus on Solutions for the Energy Transition and sustainable energy

- High purity carbon black and graphite for microporous layer in fuel cells and improved conductive additives for anodes and cathodes in Lithium-ion batteries and fuel cells for electric vehicles;
- High Aspect Ratio ("HAR") minerals (talc or mica) for lightweighting plastic in automotive EV. Can help to achieve up to 6% weight saving in plastic external body parts for cars, with a new production plant built in 2023 in Asia.

Focus on Sustainable Construction: decarbonization and waste management

- Mineral diversification for large tiles and facade ceramics, with lightweighting purpose and silicates for glass and ceramic industry decarbonization;
- Aluminates speciality binders ("LEAP products") as enablers to decarbonize cement and concrete and as a strength booster;
- Pozzolans as a low CO_2 additive in construction hydraulic binders, and as a long lasting inorganic additive for waste water pipeline protection.

Focus on Natural Solution for Consumer Goods: Sustainability enablers for consumer goods and life science

- New mineral absorbent purifying waste feedstocks for conversion into renewable diesel (biofuels);
- Micropollutant removal in water treatment with minerals;
- Natural solutions as biocontrol agents against pesticides in Agriculture and as biostimulants against toxic chemicals.

Focus on circular and recycled minerals: from linear and circular economy

- Reprocess industrial mineral waste (Imerloop), Re-mining as key example in North America with Sylacauga operation or Alternative (post-industrial) feed materials such as mineral by-product in the ceramic industry.

1.3 OUR ORGANIZATION

The market-focused organization of Imerys is built around three main activities:

- Performance Minerals, split in two reporting segments:
  - EMEA & APAC (Europe, Middle East, Africa and Asia Pacific), and
  - Americas

  serving the plastics, rubber, paints & coatings, board & packaging, adhesives, filtration, life sciences, ceramics, and building products markets;
- Solutions for Refractory, Abrasives and Construction, serving the refractory, abrasives and building & infrastructure markets globally;
- Other activities described as Solutions for the Energy Transition which include:
  - Graphite & Carbon, serving mainly the mobile energy market;
  - Imerys share in The Quartz Corporation, a joint venture owned 50% by Imerys, serving the solar and alectronic industries with high purity quartz solutions;
  - The lithium projects: EMILI and Imerys British Lithium.

This simplified organization with a limited number of management layers brings Imerys 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, Strategy and M&A, etc.) are centralized at Group level and operate as bussiness partners to the different business areas, while Innovation and Operations report directly into the segments.

Imerys' organization will enable it to achieve its full organic-growth potential, further improve its competitive position and create value over the long term.

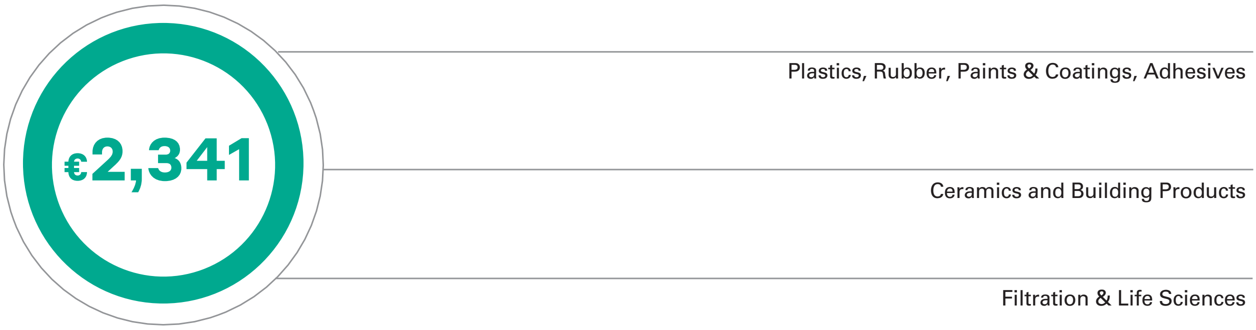
MAIN ACTIVITIES

CORE MARKETS 2023 REVENUE *(€ MILLIONS)*

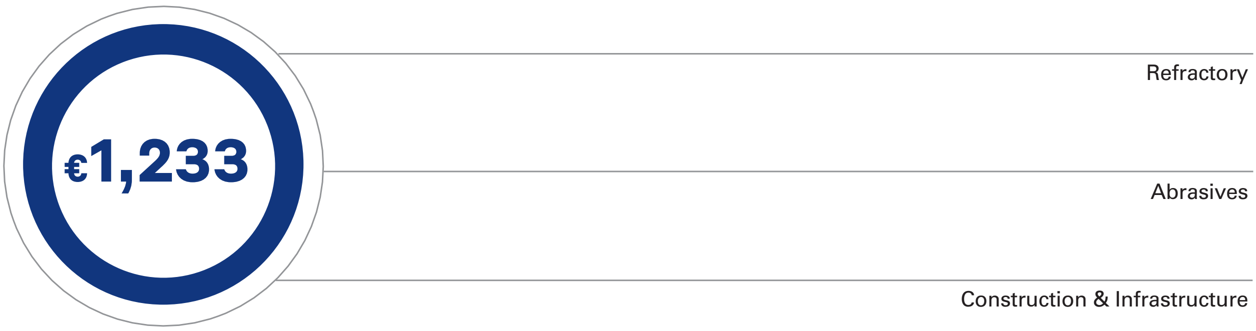
PERFORMANCE MINERALS

Performance Minerals, **Europe, Middle East and Africa, and Asia Pacific**

Performance Minerals, **Americas**



SOLUTIONS FOR REFRACTORY, ABRASIVES & CONSTRUCTION



For further details on 2023 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.

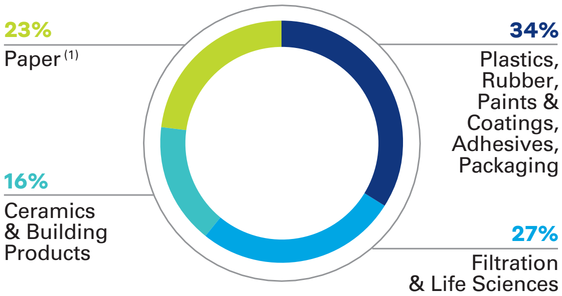
PERFORMANCE MINERALS

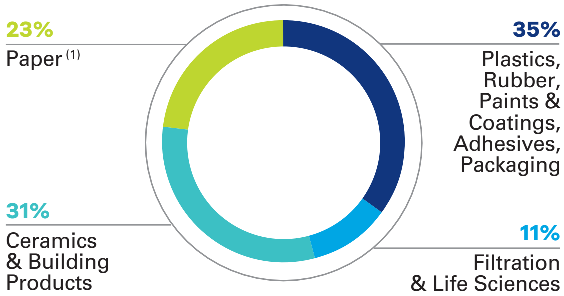
Performance Minerals serves four main markets

KEY FIGURES

AMERICAS	EMEA & APAC
1,034 REVENUE (€ MILLIONS)	**1,423** REVENUE (€ MILLIONS)
3,058 EMPLOYEES (AS OF DECEMBER 31)	**4,339** EMPLOYEES (AS OF DECEMBER 31)
50 NUMBER OF INDUSTRIAL SITES	**84** NUMBER OF INDUSTRIAL SITES
7 COUNTRIES (INDUSTRIAL PRESENCE)	**26** COUNTRIES (INDUSTRIAL PRESENCE)
9 MINERALS	**17** MINERALS

CORE MARKETS (REVENUE BREAKDOWN)





(1) Assets serving the paper market under strategic review.

PLASTICS & RUBBER

Imerys's wide portfolio of minerals enables Imerys 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' 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. They also work effectively in material applications for hygiene, such as medical devices and food packaging. Some minerals are also used for plastic films' breathability in the hygiene and medical fields.

The mineral solutions also help, for example, to minimize the weight of vehicle plastic parts and therefore reduce fuel consumption and CO_2 emissions, or to improve performance of recycled plastics.

MINERALS

Carbonate / Diatomite / 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 & 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 a healthy environment. 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

Carbonate / Diatomite / Kaolin / Mica / Perlite / Talc / Wollastonite / Zirconia-based chemicals

MARKET POSITIONS

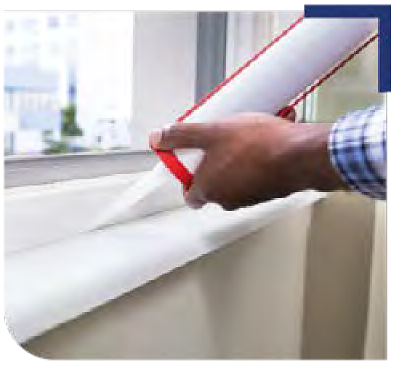
World #1 in mica for high-performance coatings

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 & 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, and increase the opacity and whiteness of their end product. As an example, kaolin is used 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 & 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 Imerys 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

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' solutions are formed using naturally occurring minerals with exceptional properties such as adsorption capacity, barrier effect, gentle abrasiveness, texturing enhancement, and high level porosity. 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

SOLUTIONS FOR REFRACTORY, ABRASIVES & CONSTRUCTION

KEY FIGURES

1,233
REVENUE (€ MILLIONS)

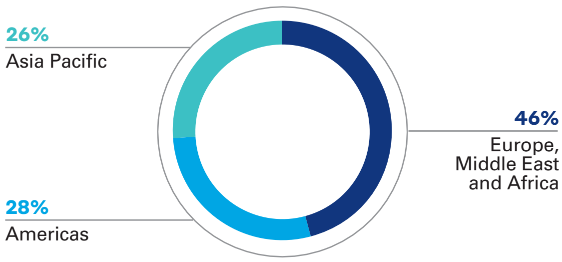
4,128
EMPLOYEES (AS OF DECEMBER 31)

35
NUMBER OF INDUSTRIAL SITES

15
COUNTRIES (INDUSTRIAL PRESENCE)

4
MINERALS

REVENUE BREAKDOWN BY REGION



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. Imerys' 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 / Fused aluminas / Fused mullite / Fused Silica / Fused zirconia / Graphite / Kaolin / Molochite / Mulite / Silicon carbide / Technical ceramic bodies / Wollastonite

MARKET POSITIONS

World #1 in alumino-silicate minerals for refractories

World #1 in fused zirconia

World #1 in high-performance calcium aluminate-based binders for refractories

ABRASIVES

Imerys is the world's largest supplier of electrically fused aluminum oxide products.They provide 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

BUILDING & INFRASTRUCTURE

Imerys develops cutting-edge solutions that have a wide range of applications, as well as essential properties ranging from rapid setting and drying to aesthetics 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 and grouts, technical mortars, waterproofing membranes, renders, external insulation as well as mortar and concrete for industrial flooring, wastewater sewage, tunnel boring and mining.

MINERALS

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

MARKET POSITIONS

World #1 in calcium aluminate-based binders

N°1

WORLD LEADER
IN CALCIUM ALUMINATE-BASED BINDERS

OTHERS
including

Graphite & Carbon, lithium projects, joint ventures and holdings

GRAPHITE & CARBON KEY FIGURES

224
REVENUE (€ MILLIONS)

429
EMPLOYEES (AS OF DECEMBER 31)

4
NUMBER OF INDUSTRIAL SITES

4
COUNTRIES (INDUSTRIAL PRESENCE)

4
MINERALS

MOBILE 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 carbon black solutions are valuable for the production of lithium-ion batteries, used to power new-generation consumer electronics and electric vehicles, where they boost energy density and shorten charging times. They are especially suited to high-capacity, ultra-thin lithium-ion batteries used in new generation mobile phones and tablets, where they improve battery charge.

Imerys' conductive carbon blacks are the solution of choice for conductive and antistatic plastics compounds. Used in combination with other additives, they also provide electromagnetic interference (EMI) shielding.

Imerys' graphites are good conductors of heat and electricity making them useful minerals for metallurgy applications and for the production of batteries, amongst many others.

Backed by a multi-year investment program in research and development, as well as production capacity, Imerys is well-positioned to meet the technological needs of the rapid-growing battery and conductive polymer market for many years to come.

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.

MATERIALS

Carbon black / Graphite

MARKET POSITIONS

World #1 in conductive additives for lithium-ion batteries

World #1 in graphite for alkaline batteries

SUSTAINABLE ENERGY

Imerys holds a 50% share in The Quartz Corporation (TQC), a joint venture founded in 2011 between Imerys and Norsk Mineral. Norsk Mineral is a private family-owned Norwegian company. TQC extracts and processes high purity quartz into solutions for crucibles, serving the solar, semiconductor and fiber optic industries.

Only the highest quality quartz can be processed to become the preferred raw material for crucible manufacturing and avoid contamination to the silicon melt. Quartz crucibles are a key component in the manufacture of photovoltaic cells and semiconductor chips.

TQC mines a unique rock deposit in the USA and transforms silica into high purity quartz using a proprietary, cutting edge production process at its manufacturing facility in Norway.

Feldspar and mica are separated in the process and valorized commercially.

MATERIALS

High purity quartz / Feldspar

MARKET POSITIONS

Unique access to highest purity quartz grade

1.4 CORPORATE GOVERNANCE

Please refer to Chapter 4 of this Universal Registration Document for complete information about corporate governance within Imerys.

An experienced and diversified BOARD OF DIRECTORS

The Board of Directors is composed of 12 members, plus one non-voting observer and is chaired since 2019 by an independent director, Patrick Kron. The Board includes two employee representative directors.

COMPOSITION OF THE BOARD OF DIRECTORS,
as of 31 December 2023

	Age	Nationality	Membership	Independent status
Chairman				
Patrick Kron (Chairman)	70		-	independent
Directors				
Stéphanie Besnier	46		Member of the Audit Committee	independent
Bernard Delpit	59		Member of the Strategy and Sustainability Committee	non-independent
Ian Gallienne	52		Chair of the Strategy and Sustainability Committee and Member of the Appointments and Compensation Committees	non-independent
Paris Kyriacopoulos	42		Member of the Strategy and Sustainability Committee	non-independent
Annette Messemer	59		Member of the Strategy and Sustainability Committee and of the Appointments and Compensation Committees	independent
Laurent Raets	44		Member of the Audit Committee	non-independent
Lucile Ribot	57		Chair of the Audit Committee	independent
Véronique Saubot	59		Member of the Strategy and Sustainability Committee and of the Audit Committee and ESG Referent Director	independent
Marie-Françoise Walbaum	73		Chair of the Appointments and Compensation Committees	independent
Employee representative directors				
Dominique Morin	59		Member of the Compensation Committee	-
Carlos Manuel Pérez Fernández	50		-	-
Non voting observer				
Rein Dirkx	31		-	non-independent

60% INDEPENDENT

50% GENDER DIVERSITY

5 NATIONALITIES

Specialized Committees and ESG Referent Director

STRATEGY AND SUSTAINABILITY COMMITTEE (1)	AUDIT COMMITTEE	COMPENSATION COMMITTEE	APPOINTMENT COMMITTEE
5 MEMBERS	4 MEMBERS	4 MEMBERS	3 MEMBERS
40% INDEPENDENT Chaired by a non-independent director	75% INDEPENDENT Chaired by an independent director	66% (2) INDEPENDENT Chaired by an independent Director	66% INDEPENDENT Chaired by an independent director
3 MEETINGS including a strategy seminar	5 MEETINGS	2 MEETINGS	3 MEETINGS
100% ATTENDANCE RATE IN 2023	100% ATTENDANCE RATE IN 2023	100% ATTENDANCE RATE IN 2023	100% ATTENDANCE RATE IN 2023

ESG REFERENT DIRECTOR

Véronique Saubot

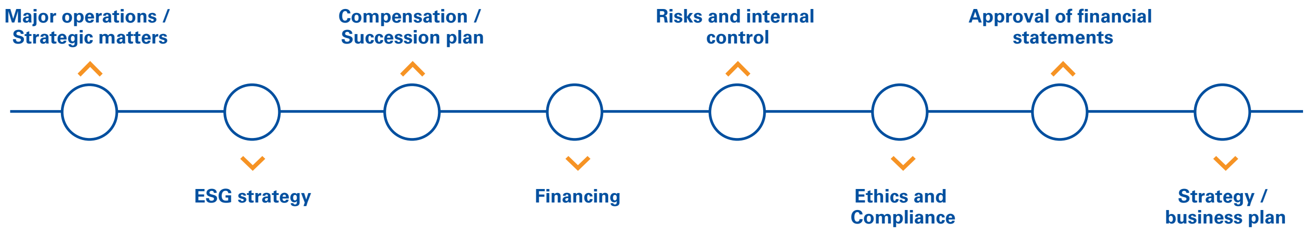
independent director

(1) Since December 12, 2023, the Strategy Committee has become the Strategy and Sustainability Committee.
(2) Excluding Employee representative director, in compliance with the AFEP-MEDEF Code.

Duties of the Board of Directors

It determines Imerys' strategic guidelines, including with regard to ESG matters, and oversees their implementation.

In 2023, **five** meetings were held, with a 95.38% attendance rate.



Directors' skills matrix

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.

Skills/experience	Industry	Strategy	Finance	Executive / Management	ESG / Sustainability	International
Patrick Kron	●	●	●	●	●	●
Stéphanie Besnier			●		●	●
Bernard Delpit	●	●	●	●		●
Ian Gallienne	●	●	●	●	●	●
Paris Kyriacopoulos	●	●		●		●
Annette Messemer	●	●	●	●	●	●
Laurent Raets		●	●	●	●	
Lucile Ribot		●	●		●	●
Véronique Saubot	●		●	●	●	
Marie-Françoise Walbaum			●	●	●	
Rein Dirxk	●	●	●			●

Excluding employee representative directors.

THE EXECUTIVE COMMITTEE

Imerys Group's executive management team is headed by Alessandro Dazza, Chief Executive Officer, assisted by the Executive Committee made up of three operational Senior Vice-Presidents and five functional Officers.

COMPOSITION OF THE EXECUTIVE COMMITTEE, AS OF THE FILING DATE OF THIS UNIVERSAL REGISTRATION DOCUMENT:

9 MEMBERS

6 NATIONALITIES

33% OF WOMEN

Alessandro Dazza

Chief Executive Officer

Anastasia Amvrosiadou

Chief Human Resources Officer

Philippe Bourg

Senior Vice-President RAC

Guillaume Delacroix

Senior Vice-President PM EMEA & APAC

Jim Murberger

Senior Vice-President PM Americas

Olivier Pirotte

Chief Strategy & M&A Officer

Sébastien Rouge

Chief Financial Officer

Emmanuelle Vaudoyer

General Counsel & Secretary of the Board

Leah Wilson

Chief Sustainability Officer

1.5 RISK MANAGEMENT

AN EFFECTIVE RISK MANAGEMENT

To best manage the risks it faces, Imerys 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 Imerys 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 Imerys 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.

OVERVIEW OF RISK MANAGEMENT GOVERNANCE AT IMERYS

Board of Directors

- Ensures risks are managed effectively.

Audit Committee and Strategy and Sustainability Committee

- Review the assessment and management of risks, including those of a social and environmental nature, in their respective areas and ensure actions are effective;
- Report on their work to the Board of Directors.

Chief Executive Officer and the Executive Committee

- Identify and assess the main risks that could hinder Imerys in implementing its strategy;
- Build on the work of the core committees and report on their work annually to the Audit Committee and the Strategy and Sustainability Committee.

Risk Committee

- Coordinates risk assessment, management and controls within Imerys;
- Monitors the effective implementation of actions to manage risks;
- Makes suggestions to improve risk management.

Foreign Exchange, Interest Rate and Energy Committee

Investment Committee

Cybersecurity Committee

Ethics Committee

Sustainability Committee

Pensions Committee

Safety Committee

- Take decisions regarding the risks they monitor and ensure they are properly implemented;
- Quantify these risks and ensure mitigating measures are effective.

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 Imerys' 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 Imerys' main risks and the committees tasked with reviewing and validating their work.
- The risk management action plans drawn up are updated and reviewed each year.

The main risks identified by Imerys

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

- Risks are categorized as either strategic (that could impact the structure of Imerys over the medium to long term), operational (that could affect Imerys' ordinary course of business) or legal (that may result in Imerys' liability).
- Amongst the 26 risks identified by Imerys 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		
Type	**Moderate**	**Significant**	**High**
Strategic(1)		Climate change Digital transformation	
Operational(1)	Mineral reserves and resources Product stewardship	Talent attraction and retention 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.

2 RISK FACTORS AND INTERNAL CONTROL

2.1 Risk factors **46**

- 2.1.1 Strategic risks 46
- 2.1.2 Operational risks 47
- 2.1.3 Legal risks 49
- 2.1.4 Insurance – risk coverage 50

2.2 Risk management and internal control **51**

- 2.2.1 Introduction 51
- 2.2.2 A structure fit for purpose 51
- 2.2.3 Periodic analysis of the main risks facing the Group 54
- 2.2.4 Appropriate control activities 55

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 1.5), as well as the methods applied to manage them are summarized in the following table and detailed below:

Type	Degree		
	Moderate	**Significant**	**High**
Strategic		Climate change [1] Digital transformation	
Operational	Mineral reserves and resources [1] Product stewardship [1]	Talent attraction and retention [1] Environment [1]	Cybersecurity
Legal		Compliance [1]	

(1) Risks incorporating non-financial topics (described in chapter 3, "Sustainability").

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. Risks are presented in detail below in descending order of importance within each risk category. Each risk is presented along with the key risk control measures. The key risk control measures already applied at the date of risk mapping have been taken into account to assess the importance of the risk in question.

Other risks which the Group has not yet identified or which are considered to be immaterial could nevertheless exist and, if they were to arise, could potentially 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 is 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. The absence of a Group commitment to reduce its carbon footprint could reduce the appeal of its products and lead to a loss of trust among stakeholders, in particular investors and customers.

Climate change may also have operational and financial consequences caused by damage to industrial facilities or injury to employees.

Key risk control measures taken

- Measures taken to manage this risk are governed by the Sustainability Department, of which the Chief Sustainability Officer is a member of the Group's Executive Committee.
- 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 its climate-related risks and opportunities. This scenario analysis was incorporated into the Group's risk mapping process.
- Since 2019, the Group has set targets to reduce its direct and indirect greenhouse gas emissions which have been approved by *the Science Based Target initiative* (SBTi); they were updated at the end of 2022 and validated by the SBTi in 2023 to be aligned with a global warming trajectory of 1.5 °C. Imerys has thus pledged to reduce its scope 1 and 2 greenhouse gas emissions by 42% in absolute terms and its scope 3 emissions by 25% between the base year 2021 and 2030.

- Imerys launched a multi-year "I-Nergize" program to evaluate each site's energy performance and improve energy efficiency, with a particular focus on the top 60 energy consuming sites, which account for 80% of Group consumption.
- The Group has rolled out a method to measure the environmental and social impact of its products, including their carbon footprint. Furthermore, Imerys factors an internal carbon price into its decision-making processes regarding investment (including decisions about acquiring new entities) and new product development.

For further details about the Group's objectives, targets and programs to manage climate risks, see chapter 3, section 3.2 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. The Group is therefore exposed to the risk that such projects may be poorly prepared and/or executed. This situation could potentially cause completion to be delayed, certain projects to run over-budget, and may even affect operations if the tools stop working.

Key risk control measures taken

- Imerys has put in place a coherent governance structure and a robust management procedure with support from leading 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.
- The shared ERP is being rolled out on schedule; experienced technical and operational teams are assisting with the project. The Group entities already making use of the shared ERP have shown its efficiency.
- Internal audit assignments are performed regularly to ensure that projects are deployed in line with best practice, both in terms of applications and infrastructure.

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 cyberthreat level faced by manufacturing systems is also high 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

- A cyber action plan was drawn up in 2018 and its implementation was reviewed the following year. Many improvements have been made since a cybersecurity team was put together in 2018, 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 have been 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. Imerys is continuing to roll out the program, as per its roadmap.
- These plans are presented to both the Group's Executive Committee and Audit Committee.

TALENT ATTRACTION AND RETENTION

Description

With labor markets under strain in the vast majority of countries in which Imerys operates, the Group's ability to attract and retain talent may pose a risk to the proper conduct of its operations and prevent it from achieving its objectives. The Group's ability to attract talent based on an authentic employer brand in a labor market where it may not be known from the general public might make it more difficult to hire key personnel. Similar difficulties may arise when it comes to retaining key personnel at a time when engagement factors and employees' expectations are changing and broadening significantly.

Key risk control measures taken

- The Group has made strong commitments towards sustainability and is deploying its strategy accordingly.
- The Group formalised its vision and set of values and promoted them widely throughout the Group in 2023.
- The Group adopted policies advocating for diversity, equity and inclusion.
- The Group set up a program to identify key talent and deployed a retention plan geared towards these employees.
- Formal career plans are established as a means of promoting internal career development. These plans are monitored periodically to ensure their effectiveness.
- Interviews are held when an employee leaves the Group in order to determine the reasons for their departure and plan remedial measures where applicable.

For further details, see paragraph 2.2.4 of this chapter and chapter 3, section 3.3 of the Universal Registration Document.

ENVIRONMENT

Description

Mining operations have a direct impact on soil 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 withdrawal and thermal processes such as calcination and fusion, which may impact the environment (for example, by affecting the water resource or producing atmospheric emissions).

As a result, the Group may incur additional expenses to cover industrial equipment adaptation or upgrades, industrial site rehabilitation or environmental depollution. 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 3.2.3 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 is deployed at industrial sites in the Group's main operating countries.
- The Group has also made pledges in the area of biodiversity with *Act4nature* and as part of a scientific partnership with the French Natural History Museum.

For further details about the Group's objectives, targets and programs to manage environmental risks, see chapter 3, section 3.2 of the Universal Registration Document.

MINERAL RESERVES AND RESOURCES

Description

As the main source of mineral raw materials for the Group's industrial plants, mineral reserves and mineral resources are among the Group's most important assets. The integrity of the mineral resources and mineral reserves estimations 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 estimates of the Group's mineral resources and mineral reserves are aligned with the international 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. These experts compile the annual consolidated review of the mineral reserves and mineral resources for each site.
- The mineral reserve and mineral resource estimates carried out at each site are audited over a three to six year cycle by 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 inventory and 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 the quantum of the Group's mineral reserves and mineral resources are reviewed each year by the Executive Committee and Audit Committee.

For further details, see chapter 3, paragraph 3.2 of the Universal Registration Document.

PRODUCT STEWARDSHIP

Description

Imerys manufactures mineral-based products that, in some cases, can contains 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 or 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 an in-house product stewardship function. Headed by the Group Product Stewarship 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 have defined 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 compliance and quality 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 its quality programs and testing protocols and invests in innovative technologies to ensure state-of-the-art quality control of its products.

Furthermore, product stewardship risks are fully factored into the decision-making process when acquiring or developing new products and analyzed using specially designed tools and check lists.

For further details, see chapter 3, paragraph 3.3 of the Universal Registration Document.

2.1.3 Legal risks

COMPLIANCE

Description

The Group is exposed to a risk of non-compliance given the nature of its operations (in particular the mining of 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. With the increasing legalization, extensive powers granted to regulatory bodies and 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 regulations, 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 rules.
- Under the responsibility of the Group's Legal Department, policies and procedures dealing with antibribery, antitrust rules, international economic sanctions, duty of care and personal data protection ("Compliance") supplement the Code of Business Conduct and Ethics. They are regularly reviewed and updated 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 procedure for any suspected breach of the Group's Code of Business Conduct and Ethics as well as mandatory training courses for Group employees considered to be at the greatest risk as regards Compliance. 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, there has been no compliance breach that could potentially have a material financial impact at the date of this Universal Registration Document.

For further details about the Code of Business Conduct and Ethics, see paragraph 2.2.4 of this 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 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 in 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 in the insurance market for this type of risk and the sub-limits applied to certain specified events, with coverage for property damage and business interruption of €210 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 system covers all controlled entities within 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;
- processes are efficient;
- assets are protected, in particular against the risk of 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 the Group are completely under control, nor that it will reach its goals.

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;
- periodic analysis of the main risks facing the Group;
- appropriate control activities.

2.2.2 A structure fit for purpose

ORGANIZATIONAL MODEL

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 that information circulates effectively and that decisions are transparent and traceable, 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 Strategy and Sustainability Committee, the Appointments Committee, the Compensation Committee and the Audit Committee – which carry out their duties under the Board's responsibility.

The Strategy and Sustainability Committee and the Audit Committee are responsible for identifying and managing risks, as well as for 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.

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 guidelines 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. These Group support managers have hierarchical or functional authority over the operating managers whose responsibilities come under their area of expertise.

Support departments	Main internal control responsibilities
Finance & IT Systems	■ 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 Group-wide policy applicable to financing, market risk control and banking relations. Of the financing tools available, the Group may make use of 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 IT 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 within the Group
Legal	■ 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) assist them in achieving their objectives with appropriate legal solutions ■ Identify needs and define, implement and manage Group insurance policies to cover or mitigate potential losses resulting from major incidents or liabilities
Strategy, Mergers-Acquisitions	■ Identify and evaluate Group-wide strategic, marketing and commercial risks, including those relating to climate change ■ 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 with any of the Group's international expansion plans, with a specific focus on monitoring and controlling risks when opportunities are identified in emerging markets
Industrial and Health & Safety	■ 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 execution of the Imerys industrial improvement program in all operating plants, ensure energy efficiency and reduce greenhouse gas emissions ■ Lead and coordinate Group standards in managing mineral reserves and mineral resources ■ Identify and assess the main industrial risks facing the Group by mapping risks on a regular basis ■ Verify application of Group standards by performing audits ■ Lead and coordinate Group standards in health and safety

Support departments	Main internal control responsibilities
Human Resources and Communication	■ Develop policies to ensure employees have the required skill levels 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
Sustainability	■ Define the Imerys sustainability roadmap in liaison with all the functions concerned, including in particular the roadmap related to the Group's decarbonization ■ Identify the material Environmental, Social and Governance (ESG) challenges, define, implement and manage the Group's sustainability programs ■ Promote and coordinate Group initiatives in the areas of the environment, sustainable business portfolio management and product stewardship ■ Ensure the Group's overall compliance with its sustainability obligations and objectives ■ Implement tools to continuously monitor the Group's non-financial outcomes and performance and ensure compliance with regulatory non-financial reporting requirements

Risk Committee

The Risk Committee coordinates risk assessment, management and controls within the Group. It is mostly made up of representatives from the specialized committees and from operational and support departments. 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 identification exercise 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 2023 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 6 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 10 staff working in the areas of internal audit, risk management and internal control.

Internal Audit & Control Department	Main responsibilities	Reference framework and/or procedures
Internal audit	■ Ensure operating entities comply with the principles and rules defined by the Group ■ Perform IT system audits ■ Identify and share best practice within the Group ■ Investigate incidents of fraud ■ Monitor the implementation of action plans following audits ■ Review the reliability of self-assessments	■ Audit cycle of four to seven years ■ Annual audit plan approved by the Audit Committee ■ 21 audits conducted in 2023 ■ Structured audit methodology ■ Fraud investigation reports ■ Dashboard for quarterly follow-up of action plans
Internal control	■ Define and maintain Group internal control standards ■ Provide internal control training	■ Group policies and procedures ■ Internal control training material ■ Anti-fraud training and awareness-raising ■ Self-assessment questionnaires
Risk management	■ Develop the risk management methodology ■ Define and update the Group's risk universe ■ Map the main risks facing the Group ■ Review the execution of action plans defined during the risk mapping process ■ For further details, see paragraph 2.2.3 of this chapter	■ Update of the risk identification exercise in 2021 and approval from the Audit Committee ■ Annual assessment of the impact and level of control of risks ■ Annual review of 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 the methods employed to manage and control them are detailed in section 2.1 of this chapter;
- lastly, the Risk Committee reviews and coordinates risk analysis and management activities and action taken to manage risk within the Group, and suggests potential measures to improve said activities (see paragraph 2.2.2 of this 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, Sustainability Charter, Health & Safety Charter and Diversity, Equity & Inclusion 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 OneImerys. This fundamental set of rules forms the framework for the Group's operations. It 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 and 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 employees 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, accessible free of charge in all 30 languages used within the Group, 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 as possible (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 this 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 its operational needs, the Group has rolled out several processes described in chapter 3, paragraph 3.3.1 of the Universal Registration Document, including an annual individual assessment (Performance Appraisal and Development - PAD) and succession plans for key persons.

The recruitment and career development processes are managed through a single system, which simplifies and standardizes HR processes while also improving 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

To supplement the training courses organized by the operational departments, Group training sessions are arranged by the Imerys Learning Center (see chapter 3, paragraph 3.3.1 of the Universal Registration Document). These sessions give employees an opportunity to deepen their expertise in certain business areas (finance, geology, marketing, project management, etc.) and promote the sharing of best practice.

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 3.3.1 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 the Group's financial debt and 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 within 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 this chapter). They 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 Group's size and the materiality of its transactions;
- a definition of the Group's accounting methods that apply to the most important items and/or transactions.

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 Vice Presidents Finance 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. The system is deployed across the entire Group. It 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 may also be 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

3.1 An integrated approach to sustainability **60**

3.1.1 General information related to the sustainability statement 60
3.1.2 A robust governance 61
3.1.3 A clearly defined sustainability strategy 63
3.1.4 Impact, risk and opportunity management 72
3.1.5 Objectives and performance 74

3.2 Caring for our planet **76**

3.2.1 EU Sustainable Finance Taxonomy 76
3.2.2 Climate change 84
3.2.3 Environmental management and pollution prevention 99
3.2.4 Water management 102
3.2.5 Biodiversity and land rehabilitation 104
3.2.6 Resource use and circular economy 108

3.3 Empowering our people **115**

3.3.1 Imerys' workforce 115
3.3.2 Responsible purchasing 128
3.3.3 Community engagement 129
3.3.4 Sustainable solutions for consumers and end-users 131

3.4 Business conduct, ethics and compliance **135**

3.4.1 Business conduct 135

3.5 Vigilance Plan **139**

3.6 Synthesis of quantitative information **143**

3.7 Attestation of completeness and limited assurance report **148**

Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial performance statement 148

3.1 AN INTEGRATED APPROACH TO SUSTAINABILITY

3.1.1 General information related to the sustainability statement

3.1.1.1 General basis for preparation of the sustainability statement

The Group's sustainability reporting has been prepared on a consolidated basis, and covers all the activities over which it exerts operational control, referring to the same scope as the financial statement presented in chapter 6 of the Universal Registration Document. It includes each of the legal entities in which Imerys directly or indirectly owns 50% or more interest with operational control and the reporting structure generally mirrors the business and finance organizations as well as the Group's legal structure. Furthermore, legal entities are normally split into various sites for the relevant indicators. Some exceptions described in section 3.1.1.2 of the present chapter are occasionally made to this general framework to accommodate special operational circumstances. Policies and guidelines exist at the Group level to regulate the collection of environmental and social data from the Group's operations.

The Group's sustainability reporting includes information on the material impacts, risks and opportunities related to the Group's operations and connected with Imerys through its direct and indirect business relationships in the upstream and downstream (customers) value chain following the outcome of the materiality assessment.

3.1.1.2 Disclosures in relation to specific circumstances

Reporting obligations and frameworks

Imerys' Group reporting complies with the French *"Déclaration de Performance Extra-Financière"* (DPEF) law[1] and other applicable French reporting obligations. In particular, it complies with article L. 225-102-4 of the French Commercial Code requiring the publication of a Vigilance Plan setting 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, its subsidiaries and its subcontractors and suppliers, in France and abroad.

The Group has 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 accredited by COFRAC to verify its sustainability reporting and compliance status. Deloitte provided the verification services for the 2023 reporting and issued the report in which the list of key performance indicators and other outcomes are detailed in section 3.5 of the present chapter.

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. Mineral resources and mineral reserves reports are aligned with the PERC Standard for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the "PERC Reporting Standard 2021") as described in section 3.2.6.2 of the present chapter.

Time horizon definition

The Group's sustainability reporting includes information based on defined time horizons as described in the following table:

Time horizon	Climate Change	All other themes
Short-term horizon	From the reporting period to 2030	Reporting period
Medium-term horizon	From 2030 to 2040	From the reporting period to five years
Long-term horizon	From 2040 to 2050	More than five years from the reporting period

(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.*

Sources of estimation and outcome uncertainty

With regard to greenhouse gas emissions (GHG) related to climate change, the GHG Protocol requires reporting of fugitive emissions from owned and controlled sites. Imerys does not report on these fugitive emissions as they are not material. Fugitive emissions result from intentional or unintentional releases (e.g. equipment leaks from joints, seals, packing and gaskets; hydro-fluorocarbon emissions during the use of refrigeration and air conditioning equipment in buildings and cars; and methane leakages from gas transport).

In addition, reliable emissions data from the Group downstream value chain is not fully 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. The related quantification methodology, which has been updated in 2023, is available in section 3.2.2.4 of the present chapter.

Furthermore, Mineral Reserves and Mineral Resources described in section 3.2.6.3 of the present chapter 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 Mineral 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.

Scope accommodation related to special circumstances

The scope of the environmental disclosure integrated from section 3.2.3 to 3.2.6 of the present chapter includes all mining and production assets/facilities operated by Imerys. The term "assets operated by Imerys" excludes commercial activities, sales and administrative offices, and projects on customers' sites.

GHG emission recalculation policy

In order to accurately track progress towards the Group's greenhouse gas emission targets, the base year emissions inventory may be recalculated in case of a recalculation event, as defined below, driving a significant increase/decrease[(1)] in emissions:

- a significant structural change in the organizational or operational scope as a result of an acquisition, a merger, a demerger or other restructuring, an amalgamation, a consolidation, a spin-off, a disposal or a sale of assets;
- an amendment to any applicable laws, regulations, rules, guidelines and policies relating to the business of the Group and relevant to the Key Performance Indicators (KPIs), if such amendment has a significant impact on the level of the Baseline and/or on the attainability of the Calibration of Sustainability Performance Targets (SPTs);
- a change of methodology for the calculation of the KPIs including to reflect changes in market practice or relevant market standards, including updated emission factors, improved data access or updated calculation methods or protocols, if such amendment has a significant impact on the level of the Baseline and/or on the attainability of the SPTs;
- discovery of a significant error, or a number of cumulative errors that together are significant

3

3.1.2 A robust governance

3.1.2.1 The role of the administrative, management and supervisory bodies

Imerys' Executive Committee, under the stewardship and validation 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 its sustainability program SustainAgility. 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 and Sustainability, 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 environmental and social performance and programs twice annually as a minimum, in addition to any specific review related to an sustainability 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 Strategy and Sustainability Committee's orientation and monitoring of the SustainAgility program).

In addition, since 2022, a Chief Sustainability Officer has been a member of 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 is responsible for establishing the Group's sustainability ambition, validating key milestones and guiding and monitoring implementation of progress towards the Group's 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.

(1) The trigger threshold value is set at +/-5% of the Group greenhouse gas emissions (scope 1 and 2).

Board of Directors
& Committees

- Validates Group sustainability ambitions
- Supported by the Strategic and Sustainability Committee, the Audit Committee and the ESG Referent Director on the Board

Sustainability Committee
chaired by CEO

- Establishes Group sustainability ambitions
- Validates sustainability roadmap
- Monitors progress of implementation

Sustainability Operational Committee
chaired by Chief Sustainability Officer

- Group functions are in charge of their respective sustainability topics, in order to embed them in functional activities and leverage Group's expertise

Business Area SustainAgility Organizations
Sustainability Champions in the business

- Supports the coordination, acceleration and implementation of Business Areas actions in line with Group ambitions and objectives

The composition and diversity of the Board of Directors, as well as the description of how the Board of Directors determines whether appropriate skills and expertise are available or will be developed to oversee sustainability matters is incorporated by reference to the section 4.1.1. paragraph "Expertise And Experience Of Board Members" of the present document.

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

3.1.2.2 Integration of sustainability-related performance in incentive schemes

Several Sustainability and climate criteria set in line with the targets of the Group's SustainAgility program are included in the 2023 long term incentive share plan and the annual variable compensation of the Chief Executive Officer, described in the section 4.3.1.3 of the Universal Registration Document. Thus, 15% of the annual and long-term variable compensation will be based on the Sustainability performance (including climate).

The key characteristics of incentive schemes, the specific targets, the inclusion of sustainability-related performance metrics in remuneration policies as well as the approbation process are described in section 4.3.3.2 of the Universal Registration Document.

3.1.2.3 Risk management and internal controls over sustainability reporting

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 cover all controlled entities in the Group's scope of consolidation, including newly acquired companies. By implementing this system across all its businesses, Imerys ensures it has the means, behaviors and procedures needed to manage the different risks related to operating, industrial, environmental, health and safety and other processes, and that they are efficient and effective.

In addition, Imerys works to continuously improve the quality and accuracy of its reporting. The reporting process with data contributors and validators, as well as the annual automatic checks and comparisons in Imerys' internal reporting platforms, enables the Group to check and verify data quality on an ongoing basis. Processes for data consolidation and quality control ensure the reliability and auditability of the reporting, including necessary internal verifications.

√ *For more information on risk management and internal control, see* section 2.2 of the Universal Registration Document.

3.1.3 A clearly defined sustainability strategy

3.1.3.1 Vision and ambition

The growing demand for the minerals that are essential to peoples lives, homes and economies means pressure on natural systems. The Group's purpose and core values are presented in section 1.1.1 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, SustainAgility. The SustainAgility program was developed with due consideration for 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

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.

GROWING WITH OUR CUSTOMERS

Behaving ethically, operating fairly, ensuring responsible purchasing, and advancing sustainable products and processes.

CARING FOR OUR PLANET

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 against which Group sites are assessed and based on 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 Imerys' sustainability journey

2004
First edition of the SD Challenge

2008
First publication of an annual Sustainability report

2016
Imerys became asignatory member of the United Nations Global Compact

2017
The Group became a signatory of the French Business Climate Pledge

2018
Launch of the SustainAgility program

-

Imerys joined act4Nature

2019
Climate change strategy aligned with 2°C trajectory validated by the SBTi

2020
Launch of the first mid-term sustainability objectives (2020-2022)

2021
Signature of the Women's Empowerment Principles (UN WEPs)

-

Integration of a Sustainability-Linked Bonds (SLBs) in its financing strateg

2022
Unveiling of the Purpose, Vision and Values

-

Public commitment toward climate change strategy aligned with 1.5°C trajectory

2023
Launch of the new mid-term sustainability objectives (2023-2025)

-

Climate change strategy aligned with 1.5°C trajectory validated by the SBTi

Scope 1, 2 & 3 targets in tCO_2e

√ *For more information on the Group's revenue and breakdown by sector, product offering, markets served and business model, see respectively* sections 1.1 and 1.2 of the Universal Registration Document.

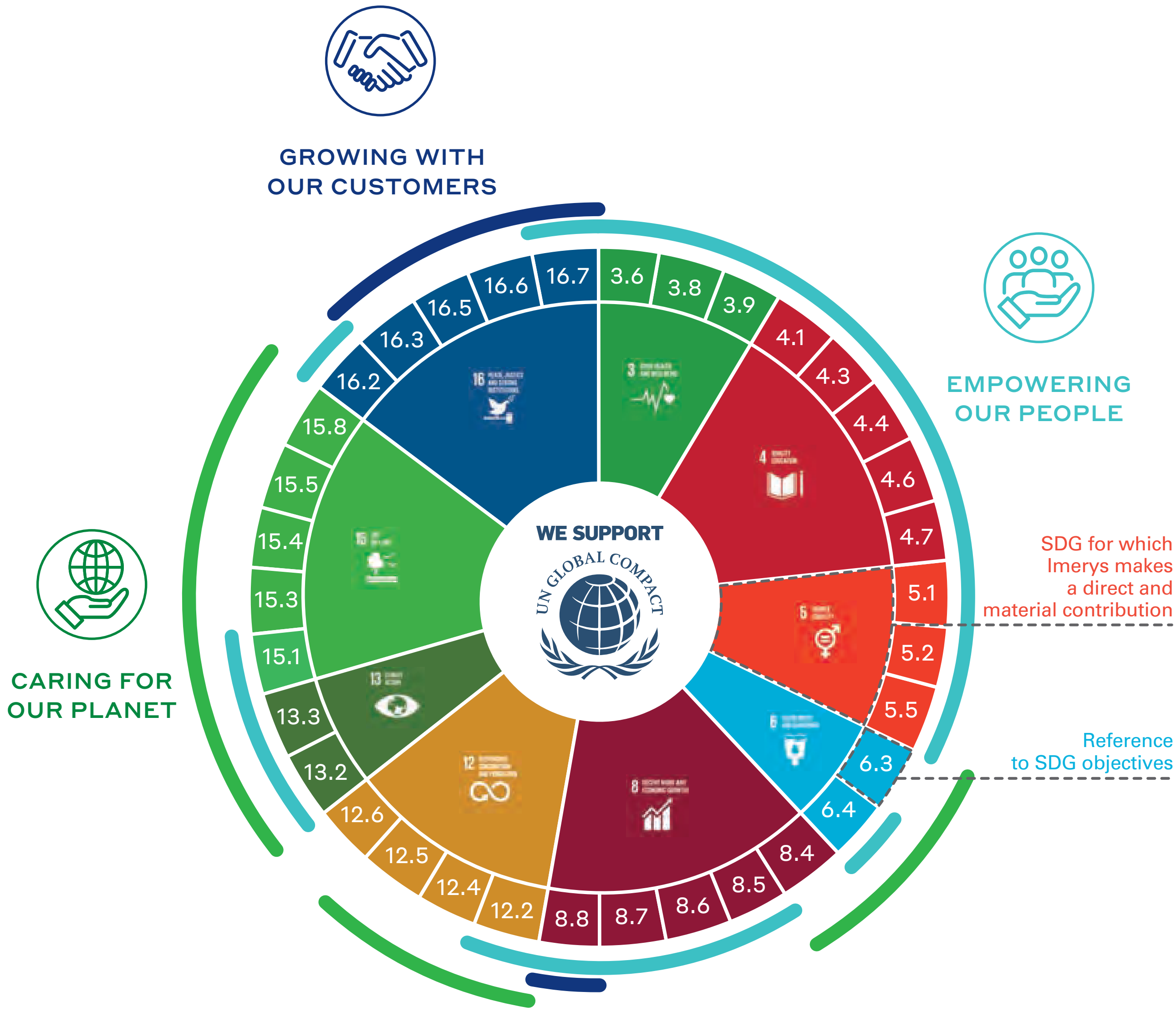
Contribution to the UN Sustainable Development Goals

In 2016, Imerys became a signatory member of the United Nations Global Compact (UNGC) and has committed to supporting and basing 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 publishing 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 making a direct and material contribution to the nine SDGs listed below, which indirectly also contribute to the rest of the other SDGs.

Within this chapter, the Group's sustainability commitments, objectives and targets for 2025/2030, are presented in the context of continuous progress made towards the UNGC Principles and the nine UN SDGs that Imerys is focused on.



For more information on Imerys' contribution to the SDGs, see the film "Fostering positive changes in the world of industrial minerals".

3.1.3.2 Stakeholder engagement

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 where it has operations across the globe. 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 stakeholder groups with which Imerys engages in various capacities across the globe includes, but is not limited to: customers; employees and employee representative bodies; government authorities; 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.

The interests and views of Imerys' stakeholders provide rich insights to guide the development of the Group strategy, as well as on local improvement action plans. The materiality assessment has been conducted in collaboration with Imerys' stakeholders through several means of consultation described in section 3.1.3.4 of the present chapter. The results are taken into consideration in the determination and review of the Group's strategy in accordance with regulatory requirements.

√ *For more information on sustainability mid-term commitments, see* section 3.1.5 of the present chapter.

Imerys faces both risks 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 material socio-economic benefits to employees, to suppliers and subcontractors, thus, helping to fight poverty and contribute to sustainable development.

√ *For more information on local community engagement, see* section 3.3.3 of the present chapter.

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

Stakeholder	Main Dialogue Channels	Main Departments Involved
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
Employees & employee representative bodies	Periodic employee satisfaction survey Regular communication and dialogue (in-person and digital) Social dialogue with employee representation bodies	All functions, Communications, Human Resources
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,
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 sustainability information Response to non-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 sustainability 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 audit Supplier corrective action plans	Purchasing, Science & Technology, Businesses, Operations, Sustainability, Legal

External and internal recognition

Imerys aligns its strategy on key issues under the United Nations Sustainable Development Goals (SDGs) and global climate scenarios in a manner consistent with its business model and global footprint. This holistic approach to sustainability allows the Group to mitigate risks and also brings tangible value added through greater attractivity to its internal and external stakeholders. The Group's firm commitment to sustainability has been recognized by leading ESG rating agencies. The following table presents a selection of the non-financial ratings most recently achieved by Imerys.

Indices/Assessment	Most recent rating	Relative to industry
CDP Climate Change	**B** (D- - A)	Above industry average C *Metals & mining*
ecovadis	**66** (0 - 100)	87th percentile *All industries*
MSCI	**AA** (CCC to AAA)	*Construction materials*
SUSTAINALYTICS	**31** (100 – 0)	69th out of 143 *Specialty chemicals*
ISS-oekom	**C** (D- to A+)	70th percentile *Construction materials*
S&P Global	**57** (0 - 100)	85th percentile *Materials*

For the past 20 years the Group has been organizing a company-wide competition called the Sustainable Development Challenge (SD Challenge), which gives impetus to developing and sharing best practices, innovations, and technological solutions, each contributing to the Group's sustainability commitments and supporting progress towards several UN Sustainable Development Goals. In total, over 2,330 initiatives have been submitted since the competition was launched. To be considered for the SD Challenge, a project must have made a material contribution to the Sustainable Developments Goals, be aligned with the Group Purpose, Vision and Values, and achieve, together with relevant stakeholders, sustainable results in line with the objectives presented in section 3.1.5 of the present chapter. 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 achievement of the Group's long-term sustainability ambition.

√ *For more information on Group SD Challenge initiatives, see www.imerys.com.*
√ *For more information on Group Purpose, Vision and Values, see* chapter 1 of the Universal Registration Document.

Double materiality : sustainability material impacts, risks and opportunities

Definition of the topics

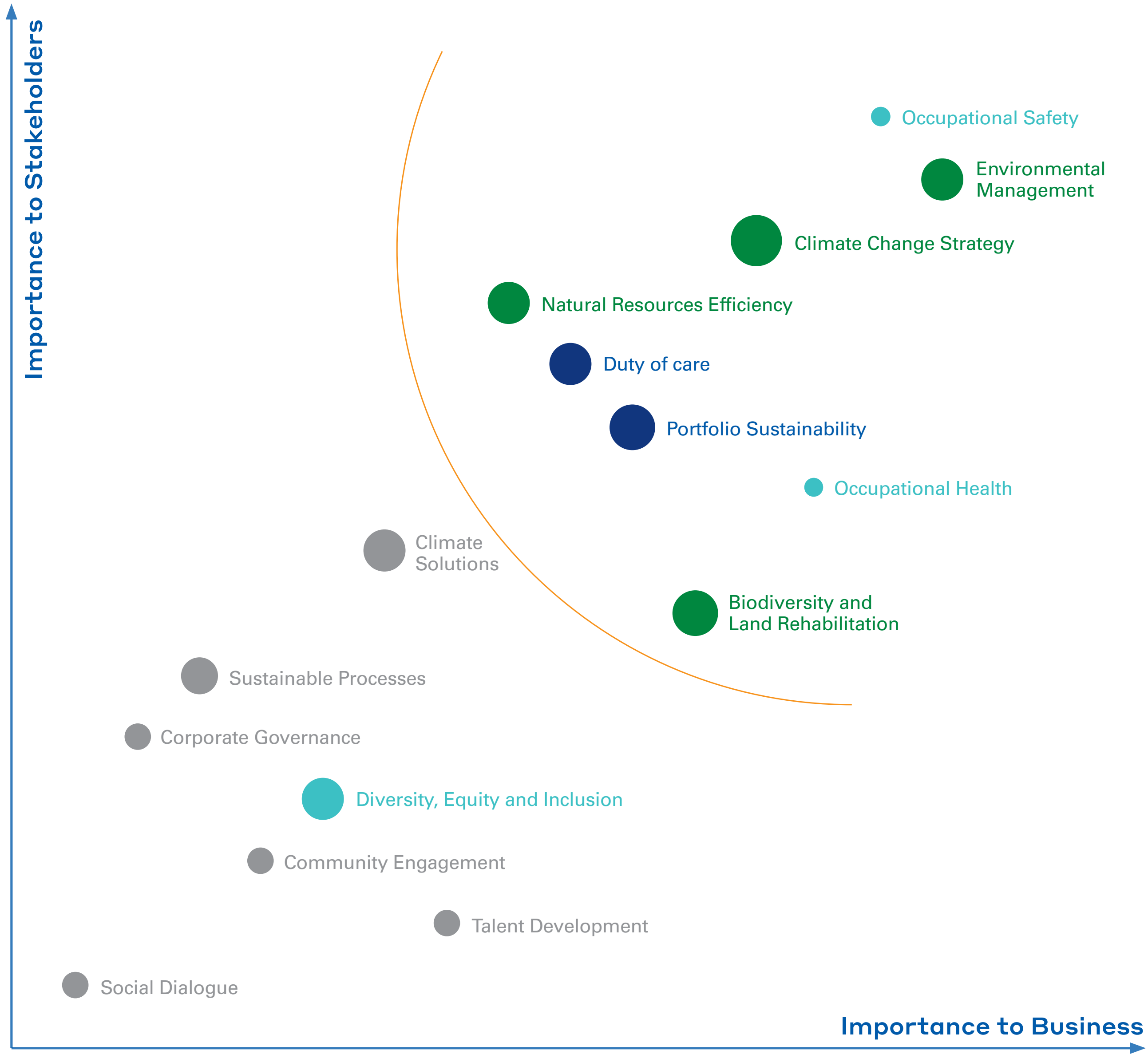
Imerys' material sustainability risks and opportunities are summarized below under the six SustainAgility pillars:

Axis	SustainAgility pillar	Potential sustainability risks and opportunities	Materiality	5-year trend evolution [1]
Empowering our people	Health & Safety	**Occupational Safety:** Ensuring a safe place to work for employees and contractors.	✓ Core value	Stable
		Occupational Health: Managing workplace health and well-being of employees and contractors by defining an internal framework for identifying, evaluating, controlling and mitigating common occupational health risks.	✓ Core value	Stable
	Human Capital	**Diversity, Equity and Inclusion:** Creating a consciously inclusive workplace, where all employees feel valued and are offered equal opportunities, and promoting an inclusive culture throughout the supply chain. Promoting and supporting diversity, equity and inclusion within Imerys activities, covering age, disability, nationality, religion, gender and sexual orientation among others.	✓ Core value	High
		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.		Stable[2]
		Community Engagement: Identifying, assessing and managing interactions with the communities surrounding sites. Contributing to regional, national and international economies and through local employment and purchasing, creating material socio-economic benefits for employees, contractors and suppliers, thus, helping to fight poverty and contribute to sustainable development.		Stable
		Social Dialogue: Building constructive, open dialogue with 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.		Stable
		Duty of Care includes Labor Practices (Human Capital), Responsible Purchasing (Business Conduct) and Business Ethics & Compliance (Business Conduct). Complying with local legislation where Imerys and supplier partners operate and respecting internationally-recognized human rights in terms of non-discrimination, privacy, child labor, forced labor, compensation and working hours.	✓	High
Growing with our customers	Business Conduct	**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.		Stable
	Sustainable Solutions	**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 end-of-life, including but not limited to climate, circularity, etc.	✓	High
		Sustainable Processes: Developing economically-sound processes that minimize negative environmental and social impacts of products while conserving energy and natural resources.		Medium
Caring for our planet	Environmental Stewardship	**Environmental Management:** Identifying and reducing the environmental risks and impacts of operational activities.	✓	High
		Natural Resources Efficiency: Reducing the consumption of natural resources during operations, such as mineral resources and water.	✓	High
		Biodiversity & Land Rehabilitation: Respecting the ecosystems surrounding Group operations and preserving biodiversity throughout the life of a mine, including rehabilitation.	✓	High
	Climate Change	**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 emissions from purchased materials or transportation.	✓	High
		Climate Solutions: Developing low-carbon disruptive innovations aiming to significantly reduce GHG emissions.		High

(1) *Each topic was 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.*

(2) *The labor market is constantly evolving and may therefore present a punctual risk for Imerys over a short period of time. In a context where engagement factors and employee expectations evolved and diversified significantly over the last months, the Group identified attraction and retention of people as a risk to monitor in 2023. More information on this punctual risk is available in chapter 2 of the Universal Registration Document.*

Imerys double Materiality Results 2022



- EMPOWERING OUR PEOPLE (Highly material)
- GROWING WITH OUR CUSTOMERS (Highly material)
- CARING FOR OUR PLANET (Highly material)
- IMPORTANT THEME (Continuous improvement)

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, evidenced by a significant shift in Natural Resources 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 were used to define four strategic focus areas for the Group's mid-term sustainability objectives:

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

Reinforce the maturity of the Group on 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 risk activities managed through the "Serious 7" policies 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.

Diversity, Equity and Inclusion (DE&I) are recognised as core Imerys values that empower people to thrive in a safe and inclusive environment. Ensuring a diverse, equitable and inclusive environment is part of the same core value as safety and health and is crucial to the Group's long-term strategy. The Group is committed to nurturing an inclusive culture where every person matters, where differences are appreciated and people listen to each other, unlocking collective potential. Imerys does not tolerate any discrimination in any form towards employees, contractors or candidates for employment. In keeping with this commitment, the Group strictly prohibit sexual or any form of harassment or discrimination of any kind, including gender, age, nationality, religion, sexual orientation, marital, parental and family status, social origin, ethnicity, disabilities, sensitive medical conditions, political or trade union affiliation or any other dimension. 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 as presented further in section 3.3.1 of the present chapter.

Sustain business ethics in the whole value chain

Ensuring ethical business conduct in a rapidly evolving global business environment is achieved through strong governance: 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. That said, 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 sections 3.3.2 and 3.5 of this chapter.

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 providing sustainable solutions aligned with global megatrends. **Portfolio Sustainability** incorporating environmental and societal criteria contributes to the development of sustainable business opportunities. With its technological expertise, Imerys is 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 it to harness opportunities for new product developments, duly considering sustainability drivers and stakeholder expectations. The description of the sustainability assessment of the Group portfolio is presented in section 3.3.4.1 of the present chapter.

Strengthen the commitments of the Group 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 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 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, 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. 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 through various other activities within the value chain, in particular 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 integrating renewable energy sources amongst other levers to combat climate change. While potential climate change impacts linked to Group operations did not emerge among the most material topics in the 2018 materiality assessment, in 2022 climate change emerged as a highly material theme. As such, Imerys will continue to focus on this theme as a high priority in line with the long-term emissions reduction targets that have been set and are described in section 3.2.2.4 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 3.2.2.3 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.

3.1.4 Impact, risk and opportunity management

3.1.4.1 Methodology to identify and assess material impacts, risks and opportunities

Double materiality assessment of sustainability risks and opportunities

In 2018, Imerys carried out a preliminary double materiality assessment of its sustainability risks and opportunities based on methodological standards for conducting double materiality assessments available at that time (as detailed below in the framing phase). The assessment was last updated in 2022, when defining and preparing the new mid-term objectives (2023-2025). Imerys conducted a **double materiality assessment** in order to:

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

The materiality assessment was conducted in collaboration with Imerys' stakeholders through several means of consultation, including one-to-one interviews, global surveys, trend analyses, 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.

(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 in the site Environmental Management System. They are not considered material at the global level.*

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

The **first phase, 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 approaches to climate change, biodiversity, responsible purchasing, diversity, equity and inclusion, and circular economy. 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' indexes, feedback on Imerys' sustainability performance and a review of takeaways and feedback from the Group senior leadership seminar 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 sustainability themes with 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 was 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 represented visually 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 results were then presented to and validated by the Sustainability Committee, the Executive Committee, and the Board of Directors.

Ongoing revision of double materiality assessment methodology

In 2023, the Group started working on updating its double materiality assessment based on the most recent definition and EFRAG[(1)] *guidelines for assessing double materiality[(2)]. The aim is to perform a materiality assessment to identify the Group's material impacts, risks and opportunities aligned with the EU Corporate Sustainability Reporting Directive[(3)]* ("***CSRD***") standards that will come next year. The revised double materiality assessment will have two dimensions, namely impact materiality and financial materiality:

- The **impact materiality assessment** is to consider the actual or potential, positive or negative, impacts on people or the environment over the short, medium and long term, taking into account the Group's operations and its upstream value chain. This year, the Group focused on revising its process for assessing material impacts on people and the environment (Duty of Care risk mapping process). Preliminary work on the impact materiality assessment for the duty of care related risks scenarios was completed and is summarized in the Vigilance Plan presented in section 3.5 of the present chapter.
- The **financial materiality assessment** is to consider the risks and opportunities triggering or reasonably expected to trigger financial effects on the Group over the short, medium or long term. It is linked, in part, to the **Group risk mapping process**, which summarizes the most material financial risks including specific sustainability related risks and is presented in chapter 2, section 2.1 of the Universal Registration Document.

In 2024, the full impact materiality assessment covering all risk scenarios and the assessment of financial risks and opportunities will be completed. The results of the double materiality assessment, following this revised methodology, will be available at the end of 2024 when both dimensions of the new double materiality assessment will have been finalized.

(1) The European Financial Reporting Advisory Group. EFRAG's mission is to serve the European public interest in both financial and sustainability reporting by developing and promoting European views in the field of corporate reporting (source : https://www.efrag.org/About/Facts)
(2) The concept of double materiality, as defined by EFRAG, requires that both impact materiality and financial materiality perspectives be applied in their own right without ignoring their interaction.
(3) In 2023, the European Commission adopted a Corporate Sustainability Reporting Directive (CSRD) which will extend the scope and disclosure requirements of sustainability reporting, in compliance with European sustainability reporting standards (ESRS) adopted by the European Commission as delegated acts.

3.1.5 Objectives and performance

In 2022, the Group defined mid-term sustainability objectives based on the double materiality assessment process and results presented in sections 3.1.3 and 3.1.4 of the present chapter. The Group's 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 Area 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 sections 3.1.2.3 and 3.3.1.3. the present chapter and chapter 4, section 4.3 of the Universal Registration Document.

Theme	Group Objectives	Baseline 2022	Performance 2023	Target 2025
Empowering our people				
Health & Safety				
Safety	Improve Group Safety Culture Maturity [1] across all Business areas	3.0	3.1	3.3
Health	Increase the global Occupational Health action plan improvement rate	0%	24%	75%
Human Capital				
Diversity, Equity & Inclusion	Increase the score of the Diversity, Equity & Inclusion Index [2] (including KPIs related to Gender, Nationality, Disability and inclusion)	0%	40%	100%
Growing with our customers				
Business Conduct				
Ethics and Compliance	Improve the external sustainability rating of the Group compared to 2022 assessment	69	66	+7%
Responsible Purchasing	Deploy a sustainability rating scheme of Group suppliers (by spend)	53% [3]	61% [4]	75%
Sustainable Solutions				
Product sustainability	Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria [5]	55%	65%	75%
	Ensure the Group New Product Developments are scored as SustainAgility Solutions [6]	75%	78%	75%

Theme	Group Objectives	Baseline 2022	Performance 2023	Target 2025
Caring for our planet				
Environmental Stewardship				
Environmental Management	Reduce environmental impacts by assessing the maturity level of sites against environmental management requirements [7]	0%	100%	100%
Natural resources efficiency	Improve water management by ensuring priority sites [8] comply with new water reporting requirements	0%	22%	100%
	Improve mineral resources efficiency by ensuring priority [9] sites (by mineral waste volume) comply with new mineral waste reporting requirements	0%	20%	80%
Biodiversity & land rehabilitation	Reduce impact on biodiversity by filling our Act4nature commitments and conducting biodiversity audits at the priority sites [10]	0%	57%	100%
Climate Change				
Climate Change Strategy	Reduce Group Scope 1 & 2 greenhouse gas emissions by 36% relative to revenue (tCO_2eq/€M) by 2030[11]	-30%	-31%	-23%
	Reduce Group Scope 1 & 2 greenhouse gas emissions (tCO_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030	0%* **2021*	-24%	-42%* **2030*
	Reduce Group Scope 3 greenhouse gas emissions (tCO_2eq) by 25% from 2021 base year in alignment with a 1,5°C trajectory by the end of 2030 (from purchased goods and services, capital goods, fuel and energy related activities, upstream and downstream transportation and distribution, waste generated in operations, business travel, employee commuting, and investments)	0%* **2021*	-6%* **2022*	-25%* **2030*

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) In 2023, the 2022 baseline was recalculated based on spending from January 1st to December 31st 2022.

(4) Based on spending from January 1st to June 31st 2023.

(5) 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.

(6) 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.

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

(8) Priority sites refer to water withdrawal and/or discharge > 1 M m3/year or located in extremely high water stress zones.

(9) Priority sites for mineral waste are defined by volume.

(10) Priority sites for biodiversity audits have been defined as sites with a quarry that extracts more than 1 million tons per year, or are located within a radius of 5 km of an area classified as International Union for Conservation of Nature (IUCN) category I, II or III, or are located in a biodiversity hotspot within a radius of 5 km of an area classified IUCN category IV.

(11) This objective refers to the SBTi Target from 2019 and is linked to the Sustainability Linked Bond (SLB) issued in 2021, thus even though superceeded in 2023 with a new, more ambitious target, it shall continue to be reported until 2030.

3.2 CARING FOR OUR PLANET

3.2.1 EU Sustainable Finance Taxonomy

3.2.1.1 Reporting scope

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

3.2.1.2 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 of the Group's activities are currently eligible: manufacture of carbon black and manufacture of cement clinker, calcium aluminate cement or alternative blinder.

Both of the aforementioned eligible activities are considered to contribute significantly 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 the Group has therefore 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, insofar 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.

After analyzing the list of eligible activities in the Delegated Act (EU) 2023/2486 of June 2023, Imerys has verified that it has no eligible activities that significantly contribute to the four other environmental objectives related to "Sustainable use and protection of water and marine resources", "Pollution prevention and control", "Transition to a circular economy" and "Protection and restoration of biodiversity and ecosystems".

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 that boost energy density and shorten charging times for lithium-Ion batteries.

Manufacture of Calcium Aluminate Cement (Cement clinker, cement or alternative binder [2])

Classified under NACE code C23.51, the manufacture of these products is part of the 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 calcium aluminate cement and concrete – an essential point when the building sector alone represents 40% of CO_2 emissions. Imerys produces calcium aluminates for the building industry, where these additives improve the productivity of concrete, in particular by accelerating its 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 the consumption of raw materials, reducing labor and trucking needs reducing the utility owner's greenhouse gas emissions, as well as reducing asset downtime increasing productivity and lowering the risk for untreated water to be released into the environment.

3.2.1.3 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. In particular, green CapEx related to the preliminary studies for Imerys' lithium project in France and in the United Kingdom presented in section 3.2.6.3 of the present chapter, are not yet eligible to the European green taxonomy.

Consequently, given the restricted list of eligible activities defined at this stage, Imerys' initiatives to combat climate change 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.

(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.

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:

- reaching the goals of the Paris Agreement[(1)] requires a quadrupling of mined mineral raw material required 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 mined raw materials recycling will not eliminate the need for continued development of new resources;
- the discovery of resources and development of new mining operations, will, for example, have a global impact on the promotion of best practices and the adoption of the best available technologies.

Technical Screening Criteria (TSC) for mining and quarrying activities, including critical minerals for energy transition such as lithium, do not yet exist for the environmental objectives to which these activities contribute. As such, the Group's mining-related economic activities are not reflected in the financial figures presented below. These figures are likely to evolve in line with the eligibility scope.

√ *For additional details on the sustainable solutions within Imerys' portfolio, see* section 3.3.4 of the present chapter.

3.2.1.4 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 3.2.1.2. 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.

The present chapter quantifies Imerys' activities related to climate change mitigation. The Group's 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 3.2.1.2, 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 this chapter have been retrieved directly from financial statements and reporting systems, without estimations.
- **Revenue, CapEx and OpEx reconciliation with Consolidated Financial Statements**

Revenue and capital expenditures are reported as per section 6.1 of the Universal registration Document.

Total **Revenue** is computed by eligible activity on the basis of the revenue (excluding intra-group sales) as published in the Consolidated Financial Statements on the "Revenue" line of the consolidated income statement.

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 that associated with the Taxonomy-eligible economic activity reported above has been identified as of December 31, 2023.

The lines in the Consolidated Financial Statements that correspond to the total CapEx KPI are included in Note 17 - "Intangible Assets" in line "Acquisitions" of the table of changes and Note 18 "Property, Plant and Equipment" on lines "Acquisitions" and "Acquisition costs and subsequent adjustments".

The lines in the Consolidated Financial Statements that correspond to the total **OpEx** KPI are obtained by the addition of "Lease term of 12 months or less" in Note 7 - "External expenses" and, "Cleaning, Maintenance and repair" and Innovation overheads in the internal reporting.

Market practice on the application and interpretation of certain terms under the Taxonomy Regulation and its Disclosure Delegated Acts has not yet been defined. It may be that, as market practices develop and Taxonomy regulations are updated, Imerys' disclosures will evolve over time. Efforts to ensure a comparable reporting are assured through explanations of variances in KPIs presented below the results.

(1) 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".

3.2.1.5 Summary of Eligibility and Alignment Key Performance Indicators

SUMMARY OF REVENUE KPIS

	% of Revenue/total Group revenue	
FY 2023 data	**Taxonomy aligned**	**Taxonomy eligible**
Climate change mitigation, *of which*	**11.2%**	**15.2%**
Manufacture of calcium aluminate cement	*11.2%*	*12.3%*
Manufacture of carbon black	*0.0%*	*2.9%*
Climate change adaptation	**0%**	**0%**
Sustainable use and protection of water and marine resources	**0%**	**0%**
Pollution prevention and control	**0%**	**0%**
Transition to a circular economy	**0%**	**0%**
Protection and restoration of biodiversity and ecosystems	**0%**	**0%**

In 2023, the total aligned revenue amounted to 11.2%, coming from calcium aluminate cement activities, out of a total of 15.2% of eligible activities.

For the time being, no activity is contributing substantially to the five other environmental objectives.

SUMMARY OF REVENUE, CAPEX AND OPEX KPIS

	Eligibility	Revenue(1)		CapEx(2)		OpEx(3)	
Activities	**Alignment**	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Manufacture of carbon black	Eligible	2.9%	2.6%	11.3%	12.7%	1.6%	1.4%
	Aligned	*0.0%*	*0.0%*	*0.5%*	*0.3%*	*0.0%*	*0.0%*
Manufacture of calcium aluminate cement	Eligible	12.3%	11.8%	7.2%	8.3%	11.2%	10.0%
	Aligned	*11.2%*	*11.6%*	*6.9%*	*8.2%*	*10.8%*	*9.9%*
TOTAL	**ELIGIBLE**	**15.2%**	**14.4%**	**18.5%**	**21.0%**	**12.7%**	**11.4%**
	ALIGNED	***11.2%***	***11.6%***	***7.4%***	***8.4%***	***10.8%***	***9.9%***

(1) in % of Group Revenue
(2) in % of Group Capex
(3) in % of Group Opex

Revenue, CapEx and OpEx of eligible activities in 2023 are comparable to 2022. The slight decrease in CapEx is mainly due to the decrease of investment in carbon black production capacity due to a softer demand for lithium-ion batteries.

REVENUE

Economic Activities	Code activities from Delegated Act	Turnover	Proportion of Turnover 2023	Substantial Contribution criteria: Climate change mitigation	Substantial Contribution criteria: Climate change adaptation	Substantial Contribution criteria: Water	Substantial Contribution criteria: Pollution	Substantial Contribution criteria: Circular Economy	Substantial Contribution criteria: Biodiversity	DNSH Criteria (Do No Significant Harm): Climate change mitigation	DNSH Criteria (Do No Significant Harm): Climate Change adaptation	DNSH Criteria (Do No Significant Harm): Water	DNSH Criteria (Do No Significant Harm): Circular Economy	DNSH Criteria (Do No Significant Harm): Pollution	DNSH Criteria (Do No Significant Harm): Biodiversity	Minimum Safeguards	Taxonomy Aligned/ Eligible proportion Turnover Year N-1	Category Enabling Activity	Category Transitional Activity
		M€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*424,7*	*11.2%*	*Y*	*N*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*11.6%*		*T*
Turnover of environmentally sustainable activities (Taxonomy aligned) (A.1)		**424,7**	**11.2%**	**11.2%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**11.6%**		
Of which enabling activities		*0.0%*	*0.0%*	*0.0%*	*0%*	*0%*	*0%*	*0%*	*0%*								*0.0%*		
Of which transitional activities		*100.0%*	*100.0%*	*100.0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*100.0%*		
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*42.6*	*1.1%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*0.2%*		
Manufacture of carbon black	*CCM 3.11*	*109.2*	*2.9%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*2.6%*		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**151.8**	**4.0%**	**4.0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**2.8%**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**576.5**	**15.2%**	**15.2%**	**0%**	**0%**	**0%**	**0%**	**0%**								**14.4%**		
B. Taxonomy non-eligible activities																			
Turnover of Taxonomy non-eligible activities		**3217.9**	**84.8%**																
TOTAL (A+B)		**3794.4**	**100.0%**																

3

CAPEX

				Substantial Contribution criteria						DNSH Criteria (Do No Significant Harm)									
Economic Activities	Code activities from Delegated Act	CapEx	Proportion of CapEx 2023	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate Change adaptation	Water	Circular Economy	Pollution	Biodiversity	Minimum Safeguards	Taxonomy Aligned/ Eligible proportion CapEx Year N-1	Category Enabling Activity	Category Transitional Activity
		M€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*32.2*	*6.9%*	*Y*	*N*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*8.2%*		*T*
Manufacture of carbon black	*CCM 3.11*	*2.1*	*0.5%*	*Y*	*N*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*0.3%*		*T*
CapEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		**34.3**	**7.4%**	**7.4%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**8.4%**		**T**
Of which enabling activities		*0.0%*	*0.0%*	*0.0%*	*0%*	*0%*	*0%*	*0%*	*0%*								*0.0%*		
Of which transitional activities		*100.0%*	*100.0%*	*100.0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*1.2*	*0.3%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*0.1%*		
Manufacture of carbon black	*CCM 3.11*	*50.4*	*10.8%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*12.4%*		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**51.6**	**11.1%**	**11,1%**	**0%**	**0%**	**0%**	**0%**	**0%**								**12.5%**		
A. CapEx of Taxonomy-eligible activities (A.1+A.2)		**85.9**	**18.5%**	**18,5%**	**0%**	**0%**	**0%**	**0%**	**0%**								**21.0%**		
B. Taxonomy non-eligible activities																			
CapEx of Taxonomy non-eligible activities		**379.5**	**81.5%**																
TOTAL (A+B)		**465.4**	**100.0%**																

OPEX

				Substantial Contribution criteria						DNSH Criteria (Do No Significant Harm)									
Economic Activities	Code activities from Delegated Act	OpEx	Proportion of OpEx	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate change mitigation	Climate Change adaptation	Water	Circular Economy	Pollution	Biodiversity	Minimum Safeguards	Taxonomy Aligned/ Eligible Year N-1 proportion OpEx	Category Enabling Activity	Category Transitional Activity
		M€	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. Taxonomy eligible activities																			
A.1 Environmentally sustainable activities (Taxonomy aligned)																			
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*24.9*	*10.8%*	*Y*	*N*	*N/EL*	*N/EL*	*N/EL*	*N/EL*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*9.9%*		*T*
OpEx of environmentally sustainable activities (Taxonomy aligned) (A.1)		**24.9**	**10.8%**	**10.8%**	**0%**	**0%**	**0%**	**0%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**9.92%**		
Of which enabling activities		*0.0%*	*0.0%*	*0.0%*	*0%*	*0%*	*0%*	*0%*	*0%*										
Of which transitional activities		*100.0%*	*100.0%*	*100.0%*	*0%*	*0%*	*0%*	*0%*	*0%*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*	*Y*			
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not taxonomy-aligned activities)																			
				EL; N/EL	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**	**EL; N/EL**										
Manufacture of cement clinker, cement or alternative binder	*CCM 3.7*	*0.8*	*0.3%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*0.1%*		
Manufacture of carbon black	*CCM 3.11*	*3.6*	*1.6%*	*EL*	*EL*	*N/EL*	*N/EL*	*N/EL*	*N/EL*								*1.4%*		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4.4**	**1.9%**	**1.9%**	**0%**	**0%**	**0%**	**0%**	**0%**								**1.5%**		
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		**29.3**	**12.7%**	**12.7%**	**0%**	**0%**	**0%**	**0%**	**0%**								**11.4%**		
B. Taxonomy non-eligible activities																			
OpEx of Taxonomy non-eligible activities		**200.9**	**87.3%**																
TOTAL (A+B)		**230.2**	**100.0%**																

3.2.1.6 Alignment of eligible activities

The assessment of compliance was based on 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 tables presented in the previous section 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) 2023/2486 of June 27, 2023.

Substantial Contribution criteria

Internal reporting systems and data were used to verify compliance with the corresponding limit values at the plant level in order to review the criteria defining whether a substantial contribution to climate change mitigation is made.

Calcium Aluminate Cement activities

According to the Delegated Regulation (EU) 2021/2139 of June 4, 2021, calcium aluminate cement activities contribute to the climate change mitigation objective if their specific GHG emissions are lower than 0.722 tCO_2eq per tonne of product.

The GHG emissions of eight plants out of a total of nine plants manufacturing **calcium aluminate cement** are below this threshold and therefore contribute substantially to climate change mitigation.

- Only one production site is marginally above the threshold of 0.7222 tCO_2eq per tonne of product.

Carbon black activities

According to the Delegated Regulation (EU) 2021/2139 of June 4, 2021, carbon black activities contribute substantially to the climate change mitigation objective if the GHG emissions from the carbon black production processes are lower than 1,141tCO_2eq per tonne of product.

Imerys' **carbon black activities** are eligible but not aligned with the European Taxonomy on the climate change mitigation criteria, since the GHG emissions of Imerys' manufacturing facilities are above this threshold.

- However, it is to be noted that the Technical Screening Criteria are based on the EU Emission Trading Scheme (ETS) product benchmark for the manufacture of "furnace carbon black" used for the tire 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 scheduled for completion by 2025, which will reduce emissions to meet the criteria.
- Imerys started work on 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 (€2.1 million in 2023, out of the €52.5 million invested in 2023 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 table below explains Imerys' methodology to validate those DSNH criteria for the eligible activities.

DNSH	Description of the validation procedures for calcium aluminate cement activities
Climate change adaptation	A physical climate risk assessment of all our sites for the current situation and 2050 time-horizon has been carried out and complemented by a risk identification analysis by the Group's global insurance company. When a risk is identified, an adaptation plan is set up to mitigate the risk, based on the recommendations of the Group's global insurance provider.
Sustainable use and protection of water and marine resources	An assessment was carried out at all the sites concerned, based on the environmental analyses carried out each year, as well as on compliance with the environmental regulations in force in the various countries.
Pollution prevention and control	For pollution prevention along the value-chain: the product stewardship team has checked that activities related to the manufacturing of calcium aluminate cement do not lead to the manufacture, placing on the market or use of raw materials containing substances listed in the regulations related to the DSNH pollution prevention. For emissions control: the eligible sites are operating with a valid license and under regular inspection by authorities for emissions control. To date, none of the eligible sites in Europe are in the management scope of the European BAT (Best Available Techiques) for air emissions control. When necessary, the eligible sites are investing to maintain or upgrade the emissions control facilities for compliance.
Transition to a circular economy	The DNSH criterion related to the "Transition to a circular economy" objective is not applicable to the manufacture of carbon black or the manufacture of calcium aluminate cement as per the Disclosure Delegated Act.
Protection and restoration of biodiversity and ecosystems	Imerys has validated this criterion for all its eligible activities by ensuring that the permits had been delivered for each site and that the eligible sites are not located near biodiversity sensitive areas, according to the mapping of IUCN categories.

Minimum Safeguards

With regard to the "Minimum Safeguards" criterion, as set out in its Code of Business Conduct and Ethics, Imerys is committed to respecting 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 UN Guiding Principles on Business and Human Rights and to complying with local legislation in force in the countries where it operates.

The Group sustainability program and reporting approach is based on these frameworks. Through its "Duty of Care" program, Imerys has validated the alignment of its eligible activities with the Minimum Safeguards. The specific assessments, actions and results relating to suppliers are described in section 3.3.2 of the present chapter.

Being subject to the Sapin II law, Imerys has implemented due diligence policies and processes in the fight against corruption and bribery.

√ *For more information on the Group Vigilance Plan and Duty of Care program, see* section 3.4.1 and 3.5 of the present chapter.

3.2.2 Climate change

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[1]. Imerys remains a fully committed member of the French Business Climate Pledge. 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 working towards SDG 13 to take urgent action to combat climate change and its impacts.

The Group has aligned its 2023 climate disclosure with the recommendations of the TCFD [2]. For the past 15 years, Imerys has participated in the CDP [3]. The Group 2023 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' climate specific reporting, see Imerys' 2023 CDP Report.*

3.2.2.1 Governance

As part of its mission to promote long-term value creation, the Board of Directors, with the support of 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 reviewed by the Strategy and Sustainability Committee and validated by the Board of Directors. Progress towards established targets is included within the regular Board ESG updates. The Audit Committee has 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 responsibility, 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 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 Group's GHG emissions reduction targets. In the same way, the Group's Executive Committee, senior managers and many functional and operational managers have annual variable compensation linked to GHG emissions reduction KPIs.

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

3.2.2.2 Strategy

Transition plan for climate change mitigation

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 KPIs and targets and identified concrete levers for GHG emissions reduction as part of the long-term climate change strategy. The defined strategy covers every domain: organization, equipment, methods, technology, supplies, transportation, and renewable energies. For the first time in 2019, the Group defined Scope 1, 2 and 3 emissions reduction targets aligned with the 2°C trajectory, which were all approved by the SBTi.

In 2023, with respect to limiting global warming to 1.5°C as advocated by the Intergovernmental Panel on Climate Change, a more ambitious climate strategy was established to reinforce Imerys' commitments and efforts. The Group updated and resubmitted its Scope 1, 2 and 3 targets in 2022 aligned with a 1.5°C trajectory, subsequently validated by the SBTi. Details on the GHG emissions reduction targets are available in section 3.2.2.4 of the present document.

This new strategy led to the definition of a transition plan, which will be finalized and submitted for validation to the Board of Directors in 2024. This long-term roadmap has been built by a number of cross-functional workstreams, whereby a specific decarbonization lever is studied and integrated by members of the Sustainability, Operations, Purchasing, Strategy, Finance, Science & Technology and IT divisions, amongst others. The description of the decarbonization levers identified are detailed in section 3.2.2.4 of the present chapter. A series of projects and mitigation initiatives are already under development and described in section 3.2.2.3. of the present chapter. New projects identified include, but are not limited to, the following decarbonization levers: **fuel switching, electrification, energy efficiency, heat recovery, purchase and use of renewable electricity, Carbon Capture, Utilisation and Storage (CCUS), use of recycled and/or alternative raw materials.**

(1) The French Business Climate Pledge is a public commitment made by French companies to reduce greenhouse gas emissions.
(2) 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.
(3) 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.

Imerys is part of the EU Paris-aligned Benchmarks. In accordance with Commission Delegated Regulation (EU) 2021/2178, the disclosure of taxonomy-aligned CapEx and associated CapEx plans supporting the implementation of the transition plan is described in sections 3.2.1 and 3.2.2.3 of the present chapter. Moreover, Imerys does not invest any CapEx amounts on economic activities related to coal, oil and gas.

Material impacts, risks and opportunities

Imerys defines a **substantive financial impact** as any negative or unfortunate event or missed opportunity that prevents the Group from achieving its financial and strategic objectives. Any event whose potential financial impact on the Group is at least 1% of annual EBITDA – i.e. ~€6.3 million in 2023 – is defined as substantive. Imerys has integrated this financial impact into its risk management process.

The principle climate-related risks and opportunities identified are associated with **transition 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 preferences, which may lead to the development of existing products and services with lower emissions options and/or opportunities for new products and services.

The Group is also 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.

3

NOTE 1 CLIMATE CHANGE OPPORTUNITIES

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

In 2019, Imerys launched its SustainAgility Solutions Assessment framework, which is embedded in all Group processes and was 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 its environmental and social impacts and help continue to steer the Group portfolio towards low-carbon solutions. As part of this process, Imerys has deepened its understanding of climate-related risks and opportunities that could impact customers and end markets, in the perspective of a low-carbon economy.

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 10% of consolidated revenue, have measurable and direct positive contributions in the downstream value chain to reduce climate change impact. Performance Minerals are relatively low carbon products as most of them require 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. 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, which represent great climate opportunities, combined with other mobile energy opportunities in electricity and energy storage. The calcium aluminate cement products in the Group's portfolio also contribute to improving the CO_2 performance of building materials during the "use phase" in the construction market (doubling lifetime or requiring less material). The broad diversity of the Group's markets and locations, as well as its customer-centric and market-driven organization are considered strengths, decreasing dependency on specific markets and allowing easier adaptation to market evolutions.

Some products, which represent approximately 29% of consolidated revenue, serve markets that offer significant climate-related opportunities. The latest assessment was carried out in 2021 based on 2040 projections.

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

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 opportunities, while identified, have not yet been quantified.

The Group has positioned innovation at the heart of its strategy and considers it 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. In 2022, the Group achieved its target of 50% of new product launches rated as "SustainAgility Solutions", 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. This proportion should rise to 75% in 2025, in line with the new target set at the end of 2022. 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 Group's Science & Technology (S&T) experts and specialists develop innovative solutions and products based on identifying global megatrends, and customers' expectations and needs, including developing solutions that support the transition to a low-carbon economy.

Imerys plans to become a major player in the European lithium market with a project of a landmark lithium exploitation ("EMILI Project") at its Beauvoir site (in the French Allier département), 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. The targeted production is 34,000 tons per year of lithium hydroxide, to equip approximately 700,000 electrical vehicles per year. The mine would have a life of at least 25 years, with strong extension potential.

The strategic business plan includes the establishment of a preliminary mine design in 2023, a process tested and validated at laboratory scale and the construction of an industrial pilot plant starting in 2024 and the launch of the construction of a commercial plant and mine in with full capacity in 2028.

The cost to realize the opportunity corresponds to a CapEx of approximately €1 billion to build an underground mine in line with IRMA standards (responsible mining standard) and production capacity of 34,000 tons of lithium hydroxide per year for at least 25 years. The cash cost of the lithium produced at Beauvoir is estimated to be ca. €7-9/kg (preliminary assessment including by-product credits, excluding CO_2 cost). The estimated cost would be competitive, especially in the European market, and would secure an attractive return for the project, in line with the Group's long-term value creation goals.

In June 2023 Imerys announced a strategic partnership with British Lithium to accelerate the development of the UK's largest lithium deposit for the annual production of 20,000 tons of lithium carbonate equivalent by the end of this decade. Imerys has acquired an 80% stake in British Lithium, who has developed a processing route to produce battery-grade lithium from Cornish granite. The partnership will bring together Imerys' expertise in mining and infrastructure in Cornwall, R&D and process development capabilities, as well as its lithium mineral resources, with British Lithium's bespoke technology and state-of-the-art pilot plant.

The project will adhere to the highest social and environmental standards and will also follow the IRMA Standard. Currently, a drilling program and the Pre Feasibility Study are underway.

The transaction has been approved by the UK Government, under the National Security and Investment Act protocol. The targeted 20,000 tons of lithium carbonate equivalent per year could supply enough lithium to power around 500,000 car batteries every year, meeting roughly one-third of Britain's estimated battery demand by 2030 when all UK car manufacturers convert to electric vehicles.

NOTE 2 CLIMATE CHANGE RISKS

2.1 Industrial transition risk and emerging regulations with carbon pricing mechanisms

Imerys defines transition risks as intrinsic or gross risks, as well as the net risks for the Group's EBITDA considering:

- projected evolution of CO_2 prices over time in different geographies;
- decarbonization actions and mitigation measures aligned with validated SBTi GHG emissions reduction targets;
- risk for Imerys' own operations (Scopes 1 & 2), in addition to the risk of rising prices for raw materials due to new carbon taxes.

A model has been developed to assess different scenarios in terms of future financial impacts for Imerys depending on projected production levels of Imerys sites, trends in sites' GHG emissions and carbon price projections under the International Energy Agency's (IEA) latest scenarios (Announced Pledges and Net Zero Emissions by 2050).

Based on a theoretical approach more likely than not to happen, Imerys estimated negative net financial impact of the climate-related transition risks, based on its current EBITDA, is at €36-59 million in the short-term (2030). The cost of response to this risk is estimated at ~€83 million from 2021 to 2030. The results of the transition risks study have been presented to the Sustainability Committee (including the CEO, Chief Sustainability Officer, Chief Industrial Officer and Chief Financial Officer) to ensure they are properly integrated in the Group's Business Strategy. Furthermore, twelve of Imerys' plants in Europe, the UK and the US (out of 210 sites worldwide) are under the EU ETS, UK ETS and California Cap and Trade ETS schemes. A strategy has been put in place in order to mitigate these transition risks related to the current uncertainty associated with emissions-trading schemes and carbon taxes. The process includes: tracking emissions, market intelligence on legislation, emissions and allowances forecast modeling to evaluate short or long positions, strategy in terms of carbon allowances trading. Moreover, the sites concerned are integrated and prioritized within the Group's decarbonization strategy.

Additional details on the Group's roadmap to achieve the targets set are provided in section 3.2.2.2 of the present chapter.

2.2 Chronic physical risk due to changes in precipitation patterns and extreme variability in weather patterns

Water is required in various steps of the Group's operations, for instance for cooling, dust suppression and cleaning. The availability of water is important to continue production, hence water scarcity is considered as a potential material risk to Imerys. In 2020, the Group assessed this risk using the Water Risk Filter supported by the WWF [1] to estimate the present and future water stress risk at Imerys sites. The results of the study were refined and updated in 2021 and then again in 2023. Developed by WWF and the German finance institution DEG [2], the Water Risk Filter provides scenarios of water risks for 2030 and 2050, as compared to a 2020 baseline, integrating climate and socio-economic changes, with a precise description of their methodology.

The assessment was carried out for all Imerys sites in 2023. The current risk of water scarcity linked to access concerns 31 Imerys sites, which are at very high risk. They are located on the west coast of America, in South Africa, India, China, Chile and around the Mediterranean basin. Among them, only 3 have medium (> 100,000 m^3) and one has high (> 1Mm^3) water withdrawal levels.

At the 2030 horizon, 8 additional sites could be at very high risk of water scarcity. Imerys has not recorded any financial impact linked to water stress. However, the maximum potential risk is quantified by considering a production stoppage of one month at the largest site classified at risk of water stress, and the minimum potential risk considering this shut-down period at two smaller sites. Thus, the estimated potential financial impact ranges between €4 million and €10 million.

At the 2050 horizon, a total of 57 sites have been identified as at potential very high risk of water scarcity. Imerys has not recorded any financial impact linked to water stress, but the maximum potential risk is quantified by considering a production stoppage of three months at the largest site classified at risk of water stress, and the minimum potential risk considering this shut-down period at two smaller sites. Hence, the estimated potential financial impact ranges between €12 million and €30 million.

The cost of response to this risk, estimated at €1.5 million, includes the same sites at risk over all time horizons and the cost would vary depending on the severity and duration of the drought.

To respond to this risk, for the sites located in water scarcity areas according to the assessment, Imerys has defined specific requirements drafting a comprehensive Water Management Plan (WMP) which includes a description of current water use, water balance analysis, water accounting, water risk assessment and pertinent action planning to manage high priority water issues. Imerys is conducting an intensive process improvement plan to measure and report water consumption for each of its sites at high risk in order to set water reduction targets in the future. In addition, various Imerys sites have implemented projects linked to water recycling or water efficiency, especially as part of the continuous improvement program. In 2020, more than €1.5 million was invested in projects related to water management.

√ *For more information on water management, see section 3.2.3 of the present chapter.*

2.3 Acute physical risk due to increased severity and frequency of extreme weather events such as cyclones and floods

Acute physical risks can impact Group operations, thus resulting in costs, damage to assets 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, heatwaves, wildfires). The study includes scenario analysis considering three time horizons (2030, 2040 and 2050) versus a 2020 baseline. Three RCP scenarios have been used: 2.6, 4.5 and 8.5. Among all acute physical risks, two of them are considered as potentially material: flooding and hurricanes. They are identified, assessed and managed site by site, by the Group Insurance and Corporate Industrial Risk department with the support of an external insurance company.

(1) World Wildlife Fund (WWF) is the leading organization in wildlife conservation and endangered species at a global level. Its work aims to conserve and restore biodiversity, reduce humanity's environmental footprint and ensure the sustainable use of natural resources to support current and future generations.
(2) Deutsche Investitions- und Entwicklungsgesellschaft (DEG) is a Development Finance Institution (DFI) that invests in companies operating in the agricultural and services sectors as well as in industry and infrastructure enterprises and private equity funds.

2.4 Flooding

The assessment was carried out for all Imerys sites. Thirty nine sites have been identified as at high risk of river flooding. They are all covered by the Group's risk prevention program and insured for this risk. At the 2050 horizon under Moderate and High scenarios, the risk will increase for all the sites, however only to a low-to-medium extent. There is only one site for which the projected change in flood occurrence will increase significantly; this site is located in China.

The potential financial impact quantified is based on an analysis of the claims recorded by the company related to extreme weather phenomena. They correspond to the annual average of the costs recorded over the last 10 years. In the 2050 horizon, the sites at risk remain the same but the risk increases, which may increase the financial impact. The maximum potential financial impact considers a key strategic site that is at high risk of flooding. The minimum potential financial impact considers flooding in a strategic site at risk but with a low risk. As such, the potential financial impact due to the flooding risk ranges between €2 million and €100 million. The cost of response to this risk, estimated at €5 million, is the same in all time horizons, as the sites at risk are the same and the cost would only vary depending on the severity of the natural disaster.

2.5 Cyclones

Ten Imerys sites are currently exposed to a high risk of tropical cyclones. They are mostly located in Southeast Asia, Japan, India 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's 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, including the implementation of appropriate recovery plans.

√ *For more information on Imerys' climate risk and scenario analysis, see* Imerys' 2023 CDP Report.

3.2.2.3 Impact, risk and opportunity management

Processes to identify and assess material climate-related impacts, risks and opportunities

In 2023, Imerys conducted a stress test on a risks and opportunities scenario analysis which covers transition risks (industrial risks, market-related risks and opportunities) as well as physical risks. This updated analysis, which replaces the first version carried out in 2021, assesses the financial exposure of the Group *versus* a combination of three time horizons (2030, 2040 and 2050) and different temperature and RCP scenarios.

For the transition risks assessment, the projected carbon prices published under the two latest IEA[(1)] scenarios were used:

- Announced Pledges scenario (APS) – scenario that illustrates the extent to which announced ambitions and targets can deliver the emissions reductions needed to achieve net zero emissions by 2050. It includes all recent major national announcements, both 2030 targets and longer-term net zero or carbon neutrality pledges, regardless of whether these announcements have been anchored in legislation or in updated Nationally Determined Contributions.
- Net Zero by 2050 scenario (NZE) – a normative scenario that shows a pathway for the global energy sector to achieve net zero CO_2 emissions by 2050, with advanced economies reaching net zero emissions ahead of others.

(1) *The International Energy Agency (IEA) 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.*

For the physical risks assessment three different Intergovernmental Panel on Climate Change (IPCC) [1] Representative Concentration Pathways (RCP) scenarios were analyzed:

- RCP 2.6 – temperature rise of ~1.5°C by the end of the century;
- RCP 4.5 – temperature rise of ~2°C by the end of the century;
- RCP 8.5 – temperature rise of ~4°C by the end of the century.

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 more than 200 industrial sites across 40 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, 2040 and 2050 for each of the two 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 CO_2 prices and (ii) mitigation measures such as emissions reduction levers towards the SBTi validated targets and increased energy efficiency.

Transition 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 trend 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 in volumes, better sales point) in the perspective of a low-carbon economy.

Physical risk assessment

Acute and chronic 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, heatwaves, sea level rise, cold waves, water stress, wildfire and changes in precipitation patterns). The study includes scenario analysis considering two time horizons (2030 and 2050) *versus* a low (RCP 2.6), moderate (RCP 4.5) and a high scenario (RCP 8.5).

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 2023 and is presented in chapter 2, sections 2.1.1 of the Universal Registration Document.

Actions and resources in relation to climate change policies

Actions related to energy efficiency

Imerys has an operational energy demand, especially in its mineral transformation processes that use thermal technologies and its mining and 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's 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 energy managers are responsible for supporting plants with a dedicated energy efficiency methodology, defining the analysis and ensuring alignment with reporting standards and providing the necessary training to ensure consistency and reliability of the reported results.

In 2019, the Group launched the "I-Nergize" program to evaluate sites' energy performance and improve energy efficiency, with a particular focus on the 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. As of the end of 2023, 44 sites have been assessed. These assessments have identified a potential reduction of nearly 120 ktCO_2eq.

(1) *The Intergovernmental Panel on Climate Change (IPCC) is the United Nations' body for assessing the science related to climate change.*

Energy-related digital training modules are available within Learning Hub, the group's digital learning platform, 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 best practices of industrial energy efficiency on key equipment used at Imerys. The Group has also conducted a series of virtual classes on various specific energy-related topics such as Flash Dryers, Brainstorming methodology and Knowledge-sharing. A global energy seminar was held in November 2023 to share best practices on identification and implementation of energy efficiency actions.

A dedicated energy community on the Group intranet serves as a platform to share knowledge, good practices and events related to energy.

Actions related to renewable efficiency

The Group continues to support the transition to renewable energy, both by securing electricity from low-carbon sources and 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 from renewable energy sources, including solar, hydro and wind power: on-site Power Purchase Agreements (PPA), off-site PPAs, Guarantees of Origin certificates, lease agreements and direct investment for small scale projects. Renewable energy consumption was higher in 2023 than in 2022 with an increase from 4.1% to 4.5%, as this is considered to be one of the key levels in the Group's overall decarbonization efforts.

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 the United States, accounting in total for 60 MW installed.

Biomass waste and residues, when feasible, are the preferred option within the Group to replace fossil fuels. Five Imerys plants currently consume biomass waste: sunflower husk, sawdust, landfill gas, 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 Group's total annual GHG emissions by around 3%. Similar feasibility studies have been launched for other sites. For sites where biomass residues are unavailable, natural gas has been selected as the transition fuel to replace more carbon-intensive fossil fuels. Eight additional sites have already been identified as good candidates for fuel switching to biomass, and two additional sites for switching from coal to natural gas.

Actions related to financial strategy

In 2023, Imerys reiterated its confidence in its decarbonization roadmap by linking its financing strategy to its sustainability ambitions with the issue of its second Sustainability-Linked Bond (SLB). The Group published its sustainable finance strategy within its Sustainability-Linked Financing framework. For this €500 million Sustainability-Linked Bond, the Specific Performance Target (SPT) Imerys has committed to achieving is a reduction of its absolute Scope 1 and 2 greenhouse gas emissions by 32.7% by the end of 2028 (tCO_2eq) from a 2021 base year, consistent with the 2030 SBTi pathway.

Imerys became the first industrial minerals company to include Sustainability-Linked Bonds in its financing strategy through the issuance of a €300 million SLB in 2021, with a SPT linked to the previous SBTi-approved target to reduce GHG emissions by 36% relative to revenue (tCO_2eq/€M) by 2030 from a 2018 base year, and setting also an intermediate SPT to reduce its GHG 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, S&P Global, 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 considerations have been integrated in the estimates and judgements as described in note 4 to the consolidated financial statements.

- √ *For more information on Imerys' 2023 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 and note 19 Impairment Tests of the Universal Registration Document.

Actions related to the value chain

Imerys is taking action to reduce Scope 3 emissions, focusing in particular on purchased goods and services. The Group's efforts also target other sources of Scope 3 emissions, for example integrating an internal carbon price within capital expenditure (CapEx) projects favors machines with greater fuel efficiency, while the Group's Industry 4.0 project will help to monitor and reduce non-productive engine idling generating additional reductions in fuel consumption. Examples of specific Scope 3 decarbonization levers the Group has recently deployed include supplier specifications, local sourcing, modal shift, low-carbon product portfolio management, circular economy and sustainable travel and commuting.

3.2.2.4 Metrics and targets

Targets related to climate change mitigation and adaptation

Imerys aligned its climate change strategy with a 1.5°C trajectory scenario in 2023, committing to reduce Scope 1 and 2 emissions by 42% in absolute terms by 2030 (from a 2021 base year). Imerys also committed to reduce its Scope 3 indirect emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream and downstream transportation and distribution, waste generated in operations, business travel, employee commuting and investments by 25% by 2030 (from a 2021 base year). These two targets were validated by the SBTi in July 2023.

At the end of 2023, Scope 1 and 2 emissions decreased by 24% from the 2021 base year, while Scope 3 emissions decreased by 6% in 2022, as compared to 2021.

3

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

Material topic	Group Objective	Baseline 2021	performance 2022	performance 2023	Target 2030
Climate Change Strategy	Reduce Group Scope 1 & 2 greenhouse gas emissions by 36% relative to revenue (tCO_2eq/€M) by 2030 compared to a 2018 baseline(1)	-6%	-30%	-31%	-36%
	Reduce Group Scope 1 & 2 greenhouse gas emissions (tCO_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030	0%	-12%(2)	-24%	-42%
	Reduce Group Scope 3 greenhouse gas emissions (tCO_2eq) by 25% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (from purchased goods and services, capital goods, fuel and energy related activities, upstream and downstream transportation and distribution, waste generated in operations, business travel, employee commuting, and investments)	0%	-6%	-	-25%

(1) In 2018, the greenhouse gas emissions relative to revenue was 723 tCO_2eq/€M which corresponds to the baseline. In line with the Group GHG Recalculation Policy (2021), the change in scope due to activities discontinued in 2022 did not trigger the recalculation of the 2018 base year.

(2) In 2023, Imerys submitted a new climate target for validation by SBTi. Minor adjustments have been made on historical data (2021 baseline and 2022) to comply with the updated methodology for non CO_2 emissions as well as correct for minor reporting errors that were not significant at Group level. To properly follow Imerys baseline and trajectory, it was decided to correct this data prior to the SBTi submission.

To reach the Scope 1 & 2 objectives, the Group has identified the following decarbonization levers:

- **Fuel switching from fossil fuels to less carbon-intensive fuels and biomass** related to the combustion of fuels to produce thermal energy. Examples of successful projects include fuel switching from fossil fuels to peanut ground hulls, sunflower husks, olive seeds, sawdust and landfill gasses at five different sites located in the United States, Ukraine, Turkey, France and Denmark. This lever is expected to represent approximately 10 to 15% of emissions reductions potential up to 2030.
- **Energy efficiency and recovery** includes both continuing the energy assessments from the I-Nergize program launched in 2019, as well as identifying specific energy efficiency actions at site level. As of the end of 2023, 44 sites have already been assessed, with more 1,000 actions identified with expected annual GHG reductions of ~120 ktCO_2eq. An example of a project under construction is the energy recovery partnership with E.ON in the Willebroek site in Belgium. Energy efficiency and recovery projects are expected to represent approximately 10% to 15% of emissions reductions potential up to 2030.
- **Electrification** of different processes (e.g. dryers and mobile mining equipment) to reduce energy consumption from fossil fuel sources. This is a new lever at Imerys that is currently being studied; hence, no projects have delivered results yet. Preliminary studies show that this lever can contribute 5 to 10% of emissions reductions potential up to 2030.
- **Process Innovation** refers to both existing and emerging technologies already under development with a high decarbonization potential for Imerys, particularly to reduce process emissions. These new technologies include Carbon Capture, Utilisation and Storage (CCUS), hydrogen use, alternative chemical reactions, heat batteries, among others. The full abatement potential of this leaver up to 2030 is still being studied, as most projects are expected to deliver results post-2030.
- **Renewable electricity** is key for Imerys to achieve its GHG emissions reduction target, which is why a specific program has been deployed for this purpose. The Group aims to secure as much renewable electricity as possible via Power Purchase Agreements (PPA), both on-site and off-site. Topping-up with Guarantees of Origin may be required to achieve the expected renewable electricity targets as a last resort. Examples of approved projects already under construction include solar panel installations in Bahrain, Malaysia and Lompoc in California. This lever is expected to represent about 50% of emissions reductions potential. The total additional abatement potential from this lever has been estimated at ~730 ktCO_2eq.

ENERGY CONSUMPTION AND MIX

Energy consumption and mix	2023	2022	% variation (2023/2022)
1) Fuel consumption from coal and coal products (MWh)	316,450	367,283	-14%
2) Fuel consumption from crude oil and petroleum products (MWh)	1,443,302	1,643,758	-12%
3) Fuel consumption from natural gas (MWh)	2,492,483	2,875,100	-13%
4) Fuel consumption from other fossil sources (MWh)	6,532	8,132	-20%
5) Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources (MWh)	2,014,322	2,350,523	-14%
6) Total fossil energy consumption (MWh) (calculated as the sum of lines 1 to 5)	6,273,089	7,244,796	-13%
Share of fossil sources in total energy consumption (%)	**94%**	**93%**	
7) Consumption from nuclear sources (MWh)	118,370	235,135	-50%
Share of consumption from nuclear sources in total energy consumption (%)	**2%**	**3%**	
8) Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	207,409	205,077	1%
9) Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (MWh)	92,811	115,089	-19%
10) The consumption of self-generated non-fuel renewable energy (MWh)	103	50	106%
11) Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	300,323	320,216	-6%
Share of renewable sources in total energy consumption (%)	**4.5%**	**4.1%**	
TOTAL ENERGY CONSUMPTION (MWH) (CALCULATED AS THE SUM OF LINES 6, AND 11)	**6,691,781**	**7,800,146**	**-14%**

Imerys' total energy consumption decreased by 14% in 2023 as compared to 2022, primarily due to a reduction in total production of the same order of magnitude. In line with the Group's decarbonization efforts, the consumption of energy from renewable sources continues to increase progressively since 2018, achieving almost 4.5% in 2023.

Furthermore, the energy intensity per net revenue decreased by 3% as a result of the I-Nergize program, which promotes the implementation of actions that improve energy efficiency, as well as by specific site-driven energy efficiency actions.

Energy intensity per net revenue	2023	2022
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/€ million)	1,764	1,822
Net revenue from activities in high climate impact sectors used to calculate energy intensity (€ million)	3,794	4,282

GROSS SCOPES 1, 2, 3 AND TOTAL GHG EMISSIONS

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 a third of the Group's total emissions.

		Retrospective		
	2023	**2022**	**2021 (Base year)**	**% variation (2023/2022)**
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions ($ktCO_2eq$) [(1)]	1,311	1,478	1,609	-11%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	-	32.9%	32.4%	-
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions ($ktCO_2eq$) [(1)]	585	690	886	-15%
Gross market-based Scope 2 GHG emissions ($ktCO_2eq$) [(1)]	587	702	877	-16%
TOTAL GHG EMISSIONS (SCOPE 1 & 2)				
Total scope 1 & 2 GHG emissions (location-based) ($ktCO_2eq$)	1,895	2,169	2,494	-13%
Total scope 1 & 2 GHG emissions (market-based) ($ktCO_2eq$)	1,898	2,180	2,485	-13%

(1) In 2023, Imerys submitted a new climate target for validation by SBTi. Minor adjustments have been made on historical data (2021 baseline and 2022) to comply with the updated methodology for non CO_2 emissions as well as correct for minor reporting errors that were not significant at Group level. To properly follow Imerys baseline and trajectory, it was decided to correct this data prior to the SBTi submission.

The Group's Scope 1 and 2 GHG emissions equaled 1,898 $ktCO_2eq$ in 2023, which represents a 24% decrease since the base year 2021. The Group's Scope 1 and 2 GHG emissions equaled 500 tCO_2eq per million euros of revenue in 2023, which represents a 31% decrease since 2018.

Lower production volumes and adjustments in product mix account for most of this reduction. Moreover, the Group's decarbonization efforts related to energy efficiency measures and the use of renewable energy, both biomass and renewable electricity, further reduced Scope 1 and 2 GHG emissions. The use of nuclear power in Imerys' sites in the UK also accounts for some of the reduction.

Emissions dropped by 13% in absolute terms in 2023, as compared to 2022 with 282 $ktCO_2eq$ less emission emitted. Scope 1 emissions were cut by 11% (168 $ktCO_2eq$) and Scope 2 were 16% lower (115 $ktCO_2eq$, market-based). This significant reduction in emissions is the result of increased energy efficiency measures and actions at 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 divestment of three sites accounted for -1.4% of the reduction in 2023.

√ *For additional details on the 2023 Third-party verification scope covering emissions reporting and GHG KPIs, see* section 3.6 of the present chapter.

GHG intensity per net revenue	2023	2022
Total GHG emissions (scope 1 & 2 location-based) per net revenue (tCO_2eq/million euros)	500	506
Total GHG emissions (scope 1 & 2 market-based) per net revenue (tCO_2eq/million euros)	500	509
Total net revenue (Financial statements) used to calculate GHG Intensity (million euros)	3,794	4,282

Scope 3 Emissions

Scope 3 is considered an indirect source of emissions, which based on Imerys' estimation as described below, represents about 68% of total Group emissions. In 2022, purchased goods and services, fuel and energy related activities, upstream and downstream transportation and distribution, downstream further processing, use and end of life of sold products were estimated to represent about 4055 $ktCO_2eq$ i.e. around 87% of the Group's total Scope 3 emissions. As of the end of 2023, 48% of the Group suppliers by spend, representing approximately 900 suppliers, have emissions reduction targets.

Significant Scope 3 GHG emissions ($ktCO_2eq$)	2023[4]	2022	2021 (Base year)
Purchased goods and services	-	1,907	2,105
Fuel and energy-related Activities (not included in Scope1 or Scope 2)[1]	-	466	514
Upstream transportation and distribution	-	315	346
Downstream transportation	-	697	784
Downstream further processing, use and end of life of sold products [2]	-	670	696
Other categories [3]	-	619	515
Total GHG emissions			
Total Gross indirect (Scope 3) GHG emissions	-	4,674	4,959

(1) En 2023, Imerys a demandé à la SBTi de valider un nouvel objectif climatique. Les données historiques (2021, année de référence, et 2022) ont fait l'objet de retraitements mineurs pour se conformer à la nouvelles méthodologie de calcul des émissions autres que CO_2 et corriger de petites erreurs de déclaration, négligeables à l'échelle du Groupe. Afin de s'aligner correctement sur les données de référence et la trajectoire d'Imerys, il a été décidé de corriger ces données avant de soumettre l'objectif à la SBTi.

(2) This category - namely the downstream processing of the products sold, the use of the products sold and the end-of-life treatment of the products sold, do not fall within the scope of the SBTi objective

(3) Other categories includes Capital goods, Waste generated in operations, Business travel, Employee commuting and Investments.

(4) 2023 scope 3 emissions are not available as the time of the publication.

Scope 3 Emissions estimation

Scope 3 GHG emissions are calculated on a cradle-to-gate basis by multiplying activity data by specific emission factors. The GHG Protocol outlines recommended Scope 3 calculation methods. Each method corresponds to a certain level of precision and the minimal requirements depend on the level of materiality assessed for each emissions category. Within a GHG emissions category, several approaches can be used for subcategories.

Imerys uses the following GHG Protocol methods to calculate Scope 3 emissions:

- **Spend-based:** a combination of primary activity data on the amount spent on purchased products and secondary emission factors for purchased products per monetary value. The spend-based methodology is generally the least specific and accurate of the calculation methods used by Imerys. Four purchasing categories have been calculated using this method: Industrial equipment and services (IES), Mining services and contracts, Indirect and Packaging.
- **Average data (physical unit) method:** this methodology results from a combination of primary activity data on the mass or quantity of products purchased by Imerys (e.g. kg, MWh) and secondary emission factors for purchased products per unit. Three categories have been calculated using this methodology: Raw materials, Chemical and Energy.
- **Distance-based:** this methodology has been used for the Transport (both upstream and downstream) purchasing category. To calculate emissions linked to the transport in the value chain, Imerys identified the mass, the distance, and the mode of transport, and subsequently applied the appropriate mass-distance emission factors for the vehicles used.
- **Hybrid method:** this methodology results from a combination of supplier-specific activity data (when available) and secondary data to fill in the gaps. It has not been used in the 2022 mapping.
- **Supplier-specific method:** this methodology results from a combination of primary activity data on the mass or quantity of purchased products from specific suppliers and primary product and supplier-specific emission factors per unit. Supplier-specific is considered as the most specific and accurate methodology. This methodology used to calculate the travel category.

3

Source of Scope 3 emissions	Percentage of Scope 3 emissions [1]	Emissions calculation methodology Explanation
Purchased goods and services	41%	This category includes the purchased raw materials (cradle-to-gate: extraction, processing and transportation of the raw materials), mining services and contracts (overburden, hauling, rehabilitation, drilling, explosive, blasting, crushing – also including heavy mobile equipment and tires), chemicals (purchase, processing and transportation), packaging (purchase of polypropylene, polyethylene and paper bags, pallets, covers/films), personal and IT services (consulting, hardware and software purchases, temporary manpower, audit and legal services). For raw materials, the calculation of the GHG emissions is based on the quantity of each raw material (in tons) purchased multiplied by the corresponding emission factor (EF) of the raw material. The EF considered is based on the cradle-to-gate emissions of the raw material (extraction, production and processes, energy used etc.) and transportation. For mining services and contracts, IT, Packaging, and Industrial Services, the calculation is based on the spend for each subcategory using the Carnegie Mellon EIOLCA methodology, which is an environmental input-output life cycle assessment that evaluates the impact of the economic activities on the GHG emissions. For chemicals, the calculation is based on the tons of the given chemical and the related EF from Ecoinvent 9.1.1. The EF contains the processes and transportation of the chemical. For professional services, the data activity was based on cost spent and the corresponding EF was determined based on the Financial Report of the supplier company.
Capital goods	5%	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 EIOLCA methodology.
Fuel-and-energy-related activities (not included in Scope 1 or 2)	10%	This category includes well-to tank emissions of fuels in Scopes 1 and 2. Losses and upstream from purchased electricity are also included. For electricity, the mapping was done by country. IEA 2019 data were considered. Emission factors were chosen from Ecoinvent 9.1.1 for each type of energy: thermal energy (extraction, production and transportation), electricity (extraction, production and distribution, energy consumed in power plants and grid losses).
Upstream transportation and distribution	7%	The types of transport included are bulk shipping, container shipping, road, intermodal (road + train) and train. All transport is calculated on a well-to-wheel basis. The warehouse for transport is also considered. Inter-site transport within Imerys mines and plants is accounted for in Scopes 1 & 2. The calculation of the CO_2e emissions is based on the tonnage, distance and type of transport with a corresponding EF.

Source of Scope 3 emissions	Percentage of Scope 3 emissions [(1)]	Emissions calculation methodology Explanation
Waste generated in operations	0.5%	This category only takes into account the waste generated by Imerys. All types of solid waste (including mining waste) and wastewater generated by Group manufacturing plants, laboratories and offices are considered. For mining operations, none of the mineral waste is treated by third-parties, meaning that it does not go into a landfill nor is it incinerated. All the mineral waste from mining is managed within Imerys own operations and considered under Scope 1. Quarries are rehabilitated at the end of their lifetime to prevent any further environmental damage and, as such, no waste remains. Office waste and production units cleaning (dust) is managed by a third party and these emissions are included. The calculation is based on the spend using the Carnegie Mellon EIOLCA methodology which is an environmental input-output life cycle assessment that evaluates the impact of the economic activities on the GHG emissions.
Business travel	0.2%	For Travel, the data was shared directly by Imerys' suppliers in tons of CO_2eq. It was calculated on a well-to-wheel basis. For the business travel, the calculation of the CO2eq emissions is based on the distance traveled in km by Imerys employees.
Employee Commuting	0.4%	This data is an estimate calculated using the Scope 3 Evaluator method based on the total number of Imerys employees.
Downstream transportation and distribution	14.8%	The types of transport included are bulk shipping, container shipping, road, intermodal (road + train) and train. All transport is calculated on a well-to-wheel basis. Transport is considered from Imerys' gate to the customer's gate. The calculation of the CO_2eq emissions is based on the tonnage, distance and type of transport with a corresponding EF.
Processing of sold products	11%	Screening only considered processing steps that are required to obtain the right properties (mainly thermal expansion, spray drying & firing); further processes of finished products (composed of many other ingredients) that are not directly linked to Imerys minerals are excluded. In very specific applications where further processing is known, assumptions have been made to confirm that it is not significant, compared to other Scope 3 categories, based on Life Cycle Assessment studies performed by Imerys. Further processing stage is generally not significant compared to cradle to gate inventory, except in a few cases that are listed below: ▪ Perlite used in filtration & Building materials, expanded by customers ▪ Minerals (Kaolin, Feldspar, Ball clay, Ground Calcium Carbonate) used in ceramics ▪ Refractory aggregates used in refractory bricks, with thermal processing by brick manufacturers ▪ Ground calcium carbonates and other minerals with carbonate content (such as clays that could contain up to 2.5% of carbonates) are used in ceramic applications
Use of sold products	0%	Imerys products are inert materials, used as components and/or additives in final products and applications. As they are not combusted or chemically/ physically transformed (they are not feedstocks) and they are not consumed during the processing stages, they do not generate direct GHG emissions during use phases. Direct use phase emissions are equal to 0.
End of life treatment of sold products	3%	Process aids (filtration) are the only intermediate sold products in Imerys' portfolio, i.e. they are the only products that are disposed of right after being used. An estimate of their end-of-life emissions has been calculated using Life Cycle Assessment data (LCA). The impact is calculated using activity data (mass of sold products) * Emission factor (from LCA databases) For minerals used as raw materials, blended and integrated into a final product, which are inseparable from other materials, end-of-life of the following market / applications was included: paper & board, plastics & rubber, paint & coating, ceramics, building products, refractory, abrasives… Minerals that are entirely consumed during the use phase have no end-of-life treatment.
Investments	7%	Based on the emissions of the Group's activity in two joint ventures (50% interest) and an associated company (25% interest) not accounted for in Scope 1 and 2 emissions. The GHG protocol average data method was used. Calculations are based on Imerys' % on equity.

(1) The calculation was based upon 2022 data and 2023 methodology as described above.

Internal carbon pricing

Since 2020, Imerys has set a shadow price for carbon as part of its commitment to tackling climate change. The aim is to define a value voluntarily set in order to quantify the economic risk of its greenhouse gas emissions and to establish this value as a criterion in project decisions. This shadow price is applicable to: (i) all projects related to changes in energy consumption or energy efficiency; (ii) all projects worth more than €150,000 which have an impact on GHG emissions to the tune of +/-1,000 tCO_2eq. This price is integrated into project profitability analyses and is used to highlight the risks or capital gains associated with them, and to guide investment decisions towards the most virtuous projects.

The same approach is used for mergers and acquisitions together with the prospect's tCO_2eq/sales ratio so as to favor acquisitions that serve the Group's emissions reduction target. It has demonstrated its relevance and usefulness for several projects, and has another advantage: by requiring that the associated emissions be calculated for each project, it encourages the upskilling of teams in this area, and sets the reduction of greenhouse gas emissions at the heart of all decision-making processes.

The internal carbon shadow price was originally set at 50 €/ tCO_2eq in 2020, and it was further increased to 80 €/tCO_2eq in 2022, in line with global market trends.

For research and development projects, the carbon shadow price has been determined based on the future CO_2 prices estimated by the International Energy Agency (IEA) in its World Energy Outlook published in 2021, following different scenarios. The value of 100 €/tCO_2eq has been selected to be aligned with Imerys' commitments on climate change, i.e. following the 1.5°C trajectory with a medium term time horizon (5-10 years).

Types of internal carbon prices	Prices applied (€/tCO_2eq)	Scope description
CapEx	80	(i) all projects related to changes in energy consumption or energy efficiency; (ii) all projects worth more than €150,000 which have an impact on GHG emissions to the tune of +/- 1,000 tCO_2eq; (ii) mergers and acquisitions
Research and Development (R&D) investment	100	(i) all new product development projects requiring Science & Technology resources and scored according the Group SustainAgility Solutions Assessment (SSA) framework

Anticipated financial effects from material physical and transition risks and potential climate-related opportunities

Imerys total asset value at material risk	Short-term (2030)	Medium-term (2040)	Long-term (2050)
Physical risk: Water stress	4-10 M€	8-20 M€	12-30 M€
Physical risk: Coastal and fluvial flooding and sea level rise	2-100 M€	4-200 €	6-300 M€
Transition risk	36-59 M€	76-95 M€	21-26 M€

These figures were obtained as described in the methodology in *section 3.2.2.2 of the present chapter*.

√ For more information on climate risks and opportunities in Group financial planning, see chapter 6, note 4 Estimates and Judgements and note 19 Impairment Tests of the Universal Registration Document.

3.2.3 Environmental management and pollution prevention

Imerys is committed to complying with relevant environmental laws and regulations, to implementing an Environmental Management System to minimizing negative environmental impacts, to continuously improving environmental performance associated with its operations, to ensuring an environmental conservation approach with defined objectives and targets and to raising internal and external awareness of environmental impacts through training and other efforts.

Imerys' Environmental Charter, signed by the Group CEO and reviewed regularly, forms the basis of the approach taken to monitor and ensure continuous improvement with regards to the environment. For this purpose, Imerys has identified and assessed the environmental risks related to its activities and implements measures and controls to prevent and limit negative impacts.

As part of its mission to promote long-term value creation, the Board of Directors, with the support of its Committees and the ESG Referent Director dedicated to sustainability-related issues, provides specific oversight with regards to environmental risks and opportunities. The Group's environmental roadmap 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 oversight of environment-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, chaired by the Chief Executive Officer. Monitoring of the Group's environmental management system and environmental performance is under the responsibility of the Sustainability Committee. The Environment VP, under the Chief Sustainability Officer's responsibility, leads the identification of environmental risks, definition of management system requirements, Group-level programs and consolidation of performance results. Senior Vice Presidents are responsible for managing environmental risks within their Business Areas.

To support the Group's environmental ambition, the annual variable compensation of the Group Chief Executive Officer and the long-term compensation shares are linked to the Group's environmental performance targets. In the same way, the Group's Executive Committee, senior managers and many functional and operational managers have annual variable compensation linked to environmental management KPIs.

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

3.2.3.1 Impact, risk and opportunity management

Environmental stewardship rests upon the implementation of a robust Environmental Management System, which is a key factor in improving operational excellence while reducing environmental impacts. As per its internal policy, 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 policies, 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 policies specify the internal requirements applicable to all operations. These internal policies cover air, water and soil pollution amongst other topics. 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 Imerys operations.

√ *The Environmental Charter is publicly available on Imerys.com.*

Environmental management

In addition to implementation of mandatory EMS requirements, which are fully aligned with international standards, the Group has a number of ISO 14001 [(1)] and Eco-Management and Audit Scheme (EMAS [(2)]) certifications. As of the end of 2023, 41% 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 used an 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 50% of Group sites are covered by dedicated tools for monitoring regulatory compliance. In addition to the solution developed at Group level, sites across Imerys use various other tools to support regulatory monitoring locally.

(1) ISO 14000 is a family of standards by the International Organization for Standardization (ISO) related to environmental management that exists to help organizations (a) minimize how their operations (processes, etc.) negatively affect the environment; (b) comply with applicable laws, regulations, and other environmentally oriented requirements; and (c) continually improve.

(2) The Eco-Management and Audit Scheme (EMAS) is a voluntary environmental management instrument, which was developed in 1993 by the European Commission. It enables organizations to assess, manage and continuously improve their environmental performance.

3.2.3.2 Metrics and targets

To continue to strengthen environmental management across the Group, an Environmental Maturity Matrix covering the critical elements of environmental management is used. This maturity matrix, 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 policies, Imerys' operations are audited at regular intervals as per the Group auditing policy. **The environmental management target is to ensure that 100% of Group sites have assessed their environmental maturity by 2025.** The environmental maturity matrix, organized around Imerys' environmental policies, allows the sites to measure their environmental performance and then to deploy the continuous improvement program. The matrix is updated when environmental policies are updated.

Imerys' Commitment

Act as a responsible environmental steward 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

Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Environmental Management	Reduce environmental impacts by assessing the maturity level of sites against environmental management requirements [1]	0%	100%	100%

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

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, integrated within 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 environmental incidents, when they do take place, and facilitate greater sharing of improvement actions across the Group.

The severity of environmental incidents is determined by evaluating the environmental and regulatory and reputational consequences and can be: 1-Minor (None or no lasting environmental impact, requiring no remediation); 2-Medium (Minimal and no permanent harm to the environment or minor breach of legislation or company standards); 3-Serious (Limited short-term harm to the environment, occasional breach of legislation or company standards, or formal notice from authority or governmental agency or formal complaint by a third party); 4-Major (Medium term harm to the environment, repeated breach of legislation or company standards); 5-Critical (Long term harm to the environment, severe breach of legislation or company standards).

In 2023, incident reporting policy was strengthened and deployment will occur throughout 2024, with two main objectives: firstly to establish a ranking fully based on measurable and objective facts; secondly, to improve the Group's prevention system and raise awareness throughout the Group, making sure that employees are aware of any incidents that have occurred. The Group's environmental incident reporting includes detailed information and investigation of environmental incidents, including their 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	2023	2022
Number of environmental incidents (Level 3, 4 and 5) [1]	27	14
of which wastewater incidents	22	*9*

(1) Environmental incident severity is determined by evaluating the consequences of the impact, from Level 1 (minor impacts) to Level 5 (critical impacts).

In 2023, 27 environmental incidents were reported within the Group with Level 3 (25), 4 (2) or 5 (0) environmental impacts based on the Group incident reporting policy. They occurred in the United Kingdom, United States, France, Belgium and Brazil, and primarily related to impacts on stormwater with limited short-term harm to the environment, or non-conformity with an administrative standard. The other incidents concern dust or noise management, implying excesses of regulatory thresholds. All reported environmental incidents trigger systematic local emergency plans, immediate actions to reduce or minimize the impact on the environment, followed by an investigation to identify the root cause(s), and identify a corrective action plan to avoid, reduce or minimize the risk of occurrence and severity of such an undesired event.

By setting a mid-term target on maturity level assessment in 2023, the Group put more emphasis on environmental policies and deployed the Environmental Maturity Matrix assessment tool at site level, which triggered an increase of the environmental incidents compared to 2022, as a result of an improvement of the reporting. Group scale events focusing on environmental topics in 2023, such as the Imerys Connect Day and Internal audit seminar, raised awareness among employees. This knowledge reinforcement on environmental topics led to local initiatives of various nature, such as training, preventive tours, and emergency exercises. The implementation of on-line monitoring devices to follow in real time air or water quality, enabled Imerys sites to improve their ability to detect incidents and be more reactive in case of regulatory threshold exceedance and natural receptors contamination.

Wastewater management

The Group has set specific internal policies related to water management, the first of which defines the Group's requirements for the management of wastewater and stormwater and the second focuses on water conservation. The wastewater and stormwater policy aims at avoiding, minimizing or reducing risks of pollution of natural water reservoirs by pollutant runoff, while establishing a framework related to the management of dedicated infrastructure and water treatment units across all Imerys sites.

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. Each wastewater discharge incident is investigated as per Group policy, and corrective action plans are pursued until closure.

Twenty-two wastewater and/or storm water discharge incidents occurred in 2023. They are associated with the environmental incidents described above: temporary exceedance of suspended solid discharge thresholds, which were the result of heavy 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. In 2023, water working groups held meetings involving experts from the business areas, the Group and the sites. The working groups identified the different impacts that Imerys' activity could have on water, and the parameters that will ensure continuous improved water quality monitoring.

Air emissions management

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

SO_x and NO_x emission (tons)	2023	2022
Sulfur dioxide (SO_x)	2,248	2,560
Sulfur dioxide intensity per net revenue (tons/€ million)	0.59	0.60
Nitrogen oxide (NO_x)	5,503	6,441
Nitrogen oxide intensity per net revenue (tons/€ million)	1.45	1.50

By default, the Group's SO_x and NO_x emissions from fuels are automatically calculated on a monthly basis with the fuel consumption and the SO_x and NO_x emission factors specific to fuel from the EPA AP 42 database. At the end of 2023, the decrease of SO_x emissions by 12% and NO_x emissions by 15% are mainly due to the decrease of the energy consumption.

SO_x and NO_x emissions can also be reported manually at site level. In that case, SO_x and NO_x are calculated (and documented) by the site by taking into account the sulfur content of the raw materials, the additives and the process conditions (desulfurization rate). Some sites have continuous monitoring of the SO_x and NO_x emissions at all points of rejection. The Group continues its efforts to manage and reduce both SO_x and NO_x emissions related to its operations through an internal policy, technological upgrades and investments.

3.2.4 Water management

3.2.4.1 Impact, risk and opportunity management

Imerys, like any other extractive company, has an impact on water resources as part of the Group's operations which require water for ore refining and processing. Furthermore, water plays a crucial role in controlling the air emissions of operations, such as dust suppression in quarries or aqueous chemical adjuvants for flue gas treatment. Some Imerys activities may impact natural water flows and may influence groundwater levels depending on the hydrogeological context. The Group is committed to ensuring effective water management and to minimizing the impact of its operations, both in terms of quantity and quality.

Imerys aims to continuously improve water management and volumetric water reporting based on the leading international water reporting standard[1] for the Mining and Metals industry (International Council on Mining and Metals, ICMM). The Group has set specific internal policies related to water management, the first of which defines the Group's requirements for the management of wastewater and stormwater, as detailed above, and the second focuses on water conservation.

Wastewater and stormwater policy aims, as explained above, to prevent water pollution, while water conservation policy provides the general framework related to the preservation of the resource and its availability within the watershed, by defining minimum requirements, identifying the risks related to the sensitivity of the water resource, and mapping water consumption uses and stations with a view to identifying the main levers for reducing operational water demand.

Actions and resources related to water management

The first criterion the Group has set for prioritizating water management efforts is related to water stress. Imerys uses the WWF Water Risk Filter and particularly the "Baseline Water Stress", corresponding to the ratio of the overall surface and groundwater withdrawal compared to the available renewable water at local scale, to identify sites located in basins rated as at very high risk (5) of water stress. With respect to the baseline assessment results, Imerys identified 31 sites with very high risk related to water stress, with a majority located along the Pacific coast of North and South America, around the Mediterranean Sea, India and South Africa. A large majority of these sites (71%) do not use substantial amounts of water for mineral processing (< 10 000 m^3/year), as it is a dry process and water use is typically for dust management or sanitary use.

A second criterion set up by the Group is based on the yearly water withdrawal and/or water discharge of operations that exceeds 1 million cubic meters of water (and not specifically located in very high water stress areas). Twenty-one Imerys' sites have been identified and included in the list of priority sites as top contributors with high potential of water preservation.

In 2023, Imerys launched a three-year water roadmap aimed at improving the overall water reporting methods, including quantitative and qualitative data on the water balance of priority sites. In this trajectory, water working groups have been organized, involving representatives from all Imerys' Business areas to ensure a proper understanding of the new reporting requirements, identify areas for improvement, and set up new indicators and KPIs to follow the progress of the operations in their water sobriety journey.

The year 2023 was marked by the Imerys Connect Day, which in addition to safety, focused on water resources. Through the awareness raising sessions conducted across all Imerys sites, over 13,000 employees were trained on the impacts of Imerys activities on water resources and the importance of water conservation. Each operation has been asked to choose and commit to concrete action for 2024 to promote collective action on the site and, ultimately, to reduce its water footprint.

(1) ICMM "Water Reporting: Good Practice Guide", 2nd edition (2021)

3.2.4.2 Metrics and targets

Imerys' Commitment

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Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Natural resources efficiency	Improve water management by ensuring priority sites [(1)] comply with new water reporting requirements	0%	22%	100%

(1) Priority sites refer to withdrawal and/or discharges > 1M m³/year or located in water stress zones at very high risk.

With the launch of its mid-term targets, Imerys aims to improve understanding of its overall water consumption by better management of water flow measurement and reporting. Together with close monitoring of operations located in very high water stress areas, these initiatives should lead to the identification of all potential levers, plus understanding and applying Best Available Technologies (BATs) where possible, to minimize the impact on water availability at watershed scale while improving the Group's business resilience to face more frequent drought episodes. **The Natural resources efficiency target for water is to ensure that 100% of priority sites comply with new water reporting requirements by 2025.** The water priority sites represent 64% of the Group's annual water withdrawal. Specific support is provided at these sites to ensure proper water management and identify levers of actions to preserve the water resource.

Water withdrawal

Water withdrawals consist of "operational water withdrawal", which refers to water that enters the operational water system, and "other managed water", which is the water that is actively managed without intent to supply the operational water demand. Other managed water is, for example, water that is pumped out for pit dewatering to access the mineral deposit, treated and discharged without any operational utility. This water is not impacted by Imerys' operations and is set apart from operational withdrawal in the reporting. Operational water withdrawals for Imerys' activities are taken from natural reservoirs, which can be surface water or groundwater, but also from suppliers and other sources such as rainwater harvesting.

Groundwater is the major source of operational water withdrawal for the Group, followed by surface water. Both sources of water represent around 79% of overall operational water withdrawal.

Water withdrawals (million m³)	2023	2022
Total operational water withdrawals [(1)]	50.477	45.316
Water withdrawn from water groundwater	24.142	18.183
Water withdrawn from suppliers	3.725	3.510
Water withdrawn from surface water	15.628	16.200
Water withdrawn from other sources [(2)]	6.982	7.423
Water intensity per net revenue (m3/euros)	0.013	0.011

(1) Operational withdrawals refers to the quantity of water supplied by a third party or withdrawn from the environment which supplies operations. Imerys applies the definition and the recommendation of the ICMM standard.

(2) Some Imerys operations may obtain water from sources other than those listed above. For example, an operation may collect rainwater or obtain wastewater from another organization. Internal recycling is excluded.

3.2.5 Biodiversity and land rehabilitation

3.2.5.1 Strategy

Imerys has a major responsibility to take into account effectively, and in a timely manner, all the impacts of our operations on natural habitats, fauna and flora, at all sites and in all stages of a plant and mine or quarry life cycle, while striving for no-net-loss of biodiversity. This is why, Imerys has designed and is implementing its biodiversity program and internal policy to continue contributing 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.

In order to support the development and implementation of its biodiversity program, Imerys established a scientific partnership with the UAR Patrimoine Naturel [(1)] in 2018. This partnership provides a critical external review of the Group program and supports the mobilization of scientific expertise for improving biodiversity knowledge and actions in Imerys sites. In addition, Imerys has committed to Act4nature International [(2)] launched by "Entreprises pour l'Environnement" (EpE [(3)]) and other partners with the aim of mobilizing businesses to protect biodiversity.

Imerys' Act4Nature individual commitments are built around four pillars: Continuously improving Imerys' environmental strategy and scientific expertise, implementing actions against the major causes of biodiversity loss, conducting studies and research on biodiversity and raising awareness, training and involving internal and external stakeholders.

In line with the commitments made and in order to ensure the continued integration of biodiversity stakes within Group operations, the Sustainability Committee ensures formal oversight of Imerys' biodiversity performance, with regular progress reviews. 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 meets twice a year to follow up on the program's status and to define actions to reach Group targets.

(1) http://www.patrinat.fr/fr/ums-patrimoine-naturel-346.("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) and, since 2023, the French Research Institute for Development (IRD).

(2) 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.

(3) "Entreprises pour l'Environnement" (EpE) is a forum that brings together 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/.

(1) *Measures taken to avoid, minimise and offset impacts on nature.*

3.2.5.2 Impact, risk and opportunity management

The question of impacts on the living world arises during the entire life cycle of a quarry or mine, whether for the choice of the site, its operation, its rehabilitation or its post-rehabilitation land use. Imerys' activities have the potential to cause direct and indirect impacts on biodiversity. In 2022, 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 across the Group's operations and value chain (scopes 1, 2 and 3). The results of this first Group level assessment indicate that the main impact of Imerys' activities is on direct operations (Scope 1) and on **land occupation** for the impact of its extraction sites. It also highlighted that Imerys has important opportunities to recreate habitats, preserve, restore and protect areas that have not been artificialized in the long term. These assessments provided a good understanding and baseline knowledge of the Group's material impacts, risks and opportunities.

Processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

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 starting point to reduce Group impacts on **habitat loss** is to be aware of risk sensitivity linked to site 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 2023, a worldwide ecological mapping of all of Imerys' sites was completed.

A notion of **priority sites** for biodiversity has been defined. This consists in sites that extract materials and that meet one of the three following criteria: a site that extracts more than one million tons of materials (regardless of location), or a site located within a radius of 5 km of an area classified as IUCN category I, II or III, or a site located in a biodiversity hotspot and an area classified as IUCN category IV within a radius of 5 km. Imerys has set specific objectives and targets for these extractive sites.

Policies related to biodiversity and ecosystems

In 2021, Group began the roll-out of a new environmental policy governing biodiversity management across its sites. The policy 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 at all stages of a plant and/or quarry or mine life cycle, with the ultimate goal of no-net-loss of biodiversity, supported by a systematic implementation of the Mitigation Hierarchy[(2)].

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 policy and supporting guidelines, Imerys designed a maturity matrix that aims to support sites in the assessment of biodiversity performance. This matrix also offers sites the opportunity to go beyond the standards' requirements and to implement improvement actions.

The management of IAS, as well as efforts to reduce chemical inputs, are integrated in the environmental management system policies, guidelines and environmental maturity matrix described above.

Actions and resources related to biodiversity and ecosystems

Actions related to biodiversity are a part of Imerys' Act4nature individual commitments. They are deployed by implementing actions focused on the major causes of biodiversity loss, by conducting studies and research on biodiversity and its preservation and by raising awareness.

The Group's approach to preserving biodiversity is based on the Mitigation Hierarchy. The Group continues to work to integrate prevention and control measures on IAS 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. These measures are included in a biodiversity action plan (BAP) done by each site with quarries.

Biodiversity loss is a major and global threat. This is why contributions to scientific biodiversity research and development projects are key to reverse the decline of nature. 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 aimed at providing a solution to biodiversity issues. Imerys has deployed pilot projects across sites in Brazil, Greece, and France. **Symbiosis** is an international project bringing together scientific experts (*Institut de recherche pour le développement (*IRD) and local universities) and Imerys for the development of nature-based solution in an effort to improve soil property and revegetation in rehabilitation areas with the use of symbiotic microbes. This project has led to the elaboration of a scientific policy that supports plant growth in hard conditions.

PatriNat has also deployed **ECOVAL** (*Évaluation de l'équivalence écologique*) at various Imerys pilot sites in France. This analysis tool aims to compare biodiversity losses at impacted sites and the biodiversity gains in offset areas. This allows Imerys to assess the ecological equivalence and the effectiveness of 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 territorial scale, working with a network of stakeholders.

Imerys has implemented activities with internal and external stakeholders to initiate greater awareness of biodiversity. The Group developed an educational film on biodiversity for Group employees to share details on the program and raise awareness of biodiversity. An internal environmental community has been created and the Group has organized educational sessions on biodiversity with employees to support the dissemination of good practices and biodiversity knowledge across the Group.

In 2021, an interactive workshop "Caring for our planet" focusing on biodiversity was conducted across all Group sites, offices and laboratories. The attendees took part 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. Through this workshop, approximately over 13,000 employees were trained on core biodiversity topics.

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

(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, rehailitating and finally offsetting the impact.

biodiversity, including through a digital training course. 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 2023, more than 1938 employees have done 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 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 2023, 17 biodiversity initiatives participated in the SD Challenge. The winning project in the United States was recognized for an outstanding 25 year wetlands mining master plan. In the previous years, Imerys received 37 initiatives in 2022, and 27 in 2021.

Furthermore, as a result of the scientific studies undertaken in collaboration with partners at Imerys sites, 2661 data entries on biodiversity were published in The National Inventory of Natural Heritage 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.*

3.2.5.3 Metrics and targets

Imerys is committed to testing biodiversity indicators to better understand and measure its impact on nature and the state of biodiversity as well. 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 *Indicateur de qualité écologique (*IQE) and the Biodiversity Indicator and Reporting System (BIRS). These tools have been tested in Europe and in Asia in 2023.

Targets related to biodiversity and ecosystems

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 organized its own program into specific commitments linked to the Act4nature International engagements in 2021. Imerys' individual commitments have been set taking into account the Group's own impact on biodiversity. These individual commitments revolve around four pillars: scientific expertise & environmental strategy, actions against the causes of biodiversity loss, research and development and engagement with Imerys stakeholders.

Imerys' Commitment

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Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Biodiversity & land rehabilitation	Reduce impact on biodiversity by fulfilling our Act4nature commitments and conducting biodiversity audits on 20 priority sites (1)	0	57%	100%

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

The mid-term target is for the Group to achieve all objectives defined within its Act4nature commitment and conduct 20 biodiversity audits on priority sites by the end of 2025. Throughout 2023, Imerys continued to work to fulfill its commitments under Act4nature International and as of the end of 2023, 75% of the Act4nature International commitments have been completed and six biodiversity audits have been conducted, putting progress towards the 2025 target at 57%.

The biodiversity audits are based on Imerys' biodiversity policy. This policy is based on three main pillars: management of biodiversity on site, natural knowledge & mitigation measures, and communication & awareness. Six sites that have been audited in 2023, had an average maturity of 71%. The results indicate that sites have a good approach to management and natural knowledge yet still have to reinforce their mitigation and communication measures. 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 is summarized below.

Act4Nature International commitments progress	2023	2022
Continuously improve Imerys' environmental strategy and scientific expertise	90%	85%
Actions against biodiversity loss	69%	50%
Initiate and conduct studies and research on biodiversity and its preservation	69%	65%
Raise awareness, train and involve internal and external stakeholders	75%	70%
Overall progress	**75%**	**65%**

3.2.6 Resource use and circular economy

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 utilization 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 its production processes by analyzing the environmental impacts associated with Group operations and exploring opportunities to contribute to a more circular economy.

3.2.6.1 Impact, risk and opportunity management

As the main source of mineral raw materials to the Group's industrial plants, 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.

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 and procedures, 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.

3.2.6.1.1 Mineral resources optimization

The Group uses maturity matrices focused on "Mineral Resources" and "Mineral Reserves" over a three to six year-cycle. As with other matrices in the "I-Cube" program, these matrices are used to drive continuous improvement and the development of action plans. Mineral resources and mineral reserve reports are aligned with the PERC [1] Standard for Reporting of Exploration Results, Mineral Resources and Mineral Reserves (the "PERC Reporting Standard 2021").

The Group aims to contribute to the circular economy by increasing "Resource Recovery" as per the OECD [2] definitions of circular economy business models. Imerys optimizes its resource recovery by finding new destinations for mineral waste in another industry to avoid it becoming a waste, by supplying secondary materials to other industries/ customers and by recovering by-products from mineral waste streams. Furthermore, the Group continues to identify opportunities across its markets to introduce reclaimed raw materials within existing product solutions as a substitute for virgin raw materials, thereby contributing to a circular economy through a "Circular Supply" business model.

Opportunities to optimize mineral 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 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. More recently, Imerys' Perlite facility in Lakeview (US) entered into a 10-year agreement with a customer to utilize the existing 1.8 million ton stockpile of perlite ore by-products into a proprietary pozzolanic cement, which increased perlite recovery from 35% in 2022 to 100% in 2023, making it a zero mineral waste facility and improving the plant's profitability and long term viability. Similar projects are being explored and developed in other areas across the Group.

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).

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", in which it 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[3]. While recycling rates for industrial minerals are relatively high, the Group is committed to continue identifying 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 3.2.6.3 of the present chapter.

√ *For more information on the "I-Cube" program, see* chapter 1, section 1.2.1 of the Universal Registration Document.

(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) *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.*
(3) *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.*

3.2.6.2 Metrics and targets

Imerys mining operations remove overburden and separate minerals that are valuable from other materials. Such overburden and mineral solids (e.g., tailings, off-specification materials, etc.) are usually stored on or near production areas at the quarries since they may be useful in the future. In many cases, the overburden and mineral solids are used as backfilling or re-profiling materials in post-mining restoration work. For these reasons, they are not quantified and reported as "waste". Off-specification materials from the processing operations which are placed back in the Imerys quarries are counted as waste only when subject to regulatory requirements.

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Act as a responsible environmental steward 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

Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Natural resource efficiency	Improve mineral resources efficiency by ensuring priority sites[(1)] (by mineral waste volume) comply with new mineral waste reporting requirements by the end of 2025	0%	20%	80%

(1) Priority sites for mineral waste are defined by volume.

Imerys is currently developing a Group-wide baseline of the available mineral inventory, in addition to what is reported under Mineral Resources and Mineral Reserves. When the baseline and opportunities are established, targets for improving Resource Recovery as per the OECD definitions of circular economy business models will be set. **The Natural resources efficiency target for mineral resources is to ensure that 80% of priority sites (by mineral waste volume) comply with new mineral waste reporting requirements by 2025.** To date, 20% of the detailed mineral inventory has been completed.

3.2.6.3 Mineral Reserves and Resources

The Mineral Reserves and Resources data published in this present chapter have been prepared in alignment with the Pan-European Standard for reporting of Exploration Results, Mineral Resources and Reserves 2021 (PERC Reporting Standard 2021), which is an internationally recognized reporting standard for mineral assets and a member of the CRIRSCO group of codes [(1)]. In accordance with company procedures, the Group's Mineral Reserves and Mineral Resources are regularly audited by internal and external auditors

3.2.6.3.1 Mineral reporting principles Mineral Asset reporting

The Group Mineral Assets are composed of both Mineral Reserves and Mineral Resources. Mineral Reserves correspond to the portions of a deposit that are demonstrably economic to extract given the prevailing or reasonably forecast regulatory and economic climate at the time of estimation. Mineral 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 Mineral Reserves in order to maintain a mineral inventory equivalent to around 20 years' worth of production. On existing sites, this involves the collection and analysis of additional data and detailed modeling of already identified Mineral Resources to confirm the potential for exploitation based on quality, quantity, mining parameters, available markets and costs as well as consideration of any potential environmental and social impacts. Where these studies lead 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 Mineral Resources may be converted into Mineral 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.

3.2.6.3.2 Mineral Asset audits

To ensure consistent reporting across all Group entities and alignment with all relevant standards, internal and external audits are conducted over 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 Asset management and exploitation. The results of the Mineral Reserves and Mineral Resources reporting and auditing are assessed by the Audit Committee.

(1) CRIRSCO: Committee for Mineral Reserves International Reporting Standards.

3.2.6.3.3 Key Minerals

1) **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.
2) **Bentonite** is an alumino-silicate clay formed from altered volcanic rocks, it has high rheological and absorbent properties.
3) **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.
4) **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.
5) **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.
6) **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 (7001,200°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.
7) **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.
8) **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.
9) **Talc** is a very soft hydrated magnesium silicate with properties unique to the deposit from which it is extracted.
10) **Wollastonite** is a metamorphic calcium mineral associated with skarns. Its elongated crystal structure and thermal properties are utilized in ceramics, cements, paints and plastics
11) **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 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.

3.2.6.4 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, 2022 are presented for the purpose of comparison. Changes in estimates of mineral reserves and mineral resources between December 31, 2022 and December 31, 2023 correspond to minerals 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 €391.1 million at December 31, 2023 (€415.5 million at December 31, 2022).

In accordance with accounting rules, the mineral reserve and mineral 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, 2023 *VS* DEC. 31, 2022)

		2023 (kt)			2022 (kt)		
Product	**Region**	**Proven**	**Probable**	**Total**	**Proven**	**Probable**	**Total**
Ball Clays	Europe	1,846	2,987	4,833	2,126	3,231	5,357
	Americas	3,560	111	3,671	3,860	116	3,976
	Asia-Pacific	676	0	676	591	0	591
	Africa & Middle East	0	472	472	0	323	323
	TOTAL	**6,082**	**3,570**	**9,652**	**6,577**	**3,670**	**10,247**
Bentonite	Europe	5,679	1,038	6,717	6,670	1,128	7,798
	Americas	0	0	0	0	0	0
	Africa & Middle East	176	0	176	193	29	222
	TOTAL	**5,855**	**1,038**	**6,893**	**6,863**	**1,157**	**8,020**
Carbonates	Europe	1,007	6,241	7,248	1,079	15,314	16,393
	Americas	34,818	100,675	135,493	36,684	100,769	137,453
	Asia-Pacific	0	18,311	18,311	0	29,618	29,618
	Africa & Middle East	0	0	0	0	0	0
	TOTAL	**35,825**	**125,227**	**161,052**	**37,763**	**145,701**	**183,464**
Feldspar	Europe	3,227	1,179	4,406	3,225	3,299	6,524
	Africa & Middle East	0	0	0	0	151	151
	TOTAL	**3,227**	**1,179**	**4,406**	**3,225**	**3,450**	**6,675**
Kaolin	Europe	2,886	1,872	4,758	3,044	1,982	5,026
	Americas	6,432	2,721	9,153	3,253	1,980	5,233
	Asia-Pacific	245	29	274	238	30	268
	TOTAL	**9,563**	**4,622**	**14,185**	**6,535**	**3,992**	**10,527**
Minerals for Refractories	Europe	313	3,326	3,639	473	3,086	3,559
	Americas	3,718	880	4,598	3,921	870	4,791
	Africa & Middle East	574	586	1,160	622	663	1,285
	TOTAL	**4,605**	**4,792**	**9,397**	**5,016**	**4,619**	**9,635**
Perlite & Diatomite	Europe	7,327	2,916	10,243	4,434	18,172	22,606
	Americas	20,056	11,153	31,209	20,971	11,132	32,103
	Africa & Middle East	0	435	435	0	80	80
	TOTAL	**27,383**	**14,504**	**41,887**	**25,405**	**29,384**	**54,789**
Talc	Europe	369	12,925	13,294	1,318	12,184	13,502
	Asia-Pacific	1,703	663	2,366	1,769	676	2,445
	TOTAL	**2,072**	**13,588**	**15,660**	**3,087**	**12,860**	**15,947**
Other minerals	Europe	1,088	77	1,165	1,233	0	1,233
	Americas	0	3,815	3,815	2,044	1,200	3,244
	Africa & Middle East	0	104	104	0	104	104
	TOTAL	**1,088**	**3,996**	**5,084**	**3,277**	**1,304**	**4,581**

Note: In addition to the normal activities of production, significant changes in the Mineral Reserves occurred due to re-evaluation of mining models in Perlite Europe, and Carbonates in Europe and Asia.

INDUSTRIAL MINERALS MINERAL RESOURCES ESTIMATES (AT DEC. 31, 2023 *VS* DEC. 31, 2022)

		2023 (kt)				2022 (kt)			
Product	**Region**	**Measured**	**Indicated**	**Inferred**	**Total**	**Measured**	**Indicated**	**Inferred**	**Total**
Ball Clays	Europe	8,873	1,924	1,219	12,016	9,159	1,854	1,086	12,099
	Americas	4,637	8,503	6,645	19,785	4,506	8,618	6,530	19,654
	Asia-Pacific	31	0	0	31	37	0	0	37
	Africa & Middle East	0	0	0	0	0	0	178	178
	TOTAL	**13,541**	**10,427**	**7,864**	**31,832**	**13,702**	**10,472**	**7,794**	**31,968**
Bentonite	Europe	43,358	14,679	1,068	59,105	43,358	14,674	1,068	59,100
	Americas	0	0	0	0	0	0	0	0
	Africa & Middle East	237	7	301	545	105	1,057	3,344	4,506
	TOTAL	**43,595**	**14,686**	**1,369**	**59,650**	**43,463**	**15,731**	**4,412**	**63,606**
Carbonates	Europe	0	2,754	4,811	7,565	0	2,756	12,970	15,726
	Americas	14,505	65,795	125,952	206,252	13,137	63,878	135,115	212,130
	Asia-Pacific	10,095	0	512	10,607	0	0	512	512
	Africa & Middle East	0	4,651	0	4,651	0	4,651	0	4,651
	TOTAL	**24,600**	**73,200**	**131,275**	**229,075**	**13,137**	**71,285**	**148,597**	**233,019**
Feldspar	Europe	468	1,278	5,637	7,383	163	1,151	9,600	10,914
	Africa & Middle East	0	151	0	151	0	263	0	263
	TOTAL	**468**	**1,429**	**5,637**	**7,534**	**163**	**1,414**	**9,600**	**11,177**
Kaolin	Europe	1,456	2,546	13,490	17,492	1,482	2,579	14,237	18,298
	Americas	30,333	63,094	40,983	134,410	19,641	24,162	16,244	60,047
	Asia-Pacific	881	372	35	1,288	107	1,041	35	1,183
	TOTAL	**32,670**	**66,012**	**54,508**	**153,190**	**21,230**	**27,782**	**30,516**	**79,528**
Minerals for Refractories	Europe	103	3,910	3,112	7,125	254	4,316	2,951	7,521
	Americas	5,012	2,941	2,398	10,351	5,004	2,941	2,392	10,337
	Africa & Middle East	450	600	1,004	2,054	450	600	1,050	2,100
	TOTAL	**5,565**	**7,451**	**6,514**	**19,530**	**5,708**	**7,857**	**6,393**	**19,958**
Perlite & Diatomite	Europe	16,117	12,232	16,665	45,014	5,907	12,421	48,328	66,656
	Americas	18,860	15,856	23,937	58,653	18,869	16,512	24,022	59,403
	Africa & Middle East	0	352	6,209	6,561	0	746	6,209	6,955
	TOTAL	**34,977**	**28,440**	**46,811**	**110,228**	**24,776**	**29,679**	**78,559**	**133,014**
Talc	Europe	150	1,594	6,137	7,881	153	1,577	6,097	7,827
	Asia-Pacific	2,845	1,458	1,638	5,941	2,846	1,458	1,638	5,942
	TOTAL	**2,995**	**3,052**	**7,775**	**13,822**	**2,999**	**3,035**	**7,735**	**13,769**
Other minerals	Europe	1,998	6,304	2,645	10,947	1,998	7,640	2,645	12,283
	Americas	6,357	5,710	34,644	46,711	6,357	25,760	66,202	98,319
	Africa & Middle East	0	0	0	0	0	0	0	0
	TOTAL	**8,355**	**12,014**	**37,289**	**57,658**	**8,355**	**33,400**	**68,847**	**110,602**

Notes: In addition to the normal activities of exploration, resource development and transfer of resources to reserves, in 2023 there were significant changes in Mineral Resources due to revisions to the resource models and classification for wollastonite in the Americas, perlite in Europe and carbonates in Europe and the Americas.

LITHIUM

Imerys currently has two active lithium exploration projects which have the potential to make the Group the largest integrated lithium supplier in Europe, representing more than 20% of the European lithium output by 2030.

France – Project EMILI

During 2022, Imerys completed an initial exploration drilling program (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 program 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 consultancy firm 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 of metalliferous Mineral Resources, Imerys reports the resource in terms of tons and grade of in-situ material rather than tons 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 1.2.2 of the 2023 Universal Registration Document.

EMILI PROJECT PHASE 1 MINERAL RESOURCES SUMMARY

Classification	Volume *(000,000' m³)*	Tonnage *(000,000' t)*	Density *(t/m³)*	Li_2O *(%)*	Sn *(%)*	Ta *(%)*
Inferred	44.1	116.8	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 Li_2O, 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% Li_2O based on a LiOH price of €21,450/t. Concentrate recovery used is 75% and refining recovery from concentrate is 87%.
- Mineral Resources are reported inclusive of ground support pillars.
- The Mineral Resource has been compiled in accordance with the PERC Reporting standard (2021).
- The 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.

United Kingdom – British Lithium

In July 2023, Imerys acquired an 80% stake in British Lithium, which has developed a processing route to produce battery-grade lithium from Cornish granite. Over the previous five years, British Lithium completed a series of drilling programmes on prospective parts of Imerys' land holding within the Saint Austell area. This culminated in the reporting of a maiden Mineral Resource Estimate (MRE) in May 2023. British Lithium has classified the resource at an Inferred level of confidence and reported it in accordance with the JORC (2012) Code[2]. The results of the MRE are presented below with further details available on the Imerys British Lithium website.

(1) AMC is an internationally recognized mining consultancy https://www.amcconsultants.com/.
(2) The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ('the JORC Code') is a professional code of practice that sets minimum standards for Public Reporting of minerals Exploration Results, Mineral Resources and Ore Reserves.The JORC Code provides a mandatory system for the classification of minerals Exploration Results, Mineral Resources and Ore Reserves according to the levels of confidence in geological knowledge and technical and economic considerations in Public Reports.

IMERYS BRITISH LITHIUM MINERAL RESOURCES SUMMARY

Classification	Volume (000,000' m^3)	Tonnage (000,000' t)	Density (t/m^3)	Li_2O (%)
Inferred - G5 Granite	50.4	131.0	2.6	0.57
Inferred - Lode	11.6	29.7	2.55	0.39

- 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 May 18, 2023.
- Imerys has an 80% stake in Imerys British Lithium. The MRE reported here is for the entire project
- Mineral Resources are reported inclusive of any Mineral Reserves.
- The contained Li_2O represents estimated contained metal in the ground and has not been adjusted for metallurgical recovery.
- Mineral Resources are reported assuming mining via an open pit method at a cut-off grade of 0.15% Li_2O based on a LCE price of US$25,000/t. global plant metal recovery of 72%
- The Mineral Resource has been compiled in accordance with the 2012 JORC Code.
- The Competent Person (CP) responsible for reporting the Imerys British Lithium Mineral Resource is Matthew Watson. At the time of reporting, Matthew was employed as Head Geologist by British Lithium but is no longer employed by Imerys British Lithium. Matthew is a Member of the Australasian Institute of Mining and Metallurgy and has over five years of experience in estimates of lithium and granite hosted deposits.

3.2.6.5 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 waste. The Group is nevertheless committed to reducing waste generation through prevention, reduction, recycling and reuse as a means to contribute further to SDG 12 on sustainable consumption and production patterns.

All countries in which Imerys operates have national environmental laws regulating waste. The national environmental laws of different countries apply different criteria to determine whether waste will need special management because it is toxic, corrosive, explosive, flammable, reactive or otherwise dangerous to human health or the environment. Each operation follows the national environmental laws of the country in which it is operating to determine whether a specific type of waste is regulated as hazardous haste or non-hazardous waste. If some water-containing liquid is counted as waste (rather than wastewater) according to regulations, the reported quantity excludes the water content.

Industrial wastes (tons) (1)	2023	2022
Total industrial waste of which:	96,232	122,182
Non-recycled hazardous industrial waste	1,729	1,878
Recycled hazardous industrial waste	1,444	1,380
Non-recycled non-hazardous industrial waste	50,228	80,876
Recycled non-hazardous industrial waste	42,831	38,049
Industrial waste intensity per net revenue (tons/€ million)	25	29

(1) The reported quantity refers to the waste evacuated from operational sites within the calendar year. It does not include the waste stocked on sites for future disposal.

The Group's activities generated 96 kt of industrial waste in 2023, 97% of which was non-hazardous. The small amount of hazardous waste generated by most Imerys operations is principally chemical additives, residual oils and associated packaging waste. The decrease in waste generation compared to 2022 is primarily due to a decrease in production and improvement of the reporting. In 2023, the amount of recycled waste increased by 12%, representing 46% of the total industrial waste, compared to 32% in 2022. The industrial waste generation rate per euro of revenue was 25 tons/M€ in 2023.

The Group is committed to raising awareness on the importance of reducing food waste and organic waste; however, this impact is not material at Group level. The Group has approximately 2,041 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 quantified. Likewise, the Group's 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.*

3.3 EMPOWERING OUR PEOPLE

3.3.1 Imerys' workforce

3.3.1.1 Strategy

The Group is committed to developing a proactive Health & Safety culture wherever it operates. The Group is likewise committed to a continuous improvement cycle of Health & Safety 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 Health & Safety 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 concretely contributes to SDG 8 to promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

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's progress on all health and safety objectives and programs. The main health and safety indicators are reviewed on a monthly basis at every Executive Committee meeting.

Empowering people is at the heart of Imerys' business success. Imerys seeks to create an environment that promotes employees' 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.

3.3.1.2 Impacts, risks and opportunities management

3.3.1.2.1 Policies related to own workforce

Health and Safety

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 the four Safer Together pillars: Being Positive About Safety, Placing Health & Safety Above All, Looking Out For Each Other, Taking Responsibility. The ISS risk management framework is based on the hierarchy of controls (elimination, substitution, engineering controls, administrative controls and personal protective equipment).

For Imerys, managing workplace health and well-being of the Group's employees and contractors is a core value. Imerys' occupational health policies 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 seek improvement, simplification and standardization. Compliance with regulations and the Group's Occupational Health policies are reviewed regularly through the Group environmental, health and safety (EHS) audit program.

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.

Labor practices and working conditions

Imerys strives to promote mutual respect in all practices and dealings with its employees, and outside contractors. The Group is committed to complying 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 respecting human rights, avoiding complicity in human rights abuses and providing access to remedy, in line with the UN Guiding Principles on Business and Human Rights. Imerys endeavors to have a positive impact on employees' welfare through its employment practices, which likewise have both indirect and induced positive impacts 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 regard to Group operations.

Compliance with the Code and policies 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. Policies on prohibition of child labor and forced labor have been in place since 2009.

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 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 across Imerys sites.

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 foster transparency and consistency in compensation practices across Business Areas and Functions.

Fixed compensations are reviewed on a yearly basis under the close coordination of the Human Resources function, supported by regular local and/or sectoral 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. These objectives are reviewed during annual performance reviews based on the management by personal objectives approach. In some cases multidimensional performance appraisals (360 degree feedback) are also used. Agile conversations are also advised all year long to get regular feedback on performance. The Group endeavors to align its remuneration practices across the world with international standards.

In 2023, 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 and sustainability objectives.

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

Training and skills development

Talent development is essential to maintain an innovative, engaged and motivated workforce and to ensure strong long-term growth within the Group. As the labor market is constantly evolving and may therefore present a punctual risk for Imerys over a short period of time, the Group's talent roadmap 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 at 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.

In 2023, the new Imerys Leadership Competencies were launched to reflect the Purpose, Vision and Values of the Group. Imerys Leadership Competencies, 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.

The Group is committed to continuously diversifying and increasing 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 9,000 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 compliance, environmental management, cybersecurity, and range of diversity, equity and inclusion themes, while open to all, are mandatory for targeted populations. Imerys likewise promotes the use of the UN Global Compact Academy as a means to enrich the training offering on numerous ESG topics for all Group digital learners through the Learning Hub.

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 risks to human rights. E-learning modules on Human Rights are available to employees on the Learning Hub.

Imerys implements employee development programs to regularly upgrade and improve employee skills. The mission of the program is to support key talents in a leadership development journey to cultivate their mindset and skills for current and future success within the business and organizational context within which they work. The goals of the "Imerys Leadership Program" are as follows: accelerate the success of key managers to support Imerys strategy and develop a leadership pipeline to provide Imerys with the leaders of tomorrow. This program has been implemented for 1% of Imerys employees.

Imerys also proposes a "Lead my team program", which aims at training operations' supervisors in managerial and project management techniques. The goals of this program are as follows: improve Ssfety and develop a strong safety culture among all employees and managers, create the continuous improvement culture to support our operations and provide the supervisors with the skills and behaviors to improve their team and business performance. It has been rolled out for approximately 15% of Imerys employees.

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 Imerys' 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. Since 2020, the Group has used a digital global onboarding program to create global consistency for onboarding of new recruits and offers a streamlined and supportive approach and a centrally managed process, which gives 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 has a strong and direct influence, at all 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, and environment.

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 reinforcing the Group culture and mindset. The Group has an annual process of reviewing the succession pipeline for a number of managerial and professional positions (Organisational & People Review). In addition, the Group has a robust and comprehensive performance management system called PAD (Performance Appraisal & Development), which covers the behavioral assessment as well as numerical objectives attainment. In 2023, for the first time, almost 800 employees in South America (Brasil, Chile, Peru, Argentina) performed their performance assessment through the system in Workday.

Collective bargaining coverage and social dialogue

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.

Imerys recognizes the right to freedom of association and the right to collective bargaining, which is clearly set out within the Group Codeand detailed within the related HR policies, policies and procedures. Many 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. Imerys is fully committed to taking effective measures to end discrimination and to eradicate child labor and forced labor.

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 EWC is regularly informed and consulted on Group strategic decisions, including major projects related to changes in the Group's activities when they occur. The employee delegation consists of 16 members, each representing different nationalities. In 2023, one plenary session was held and the EWC's five officers met three times during the year. One extraordinary plenary session was organized for the appointment of one of the two employee representatives to the Board of Directors. The EWC officers act as a liaison between representatives and Imerys management.

An EWC agreement was signed on May 24, 2022, covering 2022-2026.

Amongst various provisions this agreement provides a specific training path to all members beyond the legal requirements. Indeed, in order to provide a better knowledge of the Group and its businesses, the EWC representatives were presented with a comprehensive view of the Group (activities, geographical presence, market and customer applications, key figures, etc. ..). Furthermore in order to better apprehend their missions and responsibilities as EWC Representatives a specific and tailor made training on financial matters was given such as the main Financial Components and Mechanics of a Profit & Loss, balance sheet and free operating cash flow statements.

The term of office of elected representatives of the EWC is four years. Discussions with the EWC include updates with regards to business performance, safety, environment, employee engagement, and diversity, equity and inclusion amongst other topics. The sustainability performance, roadmap and priorities for 2024 were presented and discussed with the EWC during the 2023 plenary session.

In the event of restructuring, the Group engages in constructive dialogue and puts in place a range of services for employees, ranging from internal mobility, training, outplacement services, amongst other offerings as appropriate to the specific situation.

The interests and views of Imerys employees and representatives provide rich insights to guide the development of the Group sustainability roadmap. The materiality assessment was conducted in collaboration with Imerys employees through several means of consultations, including the results of the global employee engagement survey described hereafter and through a survey questionnaire and face-to-face meetings with senior managers and employee representatives.

Communication and employee engagement

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 "OneImerys", which supports daily communication and collaboration. This platform hosts essential information, documentation and policies, 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 for success" is a central part of Imerys' Leadership Competencies, 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.

Diversity, Equity and Inclusion

Imerys openly shares its expectations for non-discrimination through the Imerys Code of Conduct and Ethics, as well as the Imerys Diversity, Equity and Inclusion Charter. The Group's long-term ambition is to embrace and facilitate diversity, equity and inclusion in all its dimensions in order to be an inclusive employer, to foster an environment of innovation and creativity, to help enhance business decisions and drive a culture where every person matters.

The Diversity, Equity and Inclusion Charter is signed by the Group CEO and was updated in 2023 to reflect Imerys updated commitments, based on the Groups' Purpose, Vision and Values. The DE&I Charter has been translated in 21 languages, is posted across Group sites and projected on digital screens on sites. The Charter clearly articulates the shared commitment to achieving greater diversity, equity and 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). During the course of 2022, the Group defined its new 3-year Diversity, Equity and Inclusion (2023-2025) program, with a specific focus on equity added. 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 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, which is responsible for planning, managing and implementing the defined actions in close collaboration with Business Areas and functions.

Imerys openly shares its commitment to diversity, equity and inclusion and keeps all its stakeholders, internally and externally, informed about the DE&I objectives and the results of the collective commitment by regularly reviewing its diversity, equity and inclusion performance in a continuous improvement cycle.

In 2023, seven cases of violations related to suspicions of behavioral misconduct were confirmed. Once the reported cases are confirmed, appropriate remedial actions are defined, implemented and are monitored by the Internal Audit and Control department.

√ *The Diversity, Equity and Inclusion Charter is publicly available on Imerys.com.*

3.3.1.2.2 Action and approaches to mitigating material risks

Health and Safety

To support the development of an effective safety culture, the Group has developed a Safety Culture Maturity matrix (SCMM) based on four key elements: leadership and accountability, compliance and continuous improvement, Behavior-Based Safety (BBS) and an integrated approach. The SCMM matrix, built considering internationally recognized standards for safety management and aligned to the fundamentals of the Imerys safety policies and procedures, helps operations to conduct gap analyses and drive their improvement plans in partnership with industrial teams and safety professionals. 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 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 2023, of the 47 audits and assessments planned for the year, 43 were completed, which represents 91% of the plan. Corrective actions are tracked by Corporate and Business Area EHS teams through to completion using a web-based software system. In addition, as of end 2023, approximately 16% of Group sites have external certifications for Occupational Health and Safety Management system based on ISO 45001.

Training and awareness of the Group healt & safety 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's 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 represented 55% of 2023 total training hours which is an increase of 27% in 2023 versus 2022 (see section 3.3.1.3 of the Universal registration Document). 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, on the onboarding Safety Learning Path for newcomers and on the Imerys Safety Universities (12 sessions) and Safety Summits (3 sessions) for Operational managers and senior leaders, and covering all regions.

The Group recognizes the pivotal role that senior management plays within the Group's safety culture. Their ability to effectively engage with all employees on safety at site level 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 2023, 42614 VFL and BBS interactions were recorded through our Group Health and Safety reporting platform, which represents an increase of 19,5% versus 2022, mainly through the follow up of leading indicators related to VFL and BBS implementation by leaders and sites.

In 2021, the Group launched Safer Together in order to build on the progress achieved over the past years. Safer Together aims to promote a strong health and safety culture within four new key pillars that will help to structure the sealth & 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 healt & safety programs such as policies, training, Take 5, Serious 7, safety alerts and accident analysis, Imerys Connect Day and Visible Felt Leadership.

In 2023, the annual Imerys Connect Day brought together all employees and subcontractors across industrial sites, laboratories, and offices to focus on the theme "You make the difference". The 2023 edition saw employees and subcontractors coming together to discuss how they can make the difference to build a safe, healthy and inclusive workplace for everyone as well as how to preserve water every day.

The Group has an internal health & safety 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 policies to reduce the risk of recurrence. In 2023, 63 safety alerts related to SPIs were shared across the Group.

In 2019, led by the Group industrial hygienist, Imerys 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 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 policies. As of the end of 2022, a 30% improvement was made against the baseline assessment.

Since 2022, Imerys has been using a data management system for occupational health and industrial hygiene. This houses exposure data. The system is used to enter and record corrective actions for health and industrial hygiene as well as tracking of non lost time and lost time occupational illness frequency rate in accordance with the Group injury and ill health reporting policy. In 2023, the Group released a new policy on managing the risks from occupational exposure to respirable crystalline silica in the workplace to prevent exposure from routine and non-routine activities. There are another seven health policies that detail minimum expectations covering physical agents, biological and chemical agents.

To support functional roles, the Group developed a comprehensive Industrial Hygiene user guide in 2023. This explicitly states the frequency and roles and responsibilities for site and EHS teams with regards to Occupational Health Assessments (OHA) relating to physical, chemical, biological agents and welfare.

Other Group wide initiatives have been undertaken to support the continuous improvement of occupational health management including for example awareness and communication campaigns focused on mental health and the development of manual handling assessment templates. Localized actions and training of mental health first aiders, as well as stress management have been developed across some of Imerys geographic locations.

To support the 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 well-being was also one of the focus themes for the Imerys Connect Day in 2022. The Group is also committed to raising awareness on the importance of physical activity and the benefits it provides for mental health. Depending on the country, employees have access to gyms located in the workplace, are offered discounts on gym subscriptions, or even have their sports subscription reimbursed. A number of local initiatives related to running programs and walking challenges are also implemented, for example in South Africa and China.

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

Diversity, Equity and Inclusion

The Group is committed to developing programs focused on achieving greater diversity as well as inclusion, both at global and local levels, and to respecting and promoting the principle of non-discrimination and equal opportunity in all aspects of Imerys' operations and 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. The Group's recruitment policy has been updated following feedback from internal stakeholders to include additional diversity criteria during the recruitment process and ensure women, as well as individuals from underrepresented populations, are not being overlooked for job positions. Roles are required to have a diverse shortlist that is gender-balanced where possible. If shortlists cannot be gender-balanced, the aim is to ensure that both women and men candidates are included in the interviews. For the final selection, preference is given to diverse candidates in terms of gender, origin and background, when the common assessment process has evaluated applicants as equally qualified. Any decision relating to recruitment (as well as remuneration, implementation of benefits programs, etc.) must be administered without regard to personal characteristics, but based on qualifications and competencies. Diversity, equity and inclusion requirements are likewise a key component of the Group Leadership Competencies, the behavioral model against which the Group's formal performance appraisals are conducted. Imerys has also set flexible work options in place, covering both working locations (telecommuting options) as well as working hours (flexible time options). Imerys has adopted a blended model and policy that allows all eligible employees to work from home a specific number of days.

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. A dedicated DE&I learning pathway has been set in place for all employees across different organization levels since 2020. Training on anti-discrimination was rolled out in 2020 to all employees with access to the 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 2023, an average of 59% of senior managers and people managers have completed the Implementing Diversity into the daily working life course. Internal workshops were also 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 have also been 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 course to support their capacity to drive inclusive leadership in 2021. The same training was also conducted for the Executive Committee members in 2022, reflecting top management's commitment on the topics of diversity, equity and inclusion.

In 2023, the percentage of women who benefited from dedicated training courses to support their access to leadership has been increased. Specifically, the percentage of women who participated in the Managing and Developing your People (MDYP) training offer increased from 29% in 2022 to 33% in 2023 and for the Imerys Leadership Program, women's participation increased from 34% to 46%. To promote equity and inclusion at all levels, Imerys has developed two pilot mentoring programs that currently bring together 150 Imerys colleagues: one pilot at Corporate level in the Finance function and the second in Toulouse, specifically intended for women. The mentoring programs support colleagues in their career development.

The Group launched three communication and awareness campaigns in 2023 focusing on gender equity, multiculturalism and disability inclusion. These campaigns were accompanied by dedicated toolkits for all employees, including foundational elements, the Group's position and actions on these dimensions and individual tangible actionable points. Internal articles were also published on the intranet, showcasing initiatives on different DE&I dimensions from various locations and sites. The Group's internal network of diversity, equity and inclusion (DE&I) ambassadors also ensure continuous improvement by acting as messengers, enablers and role models for 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 taking bold steps to advance gender equality in the workplace, marketplace and community and to 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 – self-assessment and voluntary tool – on an annual basis, to measure progress over time, benchmark against industry standards, and leverage equality resources in a continuous improvement cycle.

In 2020, the Group launched a baseline assessment of Group sites' accessibility for people with physical disabilities. Following this initial assessment, the Group aims to work progressively on identifying facilities at which appropriate investments will 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 has continued to run annual campaigns on disability inclusion since, in an effort to continue the discussions about the needs of employees with disabilities and how Imerys can better support them. Imerys has also worked on the digital accessibility of its websites. Both the internal intranet page and the Imerys.com website have been built to ensure their content is accessible to all users, including users with disabilities who use Assistive Technologies (AT). Continuous testing and monitoring will continue to ensure that the Group maintains an accessible online experience for as large an audience as possible.

In 2023, the Group defined the operating structure for Employee Resource Groups (ERGs). After consultation with key internal stakeholders, the Group framework for ERGs was defined and set in place. The framework empowers all employees to create and participate in local ERGs, providing a platform for sharing ideas, personal and professional growth, allyship, and engagement. The ERGs are expected to be developed at local level by volunteer employees and company leaders have been invited to champion DE&I by sponsoring ERGs, solidifying their role in the organization.

3.3.1.3 Metrics and targets

Health and Safety

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

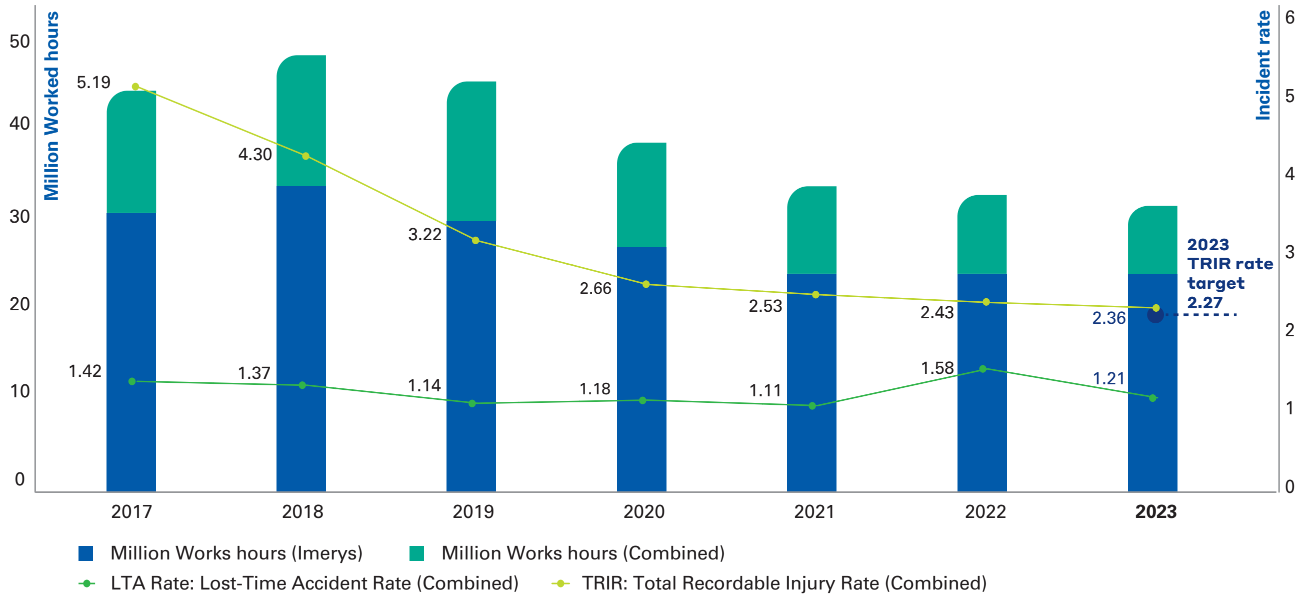
Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Safety	Improve Group Safety Culture Maturity [(1)] across all Business Areas	3.0	3.1	3.3
Health	Increase the global occupational health action plan improvement rate	0%	24%	75%

(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".

Every year the safety maturity of all Group operations are categorized using the Safety Culture Maturity Matrix matrix. As a result of the comprehensive assessment, sites develop specific site-level safety action plans. At the end of 2022, the result of the assessment shows the Group Business Areas maturity of 3.0, which corresponds to "Proactive" level, where the Imerys Safety System is fully implemented, employees are engaged and contribute actively to safety. The SCMM matrix was revised at the end of 2022 in order to update requirements and integrate additional tools and practices. **The Safety target is to improve the Group Safety Culture Maturity to 3.3 by 2025.** As of the end of 2023 the consolidated result of the assessment was 3.1, which indicates that the Group is on track towards the 2025 target.

Starting in 2022, the business areas elaborated an occupational hygiene improvement action plan under the coordination of the Group industrial hygienist. The plan includes the most relevant actions that are specific to the respective business areas to continue the improvement of their baseline. The 2023 objective is the completion of at least 75% of the actions. At the end of the year, 94% of the actions planned were implemented. The remaining actions identified in 2023 will be completed in 2024, in addition to the annual improvement plans updated for 2024. The objective will again be of completion rate of at least 75%.

GROUP LOST TIME ACCIDENT RATE



As of December 2023, the combined LTA rate of the Group was 1.21 and the combined Total Recordable Injury Rate (TRIR)[1] was 2.36, slightly above the 2023 target TRIR, which was set at 2.27. No fatality occured in 2023. A comprehensive awareness campaign on life changing injuries was conducted in May 2023, which was well received. No life changing injuries occurred in the period since the launch of the campaign. The Group will keep up its unyielding focus on continuously improving safety performance and work towards its goal to achieve an injury-free workplace.

Group Reported Occupational Illnesses	2023	2022 (1)
Occupational illnesses with lost time (LTOI)	2	2
Occupational illnesses without lost time (NLTOI)	2	3

(1) The number of LTOI and NLTOI reported in 2022 have been corrected thanks to a better awareness of the reporting. The values initially published in the Universal Registration Document 2022 were 1 LTOI and 0 NLTOI.

Diversity, Equity and Inclusion

Imerys' Commitment

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

Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Diversity, Equity & Inclusion	Increase the score of the Diversity, Equity & Inclusion Index (1)	0%	40%	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.

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 – is 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 DE&I Index is composed of five equally weighted metrics (20% each) and can result in a score ranging from 0 to +100. **The mid-term target for the Group is to increase the score of the Diversity, Equity & Inclusion Index to 100% by the end of 2025**. The DE&I Index is also part of the variable remuneration of members of the Executive Committee as well as some Senior Managers reporting to them. At the end of 2023, the achievement of the Group DE&I Index is at 40%.

As pay equity is part of the Group DE&I Index, in 2023 Imerys started running an annual calculation exercise to determine its pay gap and set remediation plans, when needed. This comes over and above the calculation and publication of the gender pay gaps for the UK and France Imerys legal entities, based on the calculation methods established for those countries. In order to source engagement scores regarding employee perception of Imerys' diverse, equitable and inclusive workplace, which is part of the DE&I Index, the Group conducted its first internal dedicated DE&I engagement survey. A representative sample of employees across geographies was randomly selected to complete the anonymous survey.

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

3.3.1.3.2 Characteristics of imerys employees

Total number of employees (Headcount)	2023	2022
Registered employees	13,698	13,892
of which permanent employees	12,931	13,028
of which non-permanent employees (fixed term)	767	864
External employees (Full-Time Equivalent) (1)	4,123	4,710

(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. The 2022 external employee FTE is restated due to a change in the calculation methodology (Total contractors worked hours / global average monthly worked hours). The global average worked hours is 1920 hours/year.

At the end of 2023, compared to December 2022, the Group's registered headcount is 13,698 which remain stable compared to 2022. While the number of permanent employees was maintained, the number of fixed term and external employees fell by 11% and 12% respectively, in line with the Group's activity.

Number of employees by gender (Headcount)	2023	2022
Male	11,004	11,146
Female	2,686	2,481
Other	-	-
Not reported	8	-
TOTAL EMPLOYEES	**13,698**	**13,892**

In 2023, in line with the efforts deployed to promote gender diversity among Imerys Employees, the proportion of women increased by 1.7% compared to 2022, at all hierarchical levels of the Group.

Number of employees by country (Headcount)	2023	% of total employees
France	2,041	15%
United States of America	1,992	15%
Brazil	1,423	10%
China	1,305	10%
Other countries	6,937	51%

In 2023, almost 50% of the registered employees are located in four major countries which are France, United States, Brazil and China. The other major countries where Imerys operates include the United Kingdom, Mexico, Greece, South Africa, Belgium and Germany, among the total 42 countries. 97 different primary nationalities are represented within the Group's permanent employee headcount.

Reporting period	2023 Female	Male	Other*	Not disclosed	Total	2022 Female	Male	Other*	Not disclosed	Total
Number of employees	2,686	11,004	-	8	13,698	2,650	11,242	-	-	13,892
Number of permanent employees	2,466	10,457	-	8	12,931	2,429	10,599	-	-	13,028
Number of temporary employees	220	547	-	-	767	221	643	-	-	864
Number of full-time employees	2,520	10,916	-	8	13,444	2,481	11,146	-	-	13,627
Number of part-time employees	166	88	-	-	254	169	96	-	-	265

In 2023, 92% of women registered in the headcount have a permanent contract, and 94% have a full-time contract, which slightly increased compared to 2022.

Reporting period	2023 Europe	Americas	Asia-Pacific	Africa & Middle East	Total	2022 Europe	Americas	Asia-Pacific	Africa & Middle East	Total
Number of employees	6,681	4,076	2,342	599	13,698	6,802	4,111	2,471	508	13,892
Number of permanent employees	6,378	4,047	1,949	557	12,931	6,406	4,089	2,052	481	13,028
Number of temporary employees	303	29	393	42	767	396	22	419	27	864
Number of full-time employees	6,441	4,069	2,336	598	13,444	6,550	4,105	2,465	507	13,627
Number of part-time employees	240	7	6	1	254	252	6	6	1	265

In 2023, the breakdown of employees by region remains similar to 2022. Almost 50% of the employees are located in Europe, mainly in France and the United Kingdom. 30% is located in the Americas, and 17% in Asia.

Collective bargaining coverage and social dialogue metrics

	2023	2022
Employees under collective bargaining agreement	66%	67%
Number of hours lost due to strikes	7,498	2,925

Approximately 66% of Group employees are covered by Collective Bargaining Agreements. Notwithstanding efforts to engage in constructive social dialogue, labor strikes may still occur. In 2023, 7498 hours were lost due to labor strikes, of which 5468 hours in France, 1038 hours in Austria, 992 hours in Greece.

Training and skills development metrics

Training hours	2023	2022
Number of trained employees	**12,865**	**12,170**
Number of training hours by year	**259,568**	**234,840**
Environment, Health & Safety	144,561	123,563
Technical skills	91,335	89,446
Management	23,673	21,831

In 2023, 81% of employees in the Group have benefited from at least one training program in the year. The total number of training hours increased in 2023 by 6.5% relative to 2022, as new digital learning courses continued to be developed and delivered. In line with the objectives of the mid-term roadmap, the training related to Environment, Health & Safety increased by 17% compared to 2022. At the end of 2023, as part of their 90-day Onboarding Program, 89% of these newcomers were trained on cybersecurity.

Several trainings on business conduct were launched in 2023. In January, the Group deployed a training on international sanctions which achieved over 80% completion. In September, a refresher training campaign on the Code of Conduct was launched for connected employees. As of December 31st, 67% of the employees already completed the course. In December, a training on the protection of personal data was launched specifically for the human resources population. This training will be fully completed in 2024.

Diversity metrics

Percentage of Registered headcount by gender	2023	2022
Percentage of female Board members	50%	40%
Percentage of female Executive Committee members	33%	20%
Percentage of females in Senior Management roles[(1)]	27%	26%
Percentage of females in Manager/Expert/Professional roles	32%	31%
Percentage of females in Paraprofessional roles	13%	13%
Percentage of females in the Group	20%	19%

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

In 2023, the number of female senior managers as a proportion of all senior managers increased slightly due to the efforts dedicated in increasing opportunities for women in leadership positions. The internal promotion of two senior managers to the Executive Committee increased the percentage of females on the Executive Committee to 33%. The overall proportion of women in other roles within the Group have increased slightly, following a relatively stable situation over the past years. Efforts to increase the proportion of women in all levels of the organization shall continue in the coming years, with an emphasis on Senior Management and Manager/Expert/Professional roles.

Age and seniority	2023	2022
Percentage of Registered headcount by age bracket		
Less than 30 years	12%	12%
From 30 to 39 years	26%	26%
From 40 to 49 years	27%	28%
From 50 to 54 years	14%	14%
More than 55 years	21%	20%
Percentage of Registered headcount by seniority		
Less than 10 years	58%	58%
More than 10 years	42%	42%
more than 20 years	20%	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 2023, the average on the total of Imerys employees was 44 years and the average seniority 11 years.

Persons with disabilities

Disability	2023	2022
Number of employees with a disability	195	189
Percentage of Registered headcount with a disability	1.42%	1.36%

The percentage of the Group's registered headcount with a declared disability has remained stable over the past several years. The Group remains committed to creating an environment where employees of all physical and mental abilities are accepted and valued, and this will remain a key element of the Group Diversity, Equity and Inclusion program for the years to come. Imerys is committed to increasing the percentage of registered headcount with a disability through policy reviews, education, awareness and accessibility actions at site. The Group has set a specific metric target for 2025, as part of the composite Diversity, Equity and Inclusion Index.

3.3.2 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.

3.3.2.1 Impact, risk and opportunity management

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.

Within the Purchasing policy, and in keeping with the commitments outlined in the Group Diversity and Inclusion Charter, the Group has also laid out 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 while sustaining and progressively transforming part of the Group's 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 in a level playing field. Within the Imerys Supplier Environmental, Social & Governance Standards, there is the requirement of "promoting and developing inclusion to ensure sustainable diversity of the workforce". These standards outline the minimum requirements Imerys expects of its Suppliers for all operations under the Supplier's own control.

√ *For more information about Supplier risk assessment and monitoring of the control measures, see* section 3.5 of the present chapter.

3.3.2.2 Metrics and targets

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.

Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Responsible Purchasing	Deploy a sustainability rating scheme of Group suppliers (by spend)	53% (1)	61% (2)	75%

(1) *In 2023, the 2022 baseline was recalculated based on spending from January 1st to December 31st 2022.*

(2) *Based on spending from January 1st to June 31st 2023.*

In 2019 the Group began the roll-out of a comprehensive responsible purchaprotocosing 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 is to deploy a sustainability rating scheme covering at least 75% of Group Suppliers (by spend) by the end of 2025**. At the end of 2023, the Group supplier sustainability rating scheme based on EcoVadis covered 61% of Group suppliers (by spend).

√ *For more information, see* section 3.6 of the present chapter.

3.3.3 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.

3.3.3.1 Impact, risk and opportunity management

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 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 Sustainable Development Goals through its operations.

Imerys recognizes that proactive, inclusive, accountable, and transparent stakeholder engagement is more likely to result in optimal outcomes for both communities and the Group. The stakeholder engagement policy, outlines the process for identifying and understanding the various stakeholders connected to a site or a project, including all affected communities.

The objectives he policy are to:

- gain insights into stakeholders' interests, concerns and influence levels, helping in informed decision-making;
- develop a **stakeholder engagement plan** by creating tailored communication and engagement strategies for different stakeholder groups;
- assist risk management by anticipating potential conflicts and enabling proactive mitigation measures;
- support long-term engagement strategies by building transparent, positive and collaborative relationships.

Notwithstanding efforts to establish constructive local stakeholder engagement, grievances may occur. Grievances can involve a wide spectrum of subjects, questions or issues and represent both minor preoccupations and far more serious conflicts. With the community grievance mechanism policy, updated in 2023, Imerys aims to address all grievances received, regardless of whether they stem from real or perceived issues and whether the complainant is named or anonymous. The community grievance mechanism is used to report such concerns and grievances. In addition, the Group has a whistleblowing process detailed in section 3.4.1.2 of the present chapter, which provides multiple ways for the external stakeholders who are aware of circumstances they believe to represent violations of Imerys' Code of Business Conduct and Ethics or legal requirements to report them directly via a dedicated platform.

Contributions to local communities via 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 donations process ensures that the Group's approach to donations is aligned with the Group's Code of Business Ethics and Conduct and also that appropriate analysis, reporting, accounting and approval 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. While engagement efforts across the world vary considerably and are adapted to each local context, each year Imerys recognises particular projects through the Sustainable Development Challenge to promote best practices across the Group. For example in South Africa, in order to improve the infrastructure of the communities surrounding Imerys operations, six projects were completed, positively impacting 730 households. Projects included: building new toilets with running water at a primary school; drilling a water borehole for a village; erecting water tanks and pipes to ensure running water to several local communities and building social housing to accommodate families who were living in a dilapidated building. To keep local stakeholders informed a community newsletter was developed in 2022. The newsletters include information on the socio-economic development projects, community upliftment projects and the Wellness and Women in Mining initiatives. They are translated and printed into the local languages of Sepedi, IsiXhosa, and Tswana. Feedback from the community was that this information was well received as some members of the community were unaware of the initiatives taking place in the communities.

Another example of community engagement focusing on education and talent development is from Sumter County in Georgia in the United States. This project, in partnership with Ignite Career Academy, helps provide employment opportunities for local graduating high school students to join the local workforce. The goal is to provide internships that could lead to full time employment for the students in both operational and mechanical maintenance fields.

Alliance pour l'éducation

In addition to the direct efforts made locally through the Group's 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 *"Stages de 3ᵉ"* internships, a work experience created by the Ministry of Education of France to provide 14-year-old students with the opportunity to discover the professional world, experience a real workplace, and discover their vocational orientation.

Fonds Dan Germiquet

Imerys has likewise supported *Fonds Dan Germiquet* since its creation. The Dan Germiquet Fund provides merit-based scholarships to international students who have chosen to integrate *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 dear to Dan Germiquet's heart and he was closely involved with the life of the National School of Geology and its students. Since 2014, 52 students have graduated thanks to the scholarship provided by 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.

3.3.3.2 Metrics

Imerys continues to develop identification and understanding of its stakeholders' needs and expectations. In 2023 Stakeholder Engagement policy was updated and specific trainings were organized to help sites develop their stakeholder mapping. This is reflected in the increase of the percentage of sites having a stakeholder mapping in 2023.

	2023	2022
Sites with a stakeholder mapping (%)	57%	47%

(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.*

3.3.4 Sustainable solutions for consumers and end-users

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 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 customer needs. The Group's commitment to sustainable portfolio management 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.

3.3.4.1 Impact, risk and opportunity management

Imerys manufactures mineral-based products that, in some cases, can contain impurities. In addition, some products use chemicals as processing aids or as additives. These impurities and chemical additives may 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.

In addition, in many geographies, the sale of products used in human food and animal feed additive applications, and personal care markets is regulated, with a positive list of substances that may be used in such applications and typically in the final cosmetic product. The supply of Imerys products to these markets is indirectly impacted by these regulations and customer expectations.

Policies related to consumers and end-users

The Executive Committee of the Imerys group has established the Product Stewardship Governance Committee to assist the Executive Committee in ensuring the Group's Product Stewardship program is effectively deployed to maintain product-related compliance, and minimize exposure to risk and reputational damage, in the markets in which Imerys operates. The Product Stewardship Governance Committee is chaired by the CEO and composed of the Group Product Stewardship Vice-President, the Group General Counsel, the Chief Sustainability Officer, the Group Health & Safety Vice-President and two Senior Vice-Presidents of Business Areas. They meet at least three times per year and monitor the Group's progress on all Product Stewardship objectives and programs.

The Group's Priority Chemical Policy aims to minimize the health and safety impacts of Priority Chemicals on its workers and its products to downstream users by, where possible, avoiding their use. This policy applies to all purchased raw materials, intermediates, products (produced or purchased) and development samples. Priority Chemicals encompass substances suspected to have irreversible effects on human health or the environment, and classified as Carcinogen, Mutagen, Reprotoxic (CMR) categories 1A, 1B and 2, Persistent, Bioaccumulative & Toxic (PBT), very Persistent & very Toxic (vPvB) and Persistent Organic Pollutants (POP) by the Globally Harmonized System (GHS).

The Material Safety Data Sheet (SDS) Authoring policy aims to ensure the conformity of Imerys SDS to applicable regulatory requirements and accepted industry standards. A product's SDS lists information relating to hazardous substances it contains and provides guidance and advice on the safe handling, storage and transportation of Imerys products. At the end of 2023, all of the Group's SDS had been revised and harmonized to make the document more legible for customers.

In 2023, Imerys established dedicated policies for consumer goods markets. The purpose of these policies is to clearly set out the compliance obligations and best practices that are required in these markets, in the targeted countries. These policies apply globally to all regulated human food additives, cosmetics and personal care markets in which the company operates or plans to operate.

Managing risks through product stewardship

The overarching goal of Imerys' portfolio management is to identify and minimize the health, safety, environmental, and social impacts of all Group products throughout their lifecycle, while maximizing their economic benefits and positive impacts to customers and their end consumers. This commitment is assured by a robust product stewardship program and the assessment of the product portfolio against sustainability criteria.

The Group employs state-of-the-art analytical methods, equipment and testing to ensure that product regulatory assessments and associated decisions are driven primarily by sound science. The Group continually evaluates testing policies 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.

Imerys group does not intentionally manufacture products using chemical substances that meet the criteria to be classified as Priority Chemicals. However, when chemicals in current use fall under the definition of this policy, the Group develops a transition plan to eliminate, substitute, reduce such chemicals in impacted products, or to discontinue the impacted product or raw material. This transition plan requires approval by the Product Stewardship Governance Committee and will be routinely reviewed through to completion.

In food additives, cosmetics and personal care applications, only products internally approved as compliant may be intentionally sold into food additive and cosmetic markets in the approved listed geographies. Products may be approved internally only if they meet the food additives or cosmetics regulatory requirements for that geography, supported by an auditable documentation confirming compliance.

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. These deposits are thoroughly vetted for geological properties and apply 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 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.

Managing opportunities by 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. 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. In 2018, 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 by key stakeholders).

Within the SustainAgility Solutions Assessment framework, 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 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 innovative information. In 2022, Imerys joined ScoreLCA to participate in the future development of Life Cycle Assessment practice thanks to a collaboration between industrial, institutional and scientific actors. Including the new assessments performed in 2023, **250** 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 2023, 21 of the 250 product eco-profiles completed since 2018 were updated.

As part of the Market Alignment Assessment, the impacts of Imerys actions to help the downstream value chain manage risks and improve sustainability performance are assessed. These impacts are reflected in the final SSA score of the product in the targeted application.

As part of the Groups' portfolio steering approach, all new product development, material CapEx and M&A projects are systematically assessed according to the SustainAgility Solutions Assessment framework, using a shortlist of indicators. The future target is compared to the existing or reference product, and screening assessment results are fully integrated in Imerys' innovation process as a criterion for decision-making and stage gate pass. This means that progressively, projects which do not fulfill minimum sustainability criteria will have to be improved before moving to the next steps of development. This screening tool also includes the effectiveness of Imerys' actions on the downstream value chain by measuring to what extent risks are reduced and opportunities pursued thanks to the new project or CapEx.

SustainAgility Solution Assessments and Product Life Cycle Assessment are overseen by the Group's 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 the high level of competency needed for in-depth analysis of results, systematic assessment of new products and data sharing with customers.

(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://www.wbcsd.org/Programs/Circular-Economy/Resources/Portfolio-Sustainability-Assessment-v2.0.

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 offering sustainable solutions that meet global environmental and social challenges. The **Pioneer certificate**, introduced in 2021, facilitates the identification of sustainable solutions and highlights material opportunities 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, giving customers a clear basis to 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 2023 SD Challenge, the focus on this ambition continued to increase. A total of 13 new initiatives were submitted across the Group, covering a wide range of markets and final applications including green mobility, sustainable construction, food packaging, personal care and cosmetics, refractories, ceramics and biodiesel.

Argical® M-1000, the winner of the product sustainability category and used in construction applications, is a pozzolanic silico-aluminate manufactured through the careful calcination of high quality kaolin, which can be used in LC3 (Limestone Calcined Clay Cement) formulation. As compared to a formulation containing conventional Portland cement, this metakaolin helps to optimize binder content while lowering GHG emissions. The development of innovations such as LC3 (Limestone Calcined Clay Cement) based on metakaolin (30% of the formulation) saves 30-40% of CO_2 compared to Ordinary Portland Cement (OPC).

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

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:

Pioneer (A+)	The highest rating, for products and services with an outstanding sustainability performance compared to the reference on the market	**SustainAgility Solutions** 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	

Methodology update

The first phase of implementation took place between 2020 and 2022. During this phase, all Imerys business activities were considered, starting with the largest market segments in terms of revenue, with a priority on those driven by sustainability megatrends. At the end of this first phase, targets for 2022 had been achieved: more than 55% of the existing product portfolio by revenue was covered by SSA and more than 75% of the research and development projects were rated as SustainAgility Solutions. The results of this first phase were key to the design and development of the second phase, including the update of the methodology.

Based on the outcome of the first phase and as part of the continuous improvement of the methodology, Imerys has decided to strengthen the criteria for a PAC to be rated as sustainable. The thresholds on the vertical axis (ratio between the cost for the planet and the economic value) increased, meaning that products should have a lower environmental footprint to be rated as sustainable solutions. The goal is to increase efforts to reduce the environmental impacts linked to production. This change has an effect on the breakdown of the portfolio into the different SSA categories, a larger part of the revenue being in the neutral category. This will help Imerys to steer its portfolio in a more sustainable direction.

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

3.3.4.2 Metrics and targets

The mid-term target is to assess Imerys' Products in Application Combinations (PACs) against sustainability criteria, covering at least 75% of Imerys' product portfolio (by revenue), and to ensure at least 75% of Group New Product Developments are scored as "SustainAgility Solutions" by the end of 2025. As of the end of 2023, 65% of the Group portfolio by revenue was assessed, which represents more than 462 Product in Application Combinations (PACs). Within the innovation portfolio, 78% of the projects launched in 2023 have been rated as SustainAgility Solutions, in the two highest categories ranked A+ and A. As such, both mid-term targets for 2025 are well on track.

Imerys' Commitment

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

Material topic	Group Objective	Baseline 2022	Performance 2023	Target 2025
Product sustainability	Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria (1)	55%	65%	75%
	Ensure the Group New Product Developments are scored as SustainAgility Solutions (2)	75%	78%	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.

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 2023 mapping, based on 65% of the Group portfolio by revenue, show that 59 % of the PACs that have been assessed are rated as SustainAgility Solutions, meaning that a large portion of the Group's portfolio delivers 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. As explained in the previous chapter, the revenue within each category will also evolve following methodology updates put in place to foster continuous improvement.

Revenue by SSA Matrix Categories	Revenue 2023 (million euros)
SustainAgility Solutions – Pioneer	152
SustainAgility Solutions – Enabler	1,320
Transitioner	512
Learner	493
Not yet evaluated	1,317

3.4 BUSINESS CONDUCT, ETHICS AND COMPLIANCE

3.4.1 Business conduct

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 the Group 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.

3.4.1.1 Governance

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.

The Group has a dedicated Ethics Committee to assist the Executive Committee in ensuring the Group's operations are conducted ethically, in particular in accordance with regulations on antibribery, antitrust, duty of care, international sanctions, personal data protection and the protection of whistleblowers regulations. The Ethics Committee is chaired by the Group General Counsel and Company Secretary and is composed of Executive Committee members and Senior Managers of the Group. It meets regularly (at least twice a year). The Chair of the Ethics Committee also regularly informs the Executive Committee of the performance and effectiveness of Group ethics and compliance programs. In 2023, the Ethics Committee met four times.

The Ethics Committee is accountable for setting out ethics-related priorities and for promoting an ethical corporate culture. It establishes and monitors the achievement of the ethics & compliance roadmap. It is accountable for ensuring the adequacy of ethics-related codes, policies and procedures, starting with the Imerys Code of Business Conduct & Ethics. It ensures the effective dissemination, training and implementation of all ethics-related codes, policies and procedures. It monitors training plans and other awareness-raising measures, and ensures sufficient human and financial resources are available to efficiently implement the program.

The Ethics Committee is also responsible for monitoring the Group whistleblowing and case investigation system "Speak up!". In this respect, it ensures adequacy of the system and monitors ethics-related misconduct reported either via the whistleblowing system or other channels.

Finally, the Ethics Committee reports on an annual basis to the Board of Directors' Audit Committee, which reviews the effectiveness of the Group ethics and compliance programs, including the whistleblowing system, and reports to the Board of Directors.

The Antitrust & Compliance General Counsel, who reports to the Group General Counsel & Company Secretary, is responsible for defining and implementing the ethics and compliance roadmap and for the design and monitoring of Group compliance programs.

3.4.1.2 Impact, risk and opportunity management

Duty of Care Risk Mapping Process ("Impact materiality")

As part of its Vigilance Plan detailed in *section 3.5 of the present chapter*, 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".

Bribery risk mapping process

As part of its antibribery program, the Group also carries out a regular risk mapping exercise to identify, analyze and prioritize the risks of the Group's exposure to bribery based in particular on the business sectors and geographical areas in which the company operates in compliance with the French Sapin II Law [1]. The aim is to inform top management and provide the Ethics Committee with a clear vision of bribery risks and to ensure that the antibribery compliance program is adapted to the risks identified.

The Group has identified a list of bribery risk scenarios for each main function and a list of relevant means of bribery. These lists are reviewed at each risk map update to confirm their relevance and description. During the 2023 risk map update, the relevance of the 25 bribery risk scenarios and the 11 means of bribery was confirmed. They were also reviewed centrally by the Compliance and Internal Audit and Control functions.

The Group uses a "workshop technique" to assess the inherent impact and probability of each bribery risk scenario and to assess the mitigation effectiveness of each means of bribery. The workshops are organized by regions (Asia-Pacific, Europe 1 (European countries with CPI > 50), Europe 2 (European countries with CPI < 50), Middle East & Africa, North America, and South America) and bring together representatives of all the regions' countries where Imerys has operations, business areas, functions and different levels of the hierarchy. A cycle of update by region enables the Group to update the risk map for all the geographical areas where the Group operates.

As a result, a risk map is drawn up identifying and hierarchizing bribery risk scenarios globally and for each country, by taking into account country-related factors (notably the country's economic weight based on Imerys' sales and sensitivity based on the country's Corruption Perception Index issued by Transparency International). The level of effectiveness of Imerys' mitigation measures in relation to each means of bribery is updated based on the votes and qualitative information gathered during the workshops, as well as the central assessment performed by the Compliance and Internal Audit and Control functions (considering the results of internal audit assignments and potential recent bribery cases). The risk map is compared with the previous update to assess the progress made and decide on an action plan, including a training plan. As the cornerstone of the Group's antibribery compliance program, the risk map is validated by the Ethics Committee. It is updated every two years, unless a triggering event occurs. The last update was finalized in December 2023.

Corporate culture and business conduct policies

Imerys is committed to exemplary business conduct, ensuring ethical behavior and fair operating practices across all Group activities. In the spirit of continuous improvement, Imerys assesses its sustainability policies, actions and results annually through a comprehensive EcoVadis sustainability assessment, sharing these results openly with internal and external stakeholders. Imerys has been assessed annually by EcoVadis since 2014. **The mid-term target is to improve the external sustainability rating of the Group compared to the 2022 assessment by 7% by the end of 2025.** At the end of 2023, the Group's EcoVadis assessment results were 66 out of 100, placing Imerys in the 87th percentile of all companies assessed.

Code of Business Conduct and Ethics

The 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. It also embeds Imerys' *Purpose, Vision and Values see Chapter 1 of the Universal Registration Document.* The umbrella principles set forth in the Code are supported by a series of policies and procedures 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 the environment and human rights, relations with local communities and trade unions, health and safety, diversity, equity and inclusion, confidentiality, prevention of fraud, corruption, insider trading, and conflicts of interest, protection of the Group's assets, fair competition, transparency, and integrity. The Code is a "living document", reviewed and updated annually, 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 21 languages, applies to all Imerys employees, Imerys controlled joint ventures, and partners with whom Imerys does business.

Business conduct and ethics related policies & compliance programs

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 bribery and anti-competitive behaviors, the respect of international sanctions and embargoes, the protection of personal data, and the respect of human rights, health, safety and the environment in Group operations around the world as well as within the Group's upstream value chain (duty of care).

(1) Law no. 2016-1691 of December 9, 2016 relating to transparency, the fight against corruption and the modernization of economic life

The Group's compliance programs are supported by numerous policies and procedures linked with the Code, including but not limited to, the Group's antibribery, antitrust, duty of care, international sanctions, personal data protection and whistleblowing policies and related procedures. All these policies and procedures clearly outline the process, reporting and necessary levels of control to ensure compliance.

√ *For more information on Imerys' Vigilance Plan, see* section 3.5 of the present chapter.

Alert system and protection of whistleblowers

Enabling stakeholders, both 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, via the employee's manager, HR, or other functions, or directly via a dedicated digital platform available on www.imerys.com. The Group's digital alert system, operated by an independent qualified third party and open to all employees and external parties, can be used to report any suspected violations of the Group Code. Reports can be made either by telephone or via the Speak up! web platform. Both telephone and web platform reporting are available in all main Imerys languages 24 hours per day, seven days per week.

Based on the facts presented in preliminary reports, the Group assigns an investigative team of trained and experienced in-house professionals in the relevant fields to conduct the investigation, supported by external experts where appropriate. The investigative team collects and reviews documents, conducts interviews, and performs any other tasks necessary to reach a conclusion about the allegations in the Report. Imerys encourages its employees and stakeholders to share any information believed to represent a violation of the Code. Communication and awareness-raising campaigns on the Speak up! system are conducted within the Group and information is accessible 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, which is presented to the Audit Committee.

Communication and training on business conduct matters

Awareness and training are essential to effectively embed business ethics in employees' day-to-day activities. To ensure awareness of employees at all Group sites, a printed copy of the Code is available and posters promoting the Speak up! alert system are displayed at all sites. Regular newsletters and articles are also published on the Imerys intranet addressing specific business conduct matters.

The onboarding program for new hires includes mandatory ethics and compliance training modules, covering the Code of business conduct and ethics, antibribery, personal data protection for all employees and antitrust for at-risk populations.

All new and updated ethics and compliance policies and procedures are accompanied by communication and training campaigns, designed to target the most-at-risk populations. Every year, the Group deploys a mandatory refresher training campaign on the Code of conduct for all connected employees, who are asked to commit to the principles set out in the Code. The first refresher campaign took place in 2023. In addition, mandatory training campaigns on business conduct matters are regularly launched via the Group digital learning platform, the Learning Hub, for the most at-risk populations. In 2023, the Group deployed a training on international sanctions and in December launched a training on the protection of personal data.

√ *For more information on Training see* section 3.3.1 of the present chapter.

Prevention and detection of corruption and bribery

Imerys has zero tolerance against corruption and bribery and expects its managers to set the tone at the top. Imerys employees and all third parties who do business with the Group (including but not limited to joint venture partners, suppliers, clients, consultants and agents) are expected to totally ban bribery from their business practices. In addition, all Imerys suppliers are required to comply with Imerys' Supplier Environmental, Social & Governance Standards which specifically include compliance with antibribery regulations.

3

Imerys has adopted a robust compliance program to deter, detect and remediate bribery incidents or allegations, in compliance with the requirements of the French Law "Sapin II". The pillars of the Imerys antibribery compliance program are:

An antibribery policy defining and illustrating the different types of prohibited behaviors available in 23 languages and reviewed annually;

An internal alert system designed to enable employees and external parties to report possible violations of the antibribery policy, including incidents of corruption or bribery (see section 3.5 above);

A regularly updated risk map designed to identify, analyze and assess the company's exposure risks related to bribery (see section 3.5 above);

Processes to evaluate third parties considered most at-risk;

Extensive antibribery accounting controls specifically designed to ensure proper implementation of the Group's antibribery policy and procedures and detect potential corruption or bribery practices in the books;

Training initiatives, in particular for most at-risk functions or positions;

Possible disciplinary sanctions against employees in breach of the Group's antibribery policy, and

Regular monitoring and assessment of the efficiency and robustness of the Group's antibribery program by the Ethics Committee.

The Group's antibribery policy is supported by specific procedures designed to enable employees to recognize, analyze and act upon situations entailing a risk of bribery: a gifts & hospitality procedure, a conflicts of interest procedure, a donations policy and an intermediary due diligence procedure. For gifts, hospitalities and donations, procedures include rules on reporting and prior approval by management and, for certain cases, the legal department. The intermediary due diligence procedure is designed to mitigate risks of bribery when appointing intermediaries (including but not limited to agents and distributors).

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, neither transfer value created to low tax jurisdictions, nor use secrecy jurisdictions or so-called "tax havens" for tax avoidance. 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 Commercial Code, 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 Group as per the conditions prescribed by the Law.

All policies and procedures forming part of the antibribery compliance program are available at all times on the Group intranet, together with training material to respond to employees' questions and help them implement Group procedures. Training is deployed to ensure employees understand their implications. In 2022, over 85% of Imerys connected employees had completed the antibribery online training launched at Group level. (see section above Communication and training on business conduct matters).

3.5 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, including all 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 policy 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 their 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:** it is accountable for the design and monitoring of the duty of care program. This includes ensuring that the duty of care policy 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 reports on an annual basis 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 and is responsible for the duty of care program. This includes defining and rolling out the duty of care policy and related procedures, defining and implementing the duty of care objectives which are part of the ethics & compliance roadmap, 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.
- **Sustainable Purchasing Committee**: is responsible for ensuring the completion of the duty of care risk mapping of Suppliers and ensuring the development and implementation of the responsible purchasing program. The Committee is chaired by the Group Purchasing Vice President and is coordinated by the Group Sustainable Purchasing Director. The Group Chief Sustainability Officer, Antitrust & Compliance General Counsel, and Climate and Portfolio Vice president are part of this committee, who meet monthly, to steer the Responsible Purchasing program.

Duty of Care Risk Mapping Process ("Impact materiality")

As part of its Vigilance Plan, 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 2.1.2 of the Universal Registration Document.*

Process from 2017 to 2022

In 2017, a series of dedicated interviews with key representatives of both businesses and support functions were conducted 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.

In 2018, a first risk map was drawn up based on two regional workshops and interviews with business leaders from each of the remaining geographic areas where the Group operates. Between 2019 and 2021, using the "workshop technique", a full cycle of updates was completed covering all the regions (Asia-Pacific, Europe 1 (European countries with CPI > 50), Europe 2 (European countries with CPI < 50), Middle East & Africa, North America, and South America). Thanks to these yearly regional workshops, all functions, business areas, levels in the hierarchy and countries in the region are well represented.

The purpose of these workshops was to assess the effectiveness of current mitigation measures for each risk scenario for Group operations and to identify the highest supplier-related risks per purchasing category (criticality). In order to prioritize actions with regard to Imerys' suppliers, the criticality of each human rights, health, safety and environmental risk scenario was ranked against a "composite country index" based on the EcoVadis Country risk score (1), which combines a range of indexes including, but not limited to, the Corruption Perceptions Index (2), Human Freedom Index (3) and Environmental Performance Index (4). These country risks were then scored using the economic weight of purchased goods and services to assess the final risk impact and exposure. The workshops also systematically included a review and, if necessary, update of the risk scenarios to ensure the list was comprehensive.

As of 2021, the duty of care risk register, covering the human rights, health, safety and environmental risks, included 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 were considered across a range of potentially impacted parties, including Imerys employees, third-party employees, local communities, as well as specific populations such as women, children, indigenous people, and migrant workers.

In 2022, the Ethics Committee decided not to launch a complete update process in the absence of a triggering event [1].

Revised process for 2023

In 2023, the Group revised certain aspects of its duty of care risk mapping process to anticipate the requirements of the Corporate Sustainability Reporting Directive (CSRD) standards on impact materiality assessment, to increase the level of granularity of its risk map and involve more experts in the process. As a result the duty of care risk map was also updated.

The list of risk scenarios identifying actual or potential impacts on human rights, health, safety and the environment was reviewed centrally by the sustainability, compliance and responsible purchasing functions, based on the list of sustainability matters covered by the CSRD. The revised duty of care risk register (covering impacts on human rights, health, safety and the environment) was extended to include 31 potential risk scenarios related to Imerys' operations and 13 potential risk scenarios related to its suppliers. These scenarios were then reviewed internally and approved during workshop sessions.

The scenarios for operations were classified into six categories:

- working conditions: insecure employment, inadequate working time, inadequate wages, inadequate social dialogue (including collective bargaining), inadequate freedom of association, inadequate work-life balance;
- equal treatment: gender discrimination, non-development of employees skills, non-inclusion of persons with disabilities, violence and harassment, lack of diversity in the workplace,
- other human rights: child labour, forced labour, inadequate housing, inadequate facilities, non-protection of employee personal data;
- affected communities: negative impacts on safety, living conditions (water accessibility, food, housing) and property of local communities, negative impacts on land rights and land access restrictions (including resettlement), negative impacts on local communities related to security arrangements, violation of the civil and political rights among local communities, violation of the particular rights of indigenous people;
- health and safety: occupational illness, occupational injury;
- climate change and environment: climate change mitigation, climate change adaptation, pollution of air, pollution of water, water scarcity, loss of biodiversity, production of waste, inadequate tailings management.

The scenarios for suppliers were classified into three categories:

- human rights: inadequate working conditions, discrimination and harassment, child labour, forced labour, inadequate access to water and sanitation (including inadequate housing);
- health and safety: occupational illness, occupational injury;
- climate change and environment: climate change, pollution of air, pollution of water, water scarcity, loss of biodiversity, production of waste.

Following a "workshop technique" as in past risk mappings, two sets of expert workshops covering all geographic areas where the Group operates were organized: the first to assess risks stemming from Imerys' operations, the second to assess risks related to Imerys' suppliers. The "operations workshop" brought together senior representatives from the Human Resources, Diversity Equity & Inclusion, Health and Safety and Sustainability functions (the later covering the topics of environment, climate change and affected communities), while the "Supplier workshops" included members of the Purchasing function selected in order to achieve representativeness of all purchasing categories and geographies.

(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.

As a result, an updated risk map was drawn identifying and hierarchizing the risk scenarios based on their relative severity and likelihood. The severity of a risk scenario results from the scale of its impact on people or the environment (as assessed by workshop participants) and the scope of its impact (based either on objective quantitative data reflecting Imerys' risk exposure or internationally recognized country risk indexes [(1)]). The impact's likelihood is assessed by workshop participants taking into account existing controls and mitigation measures. Qualitative information gathered during workshops is also used to interpret the results and prioritize negative impacts and design action plans. Finally, as in previous years, the duty of care risk map was reviewed and approved by the Ethics Committee.

√ *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 3.2.2 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 environmental risks identified as a result of the duty of care risk mapping. This assessment includes identification, analysis and ranking processes. The duty of care risk map indicates that potential risks include health and safety, environment, climate change and some specific human rights topics. The 2023 update is in line with past risk maps. 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 in the Sustainability Charter, completed by policies and procedures. This framework defines clear requirements for all Group operations. Implementation of Group policies 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. In addition, the Group assesses its sustainability policies, actions and results annually through a comprehensive independent 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 the present chapter, management of human rights risks is presented in section 3.3.2 of the present chapter and management of environmental risks is presented in section 3.2.3 and 3.2.5 off this present chapter.

Imerys Suppliers assessments

Based on the duty of care risk mapping process described previously, the Group has identified potential salient human rights, health, safety and environmental risks within its value chain. In line with previous risk maps, at Group level, the 2023 risk map indicated that three salient types of risks include:

- potential impacts on Supplier workers exposed to occupational injury or illness risks;
- potential impacts on Supplier workers related to inadequate working conditions, including wages, working time, social dialogue, collective bargaining and freedom of association; and
- potential increases in air or land pollution due to Supplier operations, and also potential impacts on climate change and biodiversity.

The risk of discrimination and harassment for Supplier workers was no longer identified as salient in the latest risk map.

In addition, the 2023 risk mapping has enabled the Group to identify particularl risks for each of the seven purchasing categories, thus enabling the Group to have a more informed vision of the risks faced in its upstream value chain.

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 the raw material Supplier category related to the supply of talc, bauxite and mica.

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:

- 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;

(1) *Indexes include, but are not limited to, the Yale University Environmental Performance Index, the International Labour Organization Child Labour Index, the Global Slavery Index, the Ecovadis Country Risk Score, the World Resources Institute Aqueduct Index.*

- the assessment of Imerys' 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 2023, 61% of Group Suppliers by spend have been assessed. These assessments cover over 1445 Suppliers and represent all categories of Suppliers, including over 62% of raw material Suppliers by spend.

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; Suppliers are excluded from contracting if they cannot achieve minimum ESG (environment, social - including occupational health and safety) requirements, as outlined in our ESG Supplier Standards
- 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;
- Imerys is fully committed to support Suppliers' development and continuous improvement and has a Supplier development process in place, which includes information and trainings for Suppliers on how to build capacity and improve sustainability performance as well as access to sustainability benchmarks against peers;
- 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 and implement a corrective action plan within an agreed timeframe;
- In the case Imerys has a reasonable suspicion that Supplier is directly committing a serious violation of the Standards, or sourcing from any party committing a serious violation of the Standards, Imerys may suspend or terminate the relationship with Supplier, without any liability toward the Supplier;
- The Group conducts audits focusing on 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;
- Imerys buyers are trained on key aspects of the responsible purchasing program to support its implementation, recognize risks and develop mitigation actions. 79% of buyers were trained on sustainability topics in 2023.

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 2023, five new audits were carried out on targeted most-at-risk suppliers, in addition to the nine others already carried out in 2022.

Alert mechanism

The Group's whistleblowing system, Speak up!, operated by an independent qualified third party and open to all employees and external parties is designed to collect and manage reporting of any suspected violations of the Group Code. For more information on Imerys' whistleblowing system Speak up! see section 3.4.1 of the present chapter.

The Group Community Grievance Mechanism is another mechanism for external stakeholders to voice their concerns and grievances, including potential violations of the Group Code, directly at site level. For more information on Imerys Community Grievance Mechanism see section 3.4 of this chapter.

Monitoring and evaluation of the effectiveness of control measures

In 2023, 47 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, Thirteen of the reported cases were confirmed to be cases of violations of the Group Code. The confirmed violations related to suspicions of behavioral misconducts and harassment (7), conflict of interests (2), breach of confidentiality (1), misappropriation of assets (1) and environmental non-compliance (2). Once the reported cases are confirmed, appropriate remedial actions are defined, implemented and are monitored by the Internal Audit and Control department.

Verification of compliance with the Group Code and other Group policies and procedures is conducted through various 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 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/.*

3.6 SYNTHESIS OF QUANTITATIVE INFORMATION

Taxonomy eligible and / or aligned Activities	Eligibility Alignment	Revenue[1] 2023	Revenue[1] 2022	CapEx[2] 2023	CapEx[2] 2022	OpEx[3] 2023	OpEx[3] 2022
Manufacture of carbon black	Eligible	2.9%	2.6%	11.3%	12.7%	1.6%	1.4%
	Aligned	*0.0%*	*0.0%*	*0.5%*	*0.3%*	*0.0%*	*0.0%*
Manufacture of cement/clinker	Eligible	12.3%	11.8%	7.2%	8.3%	11.2%	10.0%
	Aligned	*11.2%*	*11.6%*	*6.9%*	*8.2%*	*10.8%*	*9.9%*
TOTAL	**ELIGIBLE**	**15.2%**	**14.4%**	**18.5%**	**21.0%**	**12.7%**	**11.4%**
	ALIGNED	***11.2%***	***11.6%***	***7.4%***	***8.4%***	***10.8%***	***9.9%***

(1) in % of Group Revenue
(2) in % of Group Capex
(3) in % of Group Opex

Category	KPIs	Unit	2023	2022	2021
Environment					
EU Sustainable Finance Taxonomy					
EU Sustainable finance Taxonomy non-eligible economic activity	Revenue	€ million	3,218	3,662	3,859
	CapEx	€ million	380	342	341
	OpEx	€ million	201	215	159
EU Sustainable finance Taxonomy eligible economic activity	Revenue	€ million	577	619	524
	CapEx	€ million	86	89	60
	OpEx	€ million	29	27	17
EU Sustainable finance Taxonomy aligned economic activity	Revenue	€ million	425	498	N/A
	CapEx	€ million	34	36	N/A
	OpEx	€ million	25	24	N/A

Category	KPIs	Unit	2023	2022	2021
Climate Change					
Energy	Fuel consumption from coal and coal products	*MWh*	316,450	367,283	374,517
	Fuel consumption from crude oil and petroleum products	*MWh*	1,443,302	1,643,758	1,700,686
	Fuel consumption from natural gas	*MWh*	2,492,483	2,875,100	3,362,921
	Fuel consumption from other fossil sources	*MWh*	6,532	8,132	6,063
	Consumption of purchased or acquired electricity, heat, steam, and cooling from fossil sources	*MWh*	2,014,322	2,350,523	2,952,339
	TOTAL FOSSIL ENERGY CONSUMPTION	*MWH*	6,273,089	7,244,796	8,396,526
	Share of fossil sources in total energy consumption	*%*	94%	93%	95%
	Consumption from nuclear sources	*MWh*	118,370	235,135	-
	Share of consumption from nuclear sources in total energy consumption	*%*	1.8%	3.0%	-
	Fuel consumption for renewable sources, including biomass	*MWh*	207,409	205,077	313,762
	Consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources	*MWh*	92,811	115,089	113,445
	Consumption of self-generated non-fuel renewable energy	*MWh*	103	50	30
	TOTAL RENEWABLE ENERGY CONSUMPTION	*MWH*	300,323	320,216	427,237
	Share of renewable sources in total energy consumption	*%*	4.5%	4.1%	4.8%
	TOTAL ENERGY CONSUMPTION	*MWH*	6,691,781	7,800,146	8,823,763
	Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors	*(MWh/million euros)*	1,764	1,822	-
CO_2 emission	Gross Scope 1 GHG emissions	k*tCO_2eq*	1,311	1,478	1,609
	Percentage of Scope 1 GHG emissions from regulated emission trading schemes	**%**	-	32.9%	32.4%
	Gross location-based Scope 2 GHG emissions	k*tCO_2eq*	585	690	886
	Gross market-based Scope 2 GHG emissions	$ktCO_2eq$	587	702	877
	SCOPE 1 & 2 GHG EMISSIONS (LOCATION-BASED)	*KTCO2EQ*	1,895	2,169	2,494
	SCOPE 1 & 2 GHG EMISSIONS (MARKET-BASED)	*KTCO2EQ*	1,898	2,180	2,485
	Total Gross indirect (Scope 3) GHG emissions	$ktCO_2eq$	-	4,674	4,959
	Purchased goods and services	k*tCO_2eq*	-	1,929	2,105
	Fuel and energy-related Activities (not included in Scope1 or Scope 2	k*tCO_2eq*	-	466	514
	Upstream transportation and distribution	k*tCO_2eq*	-	315	346
	Downstream transportation	k*tCO_2eq*	-	697	784
	Downstream further processing, use and end of life of sold products	k*tCO_2eq*	-	670	696
	Other categories	k*tCO_2eq*	-	619	515

Category	KPIs	Unit	2023	2022	2021
Environmental Stewardship					
Environmental management	ISO 14001 or EMAS (4) certified operations	%	41	48	49
	Operations with Environmental Management System based on 8-pillars assessment	%	100	52	51
	Number of environmental incidents (Level 3, 4 and 5)(5)	#	27	14	9
	of which wastewater incidents	#	22	9	-
Air emission	Sulfur dioxide (SO_x)	*tons*	2,248	2,560	3,243
	Sulfur dioxide intensity per net revenue	*ton/million euros*	0.59	0.60	0.88
	Nitrogen oxide (NO_X)	*tons*	5,503	6,441	5,603
	Nitrogen oxide intensity per net revenue	*tons/million euros*	1.45	1.50	1.53
Water withdrawal	Total operational water withdrawals	*million m3*	50.477	45.316	56.970
	Water withdrawn from water groundwater	*million m3*	24.142	18.183	45.200
	Water withdrawn from suppliers	*million m3*	3.725	3.510	7.300
	Water withdrawn from surface water	*million m3*	15.628	16.200	42.700
	Water withdrawn from other sources (6)	*million m3*	6.982	7.423	4.700
	Water intensity per net revenue	*m3/euros*	0.013	0.011	-
Industrial waste	Total industrial waste of which:	*tons*	96,232	122,182	152,900
	Non-recycled hazardous industrial waste	*tons*	1,729	1,878	3,315
	Recycled hazardous industrial waste	*tons*	1,444	1,380	1,818
	Non-recycled non-hazardous industrial waste	*tons*	50,228	80,876	90,505
	Recycled non-hazardous industrial waste	*tons*	42,831	38,049	57,262
	Industrial waste intensity per net revenue	*tons/million euros*	25	29	42
Social					
Human Capital					
Employees	Year-to-end total headcount on payroll	#	13,698	13,892	13,822
	Full-time employees	#	13,444	13,627	13,579
	Female employees	#	2,520	2,481	2,360
	Male employees	#	10,916	11,146	11,219
	Not disclosed	#	8	-	-
	Part-time employees	#	254	265	243
	Female employees	#	166	169	154
	Male employees	#	88	96	89
	Permanent employees	#	12,931	13,028	12,960
	Female employees	#	2,466	2,429	2,275
	Male employees	#	10,457	10,599	10,685
	Not disclosed	#	8	-	-
	Fixed-term contract	#	767	864	862
	Female employees	#	220	221	239
	Male employees	#	547	643	623
	External employees (Full-Time Equivalent)	#	4,123	4,710	3,793
Employees by region	Europe	#	6,681	6,802	6,571
	Permanent employees	#	6,378	6,406	6,195
	Fixed-term contract	#	303	396	376
	Of which France	#	2,041	2,033	1,901
	Permanent employees	#	1,901	1,882	1,769
	Fixed-term contract	#	140	151	132
	Americas	#	4,076	4,111	4,168
	Permanent employees	#	4,047	4,089	4,150
	Fixed-term contract	#	29	22	18
	Asia-Pacific	#	2,342	2,471	2,576
	Permanent employees	#	1,949	2,052	2,143
	Fixed-term contract	#	393	419	433
	Africa & Middle East	#	599	508	507
	Permanent employees	#	557	481	472
	Fixed-term contract	#	42	27	35

Category	KPIs	Unit	2023	2022	2021
Employees by function	Administration & Support	#	456	463	482
	Business Planning & Supply Chain	#	946	963	926
	Communications	#	33	-	-
	Finance	#	778	791	776
	General Management	#	55	49	45
	Human Resources	#	254	305	301
	Innovation / S&T	#	342	332	313
	IT & Business Process	#	339	328	277
	Legal	#	45	45	45
	Operations	#	9,517	9,692	9,796
	Sales & Marketing	#	882	924	861
	Sustainability	#	51	-	-
Employees by Business Segment	Performance Minerals	#	7,397	-	-
	Americas	#	3,058	-	-
	Europe Middle East and Africa & Asia-Pacific	#	4,339	-	-
	Solutions for Refractory, Abrasives & Construction	#	4,128	-	-
	Graphite & Carbon	#	429	-	-
	Others	#	1,744	-	-
Absenteeism	Total absenteeism rate	%	3.3%	3.5%	3.20%
	Absenteeism rate by geographical region				
	Europe	%	4,9%	5.3%	4.5%
	Americas	%	1,6%	2.0%	1.9%
	Asia-Pacific	%	1,5%	1.6%	1.6%
	Africa & Middle East	%	2,4%	2.4%	3.0%
Talent Development	Employees with regular performance and career development reviews	%	43%	34%	34%
	Employees who received training at least once in the reporting year	#	12,865	12,170	12,969
	Total Training hours	*Hours*	259,568	234,840	220,499
	Environment, Health & Safety	*Hours*	144,561	123,563	105,961
	Technical skills	*Hours*	91,335	89,446	98,415
	Management	*Hours*	23,673	21,831	16,122
Age	Less than 30 years	%	12%	12%	12%
	From 30 to 39 years	%	26%	26%	26%
	From 40 to 49 years	%	27%	28%	27%
	From 50 to 54 years	%	14%	14%	14%
	More than 55 years	%	21%	20%	21%
New registered hiring by age bracket	Less than 30	%	38%	41%	37%
	More than 55	%	6%	5%	7%
Seniority	Less than 10 years	%	58%	58%	55%
	More than 10 years	%	42%	42%	45%
	More than 20 years	%	20%	20%	20%
Gender balance	Female Board members	%	50%	40%	40%
	Female Executive Committee members	%	33%	20%	10%
	Females in Senior management	%	27%	26%	26%
	Females in Manager/Expert/Professional roles	%	32%	31%	30%
	Females in Paraprofessional roles	%	13%	13%	13%
	Total female employees	%	20%	19%	18%
Disability	Employees with disability	#	195	189	195
	Employees with disability	%	1.42%	1.36%	1.40%
Social Dialogue	Employees under collective bargaining agreement	%	66%	67%	67%
	Number of hours lost due to strikes	*Hours*	7,498	2,925	20,723
Community Engagement	Sites with a stakeholder mapping	%	57%	47%	47%

Category	KPIs	Unit	2023	2022	2021
Safety & Health					
Fatalities	Fatalities – Imerys Employees	#	0	1	1
	Fatalities – Contractor Employees (7)	#	0	0	0
Life-changing injuries [8]	Life-changing injuries – Imerys Employees	#	2	0	0
	Life-changing injuries – Contractor Employees	#	1	2	2
Lost-Time Accident rates [9]	Imerys employees	/	1.04	1.31	0.96
	Contractor employees	/	1.77	2.32	1.49
	Combined rate (Imerys employees and Contractor employees)	/	1.21	1.58	1.11
Total Recordable Incident rates [10]	Imerys employees	/	2.19	2.07	2.32
	Contractor employees	/	2.91	3.43	3.08
	Combined rate (Imerys employees and Contractor employees)	/	2.36	2.43	2.56
Occupational illnesses	Occupational illnesses with lost time	#	2	2	0
	Occupational illnesses without lost time	#	2	3	0
Safety Management	Number of sites with ISO 45001 certification	%	17%	-	-
Business Conduct					
Business Ethics and Compliance	Independent Board members	%	50	50	50
	Reported violations of the Group Code of Business Conduct and Ethics	#	47	38	19
	Reported internal grievance	#	37	28	14
	Reported external grievance	#	10	10	5
	Total confirmed cases of violation of the Group Code of Business Conduct and Ethics	#	13	6	5
	Confirmed internal grievance	#	11	6	3
	Confirmed external grievance	#	2	0	2
Responsible Purchasing	Trainings on responsible purchasing	#	198	189	0
	Suppliers assessed	%	61%	57%	-
Product Sustainability	Total Number of Life Cycle Assessments calculated for Group products	#	250	189	103
	SustainAgility Solutions – Pioneer	*million euros*	152	-	-
	SustainAgility Solutions – Enabler	*million euros*	1,320	-	-
	Transitioner	*million euros*	512	-	-
	Learner	*million euros*	493	-	-
	Not yet evaluated	*million euros*	1,317	-	-

(1) In 2023, Imerys submitted a new climate target for validation by SBTi. Minor adjustments have been made on historical data (2021 baseline and 2022) to comply with the updated methodology for non CO_2 emissions as well as correct for minor reporting errors that were not significant at Group level. To properly follow Imerys baseline and trajectory, it was decided to correct this data prior to the SBTi submission.
(2) The downstream Scope 3 categories further processing of sold products, use of sold products and end of life treatment of sold products are out of scope of the SBTi target.
(3) Other categories includes Capital goods, Waste generated in operations, Business travel, Employee commuting and Investments.
(4) EMAS: Eco Management and Audit Scheme (European Standard).
(5) Environmental incident severity is determined by evaluating the consequences of the impact, from Level 1 (minor impacts) to Level 5 (critical impacts).
(6) Water obtained from sources other than water suppliers, groundwater or surface water (i.e. collection of rainwater or water obtained from customers).
(7) Employees of a company under contract with Imerys, in charge of a specific operation on site or providing a service.
(8) life-changing injury" refers to a serious injury with permanent impact to the victim, such as amputation and disability.
(9) Lost-Time Accident (LTA) rate: (number of lost time accidents x 1,000,000)/number of hours worked.
(10) (Total Recordable Incident Rate (TRIR): (number of lost time accidents and non-lost time accidents x 1,000,000)/number of hours worked.

3.7 ATTESTATION OF COMPLETENESS AND LIMITED ASSURANCE REPORT

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, 2023

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 limited 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 our audit verification programme in application of Articles A. 225-1 et seq., our verification program consisting of our own procedures (Programme de vérification de la déclaration de performance extra-financière, du 7 juillet 2023) and 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 with the international standard ISAE 3000 (revised - Assurance engagements other than audits or reviews of historical financial information).

Independence and quality control

Our independence is defined by Article L. 821-28 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 six people and took place between November 2023 and March 2024 over a total duration of intervention of nineteen weeks.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around twenty or so interviews with people responsible for preparing the Statement.

This work involved the use of information and communication technologies allowing the work and interviews to be carried out remotely, without hindering the good execution of the verification process.

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.
- For the key performance indicators and other quantitative outcomes [(2)] 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 [(3)] and covered between 7% and 43% 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, 2024

One of the Statutory Auditors,

Deloitte & Associés

Olivier Broissand	Catherine Saire
Partner, Audit	Partner, Sustainability Services

(1) Qualitative information: Climate change: Governance, risk mapping & Transition plan; Water management: Risk mapping by site, 3-year water roadmap; Biodiversity: Risk mapping by site, environmental policy governing biodiversity management; Community engagement: Stakeholders policy

(2) Environmental quantitative information: Total quantity of industrial waste (hazardous and non-hazardous); Percentage of industrial waste recycled; Total water withdrawals; Total energy consumption; Total CO2 emissions from scopes 1 and 2, including 2021 baseline; FY22 CO2 emissions from scope 3 - Category Purchases of goods and services; Ratio of total CO2 emissions to sales ; Change between 2018 and 2023 in the ratio of total CO2 emissions to sales; Percentage of sales covered by the SustainAgility solutions assessment methodology; Number of environmental incidents (Level 3, 4 & 5). Social quantitative information: Total headcount at year-end; Headcount by type of contract, gender & age; Percentage of females in Senior management; External employees (full-time equivalent); Lost time injury frequency rate (Imerys employees and other employees); Number of fatal accidents; Number of reported breaches of the code of conduct and ethics

(3) Selected entities: Lompoc - Performance Minerals Americas (USA); Sylacauga - Performance Minerals Americas (USA); Luzenac Plant - Performance Minerals EMEA (France); Glomel - Refractories, Abrasives, Construction (France); Bodio - Graphite & Carbon (Switzerland); Ipoh - Performance Minerals APAC (Malaysia); Milos - Performance Minerals EMEA (Greece); Dunkerque - Refractories, Abrasives, Construction (France); Fos - Refractories, Abrasives, Construction (France); Laufenburg - Refractories, Abrasives, Construction (Germany)

4

CORPORATE GOVERNANCE

4.1 Board of Directors **153**
4.1.1 Structure 153
4.1.2 Profile, experience and expertise of the directors 163
4.1.3 Powers 177
4.1.4 Operating procedures of the Board 178

4.2 Executive Management **192**
4.2.1 Chief Executive Officer 192
4.2.2 Powers 193
4.2.3 Executive Committee 193

4.3 Compensation awarded to corporate officers **194**
4.3.1 2024 Compensation policies applicable to corporate officers (ex-ante votes) 194
4.3.2 Compensation of executive corporate officers with respect to the 2023 financial year (ex-post votes) 201
4.3.3 Long-term incentive plans 207
4.3.4 Executive-employee pay ratios and year-on-year change 212

4.4 Transactions by corporate officers in Company shares **213**
4.4.1 Trading policy 213
4.4.2 Summary of transactions in 2023 213

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;
- achieve a complementary mix of skills and experience between the Chairman and the Chief Executive Officer;
- further develop, alongside the efforts to streamline the Board, the efficiency and agility of operating procedures; and
- continue to adhere to best practices in corporate governance, taking into account the presence of controlling shareholders.

Corporate Governance Report

The information covered in the present chapter forms an integral part of the Corporate Governance Report, which constitutes a specific section in the Management Report in accordance with article L. 225-37 paragraph 6 of the French Commercial Code (Code de commerce). The Corporate Governance Report, the cross-reference table for which can be found in paragraph 9.5.4 of chapter 9, was approved by the Board of Directors on February 21, 2024.

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
Paragraph 9.5.1 – Independent status criteria *"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."*	The Board has decided to maintain Patrick Kron's independent status even though he served as interim Chief Executive Officer for a three-month period. It is recalled that, in June 2019, at the time of the appointment of its new Chairman, the Board endeavored 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. The appointment of Patrick Kron as Chief Executive Officer in October 2019 was made in 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 a free basis, without receiving any additional compensation of any kind. 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. 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 judgment 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.
Paragraph 25.5.1 – two-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.

(1) Subject to a three-month transition period following the departure of the former Chief Executive Officer.

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"**).

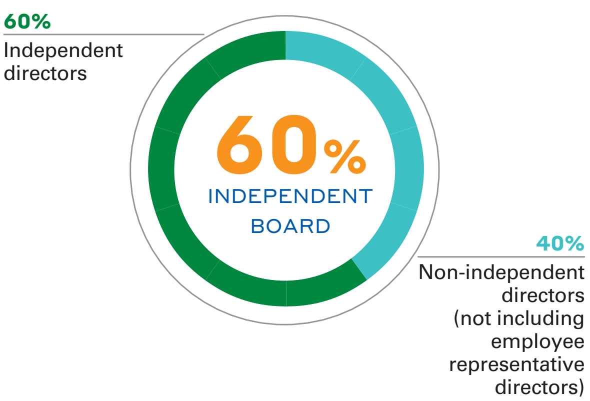
4.1.1 Structure

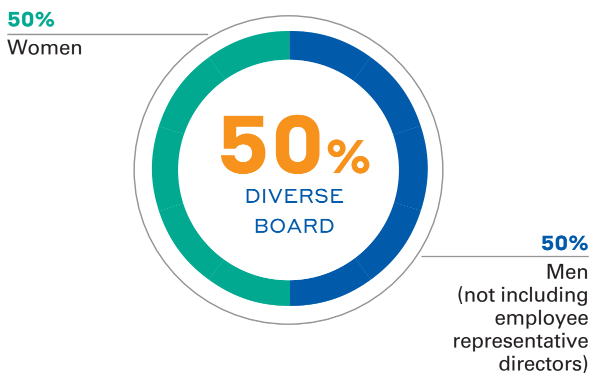
A diverse and balanced international body

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;
- 5 women members;
- 6 independent directors;
- 5 nationalities, including the non-voting observer.

The structure of the Board of Directors enables the Group to benefit from the diverse and international range of specialisms and experience (in terms of areas of expertise and industries) gained by each of its members.





Brief overview of the Board at December 31, 2023

	Personal details				Experience	Position on the Board				
	Average age	Gender	Nationality	Number of shares	Number of directorships in listed companies[(1)]	Independent	Date first appointed	Expiration of term of office	Number of years on the Board[(2)]	Board Committee membership
Non-executive corporate officer and director										
Patrick Kron (Chairman)	70	M	FR	634	3	Y	06/25/2019	2024 GM	4.6	N/A
Directors										
Stéphanie Besnier	46	F	FR	600	1	Y	05/10/2023	2026 GM	0.8	Member of the Audit Committee
Bernard Delpit	59	M	FR	600	2	N[(3)]	05/10/2022	2025 GM	1.8	Member of the Strategy and Sustainability Committee
Ian Gallienne	52	M	FR	600	5	N[(3)]	04/29/2010	2025 GM	13.8	Chair of the Strategy and Sustainability Committee, member of the Appointments and the Compensation Committees
Paris Kyriacopoulos	42	M	GRE	1,679	2	N[(3)]	05/10/2021	2024 GM	2.8	Member of the Strategy and Sustainability Committee
Annette Messemer	59	F	GER	600	4	Y	05/04/2020	2026 GM	3.8	Member of the Appointments, the Compensation and the Strategy and Sustainability Committees
Laurent Raets	44	M	BE	642	2	N[(3)]	05/10/2022	2025 GM	1.8[(4)]	Member of the Audit Committee
Lucile Ribot	57	F	FR	898	2	Y	05/04/2018	2025 GM	5.8	Chair of the Audit Committee
Véronique Saubot	59	F	FR	600	3	Y	05/04/2020	2026 GM	3.8	Member of the Strategy and Sustainability and Audit Committees and ESG Referent Director
Marie-Françoise Walbaum	73	F	FR	600	3	Y	04/25/2013	2024 GM	10.8	Chair of the Appointments and the Compensation Committees
Employee representative director(s)										
Dominique Morin	59	M	FR	0	0	N/A	10/06/2020	2026	3.3	Member of the Compensation Committee
Carlos Manuel Pérez Fernández	50	M	ES	0	0	N/A	10/06/2020	2026	3.3	N/A
Non-voting observer										
Rein Dirkx	31	M	BE	0	0	N/A	05/10/2022	2025	1.8	N/A
At December 31, 2023, the average age of Board members was 53.9. On average, they have served on the Board for 4.5 years.										

(1) Including term of office within Imerys.

(2) Figure stated on a unit basis of 12 months, rounded up.

(3) Refer to the review of independence criteria described below.

(4) Length of service as director only since May 10, 2022. 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 2023[1]

	Departure	Appointment	Reappointment
Board of Directors	Aldo Cardoso	Stéphanie Besnier	Annette Messemer Véronique Saubot Dominique Morin Carlos Manuel Pérez Fernández
Strategy and Sustainability Committee	Aldo Cardoso	Annette Messemer	Véronique Saubot
Appointments Committee	N/A	N/A	Annette Messemer
Compensation Committee	N/A	N/A	Annette Messemer
Audit Committee[1]	Aldo Cardoso Annette Messemer	Stéphanie Besnier Véronique Saubot	N/A
ESG Referent Director	N/A	N/A	Véronique Saubot
Non-voting observer	N/A	N/A	N/A

(1) Lucile Ribot, a member of the Audit Committee since May 4, 2018, was appointed Chair of this Committee with effect from May 10, 2023.

Changes planned for 2024

The next Shareholders' General Meeting will be asked to approve:

- renewal of the directorships of Patrick Kron and Paris Kyriacopoulos;
- appointment of Laurent Favre as a new director to replace Marie-Françoise Walbaum, who has informed the Board of Directors of her wish not to seek reappointment as a director following the expiration of her term of office at this Shareholders' General Meeting.

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 21, 2024, and the recommendations of the Appointments Committee:

- Patrick Kron will be reappointed Chairman of the Board of Directors;
- Paris Kyriacoupoulos will be reappointed member of the Strategy and Sustainability Committee;
- Annette Messemer will be appointed Chair of the Appointments and Compensation Committees; and
- Stéphanie Besnier will be appointed member of the Appointments and Compensation Committees; and
- Laurent Favre will be appointed member of the Strategy and Sustainability Committee.

For further details, see chapter 8, paragraph 8.2.5 of this Universal Registration Document.

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.

In 2023/2024, this procedure was followed after Marie-Françoise Walbaum expressed her wish not to seek the renewal of her term of office in 2024. Upon completion of the procedure, the Board, acting on the recommendation of the Appointments Committee, decided to propose to Shareholders the appointment of Laurent Favre. The Board considered that the appointment of Laurent Favre would be a real asset for the Board given his substantial industrial and strategic expertise. For more than 20 years he has held various positions of responsibility with German automotive equipment manufacturers such as ThyssenKrupp (steering systems), ZF (gearboxes and steering columns) and Benteler (structural components), where he was Chief Executive

(1) Following the Shareholders General Meeting held on May 10, 2023, except in the case of directors representing employees whose terms of office were renewed in October 2023.

Officer of the Automotive Division. He is currently Chief Executive Officer of Plastic Omnium, a French listed company. The appointment of Laurent Favre would also help to maintain the proportion of independent directors at 60%. His appointment would allow one of the composition-related objectives of the Board's diversity policy to be met, namely the appointment by the end of 2024 of a director with industry expertise and an executive and, if possible, international, background.

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"*. The Board of Directors also takes into account the independence criteria set out in the AFEP-MEDEF Code (as set out in the following table) while restating 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.

The Board has also decided, with effect from May 10, 2023, that any director whose term of office has run for more than 12 years will automatically lose their independent status.

At its meeting of February 21, 2024, and in line with the recommendations made by the Appointments Committee, the Board of Directors:

- confirmed the definition of independence adopted and the application of the independence criteria set out in AFEP-MEDEF Code under the above-mentioned conditions;
- confirmed the criteria defined in February 2023 for establishing the materiality 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.

Conclusions of the review carried out by the Board, on the recommendation of the Appointments Committee, concerning the criterion of significant business links

The Board noted, on the basis of the personal information provided by each of the members of the Board of Directors and to the best of the Company's knowledge, that:

- no business relationships existed between the Board members representing the Company's controlling shareholder, Groupe Bruxelles Lambert (namely Ian Gallienne, Laurent Raets et Rein Dirkx), other than the capital ties between this shareholder and the Company;
- no business relationships existed with Paris Kyriacopoulos other than the capital ties with 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;
- no other director or director-candidate 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).

Conclusions of the review carried out by the Board, on the recommendation of the Appointments Committee, concerning other independence criteria

The Board noted, on the basis of the personal information provided by each of the members of the Board of Directors and to the best of the Company's knowledge, that:

- in view of the management positions held in entities belonging to the group of the Company's controlling shareholder, GBL, Ian Gallienne, Laurent Raets and Rein Dirkx (non-voting observer) do not qualify as independent directors;
- in view of the management positions held within GBL over the past five years, Bernard Delpit cannot be considered as independent;
- Paris Kyriacopoulos has been an employee of Imerys for the past five years and cannot therefore be considered as independent;
- all the other Directors (with the exception of the Directors representing employees), including Patrick Kron (see paragraph "AFEP-MEDEF Code as reference code" above), have been designated as independent;

- finally, the Board stated that at its meeting of February 21, 2024, in accordance with the recommendations of the Appointments Committee, it had considered the independent status of Laurent Favre, who has been put forward for appointment at the next Shareholders' General Meeting (see chapter 8, paragraph 8.2.5). Based on the criteria and principles outlined in this subsection, the Board retained the qualification of independent.

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**	**Stéphanie Besnier**	**Bernard Delpit**	**Ian Gallienne**	**Paris Kyriacoupoulos**	**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	✗	✓	✗	✗	✗	✓	✗	✓	✓	✓	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	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	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	✓	✓	✓	✗	✗	✓	✗	✓	✓	✓	N/A	N/A	N/A
Independent (Y/N)		Y[2]	Y	N	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 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.*

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. Dominique Morin and Carlos Pérez Manuel Fernàndes, appointed respectively by the Group's French Works Council and the European Works Council, joined the Board in October 2020. Following the elections held during 2023, these two Directors were reappointed until 2026. At its meeting on October 30, 2023, the Board of Directors also decided to reappoint Dominique Morin as a member of the Compensation Committee.

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 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 2023**	**Possible review of the objective for 2024**
Board of Directors	■ Gender balance	■ 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.	■ The proportion of women on the Board has gradually increased, rising from 21.4% in 2013 to 50% by 2023. The various reappointments since then, including that of Annette Messemer and Véronique Saubot as well as the appointment of Stéphanie Besnier at the Shareholders' General Meeting of May 10, 2023 strengthened this balance. ■ Three out of the four Committees are chaired by women (Audit, Compensation and Appointments) and the position of ESG Referent Director is also held by a woman.	■ Objective unchanged.

	Criteria	Objectives and implementation arrangements	Results achieved during 2023	Possible review of the objective for 2024
Board of Directors	■ Professional skills and experience	■ Maintain a structure of the Board of Directors with a diverse mix of skills and experience in the following areas: • finance, accounting • sales, marketing, industry, management • human resources • international • stable presence on Boards of listed companies and international groups. ■ Target to include a director with industry expertise and an executive and, if possible, international, background when the next terms of office come up for renewal by year-end 2024.	■ The appointments 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. ■ The appointment of Stéphanie Besnier in 2023 contributed to the achievement of these objectives, given her expertise in strategy and corporate governance. Her strong financial skills were taken into account in her appointment as a member of the Audit Committee. ■ In 2024, in line with the objectives set, the appointment of Laurent Favre will be submitted to the Shareholders' General Meeting for approval. Laurent Favre has extensive experience in senior management positions in the industrial sector, with a European profile. Laurent Favre is currently Chief Executive Officer of Plastic Omnium.	■ Objective unchanged.
	■ Nationality	■ 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.	■ At December 31, 2023, five nationalities were represented on the Board, implying a stable representation of different nationalities over the last two years.	■ Objective unchanged.
	■ Independence	■ Maintain the proportion of independent directors at a level in keeping with the AFEP-MEDEF Code's recommendations.	■ Since 2019, the Board's independence ratio has stood 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 Strategy and Sustainability Committee) and the position of ESG Referent Director are all held by independent directors.	■ Objective unchanged.
	■ Balance	■ 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.	■ December 31, 2023, 40% of directors* had served for less than three years, 40% of directors* had served for between three and ten years, and 20% of directors* had served for more than ten years. ■ December 31, 2023, directors* were between 42 and 73 years old, with an average age of 56.1, with 60% of directors aged between 45 and 70, and 20% younger than 45.	■ Objective unchanged.

	Criteria	Objectives and implementation arrangements	Results achieved during 2023	Possible review of the objective for 2024
Executive Committee	■ Gender balance	■ In 2023, the Board set a target of 30% of Executive Committee positions to be held by women.	■ During the year, one woman, Emmanuelle Vaudoyer, General Counsel and Board Secretary, was appointed to the Executive Committee. At December 31, 2023, the Executive Committee had three women out of nine members, namely 33% women. The target was therefore reached.	■ Objective unchanged.
10% of jobs with highest level of responsibility	■ Diversity, Equity & Inclusion	■ Champion diversity, equity and inclusion through implementation since 2023 of an ambitious plan named "Diversity, Equity & Inclusion" as redefined in 2022 (2023-2025) to promote diversity, primarily in respect of gender, employee equity, nationality, disability and inclusion. ■ For the Senior Managers category (i.e. the 10% of jobs with the highest level of responsibility within the Group), the year-end 2025 target is for 30% of positions to be held by women. The Group is actively pursuing a recruitment policy dedicated to this objective. The Group is also committed to increasing the proportion of women at all levels of the organization, setting specific indicators by 2025 for women Senior Managers and for women Managers, Experts and Professionals, in order to strengthen the pool of female talent. ■ The Group's policy on diversity, equity and inclusion is described in more detail in section 3.3.1.2.2 of chapter 3.	■ At year-end 2023, 27% of Senior Manager positions were held by women. Note also that the percentage was 32% in the Executives, Experts and Professionals category. The proportion of women in the Group was 20%. ■ The Group encourages the achievement of these gender diversity objectives through its recruitment processes, by setting criteria during the pre-selection and assessment phases. The Group also goes beyond the recruitment process and promotes gender equity through education and training, as well as through communication and awareness-raising among its employees on issues of gender and diversity integration.	■ Objective unchanged.

* *Excluding employee representative directors and the non-voting observer.*

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 industry, strategy, finance, ESG/sustainability and international, which contribute to the quality of the Board's work and correctly balanced structure.

Skills/experience	Industry	Strategy	Finance	Direction/ management	ESG/ Sustainability	International
Patrick Kron	✓	✓	✓	✓	✓	✓
Stéphanie Besnier			✓		✓	✓
Bernard Delpit	✓	✓	✓	✓		✓
Ian Gallienne	✓	✓	✓	✓	✓	✓
Paris Kyriacopoulos	✓	✓		✓		✓
Annette Messemer	✓	✓	✓	✓	✓	✓
Laurent Raets		✓	✓	✓	✓	
Lucile Ribot		✓	✓		✓	✓
Véronique Saubot	✓		✓	✓	✓	
Marie-Françoise Walbaum			✓	✓	✓	
Rein Dirkx	✓	✓	✓			✓

Excluding employee representative directors.

More specifically, with regard to the ESG skills of Board members (excluding Directors representing employees and excluding non-voting observer), several Directors have indicated that they attended training courses during the year, in particular through participation in conferences and webinars organized by the French Institute of Directors, *Chapter Zero France* (Directors' Climate Forum) or training courses organized by the companies that employ them or on which they sit as Directors (in the case of Imerys, see paragraph Information and training for members of the Board of Directors below). Some Directors, through their operational functions, have contributed to the development of the ESG strategy, the monitoring of issues and implementation of the CSRD directive, or were in charge of non-financial communication. Lastly, all Board members, through their directorship of one or more listed companies and their membership of one or more committees (Audit, Compensation, Appointments or Strategy), have expertise in corporate governance and sustainability.

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.

No member of the Board has been selected as a result of any arrangement or agreement entered into with the principal 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, 2023.

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 section also contains information about Laurent Favre, whose appointment as a new Director is proposed at the forthcoming Shareholders' General Meeting. 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 Péchiney 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 for a short interim period 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, 2023

Non-Group listed companies

- Director – Viohalco – Belgium
- Director – Sanofi – France

Other non-Group companies

- Chairman – PKC&I SAS – France
- representation of PKC&I on the Supervisory Board – Segula Technologies – France
- Chairman – Truffle Capital SAS – France

Offices and positions that have expired in the past five years

Non-Group listed companies

- Director – Elval-Halcor SA – Greece
- Director – Holcim – Switzerland

Other non-Group companies

- None

Stéphanie Besnier

Independent director

Born on March 10, 1977

Work address:

42, avenue de la porte de Clichy
75017 Paris (France)

Date first appointed:

May 10, 2023

Term of office expires:

Shareholders' General Meeting in 2026

Main professional activity:

Chief Financial Officer

Biography

Stéphanie Besnier's career began in 2001 as an analyst at BNP Paribas in London. She then held various positions at the Ministry of the Economy and Finance from 2003 to 2007. 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 was 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. On 6 March 2023, Stéphanie Besnier joined OVHcloud as Chief Financial Officer. On May 10, 2023, Stéphanie Besnier was appointed Director of Imerys and joined its Audit Committee.

Offices and positions held at December 31, 2023

Non-Group listed companies

- None

Other non-Group companies

- Chief Financial Officer – OVHCloud – France

Offices and positions that have expired in the past five years

Non-Group listed companies

- 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 – Mauritius

Other non-Group companies

- None

Bernard Delpit

Director

Born on October 26, 1964

Work address:

c/o ALSTOM
48, rue Albert Dhalenne
93400 Saint-Ouen-sur-Seine
France

Date first appointed:

May 10, 2022

Term of office expires:

Shareholders' General Meeting in 2025

Main professional activity:

Executive Vice-President, Chief Financial 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. In January 2022, he was appointed Deputy Chief Executive Officer of Groupe Bruxelles Lambert, staying in the position until May 31, 2023. Since July 1, 2023, he has been Executive Vice-President and Chief Financial Officer of the Alstom Group.

Offices and positions held at December 31, 2023

Non-Group listed companies

- 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
- Deputy Chief Executive Officer – Groupe Bruxelles Lambert – Belgium

Other non-Group companies

- Director – ArianeGroup – France
- Director – BPI France – France

Ian Gallienne

Director

Born on January 23, 1971

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marnix
1000 Bruxelles
Belgium

Date first appointed:

April 29, 2010

Term of office expires:

Shareholders' General Meeting 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, 2023

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
- Director – Compagnie Nationale du Portefeuille – Belgium
- Director – Carpar – Belgium
- Director – Financière de la Sambre – Belgium
- Legal Manager– Esso 2023 – France

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
- Chairman – Marnix French ParentCo (Webhelp) – France

Paris Kyriacopoulos

Director

Born on May 12, 1981

Work address:

ORYMIL SA
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, 2023

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 [(1)]

Non-Group listed companies

- None

Other non-Group companies

- None

(1) 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 04, 2020

Term of office expires:

Shareholders' General Meeting in 2026

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 Babbel 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, 2023

Non-Group listed companies

- Director – Société Générale – France
- Director – Savencia – France
- Director – Vinci – France

Other non-Group companies

- Member of the Supervisory Board – Babbel 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
- Director – Essilor International S.A.S. – France

Laurent Raets

Director

Born on September 09, 1979

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marnix
1000 Bruxelles
Belgium

Date first appointed:

May 10, 2022

Term of office expires:

Shareholders' General Meeting in 2025

Main professional activity:

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. He was again appointed Director of Imerys and member of the Audit Committee with effect from May 10, 2022.

Offices and positions held at December 31, 2023

Non-Group listed companies

- Director and member of the Investment and Audit Committees – 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 04, 2018

Term of office expires:

Shareholders' General Meeting 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 has been a Director of Imerys since May 4, 2018 and Chair of its Audit Committee since May 10, 2023.

Offices and positions held at December 31, 2023

Non-Group listed companies

- Director and member of the Audit Committee – Kaufman & Broad – France

Other non-Group companies

- Director and member of the Audit 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 04, 2020

Term of office expires:

Shareholders' General Meeting in 2026

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 strategies 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, 2023

Non-Group listed companies

- Director – Lisi – France
- Director – Esso S.A.F. – France – 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, 2023

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 07, 1964

Work address:

Imerys Clérac
17270 Clérac
France

Date first appointed:

October 06, 2020

Term of office expires:

2026

Main professional activity:

Employee of Imerys Clérac

Biography

Dominique Morin has worked for the Imerys group within Imerys 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, 2023

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 06, 2020

Term of office expires:

2026

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, 2023

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

Laurent Favre

Director-candidate put forward for appointment at the Shareholders' General Meeting of May 14, 2024

Born on September 03, 1971

Work address:

c/o Plastic Omnium
1, allée Pierre Burelle
92300 Levallois-Perret
France

Main professional activity:

Chief Executive Officer

Biography

Laurent Favre has an engineering degree from the École Supérieure des Techniques Aéronautiques et de Construction Automobile (ESTACA). He began his career in the automotive industry, in Liechtenstein. For more than 20 years he has held various positions of responsibility with German automotive equipment manufacturers such as ThyssenKrupp (steering systems), ZF (gearboxes and steering columns) and Benteler (structural components), where he was Chief Executive Officer of the Automotive Division. Laurent Favre is the Chief Executive Officer of Compagnie Plastic Omnium SE.

Offices and positions held at December 31, 2023

Non-Group listed companies

- Chief Executive Officer – Plastic Omnium – France

Other non-Group companies

- Various positions within the group Plastic Omnium – Plastic Omnium – France, Germany, Belgium, United-States
- Member of the Shareholders Committee – HBPO Beteiligungsgesellschaft mbH – Germany
- Director – Yanfeng Plastic Omnium Automotive Exterior Systems Co. Ltd – China

Offices and positions that have expired in the past five years

Non-Group listed companies

- None

Other non-Group companies

- None

Rein Dirkx

Non-voting observer

Born on December 30, 1992

Work address:

c/o Groupe Bruxelles Lambert
24, avenue Marnix
1000 Bruxelles
Belgium

Date first appointed:

May 10, 2022

Term of office expires:

2025

Main professional activity:

Investment Principal

Biography

Rein Dirkx 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, 2023

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 its Charter, the Board is tasked with the following duties:

- protecting the Company's corporate interests and assets;
- determining the strategic directions for the Company's operations and overseeing their implementation, by taking into account the social and environmental challenges of its businesses; in this context, it strives to promote the creation of long-term value for the company by taking these aspects into account within its activities;
- choosing the Company's corporate governance structure and appointing its executive corporate officers;
- adopting the policies of awarding compensation to corporate officers and setting their compensation in accordance with these policies, 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, 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. It approves the financial statements and the terms of its Management Report, which will be presented to the annual Shareholders' General Meeting.

Prior to their implementation by Executive Management, the Board examines and approves the strategic directions of the Company and the Group, including those relating to corporate social responsibility, environmental responsibility and corporate governance, as well as any transactions likely to have a significant impact on these directions. Executive Management presents this strategy to the Board, together with an action plan and the time frames within which these actions will be carried out. Executive Management reports annually to the Board on the results of these actions.

In the case of climate change, this strategy must be accompanied by specific objectives and time frames. Every year, the Board examines the results obtained and the need, if any, to adapt the action plan or modify objectives, particularly in light of changes in corporate strategy, technologies, shareholder expectations and the economic capacity to implement them.

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 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 for amounts 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 and the ESG Referent Director in 2023 are detailed in paragraph 4.1.4.2 of the present chapter.

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 21, 2024) 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. The Vice-Chair ensures the Company's governance bodies operate effectively. 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 Emmanuelle Vaudoyer, Group General Counsel since May 2023.

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;
- 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.

Information and training for members of the Board of Directors

Information for Board members

Notices of Board 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.

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.

In addition, each year, Board members are invited to take part in the annual seminar of the Strategy and Sustainability Committee. These seminars enable them to improve their understanding of the Group's businesses and environment, through thematic presentations and site visits.

Integration of new Board members

Particular attention is paid to the integration of new directors. Thus, in 2023, following the appointment of a new director and the renewal of the Audit Committee's membership, a training session was organized around a common core comprising a presentation of the Group's organization and strategy, in order to gain a better understanding of its challenges, businesses and markets. The Group's Finance Department also presented its organization, reporting and closing methods, cash management and tax situation, investor relations and IT management. Finally, the sustainability roadmap was presented. In this context, the members of the Audit Committee met with the Group General Counsel, the Chief Sustainability Officer, the Chief Strategy and M&A Officer and the Chief Financial Officer, as well as with members of their teams.

Training for Board members

The training of Board members continues beyond their term of office and is an ongoing process. In 2023, access to targeted online training via the Imerys Learning Hub was promoted to Directors on the following main themes: the Group's markets and activities; social and environmental issues, including climate; diversity, equity and inclusion (including gender issues).

Following an assessment of the Board in 2023/2024, one of the areas identified for improvement was the reinforcement of training available to its members. Accordingly, the Board has decided to review the Directors' training plan (particularly on ESG and regulatory issues) over the course of 2024, including for Directors representing employees.

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 section 1.2.3 of chapter 1) The Board of Directors:

- takes into consideration these ESG issues in the determination and review of the Group's strategy;
- determines multi-year strategic directions, including those relating to social and environmental responsibility, and reviews the results obtained;
- incorporates ESG indicators, in line with the Compensation Committee's recommendations, in the performance criteria used to determine the Chief Executive Officer's variable compensation (annual and long-term); a number of the same indicators can also be found in the criteria used to determine the long-term variable compensation for each of the Executive Committee members;
- at least twice a year, includes an ESG-related item on the agenda of its meetings.

Furthermore, in accordance with the recommendations of AFEP- MEDEF Code, at its meeting of December 12, 2023, the Board of Directors decided to set up a Strategy and Sustainability Committee and reviewed the allocation of powers to the various Committees in the environmental, social and governance fields.

Strategy and Sustainability Committee	■ Makes recommendations to the Board on the Company's strategic directions, including industrial, commercial, financial and innovation strategies, as well as those relating to social and environmental responsibility, including climate change. ■ Controls the methods used by Executive Management to implement this strategy, with the action plan and the time frames within which these actions will be carried out.
Audit Committee	■ Monitors issues relating to the preparation and control of sustainability information, including impacts, risks and opportunities, to ensure compliance and quality, and monitors the process of preparing this information. ■ Examines 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, monitoring significant sustainability impacts, risks and opportunities, and sustainability reporting. ■ Follows relations with investors, financial and non-financial rating agencies and any other interested parties. ■ Issues recommendations on the identification, measurement and monitoring by the Executive Management of the main potential impacts, risks and opportunities for the Goup in the areas defined.
Compensation Committee	■ Makes recommendations to the Board concerning the compensation policy for the Chief Executive Officer as well as the long-term performance share incentive plans for the Group's senior executives, including ESG criteria.
Appointments Committee	■ Makes recommendations to the Board concerning the proposed appointment of corporate officers, the structure and chairs of the Committees in line with the diversity policy laid down by the Board.
ESG Referent Director	■ The ESG Referent Director assists the Strategy and Sustainability Committee and, where appropriate, the Board, to ensure that: strategic directions adequately integrate environmental and social considerations, in particular when examining and monitoring (i) the execution of the annual or multi-year strategic plan, (ii) the Group's sustainability roadmap, and (iii) significant shareholdings, acquisitions or investments, as well as commercial or industrial agreements that would commit the long-term future of the Company or the Group. ■ He/she ensures that the strategy implemented by Executive Management is aligned with the ESG priorities set by the Board. ■ He/she assists the Audit Committee and, where appropriate, the Board, in monitoring issues relating to the preparation and control of sustainability-related information, as well as the mapping and supervision of Group risks. ■ He/she ensures that the compensation policy for executive directors includes, where relevant, criteria relating to social and environmental responsibility. ■ He/she assists the Board with a review of the ESG information contained in the Universal Registration Document. ■ He/she assists the Appointments Committee and, where appropriate, the Board, in matters of diversity, inclusion and equity. ■ General remit: ● He/she coordinates and ensures consistency between the work of the committees on ESG and sustainability. ● He/she makes recommendations to the Committees, at their request or directly, concerning any subject related to ESG and sustainability issues falling within their remit. ● He/she makes suggestions to the Chairman of the Board of Directors to add to the agenda of Board meetings additional points falling within their remit.

Succession planning for executive corporate officers

Succession planning for executive and non-executive corporate officers (Chairman of the Board and the Chief Executive Officer) is reviewed 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 2023 activities of the Appointments Committee for more details in paragraph 4.1.2 below).

Board meetings

	2023	2022
Number of meetings	5	7
AVERAGE ATTENDANCE RATE *	**95.38%**	**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.

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 2023

During 2023, the main responsibilities and work handled by the Board were as follows:

Topic	Main responsibilities and work performed in 2023
Businesses	■ Information about safety within the Group and the performance of business activities ■ monitoring of developments and impacts on the Group's business caused by inflationary pressures affecting the economy ■ hearing of reports from and review of the recommendations of the Strategic Committee ■ monitoring of the status and progress of the approval process for the agreement being negotiated by the Group's North American talc former subsidiaries to settle the dispute linked to their historical activities in the United States ■ information on the Ethics Committee's report on implementing and monitoring the Group's ethics and compliance roadmap, and approval of the update of its corruption risk mapping and duty of care risk mapping methodology ■ review and, where appropriate, post-closing monitoring of M&A transactions and strategic projects and investments, in particular the disposal of the High-Temperature Solutions business line, the planned disposal of assets serving the paper markets, the "Emili" project involving lithium mining at the Beauvoir site in France, and the joint venture with British Lithium, in which Imerys holds an 80% stake, with a view to developing lithium production in the United Kingdom ■ monitoring, on the basis of reports from the Audit Committee, the roll-out of the Group's cybersecurity policy and progress on the project for the gradual introduction of a new common ERP across the Group (up to 2026) ■ 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 ■ regular information on the consensus and share price, and presentation of a strategic study on the Group's exposure to certain business sectors
Finance	■ Review and approval of the 2022 annual financial statements and for the first half of 2023, information about or reviews of the financial statements for the first and third quarters of 2023 and review of the corresponding draft financial press releases for all these financial statements ■ proposed appropriation of profit and payment of the 2022 dividend ■ review of management projections ■ hearing of reports from and review of the recommendations of the Audit Committee ■ monitoring of cash management and working capital actions implemented by the Group ■ review and approval of the Group's 2024 budget ■ information on the €500 million sustainability-linked bond, maturing in 2029 ■ reviewing the Group's new sector-based financial information
Environment, Social and Governance (ESG)	■ Review and assessment by the Board of its operating procedures, its performance and that of its Committees and launch of the 2023/2024 evaluation by an external services provider ■ review of the structure of the Board and its Committees, including the changes planned in 2023 and 2024 ■ review of the independent status of members of the Board ■ review of the recommendations of the AFEP-MEDEF Code, recommendations for improving corporate governance practices and the Board Charter ■ review of the development and succession plans for executive corporate officers and the Executive Committee ■ review of the Group's diversity policy for the Board, management bodies and positions of responsibility, including lessons learned from the talent and organization review ■ review of the agreements with related parties ■ approval of the annual reports of the Board of Directors ■ review of the assessment of the 2022 key performance indicators, the sustainability roadmap and the associated medium-term objectives to 2025, review of activities eligible under the European taxonomy ■ review of the Group's biodiversity roadmap ■ creation of a Strategy and Sustainability Committee and review of the ESG responsibilities of other Committees ■ information on the CSRD, the gap analysis carried out within the Group and on future actions to implement the directive
Compensation	■ Review and approval of the 2023 compensation policies applicable to the Company's corporate officers, evaluation of their compensation in respect of 2022 and, more broadly, of the details required in respect of the 2022 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 2022 performance criteria, approval of the 2023 plan and its rules and award of performance shares to the Chief Executive Officer and other allottees
Shareholders' General Meeting on May 10, 2023	■ Notice of meeting, approval of draft resolutions and approval of the special reports of the Board of Directors ■ review of the recommendations by proxy advisors ■ answer to a shareholder's written question
Miscellaneous	■ Participation in a strategic seminar with a visit to the Willebroek site in Belgium, specialized in production of carbon black. The Board was given an in-depth briefing on these activities and those related to lithium.

In 2023, three of the five Board meetings ended with executive sessions, 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 Strategy and Sustainability Committee[(1)], 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 is also assisted by an ESG Referent Director.

The Board Committees and the ESG Referent Director 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 and the ESG Referent Director 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.

Strategy and Sustainability Committee

NUMBER OF MEMBERS
5 (2023) VS **5** (2022)

NUMBER OF MEETINGS
3 (2023) VS **4** (2022)

PERCENTAGE OF INDEPENDENT DIRECTORS
40% (2023) VS **40%** (2022)

ATTENDANCE RATE
100% (2023) VS **95,83%** (2022)

Members	Date first appointed to the Committee	Number of years spent on the Committee*	Independent
Ian Gallienne, Chair	April 29, 2010	13.11	No
Bernard Delpit	May 10, 2022	1.11	No
Paris Kyriacopoulos	May 10, 2021	2.11	No
Annette Messemer	May 10, 2023	0.11	Yes
Véronique Saubot	May 04, 2020	3.11	Yes

* *At the date this Universal Registration Document was filed*

Duties

The Charter of the Board defines the duties of the Strategy and Sustainability Committee as follows:

"The duties of the Strategy and Sustainability Committee include examining and submitting opinions and recommendations to the Board of Directors in the following areas:

Strategy

On the recommendation of the Executive Management, determining the Company's strategic directions, including industrial, commercial, financial and innovation strategies, as well as those relating to social and environmental responsibility, including climate change.

Control of the methods used by the Executive Management to implement this strategy, with the action plan and the time frames within which these actions will be carried out. It is informed annually by the Executive Management of the results achieved and also periodically reviews the long-term strategic plan (multi-annual plan) drawn up or revised by the Executive Management.

It therefore closely analyzes and, where necessary, makes recommendations to the Board on:

- 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 for amounts likely to substantially modify the Group's financial structure,

At the end of every year, the Strategy and Sustainability 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.

In principle, each year, the Strategy and Sustainability Committee holds a special session devoted to the Group's general strategy, open to all directors.

(1) Following the Board's decision of December 12, 2023, the Strategic Committee has become the Strategy and Sustainability Committee.

Risk

Analyze matters relating to the way the Executive Management identifies, measures and monitors the main challenges and potential impacts, risks and oportunities facing the Group in the following areas:

- outside the Group: investor relations and the Group's market positions, relations with financial and non-financial rating agencies and any other interested parties;
- Group policies: financial resource management, human resources and skills management, dependence and continuity of key industrial or commercial activities;
- management information: management control, financial and sustainability reporting, retrospective checks, where appropriate, on the most material investment projects."

Activities in 2023

Throughout the year, the Strategic Committee monitored the main management and development decisions made by the Executive Management, making sure they were in line with Imerys' strategy recommended by the Committee and approved by the Board of Directors.

The Committee enhanced its reflection on the Group's long-term strategic direction. It notably monitored the disposal of the High-Temperature Solutions business, and also reviewed and expressed its position to the Board on the progress of and alternative scenarios for the proposed disposal of certain assets serving the paper markets. It studied the various impacts of these projects, notably on the Group's structure, accounts and key indicators.

The Committee also periodically reviewed the Group's sales and financial performance in relation to the underlying markets and the Group's peers.

In addition, with a view to pursuing a selective investment policy, disciplined external growth and the use of funds from divestments, the Committee monitored the implementation of the 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 the energy transition, sustainable construction and natural solutions for consumer goods. Within this framework, the Strategic Committee periodically reviewed and approved the key stages and main aspects of the most significant investments, acquisitions and divestments. In 2023, the Committee's review focused on:

- the market environment and the Group's developments in lithium mining, in particular progress in the EMILI project in France and the creation of a majority joint venture with British Lithium in the UK;
- the development, organization and contribution of the Group's strategic partnerships (joint ventures): in particular, that linked to the fast-growing high-purity quartz activities grouped within the 50-50 joint venture The Quartz Corporation;
- the Group's ambitions in terms of open innovation and collaboration with startups;
- the Group's Information Systems roadmap;
- objectives and conditions of asset acquisition or disposal.

During the strategic seminar held on June 19 and 20, the members of the Board, all present for the occasion, were able to visit the carbon black plant (Graphite and Carbon Division) located in Willebroek, Belgium. In particular, they were presented with the progress of investments to increase production and energy recovery capacities, the site's ESG approach, and the dynamics and performance of markets for carbon black applications, particularly in batteries for electric vehicles.

In all its work, the Committee ensured that the Group's initiatives were consistent with the SustainAgility roadmap for sustainable development. At the Board of Directors' meeting on December 12, 2023, it was decided to formalize the Group's commitment to a sustainable future and the strategic importance of sustainable development for Imerys by transforming the Committee into the Strategy and Sustainability Committee. The Board Charter will be amended accordingly during 2024 to reflect the Committee's extended competence in this area.

Operating procedures

The 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 Committee hears contributions from officers and other individuals including the Chief Executive Officer, the Chief Financial Officer, the Chief Strategy and M&A Officer, the Chief Sustainability 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 Committee Secretary is held by the Group's Strategy Officer, who drafts the minutes at its meetings.

Appointments Committee

NUMBER OF MEMBERS			NUMBER OF MEETINGS		
3	VS	3	3	VS	2
2023		2022	2023		2022

PERCENTAGE OF INDEPENDENT DIRECTORS			ATTENDANCE RATE		
66%	VS	66%	100%	VS	100%
2023		2022	2023		2022

Members	Date first appointed to the Committee	Number of years spent on the Committee*	Inde-pendent
Marie-Françoise Walbaum, Chair	May 04, 2016	7.11	Yes
Ian Gallienne	April 26, 2012	11.11	No
Annette Messemer	May 04, 2020	3.11	Yes

* *At the date this Universal Registration Document was filed*

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 or sustainability skills that might be required for Board members);
- presentation of a succession plan for executive and non-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 2023

In 2023, 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 recommended that the Board renew the terms of office of Annette Messemer and Véronique Saubot for a further three years, with effect from the 2023 Shareholders' General Meeting. As Aldo Cardoso has decided not to seek reappointment with effect from the same date, the Committee has recommended that the Board propose to the Annual General Meeting the appointment of Stéphanie Besnier as Director and member of the Audit Committee. The Committee recommended that the Board qualify her as an independent director.

In addition, the Committee supervised the self-assessment process of the Board of Directors and its Committees and, based on the results, issued certain recommendations to the Board in order to continue improving its operating procedures and the quality of its work and those of its Committees.

The Committee reviewed the succession plans (Organization and People Review) put in place for the Chief Executive Officer and Executive Committee members, emphasizing the strength of the talent pool. It also closely monitored the Group's diversity policy, in particular with regard to the gender balance objective set by the Group, the progress made towards achieving it, and equal opportunities.

The Committee reviewed the relevant sections of the corporate governance report published in the Universal Registration Document 2022. Lastly, it made recommendations to the Board concerning the improvement of certain corporate governance practices and the implementation of the recommendations of the AFEP-MEDEF Code, as updated in December 2022. More specifically, it recommended that the Board of Directors adopt a selection procedure for future independent directors, strengthen the criteria for assessing business relationships, and carry out a study into the creation of an ad hoc ESG Committee or one combined with an existing committee, leading to the transformation of the Strategic Committee into the Strategy and Sustainability Committee.

Operating procedures

The 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 Committee Secretary is held by the Group's Chief Human Resources Officer, who drafts the minutes at its meetings.

Compensation Committee

NUMBER OF MEMBERS		
4	VS	4
2023		2022

NUMBER OF MEETINGS		
2	VS	1
2023		2022

PERCENTAGE OF INDEPENDENT DIRECTORS		
66%*	VS	66%*
2023		2022

ATTENDANCE RATE		
100%	VS	100%
2023		2022

Members	Date first appointed to the Committee	Number of years spent on the Committee*	Inde-pendent
Marie-Françoise Walbaum, Chair	May 04, 2016	7.11	Yes
Ian Gallienne	April 26, 2012	11.11	No
Annette Messemer	May 04, 2020	3.11	Yes
Dominique Morin	October 30, 2020	3.5	N/A

* *Not counting the employee representative director.*

** *At the date this Universal Registration Document was filed*

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 the Chairman of the Board, the Chief Executive Officer and other members of the Board;
- 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 applicable compensation policy;
- the general policy for granting stock options or performance shares of the Company and determining the beneficiaries of such plans proposed by the Chief Executive Officer;
- the determination of individual stock option or performance 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;
- the annual review of equality of opportunity and pay;
- 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 2023

In 2023, the Committee reviewed and confirmed the proper application of the 2022 corporate officer compensation policies approved by the Shareholders' General Meeting and proposed to the Board the policies applicable for 2023 (for the Chairman of the Board of Directors, Chief Executive Officer and other Board members).

The Committee recommended that the compensation policies applicable to the Chairman of the Board and other Board members should remain unchanged. With regard to the Chief Executive Officer, the Committee proposed to the Board that the main components of his compensation be maintained, with some notable changes linked to the simplification of the structure of his annual variable compensation and the strengthening of ESG criteria. The proposed changes were based on market analyses including a panel of comparable companies to ensure competitive compensation.

The Committee also analyzed the figures used to review the level of achievement of 2022 financial performance targets, which feed in particular into long incentive plans. On the basis of this work, the Committee recommended to the Board of Directors the achievement rates for targets within the respective plans.

Finally, the Committee also conducted a review of compensation gaps between the compensation of executive directors and of the company employees.

Operating procedures

The 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 as well as the Board Secretary. It also takes advice from independent experts as it sees fit.

The position of Committee Secretary is held by the Group's Chief Human Resources Officer, who drafts the minutes at its meetings.

Audit Committee

NUMBER OF MEMBERS		
4	VS	4
2023		2022

NUMBER OF MEETINGS		
5	VS	5
2023		2022

PERCENTAGE OF INDEPENDENT DIRECTORS		
75%	VS	75%
2023		2022

ATTENDANCE RATE		
100%	VS	100%
2023		2022

Members	Date first appointed to the Committee	Number of years spent on the Committee*	Inde-pendent
Lucile Ribot, Chair	May 04, 2018	4.11	Yes
Stéphanie Besnier	May 10, 2023	0.11	Yes
Laurent Raets	May 10, 2022	1.11	No
Véronique Saubot	May 10, 2023	0.11	Yes

* *At the date this Universal Registration Document was filed*

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:

Financial statements

- the statutory and consolidated annual, half-yearly and quarterly financial statements;
- the scope of consolidation;
- relevance and consistency of accounting methods, by verifying, in particular, the reliability of internal procedures for collecting and checking information;
- 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;
- procedure applied to producing and circulating accounting and financial information;
- analysis of any remarks made by regulatory authorities (AMF) and the draft replies.

Financial and sustainability information

- the policy and procedures applied to financial communication designed to ensure the Group's compliance with regulatory obligations;
- monitoring of issues relating to the preparation and control of sustainability information, including impacts, risks and opportunities, to ensure compliance and quality, and monitoring the process of preparing this information;
- following relations with investors, financial and non-financial rating agencies and any other interested parties;
- the main components of financial communication relating to the Group and Company financial statements, in particular:
  - review of press releases,
  - the consistency of these financial statements with the information provided in financial communications, and
  - the relevance of the elements used in this communication.

External control

- The proposals for the appointment or reappointment of the Statutory Auditors, in the case of certification of the financial statements, or, where applicable, of the Statutory Auditors and/or the independent third-party organization, in the case of certification of sustainability information. If circumstances warrant, the Committee examines and approves the content of the specifications, the timetable and organization of the call for tenders with a view to their appointment and, where applicable, their renewal, and monitors the smooth running of this call for tenders;
- the Statutory Auditors' work plan for certifying the accounts, and where applicable, certification of sustainability information 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 and where applicable, certification of sustainability information ("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 authorizes 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.

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, monitoring significant sustainability impacts, risks and opportunities, and sustainability information, 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.

Risk

- identification, measurement and monitoring by Executive Management of the main risks and opportunities facing the Group in the following areas:
  - outside the Group: legal or regulatory developments, crisis or disaster management and cybersecurity, environmental and social challenges,
  - Group processes: monitoring major disputes, compliance with applicable regulations (including for sustainability), 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;
- other issues likely to have a material financial, accounting or sustainability impact on the Company or the Group."

Activities in 2023

The Audit Committee reviewed Imerys' and the Group's statutory and consolidated financial statements for 2022, as well as the Group's quarterly and half-yearly financial statements in 2023. 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 IFRS accounting rules were applied in the specific context of 2023, and in particular monitored the recommendations made by the AMF concerning the preparation of the 2023 financial statements and their implementation in the consolidated financial statements in the Universal Registration Document. It examined changes in the Group's overall effective tax rate and its components, changes in the segment-based presentation, and reviewed the results of impairment tests on the Cash-Generating Units concerned, including the impact of climate change risks in sensitivity analyses.

In the first half of 2023, the Audit Committee reviewed the report on payments to governments made by the Group's entities conducting mining operations.

Throughout 2023, the Committee also monitored developments in the litigation situation relating to the historical activities of the Group's former North American talc entities in the United States.

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 2024. 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 2023 financial statements and acquainted itself with their reports on the financial and non-financial information.

The Audit Committee reviewed the information published in the Declaration of Non-Financial Performance, to ensure its conformity and quality. It reviewed work in progress for the 2024 implementation of Corporate Sustainability Reporting Directive.

Throughout the year, the Committee also discussed the following matters: the activities of the Group Treasury function, including improvements to cash monitoring and localization tools; the major IT projects, in particular cybersecurity risk management; the recognition of major restructuring projects and changes in scope, in particular concerning the disposal of the High Temperature Solutions business on January 31, 2023, and the project to sell off the assets serving the paper market; 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, the organization of shared service centers; processes for valuing finished products in inventory.

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, the Legal Department, the Sustainable Development 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

On July 27, 2021, the Board of Directors appointed a director dedicated to environmental, social and governance (ESG) issues. This appointment was 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.

Following the creation of the Strategy and Sustainability Committee, the Board confirmed, at its meeting of December 12, 2023, the need to maintain the position of ESG Referent Director. The Board especially took into account the group-wide nature of these issues and, to this end, the necessary coordination between the work of its various Committees (see paragraph "The Board's consideration of environmental, social and governance issues" above on the division of ESG responsibilities between Committees). In this respect, it is noted that Véronique Saubot is also a member of the Strategy and Sustainability Committee and the Audit Committee.

ESG issues are presented to the Board twice a year.

Duties

The main responsibilities of the ESG Referent Director are as follows:

- The ESG Referent Director assists the Strategy and Sustainability Committee and, where appropriate, the Board, to ensure that: strategic directions adequately integrate environmental and social considerations, in particular when examining and monitoring (i) the execution of the annual or multi-year strategic plan, (ii) the Group's sustainability roadmap, and (iii) significant shareholdings, acquisitions or investments, as well as commercial or industrial agreements that would commit the long-term future of the Company or the Group;
- he/she ensures that the strategy implemented by Executive Management is aligned with the ESG priorities set by the Board;
- he/she assists the Audit Committee and, where appropriate, the Board, in monitoring issues relating to the preparation and control of sustainability-related information, as well as the mapping and supervision of Group risks;
- he/she ensures that the compensation policy for executive corporate officer includes, where relevant, criteria relating to social and environmental responsibility;
- he/she assists the Board with a review of the ESG information contained in the Universal Registration Document;
- he/she assists the Appointments Committee and, where appropriate, the Board, in matters of diversity, inclusion and;
- more generally:
  - he/she coordinates and ensures consistency between the work of the committees on ESG and sustainability,
  - he/she makes recommendations to the Committees, at their request or directly, concerning any subject related to ESG and sustainability issues falling within their remit,
  - he/she makes 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. Additional compensation is paid in respect of these duties (see paragraph 4.3.1.3 below).

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 2023

Since taking office, the ESG Referent Director has worked closely with the individuals with responsibility for such issues within the Group, especially the Chief Sustainability Officer. 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 2023, special consideration was devoted to:

- a review of the assessment of key performance indicators at end-2022;
- review and validation of the sustainability roadmap and associated medium-term objectives to 2025;
- monitoring of CSRD-related actions implemented within the Group, including the gap analysis carried out;
- review of the results of the double-materiality analysis concerning the potential ESG and financial impacts;
- 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 members of the Group's Executive Committee, in line with the *SustainAgility* roadmap for 2025;
- implementation of the European "taxonomy" regulations on sustainable finance;
- review of the Group's biodiversity strategy and ambitions in relation to the main risks and opportunities;
- validation of the decarbonization strategy and the Group's climate ambitions, aligned with a 1.5-degree pathway (in absolute terms, tCO_2).

4.1.4.3 Attendance record of Board members

In accordance with the AFEP-MEDEF Code, the following table presents a summary of the 2023 attendance record of each member at meetings of the Board and each specialized Committee on which they sit:

	Board of Directors	Strategic Committee (1) (2)	Appointments Committee	Compensation Committee	Audit Committee
Patrick KRON	100%	N/A	N/A	N/A	N/A
Stéphanie BESNIER *Director and member of the Audit Committee (since May 10, 2023)*	100%	N/A	N/A	N/A	100%
Aldo CARDOSO *Director, Chair of the Audit Committee and member of the Strategic Committee (until May 10, 2023)*	100%	100%	N/A	N/A	100%
Bernard DELPIT	100%	100%	N/A	N/A	N/A
Ian GALIENNE	100%	100%	100%	100%	N/A
Paris KYRIACOLOULOS	100%	100%	N/A	N/A	N/A
Annette MESSEMER *Director and member of the Appointments and the Compensation Committees* *Member of the Strategic Committee (since May 10, 2023).* *Member of the Audit Committee (until May 10, 2023)*	60%	100%	100%	100%	100%
Laurent RAETS	100%	N/A	N/A	N/A	100%
Lucile RIBOT *Chair of the Audit Committee (since May 10, 2023)*	100%	N/A	N/A	N/A	100%
Véronique SAUBOT *Director, ESG Referent Director and member of the Strategic Committee* *Member of the Audit Committee (since May 10, 2023)*	80%	100%	N/A	N/A	100%
Marie-Françoise WALBAUM	100%	N/A	100%	100%	N/A
Dominique MORIN	100%	N/A	N/A	100%	N/A
Carlos Manuel PÉREZ FERNÁNDEZ	100%	N/A	N/A	N/A	N/A
Rein DIRKX	100%	N/A	N/A	N/A	N/A

(1) The Strategic Committee became the Strategy and Sustainability Committee on December 12, 2023

(2) All members of the Board of Directors took part in the Strategic Committee seminar held in June 2023.

4.1.4.4 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.

2022/2023 self-assessment

As a reminder, following the formal self-assessment of the organization, mode of operation and composition of the Board and its Committees, the following areas for improvement were suggested by the Directors at the Board meeting of February 16, 2023:

- adjusting the Board's structure to enhance its skills and expertise through the addition of one member with an industrial background and/or 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.

Following this assessment, the following actions were implemented:

- the Board's diversity policy was reviewed to incorporate the suggestion related to its composition;
- ESG issues were examined in greater depth in 2023 (see details of the Board's 2023 activity, above), through, among other things, a review of the assessment of 2022 key performance indicators, the Group's sustainability roadmap and associated medium-term objectives to 2025, and its biodiversity roadmap. Directors were also briefed on the challenges of implementing the Corporate Sustainability Reporting Directive (CSRD). In addition, the Board created a Strategy and Sustainability Committee and reviewed the ESG responsibilities of other Committees;
- Lastly, on May 10, 2023, the Board also decided that any director whose term of office exceeds 12 years would automatically lose his or her status as independent, and to entrust the chairmanship of the Audit, Appointments and Compensation Committees (i.e. three out of four Committees) to independent directors.

2023/2024 assessment

In accordance with the recommendations of the AFEP-MEDEF Code, in 2023/2024 the Board carried out a formal assessment of its organization, mode of operation and composition, as well as of its Committees and the individual contributions of its Directors. On the recommendation of the Appointments Committee, the Board selected an independent service povider to carry out this assessment, selected after a competitive tender. Between November 2023 and January 2024, individual interviews were conducted with each member of the Board, as well as with the Chief Executive Officer, the Chief Financial Officer, the Chief Human Resources Officer and the General Counsel and Secretary to the Board.

The conclusions of this work were presented and reviewed by the Appointments Committee at its meeting on February 5, 2024, then by the Board on February 21, 2024.

The following strengths were highlighted:

- a strong, trusting relationship between the Chairman of the Board and the Chief Executive Officer;
- regular communication between the Board of Directors and Executive Committee members;
- the fluid relationship between the Chairman of the Board of Directors and the principal shareholder;
- efficient, structured Board and Committee meetings, and constructive relations between Board members, fostering genuine freedom of speech;
- an independent, experienced Chairman of the Board, respected by the principal shareholder, Board members and Executive Management;
- a committed key shareholder with a longterm vision;
- the appointment of an ESG Referent Director and a significant proportion of the Board's agenda dedicated to ESG issues;
- a full agenda (Board and Committees) including regulatory and operational issues;
- an annual post-mortem on major M&A decisions;
- good quality files and information delivered on time;
- an annual off-site seminar;
- regular Executive Sessions;
- a useful and appreciated CEO Report between Board meetings.

On the basis of the improvements suggested by the Directors, the Board approved an action plan concerning, among other things:

- at the next Shareholders' General Meeting, appointment proposal of a director with an industrial background, who has held senior management positions and, if possible, has an international profile;
- suggestions concerning the length of meetings, rebalancing the time allocated to certain agenda items and increasing the time devoted to long issues will be taken into account during 2024;
- promoting access to e-learning courses via Imerys Learning Hub for Directors on industrial minerals, management of environmental issues, biodiversity and climate;
- a review of the Directors' training plan during 2024, including training courses for Directors representing employees;
- strengthen the Board's work on succession planning;
- consider organizing an annual roadshow and more regular contacts with rating agencies and investors on governance issues.

4.2 EXECUTIVE MANAGEMENT

At the date of this Universal Registration Document, the Group's Executive Management was headed by Alessandro Dazza, whose biography is given below, assisted by an Executive Committee comprising the Group's main operational and functional Directors, as described 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 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. 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, 2023

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 three main actitvities which are detailled under section 1.3 "Organization" of chapter 1. The 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, Strategy and M&A) 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.

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 Solutions for Refractory Abrasives & Construction	French	1996	2018
Guillaume Delacroix	Senior Vice President Performance Minerals EMEA & APAC	French	2004	2018
Jim Murberger	Senior Vice President Performance Minerals Americas	American	1996	2018
Support executives				
Anastasia Amvrosiadou	Group Chief Human Resources Officer	Greek	2015	2022
Olivier Pirotte	Chief Strategy et M&A Officer	Belgian	2015	2015
Sébastien Rouge	Chief Financial Officer	French	2020	2020
Emmanuelle Vaudoyer	General Counsel and Board Secretary	French	2023	2023
Leah Wilson	Chief Sustainability Officer	Canadian	2017	2022

* *Alessandro Dazza worked at Imerys from 2002 to 2018 and was a member of the Executive Committee from 2013 to 2018.*

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).

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 Board, implementing them and overseeing their execution, and making any adjustments required to ensure compliance with them;
- reviewing the Group's ESG ambitions and objectives in order to promote long-term value creation through its *SustainAgility* sustainable development program;
- 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, Sustainability, Human Resources, Communication, Operational Excellence, Geology & Mines, Health & Safety, Ethics and Compliance, Internal Control & Risk Management, Legal, 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 12 occasions in 2023, including a two-day seminar.

The Executive Committee's assessment and management of impacts, risks and opportunities is described in section 3.2.2.1 Governance of Chapter 3.

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 2024 Compensation policies applicable to corporate officers (ex-ante votes)

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 2024 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 21, 2024 in line with the recommendations of the Compensation Committee. They will be submitted for approval by the Shareholders' General Meeting on May 14, 2024 (see chapter 8, paragraph 8.2.3).

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 2023 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, 2023 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 2023 financial year	99.7%	0.3%
Sixth resolution – Approval of the compensation policy applicable to the Chief Executive Officer with respect to the 2023 financial year	88.0%	12.0%
Seventh resolution – Approval of the compensation policy applicable to members of the Board of Directors with respect to the 2023 financial year	99.9%	0.1%
Eighth resolution – Approval of the components of corporate officer compensation with respect to the 2022 financial year, in accordance with article L. 22-10-9 I of the French Commercial Code	97.8%	2.2%
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	99.9%	0.1%
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, 2023	96.8%	3.2%

* *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 compensation 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 the compensation policy for the Chief Executive Officer 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 Chief Executive Officer, 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 2024 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 2024 Compensation policy for the Chairman of the Board of Directors

The 2024 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 21, 2024, in line with the recommendations made by the Compensation Committee. The 2024 compensation policy for the Chairman of the Board of Directors is identical to that approved by the Shareholders' General Meeting of May 10, 2023, with the exception of the following changes:

- removal of the possibility of granting a sign-on bonus to a future Chairman of the Board of Directors (non-executive corporate officer);
- removal of the possibility of granting exceptional compensation for special services or assignments entrusted to the Chairman of the Board of Directors.

These adjustments have been made to ensure better alignment with the recommendations of the AFEP-MEDEF Code, and to take into account points for improvement suggested by certain minority shareholders.

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. The (gross) annual fixed compensation of the Chairman of the Board of Directors is €400,000, unchanged since 2022.
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	N/A

(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.

4.3.1.3 2024 Compensation policy for the Chief Executive Officer

The 2024 compensation policy for the Chief Executive Officer described below was adopted by the Board at its meeting of February 21, 2024, based on the recommendations of the Compensation Committee.

As a reminder, in 2023, the Board of Directors made significant changes to the compensation policy for the Chief Executive Officer, designed to simplify the structure of the variable annual compensation applicable, and to reflect the Group's environmental, social and governance (ESG) commitments to an even greater extent.

These changes were 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..

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. Since 2023, the Chief Executive Officer's gross fixed annual compensation has amounted to €920,000.
Annual variable compensation	The amount of annual variable compensation will be determined during 2025 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. **Quantifiable financial performance criteria (65% of annual variable compensation):** For the 2024 financial year, the Board decided to modify the quantifiable criteria relating to financial performance, while maintaining their weighting within annual variable compensation unchanged at 65%. The quantifiable financial performance criteria are set out in greater detail in *note (A)* below. 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 2024 financial year. These budget targets are not made public for confidentiality reasons. **Quantifiable ESG performance criteria (15% of annual variable compensation):** The Board reviewed the quantifiable criteria relating to ESG performance. These criteria are taken from the Group's "SustainAgility" roadmap (as detailed in chapter 3). They are unchanged from 2023, except for one which is replaced by a water management criterion. The targets are set precisely, in relation to the year 2022 (with the exception of the criterion relating to the reduction of greenhouse gas emissions which is assessed in relation to the year 2021) and in line with the Group's 2024 objectives. These targets are not made public for confidentiality reasons. The ESG criteria are set out in greater detail in *note (A)* below. **Individual qualitative criteria (20% of annual variable compensation):** The Board of Directors also reviewed the individual criteria applicable to the Chief Executive Officer's annual variable compensation. Personal criteria are pre-established and precisely defined. As previously, the factors taken into account in assessing these criteria will be disclosed. These criteria are confidential and so cannot be published in full. The individual criteria are set out in greater detail in *note (A)* below. **Calculation and payment terms:** The target value of annual variable compensation is set at 110% of annual fixed compensation. Annual variable compensation can thus vary between 0% and 165% of annual fixed compensation. For each criterion, the Board of Directors, on the recommendation of the Compensation Committee, sets: ■ the threshold below which no variable compensation is paid; ■ the target level of variable compensation due when each objective is achieved; and ■ the maximum ceiling of variable compensation due when each objective is achieved. The calculation terms are set out in greater detail in *note (A)* below. The payment of annual variable compensation is subject to approval by the Shareholders' General Meeting held in 2025 to approve the financial statements for the year ending December 31, 2024.
Multi-annual variable compensation (in cash)[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); ■ 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) if the term of office exceeds two 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. 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: l) 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; m) 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 2024 compensation policy, and (ii) the adoption of the 2024 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 share incentives are presented in 4.3.3.2 A and B 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. These characteristics and associated performance conditions form an integral part of the present compensation policy.
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 2024, the Board decided not to award multi-annual compensation (in cash) to Alessandro Dazza.

(3) At the date this Universal Registration Document was filed, the Board of Directors decided not to award any exceptional compensation to Alessandro Dazza.

Note (A) – Description of the quantifiable and individual criteria and presentation of the calculation procedures applicable to the annual variable compensation of the Chief Executive Officer in 2024

	Description	Weighting	Rate of achievement of target*	Maximum achievement rate (at 150% achievement)*
Financial performance criteria	EBITDA	32.5%	35.75%	53.6%
	Free operating cash flow	32.5%	35.75%	53.6%
ESG	*see details below*	15%	16.5%	24.8%
Individual criteria	*see details below*	20%	22%	33%
TOTAL	**-**	**100%**	**110%**	**165%**

** Applied to the fixed annual compensation.*

ESG quantifiable criteria

Topic		Description
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	Maintain the number of women in the Executive Committee above 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 2022 assessment by the end of 2025
8	Environmental Management	Improve water management by ensuring that 100% of priority sites comply with new water reporting obligations 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_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (Base year 2021)

Individual qualitative criteria

Topic	
1	Pursue the Group's strategic realignment towards higher-growth end markets
2	Implement the roadmap for lithium projects
3	Foster growth
4	Adapt organization and structure to production levels

These criteria are confidential and so cannot 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 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 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 2024 Compensation policy for the Chairman of the Board of Directors

The present paragraph lays out the 2024 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 21, 2024, the Board decided to keep unchanged the budget and allocation bands for the compensation applicable to Board members. The Board wished to extend the possibility of not applying the 50% deduction in the event of attendance at a Board or Committee meeting by tele- or videoconference, at the request of its Chairman or, where applicable, the Committee Secretary, in the event of exceptional circumstances preventing the meeting from being held in person.

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 2024, 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 on and 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.

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)	■ Fixed compensation: 30,000/year ■ Variable compensation: 4,000/meeting attended(1)
	Members (excl. the Chairman and, if appointed, the Vice-Chair)	■ Fixed compensation: 10,000/year ■ Variable compensation: 4,000/meeting attended(1)
Strategy and Sustainability Committee	Chair	■ Fixed compensation: 30,000/year
	All members	■ Variable compensation: 3,500/meeting attended(1)
	All other members of the Board (other than the Chairman)	■ Variable compensation: 3,500/annual Strategy and Sustainability Committee's annual strategic seminar attended(2)
Audit Committee	Chair	■ Fixed compensation: 30,000/year
	All members	■ Variable compensation: 4,000/meeting attended(1)
Appointments Committee	Chair	■ Fixed compensation: 10,000/year
	All members	■ Variable compensation: 3,000/meeting attended(1)
Compensation Committee	Chair	■ Fixed compensation: 10,000/year
	All members	■ Variable compensation: 3,000/meeting attended(1)
ESG Referent Director	-	■ 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 Board or Committee meets by tele- or videoconference, at the request of its Chairman or, where applicable, the Committee Secretary, for reasons of applicable health regulations or in the event of exceptional circumstances preventing the Board or Committee from meeting properly (such as natural disasters, major strikes, large-scale events or demonstrations, critical IT incidents, etc.), the Board reserves the right not to apply this discount.

(2) All members of the Board of Directors are invited to take part in the Strategy and Sustainability 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 Strategy and Sustainability 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 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 2023 financial year (ex-post votes)

4.3.2.1 2023 compensation of executive corporate officers

Compensation paid and/or awarded to executive corporate officers with respect to the year ended December 31, 2023 was in accordance with the compensation policy applicable to the executive corporate officers, which was put forward at and fully approved by the 2023 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 14, 2024 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, 2023;
- the payment of all components of variable and exceptional compensation granted with respect to the year ended December 31, 2023 is subject to approval by the Shareholders' General Meeting of May 14, 2024.

For further details, see chapter 8, paragraphs 8.2.4.2 to 8.2.4.3.

SUMMARY OF COMPENSATION IN RESPECT TO THE 2023 FINANCIAL YEAR

	Employment contract	Complementary pension plan	Indemnities or benefits awarded in relation to terminating or changing duties	Non-compete 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 2023

(€)	2023	2022
Patrick Kron, Chairman of the Board of Directors, since June 25, 2019		
Compensation granted with respect to the year(1)	400,000	400,000
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**	**400,000**

(1) For further details, see the table "Details of total compensation or benefits in kind paid in and granted with respect to 2023" below.

(€)	2023	2022
Alessandro Dazza, Chief Executive Officer since February 17, 2020		
Compensation granted with respect to the year(1)	1,976,365	1,829,880
Value of options granted during the year	0	0
Value of performance shares awarded during the year(2)	2,374,083	1,857,093
Value of other long-term incentive plans	0	0
TOTAL	**4,350,448**	**3,686,973**

(1) For further details, see the table "Details of total compensation or benefits in kind paid in and granted with respect to 2023" 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.

DETAILS OF TOTAL COMPENSATION OR BENEFITS IN KIND OF ANY TYPE PAID IN OR GRANTED WITH RESPECT TO 2023

(€)	2023		2022	
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	400,000	400,000
Variable compensation	N/A	N/A	N/A	N/A
Variable compensation corresponding to a % of fixed compensation	N/A	N/A	N/A	N/A
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**	**400,000**	**400,000**

(€)	2023		2022	
Alessandro Dazza, Chief Executive Officer since February 17, 2020	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
Fixed compensation	920,000	920,000	800,000	800,000
Variable compensation	946,849(1)	660,000	660,000	1,265,000
Multi-annual variable compensation	N/A	N/A	N/A	N/A
Variable compensation corresponding to a % of fixed compensation	102,92%	71.74%	82.5%	158.12%
Exceptional compensation	N/A	250,000	250,000	N/A
Directors' compensation (gross amount)	N/A	N/A	N/A	N/A
Benefits in kind(2)	109,516	109,516	119,880	119,880
TOTAL	**1,976,365**	**1,939,516**	**1,829,880**	**2,184,880**

(1) The amount granted will be paid to Alessandro Dazza, subject to approval by the Shareholders' General Meeting of May 14, 2024.

(2) These benefits include individual supplementary pension arrangements and company housing until August 31, 2023.

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 chapter 6.

The top ten compensation amounts paid by the Company with respect to the 2023 financial year were certified by the Statutory Auditors.

Note A – Details regarding Alessandro Dazza's variable and exceptional compensations with respect to 2023

At its meeting of February 21, 2024, the Board of Directors determined the amount of Alessandro Dazza's variable compensation with respect to the 2023 financial year, which will be paid in 2024 subject to approval by the Shareholders' General Meeting of May 14, 2024, as follows:

Financial performance criteria	Weighting of criteria in variable compensation	Achievement rate	Weighted achievement rate [1]
Current operating income	26.0%	54.22%	14.1%
Free operating cash flow	26.0%	150.0%0	39.0%
Organic revenue growth	13.0%	0.0%	0.0%
TOTAL	**65%**	**81.7%**	**53.10%**
Assessment of the Board	The Board of Directors assessed the level of achievement of the quantifiable financial performance criteria to be in line with the budget targets for 2023. These budget targets are not made public for confidentiality reasons. Accordingly, the Board found that two of the three criteria were achieved or partially achieved.		

ESG performance criteria	Weighting of criteria in variable compensation	Achievement rate	Weighted achievement rate [1]
Improve Group Safety Culture Maturity to Level 3.3 across all Business Areas by the end of 2025	**15%**	**122%**	**18.30%**
Increase the global Occupational Health action plan improvement rate to 75% by the end of 2025			
Increase the score of the Diversity & Inclusion Index to 100% by the end of 2025			
Increase the number of women in the Executive Committee to 30% by the end of 2025			
Assess Imerys portfolio according to the sustainability criteria to cover at least 75% (by revenue) by the end of 2025			
Ensure at least 75% of Group New Product Developments are scored as 'SustainAgility Solutions' (A+ or A++) by the end of 2025			
Improve the external sustainability rating of the Group by 7% compared to 2022 [2] assessment by the end of 2025			
Reduce environmental impacts by assessing the maturity level of 100% of sites against environmental management requirements by the end of 2025			
Reduce impact on biodiversity by fulfilling our Act4nature commitments and conducting biodiversity audits on the 20 priority sites by the end of 2025			
Reduce Group scopes 1 & 2 greenhouse gas emissions (tCO_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (Base year 2021)			
Assessment of the Board	With regard to the level of achievement of the quantifiable criteria relating to ESG performance, the Board assessed the level of performance of the criteria in line with the 2023 objectives of the SustainAgility Group's sustainable development roadmap (in relation to the 2022 reference year, with the exception of the criterion relating to the reduction of greenhouse gas emissions which is assessed in relation to 2021 reference year). As a result, the Board noted that all the objectives met or exceeded the target with the exception of the criteria relating to the improvement of the Group's ESG rating and of the criteria relating to the increase of achievement rate of the action plan for the overall improvement of occupational health, which was partially achieved.		

Individual criteria[(3)]	Weighting of criteria in variable compensation	Achievement rate	Weighted achievement rate [(1)]
■ Actively managing the business portfolio in accordance with the Group's strategy; ■ put the Group on a growth trajectory; ■ the organization to the new scope of the Group and continue to develop talents; ■ implement the actions necessary to improve operational performance.	**20%**	**110.8%**	**22.17%**
Assessment of the Board	The Board considered that the Group actively managed its business portfolio in line with its newly-defined long-term growth strategy. The Board noted that in an environment characterized by softer demand and volume decline, the Company still pursued an adequate commercial strategy to protect margins, and implemented actions necessary to develop high-potential activities, in particular in mobile and sustainable energy, investing in new industrial capabilities. The Board took note of the positive developments with regards to internal promotions, both at Executive Committee and lower levels of the organization, as well as the improvement of talent bench strength. The Board appreciated the management's efforts on cost savings, efficiencies and cash generation actions, which delivered above expectations.		

(1) For sake of clarity, achievement rates have been rounded.

(2) Correction of a typo, the Universal Registration Document 2022 indicated "2021". With the exception of the criterion relating to the reduction of greenhouse gas emissions, all criteria are assessed in relation to the reference year 2022.

(3) These criteria are confidential and so cannot be published in full.

As a result, the variable compensation awarded to Alessandro Dazza in respect of 2023 came to €946,849. This amount reflects the achievement of 53.10% of quantifiable financial performance criteria, 18.30% of quantifiable ESG performance criteria and 22.17% of qualitative individual criteria. This results in an annual variable compensation corresponding to 93.56% [(1)] of the annual variable compensation target for 2023.

4.3.2.2 Compensation of members of the Board in respect of the 2023 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 2023 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 2023 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 2023 includes the amount with respect to the second half of 2022 and the amount with respect to the first half of 2023;
- the amount of compensation "granted" in 2023 includes the amount due with respect to the first and second half of 2023.

For details of the compensation paid and awarded to the Chairman of the Board in 2023, see paragraph 4.3.2.1 of the present chapter.

(1) For sake of clarity, achievement rates have been rounded.

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;
- 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.

	2023		2022	
(€)	**Amount granted**	**Amount paid**	**Amount granted**	**Amount paid**
A. Cardoso *(Director, Chair of the Audit Committee and member of the Strategic Committee until May 10, 2023)*				
Compensation (fixed and variable)	35,615	83,115	102,000	105,500
o/w variable compensation	*59.67%*	*58.65%*	*60.78%*	*62.09%*
Other compensation	0	0	0	0
S. Besnier *(Director and member of the Audit Committee since May 10, 2023)*				
Compensation (fixed and variable)	33,909	4,909		
o/w variable compensation	*81.10%*	*71.30%*		
Other compensation	0	0		
B. Delpit				
Compensation (fixed and variable)	36,750	40,250	27,444	8,944
o/w variable compensation	*72.79%*	*75.16%*	*76.52%*	*83.86%*
Other compensation	0	0	0	0
I. Gallienne				
Compensation (fixed and variable)	74,250	75,750	85,500	94,500
o/w variable compensation	*46.13%*	*47.19%*	*53.22%*	*57.67%*
Other compensation	0	0	0	0
P. Kyriacopoulos				
Compensation (fixed and variable)	32,750	38,250	48,000	55,500
o/w variable compensation	*69.47%*	*73.86%*	*79.17%*	*81.98%*
Other compensation	0	0	0	0
A. Messemer *(In addition to her duties as Director and member of the Appointments and Compensation Committees, Annette Messemer has been a member of the Strategic Committee[1] since May 10, 2023; Annette Messemer was a member of the Audit Committee until that date)*				
Compensation (fixed and variable)	46,500	61,000	65,000	62,500
o/w variable compensation	*78.49%*	*83.61%*	*84.62%*	*84.00%*
Other compensation	0	0	0	0
L. Raets				
Compensation (fixed and variable)	51,500	53,500	53,500	41,500
o/w variable compensation	*80.58%*	*81.31%*	*81.31%*	*75.90%*
Other compensation	0	0	0	0
L. Ribot *(Chair of the Audit Committee since May 10, 2023)*				
Compensation (fixed and variable)	72,727	57,727	61,500	61,500
o/w variable compensation	*59.81%*	*75.35%*	*83.74%*	*83.74%*
Other compensation	0	0	0	0
V. Saubot *(In addition to her duties as Director, ESG Referent Director and member of the Strategic Committee[1], Véronique Saubot has been a member of the Audit Committee since May 10, 2023)*				
Compensation (fixed and variable)	62,750	56,500	66,250	65,500
o/w variable compensation	*52.19%*	*46.90%*	*54.72%*	*69.47%*
Other compensation	0	0	0	0

(€)	2023 Amount granted	2023 Amount paid	2022 Amount granted	2022 Amount paid
M. F. Walbaum				
Compensation (fixed and variable)	66,500	66,500	68,500	70,500
o/w variable compensation	*54.89%*	*54.89%*	*56.20%*	*57.45%*
Other compensation	0		0	0
D. Morin				
Compensation (fixed and variable)	36,000	36,000	40,500	40,500
o/w variable compensation	*72.22%*	*72.22%*	*75.31%*	*75.31%*
Other compensation	0	0	0	0
C. Pérez Fernández				
Compensation (fixed and variable)	33,500	33,500	41,500	41,500
o/w variable compensation	*70.15%*	*70.15%*	*75.90%*	*75.90%*
Other compensation	0		0	0
R. Dirkx				
Compensation (fixed and variable)	33,500	31,500	23,944	8,944
o/w variable compensation	*70.15%*	*68.25%*	*73.09%*	*75.90%*
Other compensation	0	0	0	0
Directors who left the Board on May 10, 2022 (P. Desmarais III and C. Hall)	N/A	N/A	42,222	102,222
TOTAL	**€616,251**	**€638,501**	**€725,860**	**€759,110**

(1) The Strategic Committee became the Strategy and Sustainability Committee on December 12, 2023.

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 2023 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 2023 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. 2210-10-9 I paras. 8 and 10 of the French Commercial Code are not applicable to members of the Board of Directors with respect to the 2023 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 2023.

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 2023)

N/A

B – Changes in the number of options in 2023

N/A

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 the Chief Executive Officer

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:

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 the Chief Executive Officer 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",
  - 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 Chief Executive 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 the Chief Executive Officer from making any leveraged or speculative transactions on Imerys shares as provided for in the AFEP-MEDEF Code recommendation. The Chief Executive Officer must therefore pledge to (i) not make use of any hedging instruments in respect of any stock options or performance shares that may be granted to him during his term of office and (ii) refrain from exercising any stock options that may be granted to him during his 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.

B – Future performance share plan in 2024

The 2024 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.

The future 2024 performance share plan would incorporate the provisions of the general performance share allocation policy detailed above.

All performance shares would vest according to the extent to which the objectives would have been achieved, three years after being granted (2024-2026). Consequently, in accordance with article L. 225-197-1-I, paragraph 7 of the French Commercial Code, these shares would not be subject to any lock-up period once vested.

The allocation of performance shares under the 2024 performance plan is also subject to approval of the Chief Executive Officer's 2024 compensation policy at the Shareholders’ General Meeting on May 14, 2024.

Performance conditions

As in 2023, the 2024 performance share plan would incorporate quantifiable criteria relating to the Group's financial performance and ESG performance.

The quantifiable financial performance criteria are identical to those applied in 2023, i.e. Group net income from current operations (50%) and free operating cash flow (35%). The objectives based on these criteria are not made public for reasons of confidentiality. They are nevertheless set in line with the applicable budget targets.

The quantifiable ESG performance criteria include a climate criterion and are defined in accordance with the objectives of the Group's *SustainAgility* sustainability roadmap. As in 2023, 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. Their overall weighting is 15%. The objectives based on these criteria are not made public for reasons of confidentiality. However, they are set precisely and in line with the Group's commitments.

Calculation procedures

Performance achievement is measured annually and averaged at the end of the plan period (2024-2026) and cannot exceed 100% achievement.

At the end of each year of the plan period (2024-2026, for each of the criteria, namely: net income from current operations, free operating cash flow, and ESG criteria):

- if the criteria are met by less than 70%, the plan's annual performance would be zero;
- if the criteria are met at 90%, the plan's annual performance would be 50%;
- if the criteria are met at 100%, the plan's annual performance would be 100%;
- if the criteria are met or exceeded by 120%, the plan's annual performance would be 120% (subject to the average performance ceiling 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. 0.1% of the share capital as of December 31, 2023). 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 2024 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 2022 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_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (Base year 2021)

C – Performance share plan adopted in 2023

Annual 2023 plan

In 2023, as part of this plan, the Board of Directors granted 446,300 performance shares to 247 Group managers residing in France or overseas, including 85,000 shares to the Chief Executive Officer (or 0.1% 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 101,000 shares.

The vesting of the performance shares granted with respect to the 2023 plan, as well as their number is subject and proportionate to meeting a set of objectives common to all beneficiaries.

The Board, on recommendation of the Compensation Committee, was able to verify the demanding nature of these objectives, which are based entirely on quantifiable criteria relating to the Group'financial and ESG performance *(see note (A) below)* over the period 2023-2025. 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 2023

	No. and date of plan	Number of shares granted during the year	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, 2023	85,000, i.e. 0.1% of the Company's share capital at December 31, 2022	€2,612,050	10/05/2026*	10/05/2026*	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 2023

	No. and date of plan	Number of shares exiting their lock-up period during the year
Alessandro Dazza, Chief Executive Officer	May 04, 2020	110,880
	May 10, 2021	0
	May 10, 2022	0
	May 10, 2023	0
Patrick Kron, Chairman of the Board of Directors, (since June 25, 2019)	N/A	N/A

D – Previous performance share grants (solely plans in force during 2023)

	May 2023 plan	May 2022 plan	May 2021 plan	May 2020 plan	January 2020 plan
Date of Shareholders' General Meeting	05/10/23	05/10/22	05/10/21	05/04/20	05/04/18
Date of Board meeting	05/10/23	05/10/22	05/10/21	04/29/20	December 17, 2019[(1)]
Total number of shares granted, of which to corporate officers[(2)]	446,300	437,250	483,700	457,700	154,150
to Alessandro Dazza	85,000[(3)]	75,000[(3)]	75,000[(3)]	120,000[(3)]	0
other corporate officers	0	0	0	0	0
Vesting date[(4)]	05/09/26	05/09/25	05/09/24	05/03/23	01/14/23
End of lock-up period[(4)]	05/09/26	05/09/25	05/09/24	05/03/23	01/14/23
Performance conditions, with weighting stated *(as a % of each criterion)*	*See note (A) below*	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%)
Total number of shares vested at December 31, 2023	0	0	0	384,706	115,826
Total number of shares canceled or forfeited at December 31, 2023[(5)]	8,150	63,000	73,775	72,994	38,324
Remaining performance shares at December 31, 2023	438,150	374,250	409,925	0	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, 2023 and/or at the date this Universal Registration Document was filed.

(3) (3) Representing for the 2023 plan, 0.1% of the share capital at December 31, 2022; for the 2022 plan, 0.09% of the share capital at December 31, 2021, 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 2023, 99,118 performance shares were canceled, while 500,532 performance shares vested and were transferred to their respective beneficiaries.

The total number of performance shares outstanding at December 31, 2023 equaled 1,222,325, representing 1.44% of Imerys' share capital after dilution at that date.

Note A – Performance conditions applicable to the 2023 performance share plan

Quantifiable financial performance criteria:

- net income from current operations (50%);
- free operating cash flow (35%); and
- ESG quantifiable criteria (15%):

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 2022 [1] 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_2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of 2030 (Base year 2021)

(1) Correction of a typo, the Universal Registration Document 2022 indicated "2021". With the exception of the criterion relating to the reduction of greenhouse gas emissions, all criteria are assessed in relation to the reference year 2022.

Note B - Details of shares definitively vested by the Chief Executive Officer in 2023

In 2023, 110,880 performance shares (valued at €2,963,557) from the May 2020 performance plan were definitively vested by Alessandro Dazza. The 2020 plan vested in May 2023 at an achievement rate of 98.21%.

Criteria conditions applicable to the 2020 performance share plan	Weighting	Overall achievement rate during the period (2020-2023)
Net income from current operations, per share	60.0%	110.4%
Free cash flow	40.0%	80%

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).

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.

Chief Executive Officer	2019	2020	2021	2022	2023 *
Ratio to mean average salary	30.46	24.56	28.62	27.95	35.275
Ratio to median average salary	44.14	32.63	45.22	40.42	48.61

* *In the French scope, the Ratio to mean average salary equaled 62.5 and the Ratio to median average salary equaled 78.22.*

Chairman of the Board	2019	2020	2021	2022	2023 *
Ratio to mean average salary	2.20	1.77	1.80	2.77	3.1
Ratio to median average salary	3.19	2.35	2.80	4.00	4.27

* *In the French scope, the Ratio to mean average salary equaled 5.5 and the Ratio to median average salary equaled 6.9.*

Year-on-year change

		2019	2020	2021	2022	2023
Annual compensation, CEO & Chairman						
Annual compensation, CEO		3,715,634	3,327,657	3,981,630	4,041,973	4,551,566
Annual compensation, Chairman of the Board		268,611	239,583	250,000	400,000	400,000
Average compensation (full-time equivalent) of Company's employees*		122,003	135,469	139,101	144,634	129,039
Performance	Net income from current operations *(€ million)*	278	167	288	363	231
	Current free operating cash flow *(€ million)*	315	373	255	114	286
	ROCE	7.8%	5.8%	8.6%	10.3%	7.4%

* *In the French scope, the average remuneration (full-time equivalent) assessment was €72,808.*

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.

The compensation components considered include the amounts paid in or granted with respect to the given year, namely fixed compensation paid during the year Y, variable components paid in year Y with respect to year Y-1, where applicable 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 21, 2024, 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 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 and is available on request from the Group's Financial Communication Department.

4

4.4.2 Summary of transactions in 2023

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 2023 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* of transactions
Alessandro Dazza	Chief Executive Officer	Shares	110,880	1	Acquisition of performance shares	N/A
Blue Crest Holding (person linked to BY Kyriacopoulos)	Shareholder	Shares	9,025	2	Acquisition	€323,056.33
Bernard Delpit	Director	Shares	500	1	Acquisition	€20,940

* *Before tax, fees and costs.*

5

COMMENTS ON FISCAL YEAR 2023

5.1 Highlights 216

5.2 Commentary on the fourth quarter and 2023 annual results 219

5.3 Segment performance 222

5.4 Outlook 223

5.5 Definitions and reconciliation of alternative performance measures to IFRS indicators 224

5.6 Activity and earnings of Imerys S.A. in 2023 225

At its meeting on February 21, 2024, 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

In 2023, Imerys continued to demonstrate resilience and agility in a complex market environment. The current EBITDA margin remained stable and cash flow generation increased significantly.

Our main markets may have reached a low point and we will utilize every lever at our disposal to increase sales moving forward, supported by recent capacity additions and innovative mobile and sustainable energy products.

Consolidated results [(1) (2) (3)] *(€ millions)*	**FY 2022**	**FY 2023**	**Change 2023/2022**
Revenue	4,282	3,794	-11.4%
Organic growth	+12.5%	-9.0%	-
Current EBITDA	720	633	-12.2%
Current EBITDA margin	16.8%	16.7%	-
Current operating income	439	365	-16.9%
Current operating margin	10.2%	9.6%	-
Operating income [(4)]	318	108	-66.2%
Current net income from continuing operations, Group share	278	242	-12.8%
Net income from continuing operations, Group share [(4)]	173	8	-
Net income from discontinued activities, Group share	64	44	-
Net income, Group share [(4)]	237	51	-78.4%
Net current free operating cash flow (incl. discontinued ope.)	20	191	+855%
Net financial debt (as at December 31)	1,666	1,118	-32.9%
Current net income from continuing operations per share [(5)]	€3.28	€2.86	-12.8%

(1) 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 detailed in the consolidated income statement).

(2) The definition of alternative performance measures can be found in the glossary at the end of the press release.

(3) Figures may not sum due to rounding.

(4) This includes the impairment of the assets serving the paper market for €175 million.

(5) Weighted average number of outstanding shares: 84,564,199 in 2023 compared with 84,575,054 in 2022.

Proposed dividend

At the Shareholders' General Meeting of May 14, 2024, the Board of Directors will propose an ordinary cash dividend of €1.35 per share (vs. €1.50 ordinary cash dividend paid in 2023), which represents a distribution of €115 million [(1)]. This amount corresponds to 50% of net income from current operations, Group share (to be compared with 46% of last year for the ordinary cash dividend).

Update on strategic projects

As part of its drive to support the **energy transition with mineral solutions**, Imerys is:

- completing its development in the fast-growing lithium-ion battery market (over €140 million invested in capacity increases over the past 3 years). As per plan, a new production line of carbon black for mobile energy at Willebroek (Belgium) was commissioned in 2023 while the construction of the next one is well underway. The capacity expansion for synthetic graphite production in Bodio (Switzerland) was commissioned in Q4 2023;
- investing €43 million in a greenfield plant in Wuhu (China), producing high-quality talc used for lightweighting of polymers and typically addressing automotive applications, EVs in particular. This plant was successfully commissioned in Q4 2023.

In parallel, the **lithium projects** are progressing well:

- In France, the EMILI project made significant progress in 2023. The scoping study confirmed the attractiveness of the deposit and robustness of the technology with the production at laboratory scale of the first battery-grade lithium hydroxide from the Beauvoir granite. The locations of the loading station and the conversion plant were announced in January 2024. The "Commission nationale du débat public" will host a public debate in Q2 2024 and will release its report in Q3. In parallel, pre-feasibility study is to be concluded before year end, and the construction of the industrial pilot is on track to be launched in 2024, pending necessary permitting.
- In the UK, the strategic partnership between Imerys and British Lithium, named "Imerys British Lithium", aims at becoming the leading lithium hub in the UK, with a targeted annual production of 21,000 tons of lithium carbonate equivalent, enough to equip 500,000 electric cars per year, by the end of the decade. Drilling campaigns will continue to increase the level of accuracy on deposit size and grade. Battery-grade lithium carbonate has been produced at a pilot lab scale, helping the process optimization as part of the pre-feasibility study still ongoing.

Imerys has received expressions of interest for the potential divestiture of its **assets serving the paper market**. The Group remains steadfast in its determination to execute its strategy of focusing on its core, high-growth specialty minerals business, and may therefore consider such expressions of interest for the benefit of its customers, employees and shareholders. In this context, and also reflecting current market conditions, Imerys has decided to adjust the value of these assets in its financial accounts.

Sustainability

Highlights

Imerys has further progressed on its ambitious decarbonisation roadmap, and its newly-set targets, validated last July by the SBTi [(2)], are aligned with a 1.5°C trajectory for 2030. The Group set its objectives to reduce absolute scope 1 and 2 greenhouse gas emissions by 42% (tCO_2eq) and scope 3 by 25% by 2030 from a 2021 base year. The scope 1 includes direct emissions from sources owned or controlled by Imerys, and scope 2 concerns indirect emissions from the production of electricity, heat or steam purchased by the Group.

To fulfill this ambitious roadmap, the Group has started to implement specific actions, such as a multi-year contract signed with E.On, one of Europe's largest operators of energy networks and energy infrastructure, in May 2023 to valorize waste syngas and generate electricity in Willebroek (Belgium). The majority of the energy produced will be supplied to the local grid to satisfy the yearly consumption of approximately 40,000 households.

Imerys confirmed its commitment to reducing carbon emissions by issuing in November 2023 a €500 million sustainability-linked bond (six-year maturity) with an annual fixed rated coupon of 4.75%. Bond investors will receive a premium payment in 2029 of 0.75% of the principal amount, should the Group not meet its objectives at the end of 2028.

(1) Ex-dividend and payment dates would be May 21, 2024 and May 23, 2024 respectively.
(2) The Science Based Targets initiative is a collaboration between the CDP, the United Nations Global Compact, World Resources Institute and the World Wide Fund for Nature.

Performance

Following the successful completion of its first ESG sustainability plan, the Group has launched a more ambitious plan for 2025 centered around three core pillars: empowering our people, growing with our customers and caring for our planet. With regards to the Group decarbonisation roadmap, several levers have been activated, such as fuel switching and biomass utilization, electrification, power purchase agreements, energy efficiency and process innovation. In 2023, Imerys has reduced its scope 1 & 2 CO_2 emission by 24% compared to 2021 in absolute terms.

	FY 2022 (baseline)	FY 2023	Target 2025
Empowering our people			
Occupational safety:			
■ Total recordable accident frequency rate [(1)]	2.43	2.36	2.18 (2024)
■ Average level of maturity of operational sites	3.0	3.1	3.3
Increase the score of the Diversity, Equity & Inclusion Index [(2)] (including KPIs related to Gender, Nationality, Disability and inclusion)	0%	40%	100%
Growing with our customers			
Business ethics and responsible purchasing management: proportion of suppliers assessed against environmental, social and governance criteria [(3)]	53% [(4)]	61% [(5)]	75%
Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria [(6)]	55%	65%	75%
Caring for our planet			
Improve water management by ensuring priority sites [(7)] comply with new water reporting requirements	0%	22%	100%
Reduce impact on biodiversity by filling our Act4nature commitments and conducting biodiversity audits at the priority sites [(8)]	0%	57%	100%
Reduce Group scope 1 & 2 greenhouse gas emissions (tCO2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory by the end of2030	0% (2021 baseline)	-24%	-42% (2030)

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

(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) By expenditure.

(4) In 2023, the 2022 baseline was recalculated based on spending from January 1 to December 31 2022.

(5) Based on spending from January 1 to June 30 2023.

(6) 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.

(7) Priority sites refer to withdrawal > 1 Mm^3 or located in water stress zones.

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

5.2 COMMENTARY ON THE FOURTH QUARTER AND 2023 ANNUAL RESULTS

Revenue

Consolidated results (€ millions)	2022	2023	Change 2023/2022 Reported Change	Like-for-like change	Volumes	Price mix
First quarter	1,013	997	-1.6%	-0.9%	-11.9%	+11.0%
Second quarter	1,129	985	-12.7%	-10.0%	-13.7%	+3.8%
Third quarter	1,116	918	-17.8%	-14.2%	-14.2%	+0.0%
Fourth quarter	1,024	894	-12.6%	-10.4%	-6.1%	-4.4%
TOTAL	**4,282**	**3,794**	**-11.4%**	**-9.0%**	**-11.6%**	**+2.6%**

Revenue was €3,794 million, down 9.0% year-on-year at constant scope and exchange rates in 2023, to be compared with a significant 16.8% increase in 2022. Group sales volumes were down 11.6%, reflecting weakness in main end markets especially residential construction, continued destocking and increasing competition in some geographies.

In a context of high inflation since H2 2022, Imerys' pricing actions continued in 2023 (+2.6% of price effect), then lowered in Q4 at -4.4% due to a high comparison basis (+18.7% price effect in Q4 2022 vs. previous year) and the end of energy and freight surcharges.

Revenue for full year 2023 included a negative currency effect of €83 million (-1.9%), primarily as a result of USD depreciation vs Euro. The scope effect was -€31 million and related to recent divestitures.

Current EBITDA

Consolidated results (€ millions)	2022	2023	Change 2023/2022
First quarter	156	151	-3.4%
Second quarter	219	180	-17.8%
Third quarter	193	150	-22.2%
Fourth quarter	152	152	-0.2%
TOTAL	**720**	**633**	**-12.2%**
Margin	16.8%	16.7%	-

At €633 million, **2023 current EBITDA** was in line with the guidance announced on July 27, 2023, after a negative currency effect of -€18 million.

A combination of the positive price effect, significant cost reductions in all input factors (€126 million of savings), together with the dividends received from our joint ventures and associates in 2023, contributed to a resilient EBITDA margin.

Current operating income reached €365 million for 2023, a 16.9% decrease compared to last year.

Current net income

Current net income, Group share, totaled €242 million, down 12.8% vs. 2022. Net financial result was negative at €38 million. The income tax expense of €81 million corresponds to an effective tax rate of 24.9% vs 26.9% in 2022, a decrease explained by the progression of joint-ventures results; their results are registrated after tax. **Current net income, per share, Group share,** reached €2.86.

Net income

(€ millions)	2022	2023
Current net income, Group share	**278**	**242**
Net Others, Group share	(105)	(235)
of which Other, including impairment of paper assets [(1)]	*(120)*	*(257)*
Tax	*14*	*21*
Minority Interest	*2*	*2*
Net income from continuing operations, Group share	173	8
Net income from discontinued activities, Group share	64	44
NET INCOME, GROUP SHARE	**237**	**51**

(1) Impairment of paper assets: €108 million (2022) and €175 million (2023).

Net income, Group share, totaled €51 million in 2023. Net income from continuing operations reached €8 million after other income and expenses of -€235 million in 2023, including €175 million for the impairment of the assets serving the paper market.

The net income also includes €44 million of net income from discontinued activities and €2 million of minority interests.

Net current free operating cash flow

(€ millions)	2022	2023
Current EBITDA (including discontinued operations)	859	640
Increase (-)/ decrease (+) in operating working capital	(233)	86
Notional tax on current operating income	(155)	(96)
Other	11	9
Net current operating cash flow (before capital expenditure)	482	639
Capital expenditure	(406)	(390)
Right-of-use assets (IFRS 16)	(56)	(58)
Net current free operating cash flow	**20**	**191**
of which discontinued operations	14	6
NET CURRENT FREE OPERATING CASH FLOW BEFORE STRATEGIC CAPEX	**105**	**288**

Imerys generated a substantial **net current free operating cash flow** of €191 million in 2023, up €171 million vs the prior year. Capital expenditures amounted to €390 million, lower than last year, and reflecting the Group's effort on strategic projects aimed at increasing production capacity primarily in mobile energy and the lithium projects (€97 million, up from €85 million). Operating working capital improved by €86 million in 2023, thanks to working capital management actions and lower inflationary pressure. The net current free operating cash was also supported by dividends received from joint ventures and associates in 2023.

(€ millions)	2022	2023
Net current free operating cash flow	**20**	**191**
Acquisitions and disposals	86	644
Dividend	(138)	(330)
Change in equity	(11)	(11)
Increase (-)/ decrease (+) in other operating items	51	19
Other non-recurring income and expenses	(46)	(43)
Debt servicing costs	(36)	(34)
Exchange rates and other	(19)	(7)
Change in net financial debt	**(93)**	**428**

(€ millions)	2022	2023
Opening net financial debt	**(1,451)**	**(1,666)**
Change in net financial debt	(93)	428
Discontinued operations	(122)	119
Closing net financial debt	**(1,666)**	**(1,118)**

Financial structure

(€ millions)	2022	2023
Net financial debt at January 1	1,451	1,666
Net financial debt at December 31	1,666	1,118
Equity at December 31	3,385	3,157
Current EBITDA	720	633
NET FINANCIAL DEBT/EQUITY	**49.2%**	**35.4%**
NET FINANCIAL DEBT/CURRENT EBITDA	**2.3x**	**1.8x**

At December 31, 2023, net financial debt totaled €1,118 million, down by €548 million (-33%) compared to December 31, 2022. The reduction in net indebtedness reflects the Group's continued focus on cash generation and includes the impact of the disposal of HTS completed at the end of January 2023.

With the net debt to current EBITDA and gearing ratios significantly improved compared to the prior year, Imerys demonstrates its ability to maintain a robust financial structure.

Imerys "investment grade" ratings were confirmed by Standard and Poor's (November 24, 2023, BBB-, stable outlook) and Moody's (March 11, 2023, Baa3, stable outlook).

At December 31, 2023, Imerys' bond financing amounted to €2.2 billion with an average maturity of 4 years, after a new Sustainability Linked bond emission in November for €500 million with a maturity of 6 years, covering the next repayment planned in December 2024. The Group also has €1.3 billion in cash and more than €1 billion available in bilateral credit lines.

5.3 SEGMENT PERFORMANCE

Following the High Temperature Solutions disposal, the Group has updated its reporting around three operational segments: "Performance Minerals Americas", "Performance Minerals EMEA", "Solutions for Refractories, Abrasives and Construction".

As the "Graphite & Carbon" segment does not exceed the 10% threshold as defined by IFRS 8, it is reported under "Others", together with the lithium projects, holdings and joint ventures.

Performance Minerals (62% of consolidated revenue)

Q4 2022	Q4 2023	LFL change on Q4 2022	Consolidated data *(€ millions)*	2022	2023	LFL change on 2022
286	246	-10.9%	Revenue Americas	1,188	1,034	-9.9%
392	336	-11.5%	Revenue EMEA and APAC	1,608	1,423	-9.1%
(46)	(24)	-	Eliminations & others	(197)	(116)	-
633	**559**	**-8.5%**	**TOTAL REVENUE**	**2,600**	**2,341**	**-7.2%**
			CURRENT EBITDA	**480**	**374**	**-22.1% ***
			Current EBITDA margin	18.5%	16.0%	-

* *Reported variation.*

Revenue generated by the **Performance Minerals** activity was down 7.2% like-for-like in 2023. On a reported basis, revenue was down 10.0% and includes a negative currency effect of €52 million (-2.0%).

Revenue in the **Americas** was down 9.9% at constant scope and exchange rates in 2023. Sales in the fourth quarter (-10.9% like-for-like) were impacted by a demand slowdown for minerals dedicated to the construction industry in the US and significant destocking at paper producers worldwide.

Revenue in **Europe, Middle East, Africa and Asia-Pacific** decreased by 9.1% at constant scope and exchange rates in 2023 and -11.5% in the fourth quarter, impacted by weak construction markets, prolonged destocking and soft consumer demand in Asia.

Current EBITDA for Performance Minerals activity totaled €374 million in 2023. It represents a resilient current EBITDA margin at 16.0% thanks to prices and costs actions partly compensating sales reduction.

Solutions for Refractory, Abrasives and Construction (32% of consolidated revenue)

Q4 2022	Q4 2023	LFL change on Q4 2022	Consolidated data *(€ millions)*	2022	2023	LFL change on 2022
329	288	-9.4%	Revenue Solutions for Refractory, Abrasives & Construction	1,434	1,233	-11.9%
-	-	-	Eliminations & others	-	-	-
329	**288**	**-9.4%**	**TOTAL REVENUE**	**1,434**	**1,233**	**-11.9%**
			CURRENT EBITDA	**208**	**141**	**-32.0% ***
			Current EBITDA margin	14.5%	11.5%	-

* *Reported variation.*

The Solutions for **Refractory, Abrasives & Construction** segment revenue decreased by 14.1% on a reported basis with an unfavorable currency effect of €35 million (-2.4%). Revenue was down -11.9% at constant scope and exchange rates in 2023. Volumes were weighed down by the low construction and industry end-markets, in Europe, in Asia and to a lesser extent in the US. In Europe, certain energy-intensive accounts were lost due to increased competition from Asian players benefiting from lower energy and logistic costs.

In the fourth quarter, the 9.4% like-for-like decrease was driven by lower volumes (weak end-markets and some destoking). Despite adverse market conditions, speciality binders for construction kept good momentum thanks to market share gains.

Current EBITDA for the segment totaled €141 million, or 11.5% of revenue in 2023, impacted by revenue decrease. Savings actions were put in place to mitigate the volume impact.

5.4 OUTLOOK

After unprecedented destocking in 2023, markets have stabilized. Construction, notably residential, and, to some extent, Automotive, are expected to remain lackluster, still impacted by high interest rates, while other markets such as Consumers and Life Sciences, or Energy and Electronics are expected to progress. In this uncertain economic and geopolitical environment, Imerys will maintain strict cost discipline and prioritize growth thanks to new industrial capacities, innovative products and its exposure to mobile and sustainable energy.

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)	Calculated by stripping out the impact of currency fluctuations as well as acquisitions and disposals (scope effect). 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. Restatement of Group structure to take into account newly consolidated entities consists of: ▪ 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. Restatement of entities leaving the consolidation scope consists of: ▪ 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 including 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.
Notional income tax rate	Income tax rate on current operating income.

5.6 ACTIVITY AND EARNINGS OF IMERYS S.A. IN 2023

Income statement

In 2023, operating income amounted to €161.1 million (171.6 million in 2022), down €10.6 million (6%), reflecting the services provided by the holding company to its subsidiaries. Operating expenses came to €200.8 million (€190.3 million in 2022), up €10.5 million, primarily due to additional staff expenses following the increase in the average headcount and external services related to planned divestments.

Revenue from subsidiaries and affiliates amounted to €528.6 million, down €347.2 million on 2022. 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 affiliated entities under cash pooling agreements, by adjusting the proportion of its debt drawn in foreign currencies. In 2023, Imerys S.A. recognized in this respect a net foreign exchange gain of €13.4 million (compared with a €3.8 million net foreign exchange gain in 2022). Increases and decreases in financial provisions are presented in note 20 to the Statutory Financial Statements.

Exceptional losses of -€0.2 million were recorded in 2023 (-€2.6 million in 2022). The Group reversed €0.2 million in provisions for staff-related risks.

In accordance with the terms of the tax consolidation agreements signed by each Imerys Group company in France, the tax expense or income recognized in the financial statements 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 income resulting from tax consolidation. In this respect, Imerys S.A. recognized income of €22.4 million in 2023 (€13.9 million in 2022).

Net income amounted to €477.5 million in 2023 (€150.3 million in 2022).

At the Shareholders' General Meeting of May 14, 2024, the Board of Directors will propose a dividend of €1.35 per share, down €2.50 on the 2022 dividend (€3.85 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 €114.7 million equal to 213% of consolidated net income, Group share (proposed appropriation of profit: 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	3,722,090	1,962,754	959,336	800,000
Other debts	72,766	72,766	-	-
Deferred income	-	-	-	-
Unrealized translation gains	42,050	42,050	-	-
TOTAL	**3,836,906**	**2,077,570**	**959,336**	**800,000**

List of equity investments and investment securities

Subsidiaries and equity investments at December 31, 2023: see note 30 to the Statutory Financial Statements. Investment securities at December 31, 2021: see note 18 to the Statutory Financial Statements.

Information on share capital and dividend distributions made during the last three fiscal years

Share capital at December 31, 2023: see notes 19 and 25 to 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.

Dividends paid over the past three years:

	2023 With respect to the 2022 fiscal year	2022 With respect to the 2021 fiscal year	2021 With respect to the 2020 fiscal year
Gross dividend per share	€3.850	€1.550	€1.150
Net dividend per share	€3.850	€1.550	€1.150
TOTAL NET PAYOUT	**€326.7M**	**€131.3M**	**€97.7M**

Share capital, other securities, income and other key indicators of the Company over the past five years

Type of indicators *(€)*	2023	2022	2021	2020	2019
I – Share capital and other securities at December 31					
Share capital	169,881,910	169,881,910	169,881,910	169,881,910	158,971,388
Number of ordinary shares at December 31	84,940,955	84,940,955	84,940,955	84,940,955	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
II – Transactions and profit for the period					
Revenue before tax	153,805,267	162,973,989	129,086,952	135,080,502	80,780,558
Income before tax, employee profit-sharing, amortization, depreciation and provisions	482,966,473	161,592,679	109,980,292	398,256,543	127,046,361
Income tax	22,431,195	13,950,260	18,678,385	8,362,269	15,242,689
Employee profit-sharing payable for the year				-	-
Income after tax, employee profit-sharing, amortization, depreciation and provisions	477,486,508	150,257,913	131,032,875	399,820,903	139,509,138
Distributed income (excluding withholding tax)	114,670,289	327,022,677	131,658,480	135,936,476	170,030,460
III - Earnings per share (1)					
Income after tax and employee profit-sharing and before amortization, depreciation and provisions	5.95	2.07	1.51	4.79	1.79
Income after tax, employee profit-sharing, amortization, depreciation and provisions	5.62	1.77	1.54	4.71	1.76
Net dividend per share	1.35 (2)	3.85	1.55	1.15	1.720
IV – Employees					
Average number of employees over the year	296.00	306.00	291.00	257.00	236.00
Payroll for the year	33,847,067	32,821,749	39,365,107	33,620,502	31,006,666
Social security contributions for the year	16,703,638	15,513,507	14,654,968	14,272,532	15,678,343

(1) Based on the number of shares at December 31.

(2) Subject to approval by the Shareholders' General Meeting of May 14, 2024.

Subsequent events

The annual consolidated financial statements at December 31, 2023 were approved by the Board of Directors at its meeting held on February 21, 2024.

On January 31, 2024, Imerys completed the divestment of the bauxite production business to the Mytilineos Group.

Supplier and customer payment terms

Pursuant to articles 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	23					330	201					99
Total amount of invoices excl. VAT (€ thousands)	3,755			4,288	3,538	7,826	42,418			1,344	2,356	3,700
Percentage of total purchases excl. VAT in 2023 (%)	3.05			3.52	2.87	6.39						
Percentage of revenue excl. VAT in 2023 (%)							26.36			0.84	1.46	2.30
(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

6.1 Consolidated financial statements **230**
- 6.1.1 Financial statements 230
- 6.1.2 Notes to the consolidated financial statements 237

6.2 Statutory financial statements **315**
- 6.2.1 Financial statements 315
- 6.2.2 Notes to the statutory financial statements 317

6.3 Statutory auditors' reports **335**
- 6.3.1 Statutory auditors' report on the consolidated financial statements 335
- 6.3.2 Statutory auditors' report on the financial statements 340
- 6.3.3 Statutory Auditors' Special Report on Regulated Agreements with Third Parties 344

6.1 CONSOLIDATED FINANCIAL STATEMENTS

6.1.1 Financial statements

CONSOLIDATED INCOME STATEMENT

(€ millions)	Notes	2023	2022
Revenue	**5**	**3,794.4**	**4,281.6**
Raw materials and consumables used	6	(1,365.3)	(1,472.5)
External expenses	7	(990.1)	(1,208.9)
Staff expenses	8	(869.1)	(872.7)
Taxes and duties		(28.5)	(37.6)
Amortization, depreciation and impairment		(299.7)	(303.1)
Intangible assets, mining assets and property, plant and equipment		*(249.5)*	*(254.8)*
Right-of-use assets		*(50.2)*	*(48.3)*
Other current income and expenses	9	33.5	25.4
Share in net income of joint ventures and associates	10	89.5	26.6
Current operating income		**364.7**	**438.8**
Gain (loss) from obtaining or losing control	11	(14.1)	22.8
Other non-recurring items	11	(242.9)	(143.2)
Operating income		**107.7**	**318.4**
Net financial debt expense		**(24.3)**	**(32.9)**
Income from securities	12	16.7	5.1
Gross financial debt expense	12	(41.0)	(38.0)
Interest expense on borrowings and financial debt		*(36.8)*	*(34.9)*
Interest expense on lease liabilities		*(4.2)*	*(3.1)*
Other financial income (expenses)		**(14.1)**	**(17.4)**
Other financial income		255.5	228.3
Other financial expenses		(269.6)	(245.7)
Financial income (loss)	**13**	**(38.4)**	**(50.3)**
Income taxes	14	(60.4)	(91.0)
Net income from continuing operations		**8.9**	**177.1**
Net income from continuing operations, Group share[(2)]		7.6	*172.9*
Net income from continuing operations attributable to non-controlling interests		1.3	*4.2*
Net income from discontinued operations[(1)]	**25**	**44.9**	**77.3**
Net income from discontinued operations, Group share		43.7	*64.3*
Net income from discontinued operations attributable to non-controlling interests		1.2	*13.0*
NET INCOME		**53.8**	**254.4**
Net income, Group share[(2)]		*51.3*	*237.2*
Net income attributable to non-controlling interests		*2.5*	*17.2*

(1) High Temperature Solutions line of business (note 25).

(2) Net income per share

Basic net income per share, Group share (in €)	*15*	*0.61*	*2.80*
Diluted net income per share, Group share (in €)	*15*	*0.60*	*2.76*
Basic net income from continuing operations per share, Group share (in €)	*15*	*0.09*	*2.04*
Diluted net income from continuing operations per share, Group share (in €)	*15*	*0.09*	*2.01*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€ millions)	Notes	2023	2022
Net income		**53.8**	**254.4**
Components that will not be reclassified in profit or loss			
Gains (losses) on remeasurements of defined benefit plans	23.1	(26.7)	44.2
Gains (losses) on equity instruments measured at fair value		(1.1)	(1.3)
Gains (losses) on financial liabilities measured at fair value, attributable to the acquisition of a non-controlling stake		-	(7.0)
Aggregated income tax on components that will not be reclassified in profit or loss	14	6.3	(9.6)
Total components that will not be reclassified in profit or loss		**(21.5)**	**26.3**
Components that will be reclassified in profit or loss			
Cash flow hedges		**(6.9)**	**(69.7)**
Gains (losses)	24.4	(59.3)	30.6
Reclassification adjustments(1)	24.4	52.4	(100.3)
Hedges of net investments in foreign operations		**(17.2)**	**0.2**
Gains (losses)	26	(17.2)	0.2
Reclassification adjustments(1)	26	-	-
Exchange rate differences		**107.0**	**51.6**
Gains (losses)	26	(29.8)	50.0
Reclassification adjustments(2)	26	136.8	1.6
Aggregated income tax on components that will be reclassified in profit or loss	**14**	**6.0**	**15.3**
Total components that will be reclassified in profit or loss		**88.9**	**(2.6)**
TOTAL COMPREHENSIVE INCOME		**121.2**	**278.1**
Total comprehensive income, Group share		*120.8*	*251.3*
Total comprehensive income attributable to non-controlling interests		*0.4*	*26.8*

(1) Reclassification of other comprehensive income to the income statement.

(2) Of which €137.1 million with respect to the High Temperature Solutions line of business (note 25).

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(€ millions)	Notes	2023	2022
Non-current assets		**4,469.8**	**4,357.4**
Goodwill	16	1,839.1	1,852.2
Intangible assets	17	333.3	287.5
Right-of-use assets	18	151.4	133.1
Mining assets	18	391.1	415.5
Property, plant and equipment	18	1,475.9	1,410.7
Joint ventures and associates	10	122.7	90.5
Other financial assets	21.1	5.6	25.4
Other receivables	21.1	36.0	31.8
Derivative financial assets	21.1	0.2	-
Deferred tax assets	14	114.5	110.7
Current assets		**2,643.6**	**2,137.4**
Inventories	20	734.6	789.9
Trade receivables	21.1	398.5	489.9
Other receivables	21.1	237.1	208.4
Derivative financial assets	21.1	14.8	27.0
Other financial assets	21.1	673.6	2.0
Cash and cash equivalents	21.1	585.0	620.2
Assets held for sale[1]	**25**	**38.5**	**1,376.2**
Consolidated assets		**7,151.9**	**7,871.0**
Equity, Group share		**3,124.0**	**3,337.9**
Share capital		169.9	169.9
Share premium		614.4	614.4
Treasury shares		(16.5)	(18.7)
Reserves		2,304.9	2,335.1
Net income, Group share		51.3	237.2
Equity attributable to non-controlling interests		**33.3**	**47.5**
Equity	**22**	**3,157.3**	**3,385.4**
Non-current liabilities		**2,497.6**	**2,465.6**
Provisions for employee benefits	23.1	160.6	160.2
Other provisions	23.2	426.6	388.8
Borrowings and financial debt	24.1	1,691.3	1,694.5
Lease liabilities	24.1	119.2	98.1
Other debts	24.3	18.4	20.0
Derivative financial liabilities	24.1	0.3	4.1
Deferred tax liabilities	14	81.2	99.9
Current liabilities		**1,471.0**	**1,551.1**
Other provisions	23.2	43.5	34.3
Trade payables	24.1	377.9	540.1
Income tax payable		86.1	104.9
Other debts	24.3	364.6	344.3
Derivative financial liabilities	24.1	32.1	29.0
Borrowings and financial debt	24.1	520.2	452.7
Lease liabilities	24.1	41.3	42.1
Bank overdrafts	24.1	5.3	3.7
Liabilities related to assets held for sale[2]	**25**	**26.0**	**468.9**
Consolidated equity and liabilities		**7,151.9**	**7,871.0**

(1) *Of which, at December 31, 2023, the bauxite production business for €38.5 million and, 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).

(2) *Of which, at December 31, 2023, the bauxite production business for €26.0 million and, 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).

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(€ millions)	Equity, Group share										
				Reserves							
	Share capital	Share premium	Treasury shares	Cash flow hedges	Translation reserve	Other reserves	Sub-total reserves	Net income, Group share	Sub-total equity, Group share	Equity attributable to non-controlling interests	Total
Equity at January 1, 2022	**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	**-**	**-**	**-**	**(51.7)**	**39.6**	**26.2**	**14.1**	**237.2**	**251.3**	**26.8**	**278.1**
Appropriation of 2021 net profit	-	-	-	-	-	240.1	240.1	(240.1)	0.0	-	0.0
Transactions between shareholders	**0.0**	**0.0**	**(5.3)**	**0.0**	**10.3**	**(111.8)**	**(101.5)**	**0.0**	**(106.8)**	**(27.8)**	**(134.6)**
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**
Total comprehensive income	**-**	**-**	**-**	**(5.2)**	**76.2**	**(1.5)**	**69.5**	**51.3**	**120.8**	**0.4**	**121.2**
Appropriation of 2022 net profit	-	-	-	-	-	237.2	237.2	(237.2)	0.0	-	0.0
Transactions between shareholders	**0.0**	**0.0**	**2.2**	**0.0**	**0.3**	**(337.2)**	**(336.9)**	**0.0**	**(334.7)**	**(14.6)**	**(349.3)**
Dividend (€3.85 per share)	-	-	-	-	-	(326.7)	(326.7)	-	(326.7)	(4.7)	(331.4)
Treasury share transactions	-	-	2.2	-	-	(17.0)	(17.0)	-	(14.8)	-	(14.8)
Share-based payments	-	-	-	-	-	10.3	10.3	-	10.3	-	10.3
Transactions with non-controlling interests	-	-	-	-	0.3	(3.8)	(3.5)	-	(3.5)	(9.9)	(13.4)
Equity at December 31, 2023	**169.9**	**614.4**	**(16.5)**	**(12.9)**	**(454.7)**	**2,772.5**	**2,304.9**	**51.3**	**3,124.0**	**33.3**	**3,157.3**

CONSOLIDATED STATEMENT OF CASH FLOWS

(€ millions)	Notes	2023	2022
Net income		**53.8**	**254.4**
Adjustments			
- for depreciation and amortization	Appendix	510.6	335.4
- for impairment loss on goodwill	11	5.4	108.0
- for impairment loss (reversal of impairment loss) recognized in profit or loss, trade and other receivables		(4.8)	(2.6)
- for impairment loss (reversal of impairment loss) recognized in profit or loss, inventories		(0.5)	4.8
- for provisions	Appendix	3.1	(14.4)
- for share-based payments	8	10.3	13.5
- for losses (gains) on disposal of non-current assets	Appendix	(54.1)	(25.1)
- for profits from joint ventures and associates	10	(90.6)	(35.8)
- for net interest income and expense		24.4	37.6
- for fair value losses (gains)		2.2	3.7
Other adjustments for non-cash items		0.1	(0.9)
Other adjustments for which cash effects are investing or financing cash flow		28.8	16.8
Change in working capital requirement		**100.7**	**(231.6)**
- for decrease (increase) in inventories		135.8	(198.8)
- for decrease (increase) in trade receivables		133.0	(79.1)
- for increase (decrease) in trade payables		(182.5)	45.1
- for changes in other receivables and debts		14.4	1.2
Adjustments for income tax expense		**57.5**	**129.7**
Net cash flow from (used in) operations		**646.9**	**593.5**
Interest paid		(26.4)	(41.9)
Income taxes refund (paid)	14	(72.4)	(105.4)
Adjustments for dividends received from joint ventures and associates	10	54.7	5.8
Net cash flows from (used in) operating activities		**602.8**	**452.0**
of which discontinued operations[(1)]		*11.9*	*17.1*

(1) High Temperature Solutions line of business (note 25).

(€ millions)	Notes	2023	2022
Acquisitions of intangible assets	17	(68.5)	(44.5)
Acquisitions of property, plant and equipment	Appendix	(330.1)	(345.1)
Change in payables on acquisitions of intangible assets and property, plant and equipment		8.3	(16.6)
Cash flows used in (from gaining) control of subsidiaries or other businesses		(25.8)	(20.8)
Proceeds from disposals of intangible assets and property, plant and equipment	Appendix	10.3	10.2
Cash flows from losing control of subsidiaries or other businesses(1)		541.9	84.4
Other cash payments related to the disposal of equity and debt instruments of other entities		0.9	-
Cash advances and loans granted to third parties		(7.5)	(3.0)
Cash receipts from repayment of advances and loans granted to third parties		9.0	7.3
Interest received		9.5	5.5
Cash flow from investing activities		**148.0**	**(322.6)**
of which discontinued operations(2)		*(60.7)*	*23.9*
Proceeds from issuing shares		3.6	-
Payments to acquire or redeem treasury shares		(14.8)	(10.9)
Dividends paid		(330.3)	(137.5)
Proceeds from borrowings		496.5	-
Repayments of borrowings		-	(6.8)
Payments of lease liabilities		(52.1)	(61.1)
Other cash inflows (outflows)(3)		(1,033.7)	318.9
Cash flow from financing activities		**(930.8)**	**102.6**
of which discontinued operations(2)		*(58.6)*	*(35.1)*
CHANGE IN CASH AND CASH EQUIVALENTS		**(180.0)**	**232.0**

(1) Of which in 2023, €554.2 million received with respect to the disposal of the High Temperature Solutions line of business and in 2022, €49.0 million with respect to the loss of control of the US hydrous kaolin business and €33.4 million in respect of the loss of control of the Canadian and Namibian natural graphite business (note 25).

(2) High Temperature Solutions line of business (note 25).

(3) In 2023, mainly made up of the acquisition of investment securities (€670.0 million) and repayment of debt securities (€433.0 million) and in 2022, mainly made up of short-term negotiable debt securities issued (note 24.5).

(€ millions)	2023	2022
Cash and cash equivalents net of bank overdrafts at the beginning of the period	**616.5**	**547.1**
Change in cash and cash equivalents(1)	(180.0)	232.0
Change in the scope of consolidation	0.8	-
Reclassification to/from assets held for sale(2)	157.0	(159.6)
Effect of exchange rate changes	(14.6)	(3.0)
Cash and cash equivalents net of bank overdrafts at the end of the period	**579.7**	**616.5**
Cash	*265.5*	*593.1*
Cash equivalents	*319.5*	*27.1*
Bank overdrafts	*(5.3)*	*(3.7)*

(1) In 2023, -€72.6 million with respect to continuing operations and -€107.4 million with respect to discontinued operations and in 2022, €226.1 million with respect to continuing operations and €5.9 million with respect to discontinued operations.

(2) In 2023, -€2.9 million with respect to the bauxite production business, +€107.4 million with respect to the High Temperature Solutions business and +€52.5 million with respect to the business serving the paper market and in 2022, -€107.1 million with respect to the High Temperature Solutions business and -€52.5 million with respect to 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.

(€ millions)	Notes	2023	2022
Consolidated statement of cash flows			
Adjustments for depreciation and amortization		**510.6**	**335.4**
Increase in amortization – intangible assets	17	26.2	25.0
Increase in depreciation – property, plant and equipment	18	277.0	291.9
Impairment – intangible assets	17	-	0.4
Impairment – property, plant and equipment	18	208.5	18.1
Reversal of impairment – intangible assets and property, plant and equipment		(1.1)	-
Adjustments for provisions		**3.1**	**(14.4)**
Net change in provisions for employee benefits – Current operating income	23.1	(1.5)	(2.7)
Net change in provisions for employee benefits – Other operating income and expenses	23.1	(0.2)	-
Net change in provisions for employee benefit liabilities - Closed plans	23.1	(18.4)	(6.5)
Normative return on assets of defined benefit plans	23.1	(36.2)	(21.5)
Unwinding of defined employee benefit liabilities	23.1	41.2	25.0
Net change in termination benefits		0.2	(3.8)
Increase in other provisions - continuing operations	23.2	66.8	51.3
Increase in other provisions - discontinued operations		0.7	-
Change in adjusted provisions for the cost of property, plant and equipment		(10.0)	(11.8)
Use of other provisions	23.2	(30.3)	(33.0)
Reversals of unused portions of other provisions - continuing operations	23.2	(12.4)	(15.2)
Reversals of unused portions of other provisions - continuing operations		0.2	-
Unwinding of other provisions		3.0	2.9
Unwinding of other debts		-	0.9
Adjustments for losses (gains) on disposal of non-current assets		**(54.1)**	**(25.1)**
Income from asset disposals - continuing operations	9	(1.5)	0.6
Income from disposals of consolidated businesses - continuing operations	11	(0.8)	(28.9)
Income from disposals of consolidated businesses - discontinued operations		(52.7)	0.4
Income from non-recurring asset disposals - continuing operations	11	0.9	2.8
Income from non-recurring asset disposals - discontinued operations		-	(0.4)
Acquisitions of property, plant and equipment		**(330.1)**	**(345.1)**
Property, plant and equipment - continuing operations	18	(339.0)	(356.9)
Property, plant and equipment - discontinued operations		(1.1)	-
Change in adjusted provisions for the cost of property, plant and equipment		10.0	11.8
Proceeds from disposals of intangible assets and property, plant and equipment		**10.3**	**10.2**
Intangible assets	17	4.4	6.2
Property, plant and equipment	18	4.8	5.8
Income from asset disposals - continuing operations	9	1.5	(0.6)
Income from asset disposals - discontinued operations		-	(0.4)
Income from non-recurring asset disposals - continuing operations	11	(0.9)	(2.8)
Income from non-recurring asset disposals - discontinued operations		-	0.4
Change in receivables on disposals of intangible assets and property, plant and equipment		0.5	1.6

6.1.2 Notes to the consolidated financial statements

BASIS OF PREPARATION		238
NOTE 1	Accounting principles	238
NOTE 2	Changes in accounting policies and errors	239
NOTE 3	Standards and interpretations effective after the closing date	240
NOTE 4	Estimates and judgments	240
INFORMATION BY SEGMENT		241
NOTES TO THE CONSOLIDATED INCOME STATEMENT		248
NOTE 5	Revenue	250
NOTE 6	Raw materials and consumables used	251
NOTE 7	External expenses	251
NOTE 8	Staff expenses	251
NOTE 9	Other current income and expenses	252
NOTE 10	Joint ventures and associates	253
NOTE 11	Other operating income and expenses	254
NOTE 12	Financial instruments	255
NOTE 13	Financial income (loss)	258
NOTE 14	Income taxes	259
NOTE 15	Earnings per share	262
NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION		263
NOTE 16	Goodwill	263
NOTE 17	Intangible assets	264
NOTE 18	Property, plant and equipment	266
NOTE 19	Impairment tests	270
NOTE 20	Inventories	272
NOTE 21	Financial assets	273
NOTE 22	Equity	277
NOTE 23	Provisions	278
NOTE 24	Financial liabilities	291
OTHER INFORMATION		305
NOTE 25	Main consolidated entities	305
NOTE 26	Translation of foreign currencies	310
NOTE 27	Related parties	312
NOTE 28	Obligations	313
NOTE 29	Audit fees	314
NOTE 30	Events occurring after the closing date	314

6.1.2.1 2023 Significant events

This paragraph helps readers to easily identify the main notes addressing significant events that occurred in 2023.

- Disposal of the High Temperature Solutions line of business: notes 11, 16 and 25.
- Planned disposal of the business serving the paper market: notes 11, 16 and 25.
- Acquisition of a majority interest in British company Research British Lithium: note 25.
- Developments in the operational litigation related to the historical talc business in North America: note 23.2.
- Planned disposal of the bauxite production business in Greece: notes 11 and 25.

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, 2023 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 21, 2024 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, 2023, 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 two areas: greenhouse gas emissions (note 17) and mining assets (note 18).

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) as well as net financial debt and current EBITDA. 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 are corrected retrospectively.

2.1 Mandatory changes

Early adoption

Imerys did not early adopt any standard or interpretation in 2023.

Adoption upon effective date

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 do not have a material impact on the fiscal year.

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 do not have a material impact on the fiscal year.

Amendment to IAS 12, Income Taxes: 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 or provisions for dismantling and site restoration. This clarification does not require any significant change to be made to the accounting policies applied by Imerys, which already complied with these principles.

Amendments to IAS 12, Income Taxes: International Tax Reform – Pillar II Model Rules. In December 2021, the Organisation for Economic Co-operation and Development (OECD) published a set of guidelines ("GloBE Rules") aimed at ensuring that issuers with revenue of €750.0 million or above pay tax of at least 15.0% on the income arising in each of the countries in which they operate. After having identified several sources of technical complexity relating to the calculation of deferred taxes as part of this project, the IASB proposed an amendment aimed at supporting the transition period until these rules are fully applied. The amendment therefore includes an exemption under which the issuer does not recognize deferred tax assets and liabilities relating to the GloBE Rules and sets out the disclosures to be required. Imerys has undertaken an assessment of the impact of the application of the GloBE Rules (although controlled by GBL, Imerys would be liable for any payments within its own scope) and has not identified any material impact at this stage, in view of the Group's size and based on 2023 data.

Amendments to **IFRS 17, Insurance Contracts**, do not apply to Imerys.

2.2 Voluntary changes

No voluntary changes were applied in 2023 or 2022.

2.3 First application of accounting policies

The occurrence of transactions, events or conditions that did not occur previously or were immaterial may require the application of accounting methods previously provided for under the Principles. During the 2023 fiscal year, there was no first-time application of accounting policies previously provided for in the Principles.

2.4 Presentation of the financial statements

Some reclassifications relating to the presentation of comparative data have been made in order to comply with the presentation adopted during the current fiscal year or with IFRS.

NOTE 3 STANDARDS AND INTERPRETATIONS EFFECTIVE AFTER THE CLOSING DATE

In line with the European Union's latest IFRS endorsement status report of December 20, 2023 published by the European Financial Reporting Advisory Group (EFRAG), Imerys will apply the following standards and interpretations after December 31, 2023.

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 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.

Amendments to IAS 7, Statement of Cash Flows and IFRS 7, Financial instruments: Disclosures: Supplier Finance Arrangements. The purpose of these amendments is to improve information relating to supplier finance arrangements, also referred to as reverse factoring. This type of arrangement allows an issuer to assign some of its trade payables to a factor. At the end of this transaction, the payable initially due to the supplier is due to the factor. Depending on the arrangement, the characteristics of the liability may be maintained or significantly amended, which, depending on the case, confirms the classification of the liability as a trade payable, or leads to its reclassification as financial debt. The amendment provides for the presentation of the characteristics of current arrangements, as well as their impact on the financial statements. Imerys does not have any supplier finance arrangements.

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.

Application in 2025

Amendments to IAS 21, Lack of Exchangeability. These amendments specify how an entity should assess whether a currency is exchangeable and how to determine a spot exchange rate when a currency is not exchangeable. These amendments also require the disclosure of information that enables users of the financial statements to understand the impact of a currency's lack of exchangeability. The provisions of these amendments are currently being analyzed and no material impact has been identified to date.

NOTE 4 ESTIMATES AND JUDGMENTS

When preparing the financial statements, Executive Management makes a certain number of estimates and judgments regarding the recognition and measurement 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 the 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) including the acquisition cost of the mining assets (note 18);
- Estimates of the impact of 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 on which *Sustainability-Linked Bonds* are indexed (note 24.5);
- Depreciation methods of property, plant and equipment, in particular mineral reserves, overburden assets and certain industrial assets of discontinuous use (note 18);
- Definition, for impairment tests performed on non-financial assets, of the duration and amount of future cash flows as well as the discount rates and terminal growth rates used to calculate the value in use of the tested assets;
- Actuarial assumptions applied to defined benefit plans (note 23.1) and other provisions (note 23.2); and
- 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. 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);
- 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 14);
- 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 operating 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.

Following the divestment of the High Temperature Solutions (HTS) line of business, Imerys has changed its segment presentation, which now consists of four operating segments as described below. The 2022 comparative data has been restated to reflect these changes.

- Performance Minerals (PM): comprises two operating segments: Europe, Middle East, Africa and Asia Pacific (PM EMEA & APAC) on the one hand and America (PM Americas) on the other hand, which are presented separately as well as the inter-segment eliminations and other adjustments at the level of this group (Other PM). These two segments serve the plastics, paints & coatings, filtration, ceramics, and paper & board markets;
- Refractory, Abrasives & Construction (RAC): this operating segment serves the refractory, foundry, metal flow, abrasives and building chemistry markets;
- Graphite & Carbon (IG&C): this operating segment serves the renewable and mobile energy markets.

Each of the operating segments manufactures and sells goods and services presenting geological, industrial and commercial synergies and is monitored each month by Executive Management in its business reporting on the Consolidated income statement, current EBITDA and capital employed. Executive Management considers that the holding structure that handles the Group's centralized financing does not constitute a segment, nor does the main joint venture The Quartz Corporation or the ongoing strategic investments in lithium projects. Their aggregates are therefore presented in a reconciliation column with the inter-segment eliminations (Other) as well as the aggregates of the IG&C operating segment, which do not exceed the 10% thresholds defined by IFRS 8. 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.

6

At December 31, 2023

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Revenue	**1,033.9**	**1,422.9**	**(115.8)**	**2,341.0**
Current operating income	**82.2**	**115.6**	**4.4**	**202.2**
of which amortization, depreciation and impairment	*(84.0)*	*(85.7)*	-	*(169.7)*
Other operating income and expenses				
Operating income				
Financial income (loss)				
Interest income				
Interest expense				
Income taxes				
Net income from discontinued operations[1]				
NET INCOME				

(1) *High Temperature Solutions line of business* (note 25).

(€ millions)	PM	RAC	Other	Total
Revenue	**2,341.0**	**1,232.7**	**220.7**	**3,794.4**
Current operating income	**202.2**	**46.9**	**115.6**	**364.7**
of which amortization, depreciation and impairment	*(169.7)*	*(89.7)*	*(40.3)*	*(299.7)*
Other operating income and expenses				**(257.0)**
Operating income				**107.7**
Financial income (loss)				**(38.4)**
Interest income				16.7
Interest expense				(41.0)
Income taxes				**(60.4)**
Net income from discontinued operations[1]				**44.9**
NET INCOME				**53.8**

(1) *High Temperature Solutions line of business* (note 25).

At December 31, 2022

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Revenue	**1,188.0**	**1,608.4**	**(196.7)**	**2,599.7**
Current operating income	**125.7**	**192.5**	**(8.8)**	**309.4**
of which amortization, depreciation and impairment	*(94.5)*	*(85.4)*	*9.4*	*(170.5)*
Other operating income and expenses				
Operating income				
Financial income (loss)				
Interest income				
Interest expense				
Income taxes				
Net income from discontinued operations(1)				
NET INCOME				

(1) *High Temperature Solutions line of business* (note 25).

(€ millions)	PM	RAC	Other	Total
Revenue	**2,599.7**	**1,434.4**	**247.5**	**4,281.6**
Current operating income	**309.4**	**120.2**	**9.2**	**438.8**
of which amortization, depreciation and impairment	*(170.5)*	*(91.0)*	*(41.6)*	*(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).

CURRENT EBITDA

At December 31, 2023

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Revenue	1,033.9	1,422.9	(115.8)	2,341.0
Current operating income	82.2	115.6	4.4	202.2
Adjustments				
Amortization, depreciation and impairment	84.0	85.7	-	169.7
Change in current operating write-downs and provisions	1.1	4.5	(0.1)	5.5
Share in net income of joint ventures and associates	(0.7)	(8.7)	(0.1)	(9.5)
Dividends received from joint ventures and associates	0.7	5.2	-	5.9
CURRENT EBITDA	**167.3**	**202.3**	**4.2**	**373.8**

(€ millions)	PM	RAC	Other	Total
Revenue	2,341.0	1,232.7	220.7	3,794.4
Current operating income	202.2	46.9	115.6	364.7
Adjustments				
Amortization, depreciation and impairment	169.7	89.7	40.3	299.7
Change in current operating write-downs and provisions	5.5	4.7	(6.9)	3.3
Share in net income of joint ventures and associates	(9.5)	-	(80.0)	(89.5)
Dividends received from joint ventures and associates[(1)]	5.9	0.1	48.5	54.5
CURRENT EBITDA	**373.8**	**141.4**	**117.5**	**632.7**

(1) Of which €48.5 million received from the joint venture The Quartz Corporation (note 10)

At December 31, 2022

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Revenue	1,188.0	1,608.4	(196.7)	2,599.7
Current operating income	125.7	192.5	(8.8)	309.4
Adjustments				
Amortization, depreciation and impairment	94.5	85.4	(9.4)	170.5
Change in current operating write-downs and provisions	7.9	(4.2)	-	3.7
Share in net income of joint ventures and associates	(0.6)	(7.7)	-	(8.3)
Dividends received from joint ventures and associates	0.4	4.5	-	4.9
CURRENT EBITDA	**227.9**	**270.5**	**(18.2)**	**480.2**

(€ millions)	PM	RAC	Other	Total
Revenue	2,599.7	1,434.4	247.5	4,281.6
Current operating income	309.4	120.2	9.2	438.8
Adjustments				
Amortization, depreciation and impairment	170.5	91.0	41.6	303.1
Change in current operating write-downs and provisions	3.7	(3.2)	(0.5)	0.0
Share in net income of joint ventures and associates	(8.3)	(0.1)	(18.2)	(26.6)
Dividends received from joint ventures and associates	4.9	-	-	4.9
CURRENT EBITDA	**480.2**	**207.9**	**32.1**	**720.2**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At December 31, 2023

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Capital employed – Assets	**1,271.7**	**1,900.7**	**(15.3)**	**3,157.1**
Goodwill(1)	427.7	641.2	-	1,068.9
Intangible assets and property, plant and equipment(2)	526.9	695.1	0.4	1,222.4
Inventories	128.6	239.6	(5.6)	362.6
Trade receivables	120.0	168.2	(8.1)	280.1
Other receivables – non-current and current	67.4	122.5	(2.0)	187.9
Joint ventures and associates	1.1	34.1	-	35.2
Unallocated assets				
Assets held for sale(3)				
Total assets				
Capital employed – Liabilities	**189.1**	**352.6**	**(9.9)**	**531.8**
Trade payables	97.5	161.2	(8.1)	250.6
Other debts – non-current and current	81.8	174.8	(1.8)	254.8
Income tax payable	9.8	16.6	-	26.4
Provisions	**169.7**	**255.0**	**(0.1)**	**424.6**
Unallocated liabilities				**388.0**
Liabilities related to assets held for sale(3)				**0.0**
Total non-current and current liabilities				**1,344.4**
TOTAL CAPITAL EMPLOYED	**1,082.6**	**1,548.1**	**(5.4)**	**2,625.3**
(1) Of which increase in goodwill	*-*	*-*	*-*	*0.0*
(2) Of which acquisitions of intangible assets and property, plant and equipment	*123.2*	*129.0*	*-*	*252.2*

(3) Bauxite production business (note 25).

(€ millions)	PM	RAC	Other	Total
Capital employed – Assets	**3,157.1**	**1,930.9**	**631.7**	**5,719.7**
Goodwill(1)	1,068.9	742.1	28.1	1,839.1
Intangible assets and property, plant and equipment(2)	1,222.4	706.4	422.9	2,351.7
Inventories	362.6	318.6	53.4	734.6
Trade receivables	280.1	107.4	11.0	398.5
Other receivables – non-current and current	187.9	56.4	28.8	273.1
Joint ventures and associates	35.2	-	87.5	122.7
Unallocated assets				**1,393.7**
Assets held for sale(3)				**38.5**
Total assets				**7,151.9**
Capital employed – Liabilities	**531.8**	**223.4**	**91.8**	**847.0**
Trade payables	250.6	98.2	29.1	377.9
Other debts – non-current and current	254.8	104.4	23.8	383.0
Income tax payable	26.4	20.8	38.9	86.1
Provisions	**424.6**	**91.4**	**114.7**	**630.7**
Unallocated liabilities				**2,492.0**
Liabilities related to assets held for sale(3)				**26.0**
Total non-current and current liabilities				**3,995.7**
TOTAL CAPITAL EMPLOYED	**2,625.3**	**1,707.5**	**539.9**	**4,872.7**
(1) Of which increase in goodwill	*-*	*-*	*-*	*0.0*
(2) Of which acquisitions of intangible assets and property, plant and equipment	*252.2*	*93.8*	*119.4*	*465.4*

(3) Bauxite production business (note 25).

6

At December 31, 2022

(€ millions)	PM Americas	PM EMEA & APAC	Other PM	PM
Capital employed – Assets	**1,223.0**	**1,875.7**	**(31.4)**	**3,067.3**
Goodwill(1)	424.0	648.9	-	1,072.9
Intangible assets and property, plant and equipment(2)	496.6	661.3	-	1,157.9
Inventories	121.5	217.1	(12.8)	325.8
Trade receivables	137.4	223.1	(17.1)	343.4
Other receivables – non-current and current	42.4	95.1	(1.5)	136.0
Joint ventures and associates	1.1	30.2	-	31.3
Unallocated assets				
Assets held for sale(3)				
Total assets				
Capital employed – Liabilities	**188.3**	**393.5**	**(18.6)**	**563.2**
Trade payables	113.0	218.3	(17.2)	314.1
Other debts – non-current and current	69.2	159.1	(1.4)	226.9
Income tax payable	6.1	16.1	-	22.2
Provisions	**137.2**	**235.7**	**-**	**372.9**
Unallocated liabilities				**400.5**
Liabilities related to assets held for sale(3)				**133.5**
Total non-current and current liabilities				**1,470.1**
TOTAL CAPITAL EMPLOYED	**1,034.7**	**1,482.2**	**(12.8)**	**2,504.1**
(1) Of which increase in goodwill	*-*	*-*	*-*	*0.0*
(2) Of which acquisitions of intangible assets and property, plant and equipment	*109.7*	*127.5*	*-*	*237.2*

(3) High Temperature Solutions line of business and business serving the paper market (note 25).

(€ millions)	PM	RAC	Other	Total
Capital employed – Assets	**3,067.3**	**2,113.4**	**528.8**	**5,709.5**
Goodwill(1)	1,072.9	751.2	28.1	1,852.2
Intangible assets and property, plant and equipment(2)	1,157.9	763.1	325.8	2,246.8
Inventories	325.8	413.2	50.9	789.9
Trade receivables	343.4	140.1	6.4	489.9
Other receivables – non-current and current	136.0	45.7	58.5	240.2
Joint ventures and associates	31.3	0.1	59.1	90.5
Unallocated assets				**785.3**
Assets held for sale(3)				**1,376.2**
Total assets				**7,871.0**
Capital employed – Liabilities	**563.2**	**316.2**	**129.9**	**1,009.3**
Trade payables	314.1	184.2	41.8	540.1
Other debts – non-current and current	226.9	99.7	37.7	364.3
Income tax payable	22.2	32.3	50.4	104.9
Provisions	**372.9**	**103.0**	**107.4**	**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	**2,504.1**	**1,797.2**	**398.9**	**4,700.2**
(1) Of which increase in goodwill	*-*	*6.3*	*-*	*6.3*
(2) Of which acquisitions of intangible assets and property, plant and equipment	*237.2*	*92.5*	*127.5*	*457.2*

(3) High Temperature Solutions line of business and business serving the paper market (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 €3.6 million at December 31, 2023 (€11.4 million at December 31, 2022) (note 24.2 - Reconciliation of net financial debt).

Risks related to the overall economic context. The risks related to the overall economic context are taken 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 (category C) and Russia and Ukraine (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 2023, the total amount of revenue generated in Russia and Ukraine accounted for around 0.1% of consolidated Group revenue (0.6% in 2022), while the net value of assets represented 0.2% of total capital employed (0.2% in 2022). Imerys' operations have been suspended at its two production facilities in Ukraine since the beginning of the conflict. In addition, Imerys has ceased its operations in Russia. 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, 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 €2.6 million at December 31, 2023.

The following table presents a breakdown of revenue by geographical location of Group operations:

(€ millions)	2023	2022
France	643.3	668.9
Other European countries	1,332.0	1,535.2
United States of America	939.8	1,073.7
Other American countries	123.6	141.7
Asia – Oceania	521.7	616.5
Other countries	234.0	245.6
Revenue by geographical location of Group operations	**3,794.4**	**4,281.6**

In 2023, countries rated C to E by Coface's "Business Climate" risk assessment accounted for 0.08% of Group revenue (0.18% in 2022) and 0.07 % of current operating income (-1.52% in 2022).

The following table presents a breakdown of revenue by geographical location of customers:

(€ millions)	2023	2022
France	235.8	244.4
Other European countries	1,454.6	1,623.8
United States of America	814.9	933.7
Other American countries	200.0	216.0
Asia – Oceania	760.3	903.5
Other countries	328.8	360.2
Revenue by geographical location of customers	**3,794.4**	**4,281.6**

The following table presents the carrying amount of intangible assets and property, plant and equipment by geographical origin of the asset:

	2023	2022
(€ millions)	Intangible assets, right-of-use assets, mining assets and property, plant and equipment	Intangible assets, right-of-use assets, mining assets and property, plant and equipment
France	595.0	592.1
Other European countries	801.5	739.2
North America	604.2	567.2
Asia – Oceania	256.0	246.9
Other countries	95.0	101.4
TOTAL	**2,351.7**	**2,246.8**

At December 31, 2023, countries rated C to E by Coface's "Business Climate" risk assessment accounted for 0.00% of the statement of financial position (0.04% at December 31, 2022) and -0.55% of consolidated equity, Group share (-0.66% at December 31, 2022).

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	12
■ De-designations. Amortization of the effective portion of an operational hedge instrument measured at the date of the voluntary interruption of the hedge	12
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 11). In accordance with 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	11
Impairment loss recognized against goodwill	11
Restructuring	11
Asset disposals due to restructuring	11
Changes in employee benefits due to restructuring	
■ Plan curtailments, settlements and amendments	11
■ Contributions and direct payments to beneficiaries	11
■ Decrease in provisions for contributions and direct payments	11
Major disputes	11
Share in net income from non-recurring operations of associates	11

- **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 13), as well as the following specific items:

	Notes
Hedge accounting	
■ Ineffective portion of financing hedge instruments	12
■ De-designations. Amortization of the effective portion of a financing hedge instrument measured at the date of the voluntary interruption of the hedge	12
■ De-designations. Change in the fair value of an operational or financing hedge instrument after the voluntary interruption of the hedge	12
Unrealized and realized translation gains (losses) on operating and financial transactions	13
Financial changes in employee benefits	
■ Unwinding	13
■ Normative return on assets	13
■ Contributions to under-funded closed plans with mandatory funding requirement	13
■ Administrative fees for closed plans with mandatory funding requirement	13
■ Decrease in provisions for closed plans with mandatory funding requirement	13

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. Warranty obligations 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, warranties 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

Due to the diversity of the Group's operations and geographic spread, Imerys is not materially affected by seasonal variations or economic cycles in certain markets, in particular the steel, automotive and construction industries. The following table presents a breakdown of revenue by sale of goods and rendering of services.

(€ millions)	2023	2022
Sale of goods	3,459.3	3,892.3
Rendering of services	335.1	389.3
TOTAL	**3,794.4**	**4,281.6**

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)	2023	2022
Goods and services transferred to customers at a given point in time	**3,471.7**	**3,901.0**
Sale of material specialties	3,459.3	3,892.3
Rendering of industrial services	12.0	8.1
Rendering of other services	0.4	0.6
Services transferred to customers over time	**322.7**	**380.6**
Shipping revenue	320.9	361.9
Rendering of other services	1.8	18.7
TOTAL	**3,794.4**	**4,281.6**

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)	2023	2022
Raw materials	(468.1)	(653.9)
Energy	(410.8)	(557.0)
Chemicals	(63.2)	(92.2)
Other consumables	(233.0)	(272.6)
Merchandise	(75.0)	(91.2)
Change in inventories	(132.5)	180.5
Self-constructed assets	17.3	13.9
TOTAL	**(1,365.3)**	**(1,472.5)**

NOTE 7 EXTERNAL EXPENSES

(€ millions)	2023	2022
Transportation	(488.4)	(665.8)
Lease payments recognized in expenses	(32.5)	(31.5)
Lease term of 12 months or less	*(18.6)*	*(21.3)*
Leases of low-value assets	*(0.3)*	*(0.3)*
Variable payments and services	*(13.6)*	*(9.9)*
Impact of reductions in the scope of leases	(0.3)	0.9
Subcontracting	(131.2)	(127.9)
Maintenance and repair	(96.0)	(119.3)
Fees	(81.8)	(92.9)
Other external expenses	(159.9)	(172.4)
TOTAL	**(990.1)**	**(1,208.9)**

NOTE 8 STAFF EXPENSES

Staff expenses correspond to all compensation granted in the normal course of business for services rendered by staff members or at the end of their employment. This compensation includes short-term benefits, notably salaries, bonuses, 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). In 2023, Imerys' average headcount totaled 13,909 employees (13,892 employees at December 31, 2022, excluding the employees of the High Temperature Solutions line of business designated as a discontinued operation (note 25)).

(€ millions)	2023	2022
Salaries	(661.6)	(664.3)
Social security contributions	(134.2)	(126.5)
Net change in provisions for employee benefits	1.4	1.1
Contributions to defined benefit plans	(10.1)	(9.9)
Contributions to defined contribution plans	(20.4)	(26.2)
Profit-sharing	(32.9)	(34.4)
Other employee benefits	(11.3)	(12.5)
TOTAL	**(869.1)**	**(872.7)**

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 €10.3 million in 2023 (€13.5 million in 2022), of which €9.7 million recognized in other employee benefits for continuing operations and €0.6 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. 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 for the operational activities, 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 offset by 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	Probability of meeting performance conditions	Fair value (€)	Total cost by plan (€M)	Cost of the plan in 2023 (€M)	Cost of the plan in 2022 (€M)
2019	427,500	3 years	35.7%	3.0%	54.9%	35.75	(5.4)	-	(0.2)
2020	154,150	3 years	18.7%	3.1%	92.4%	36.71	(4.3)	0.2	(1.4)
2020	457,700	3 years	9.0%	3.1%	92.4%	26.75	(10.3)	(0.5)	(4.1)
2021	482,200	3 years	15.0%	3.2%	96.0%	38.85	(15.3)	(4.5)	(5.7)
2022	432,950	3 years	13.4%	3.3%	87.0%	27.36	(8.9)	(2.9)	(2.1)
2023	446,300	3 years	10.0%	4.0%	94.1%	30.73	(11.6)	(2.6)	-
Cost of plans recognized as staff expenses								**(10.3)**	**(13.5)**
Continuing operations								*(9.7)*	*(12.6)*
Discontinued operations[1]								*(0.6)*	*(0.9)*

(1) High Temperature Solutions line of business (note 25).

NOTE 9 OTHER CURRENT INCOME AND EXPENSES

(€ millions)	2023	2022
Other income and expenses	30.0	25.0
Income from asset disposals	1.5	(0.6)
Grants received	6.7	2.1
Net change in operating provisions and write-downs	(4.7)	(1.1)
TOTAL	**33.5**	**25.4**

NOTE 10 JOINT VENTURES AND ASSOCIATES

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.

Share of equity and net income

	Share of net income		Share of equity	
(€ millions)	**2023**	**2022**	**2023**	**2022**
The Quartz Corporation	80.1	18.4	85.8	56.7
Cebo International	5.8	5.1	11.0	9.7
Laviosa Chimica	2.8	2.1	13.8	11.5
Other joint ventures and associates	0.8	10.2	12.1	12.6
Total	**89.5**	**35.8**	**122.7**	**90.5**
Of which continuing operations[1]	*89.5*	*29.9*		
Of which discontinued operations	-	*5.9*		

(1) Of which, in 2022, €26.6 million in share in net income of joint ventures and associates and €3.3 million in other non-recurring items (note 11)

Changes during the period

The following table analyzes the change in the carrying amount recognized in the Group's assets in accordance with the equity method.

(€ millions)	**2023**	**2022**
Carrying amount at the beginning of the period	90.5	100.3
Income	89.5	35.8
Dividends distributed by joint ventures and associates	(54.5)	(5.8)
Disposals	(0.6)	(4.0)
Reclassification to/from assets held for sale[1]	-	(35.3)
Exchange rate differences and other movements	(2.2)	(0.5)
Carrying amount at the end of the period	**122.7**	**90.5**

(1) High Temperature Solutions line of business (note 25)

Main joint ventures and associates

The main investments accounted for using the equity method include The Quartz Corporation, Cebo International and Laviosa Chimica Mineraria Spa (joint ventures). The summarized financial information from these investments is presented hereinafter as 100.00% amounts. The data presented is that available at December 31.

	The Quartz Corporation		Cebo International		Laviosa Chimica	
(€ millions)	**2023**	**2022**	**2023**	**2022**	**2023**	**2022**
Consolidated income statement						
Revenue	330.8	165.5	79.1	78.5	99.5	109.5
EBITDA[1]	204.6	59.0	n.d.	n.d.	n.d.	n.d.
Net income	**160.1**	**36.9**	**11.6**	**10.2**	**8.1**	**6.0**
Percentage held by the Group	*50.00%*	*50.00%*	*50.00%*	*50.00%*	*35.00%*	*35.00%*
Share of net income	**80.1**	**18.4**	**5.8**	**5.1**	**2.8**	**2.1**

(1) EBITDA = Current operating income adjusted for amortization, depreciation and impairment.

(€ millions)	The Quartz Corporation 2023	The Quartz Corporation 2022	Cebo International 2023	Cebo International 2022	Laviosa Chimica 2023	Laviosa Chimica 2022
Consolidated statement of financial position						
Non-current assets	124.3	100.3	19.2	10.6	46.5	48.0
Current assets	214.5	89.0	27.2	25.0	61.7	61.6
of which cash and cash equivalents	*134.8*	*27.1*	*N/A*	*N/A*	*N/A*	*N/A*
Equity	**168.0**	**109.6**	**22.0**	**19.3**	**39.4**	**32.8**
Non-current liabilities	122.7	47.9	1.0	1.3	-	-
Current liabilities	48.1	31.8	23.5	15.0	68.7	76.8

Imerys holds a 50.00% stake (50.00% at December 31, 2022) 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, 2022) in Cebo International (joint venture), a Dutch group that produces and distributes mineral-based specialties for the energy, construction and agriculture industries.

It holds a 35.00% stake (35.00% at December 31, 2022) in Laviosa Chimica (associated company), an Italian group that which extracts, processes and markets bentonite-based products for various areas of application: industrial and consumer products.

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.

	2023				2022			
(€ millions)	Equity	Stake of other shareholders	Goodwill	Imerys' stake	Equity	Stake of other shareholders	Goodwill	Imerys' stake
The Quartz Corporation	168.0	(84.3)	2.1	85.8	109.6	(55.1)	2.2	56.7
Cebo International	22.0	(11.0)	-	11.0	19.3	(9.6)	-	9.7
Laviosa Chimica	39.4	(25.6)	-	13.8	32.8	(21.3)	-	11.5
Other investments	26.7	(16.8)	2.2	12.1	28.4	(18.0)	2.2	12.6
TOTAL	**256.1**	**(137.7)**	**4.3**	**122.7**	**190.1**	**(104.0)**	**4.4**	**90.5**

NOTE 11 OTHER OPERATING INCOME AND EXPENSES

(€ millions)	2023	2022
Gain (loss) from obtaining or losing control	**(14.1)**	**22.8**
Transaction costs	(14.9)	(6.2)
Income from disposals of consolidated businesses	0.8	29.0
Other non-recurring items	**(242.9)**	**(143.2)**
Impairment loss recognized against goodwill	(5.4)	(108.0)
Impairment loss recognized against assets	(210.2)	(18.0)
Income from non-recurring asset disposals	(0.9)	(2.8)
Restructuring expenses	(30.5)	(24.8)
Change in provisions	4.1	7.1
Share in net income from non-recurring operations of associates	-	3.3
OTHER OPERATING INCOME AND EXPENSES	**(257.0)**	**(120.4)**

In 2023, Gross "Other operating income and expenses" amounted to -€257.0 million, of which -€19.9 million relating to the planned disposal of the bauxite production business, -€25.0 million relating to the planned disposal of the business serving the paper market as well as -€175.0 million relating to the impairment of this business' goodwill and assets (note 25) and -€21.1 million of impairment losses for the restructuring of industrial assets serving the refractories market in China and Europe.

In 2022, Gross "Other 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.

NOTE 12 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. 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 13) 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).

Analysis of financial instruments by category

Notes 12, 13, 21.1 and 24.1 analyze the income, expenses, assets and liabilities from financial instruments by categories, which are 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 12, 13, 21.1 and 24.1 include a column containing the following items not covered by IFRS 9: share-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 12 and 13). 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 13.

At December 31, 2023

(€ millions)	Non-hedge accounting			Cash flow hedge		
	IFRS 9 categories					
	Amortized cost	Fair value through profit or loss	Non IFRS 9	Hedged item	Hedge	Total
Operating income						
Revenue	3,794.2	-	-	-	0.2	3,794.4
Transactional currency risk - continuing hedges	-	-	-	-	*0.2*	*0.2*
Raw materials and consumables used	(1,205.2)	-	(107.5)	-	(52.6)	(1,365.3)
Transactional currency risk	-	-	-	-	*0.7*	*0.7*
Energy price risk	-	-	-	-	*(53.3)*	*(53.3)*
External expenses	(989.8)	-	(0.3)	-	-	(990.1)
Other current income and expenses	23.0	-	10.5	-	-	33.5
Share in net income of joint ventures and associates	-	-	89.5	-	-	89.5
Financial income (loss)						
Income from securities	-	16.7	-	-	-	16.7
Gross financial debt expense	(41.0)	-	-	-	-	(41.0)
Other financial income (expenses)	2.6	0.4	(17.1)	-	-	(14.1)
Transactional currency risk - change in fair value	-	*0.1*	-	-	-	*0.1*
Other financial assets - change in fair value	-	*0.3*	-	-	-	*0.3*
Net income from discontinued operations	-	-	44.9	-	-	44.9
Energy price risk	-	-	-	-	-	*0.0*
Equity						
Recognition in equity	-	-	-	-	(59.3)	(59.3)
Reclassification from the reserves in profit or loss	-	-	-	-	52.4	52.4
From the cash flow hedge reserve	-	-	-	-	*52.4*	*52.4*
TOTAL	**1,583.8**	**17.1**	**20.0**	**0.0**	**(59.3)**	**1,561.6**
of which impairment in profit or loss	*(8.4)*	-	*(0.7)*	-	-	*(9.1)*
of which reversals of impairment in profit or loss	*11.9*	-	*1.7*	-	-	*13.6*

At December 31, 2022

(€ millions)	Non-hedge accounting – IFRS 9 categories – Amortized cost	Non-hedge accounting – IFRS 9 categories – Fair value through profit or loss	Non-hedge accounting – Non IFRS 9	Cash flow hedge – Hedged item	Cash flow hedge – Hedge	Total
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)*	*-*	*-*	*(10.0)*
of which reversals of impairment in profit or loss	*8.2*	*0.9*	*2.9*	*-*	*-*	*12.0*

NOTE 13 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 12.

At December 31, 2023

	Non-hedge accounting			Total		
	IFRS 9 categories					
(€ millions)	Amortized cost	Fair value through profit or loss	Non IFRS 9	Income	Expenses	Net
Net financial debt expense	**(41.0)**	**16.7**	**0.0**	**16.9**	**(41.2)**	**(24.3)**
Income from securities	-	16.7	-	16.9	(0.2)	16.7
Gross financial debt expense	(41.0)	-	-	-	(41.0)	(41.0)
Other financial income (expenses)	**2.6**	**0.4**	**(17.1)**	**255.5**	**(269.6)**	**(14.1)**
Net exchange rate differences	4.1	0.1	(3.8)	209.6	(209.2)	0.4
Financial income and expenses of defined benefit plans	-	-	(9.5)	36.2	(45.7)	(9.5)
Unwinding of other provisions	-	-	(3.5)	-	(3.5)	(3.5)
Other financial income (expenses)	(1.5)	0.3	(0.3)	9.7	(11.2)	(1.5)
FINANCIAL INCOME (LOSS)	**(38.4)**	**17.1**	**(17.1)**	**272.4**	**(310.8)**	**(38.4)**

At December 31, 2022

	Non-hedge accounting			Total		
	IFRS 9 categories					
(€ millions)	Amortized cost	Fair value through profit or loss	Non IFRS 9	Income	Expenses	Net
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)**

NOTE 14 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 tax 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 future taxable profit will enable these items to be offset, 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 2023, income taxes paid in cash and using tax credits amounted to €72.4 million (€105.4 million in 2022).

Tax losses carried forward

Deferred tax assets are recognized in respect of 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, 2023, deferred tax assets represented €10.3 million (€6.9 million at December 31, 2022). On the other hand, tax losses and tax credits unrecognized because their recovery is uncertain amounted to €603.2 million and €32.2 million, respectively, at December 31, 2023 (€455.4 million and €21.3 million, respectively, at December 31, 2022), of which €525.6 million and €20.8 million, respectively, expire after 2028 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 (€163.7 million at December 31,2023; €129.7 million at December 31, 2022) and in the United States (€123.6 million at December 31, 2023; €134.3 million at December 31, 2022).

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 will not be reversed in the foreseeable future. The Group reported €6.5 million in unrecognized deferred tax liabilities at December 31, 2023 (€8.3 million at December 31, 2022).

INCOME TAXES RECOGNIZED IN PROFIT OR LOSS

(€ millions)	2023	2022
Payable and deferred income taxes		
Income tax payable	**(53.7)**	**(96.7)**
Income tax payable for the year	(70.1)	(99.2)
Income tax payable – prior year adjustments	16.4	2.5
Deferred tax assets	**(6.7)**	**5.7**
Deferred tax assets due to changes in temporary differences	(6.7)	5.6
Deferred tax assets due to changes in income tax rates	-	0.1
TOTAL	**(60.4)**	**(91.0)**

INCOME TAXES RECOGNIZED IN EQUITY

(€ millions)	2023	2022
Gains (losses) on remeasurements of defined benefit plans	6.5	(9.6)
Gains (losses) on equity instruments measured at fair value	(0.2)	-
Income taxes on components that will not be reclassified	**6.3**	**(9.6)**
Cash flow hedges	**1.8**	**18.0**
Income taxes recognized in equity	15.9	18.0
Income taxes reclassified in profit or loss	(14.1)	-
Translation reserve	**4.2**	**(2.7)**
Income taxes recognized in equity	4.2	(2.7)
Income taxes reclassified in profit or loss	-	-
Income taxes on components that will be reclassified	**6.0**	**15.3**
TOTAL	**12.3**	**5.7**

TAX RECONCILIATION

	2023	2022
Standard tax rate in France	**25.8%**	**25.8%**
National rate differences	(4.8)%	(1.7)%
Europe	*(3.4)%*	*(1.4)%*
North America	*(2.4)%*	*(0.3)%*
Asia – Oceania	*(1.0)%*	*(0.2)%*
Other countries	*2.0%*	*0.2%*
Permanent differences (1)	96.7%	12.7%
Tax losses	15.0%	0.0%
Income taxes at different rates and bases	12.3%	3.3%
Impact of equity-accounted companies(2)	(33.9)%	(2.6)%
Other (tax credits, reassessments and tax provisions, adjustments in deferred tax bases and rates, etc.)	(23.6)%	(3.6)%
Effective tax rate(3)	**87.5%**	**33.9%**

(1) Notably the impact of impairment, without any tax effect, of the goodwill and the assets serving the paper market.

(2) Share of net income of equity-accounted companies is reported in operating income, net of tax

(3) In 2023, 87.5% = €60.4 million (income taxes)/[€107.7 million (operating income (expense)) - €38.4 million (financial income (loss))]. In 2022, 33.9% = €91.0 million (income taxes)/[€318.4 million (operating income (expense)) - €50.3 million (financial income (loss))].

The effective tax rate of 87.5% was due to the effect of "Other operating income and expenses" and, in particular, impairment, with no tax effect, of the goodwill and the assets serving the paper market. In addition, this impairment increases the relative percentage impact of the various components of the tax proof.

Excluding non-recurring items, the effective tax rate was **24.9%** at December 31, 2023 (26.9% at December 31, 2022).

CHANGE IN DEFERRED TAXES

At December 31, 2023

(€ millions)	01/01/2023	Profit or loss	Scope, equity and others(1)	12/31/23
Deferred tax assets	110.7	(58.7)	62.5	114.5
Deferred tax liabilities	(99.9)	52.0	(33.3)	(81.2)
Net deferred tax positions	**10.8**	**(6.7)**	**29.2**	**33.3**

(1) Including reclassification to/from assets held for sale.

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.

DEFERRED TAX BREAKDOWN BY NATURE

(€ millions)	2022	Profit or loss	Scope, equity and others(1)	2023
Deferred tax assets	**232.4**	**(3.7)**	**24.9**	**253.6**
Provisions for employee benefits	37.1	(1.1)	7.8	43.8
Other provisions	28.3	10.2	0.6	39.1
Intangible assets	15.7	(0.1)	(0.5)	15.1
Property, plant and equipment	58.2	(6.8)	(3.4)	48.0
Long-term investments	4.0	(0.7)	2.8	6.1
Current assets and liabilities	49.4	(1.6)	0.1	47.9
Tax losses carried forward	6.9	3.1	0.3	10.3
Other	32.8	(6.7)	17.2	43.3
Deferred tax liabilities	**(221.6)**	**(3.0)**	**4.3**	**(220.3)**
Intangible assets	(59.2)	0.5	1.8	(56.9)
Property, plant and equipment	(135.4)	11.7	9.8	(113.9)
Long-term investments	(7.4)	3.3	0.1	(4.0)
Current assets and liabilities	(1.5)	(1.1)	(1.0)	(3.6)
Other	(18.1)	(17.4)	(6.4)	(41.9)
Net deferred tax positions	**10.8**	**(6.7)**	**29.2**	**33.3**

(1) Including reclassification to/from assets held for sale.

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 (€33.05 in 2023 and €35.42 2022). All option plans were therefore excluded from the calculation of diluted earnings per share at December 31, 2023. No significant transaction has changed the number of ordinary shares and potential ordinary shares between December 31, 2023 and February 21, 2024, the date on which the financial statements were approved for publication by the Board of Directors.

(€ millions)	2023	2022
Numerator		
Net income from continuing operations, Group share	7.6	172.9
Net income from discontinued operations, Group share [1]	43.7	64.3
Net income, Group share	**51.3**	**237.2**
Net income from continuing operations, Group share	242.2	277.8
Net income from discontinued operations, Group share[1]	6.8	103.1
Net income from current operations, Group share	**249.0**	**380.9**
Denominator		
Weighted average number of shares used to calculate basic income per share	84,564,199	84,575,054
Dilutive effect of free shares and share options	1,223,125	1,373,525
Weighted average number of shares used to calculate diluted income per share	85,787,324	85,948,579
Basic income per share, Group share *(in €)*	**0.61**	**2.80**
Basic net income per share from continuing operations, Group share	0.09	2.04
Basic net income per share from discontinued operations, Group share[1]	0.52	0.76
Basic net income per share from continuing current operations, Group share	2.86	3.28
Basic net income per share from discontinued current operations, Group share[1]	0.08	1.22
Diluted income per share, Group share *(in €)*	**0.60**	**2.76**
Diluted net income per share from continuing operations, Group share	0.09	2.01
Diluted net income per share from discontinued operations, Group share[1]	0.51	0.75
Diluted net income per share from continuing current operations, Group share	2.82	3.23
Diluted net income per share from discontinued current operations, Group share[1]	0.08	1.20

(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 include revenue or expenses in their cost 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 11). 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 11). 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 11) 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 14, 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 2023, the Group acquired the ground calcium carbonate business of O-N Minerals, a subsidiary of Carmeuse Lime & Stone. At this stage, the provisional allocation of the acquisition price has not resulted in the recognition of goodwill. In 2022, the Group did not make any significant acquisitions.

(€ millions)	2023	2022
Carrying amount at the beginning of the period	**1,852.2**	**2,144.7**
Gross amount	*1,937.4*	*2,241.0*
Impairment	*(85.2)*	*(96.3)*
Outgoing entities	-	(1.5)
Impairment(1)	(5.4)	(108.0)
Reclassification to/from assets held for sale(2)	2.0	(202.7)
Exchange rate differences and other movements	(9.7)	19.7
Carrying amount at the end of the period	**1,839.1**	**1,852.2**
Gross amount	*2,027.3*	*1,937.4*
Impairment	*(188.2)*	*(85.2)*

(1) In 2023, goodwill impairment of €2.0 million on the business serving the paper market and €3.4 million with respect to the bauxite production business and in 2022, goodwill impairment of €108.0 million on the business serving the paper market (note 25).

(2) En 2023, +€2.0 million with respect to the business serving the paper market and 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 (note 25).

6

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 the 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 2022 and 2023, 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 2023 Imerys set aside a provision of €7.8 million at December 31, 2023 to cover the deficit (€4.1 million at December 31, 2022). Moreover, the carrying amount of emission rights acquired on the market totaled €14.5 million at December 31, 2023 (€8.3 million at December 31, 2022).

TABLE OF CHANGES

(€ millions)	Software	Trademarks, patents and licenses	Industrial processes	Emission rights	Assets in progress and others	Total
Carrying amount at January 1, 2022	**53.9**	**177.8**	**1.3**	**0.0**	**70.9**	**303.9**
Gross amount	*163.7*	*198.3*	*6.6*	-	*160.1*	*528.7*
Amortization and impairment	*(109.8)*	*(20.5)*	*(5.3)*	-	*(89.2)*	*(224.8)*
Outgoing entities	-	(0.3)	-	-	(1.5)	(1.8)
Acquisitions	3.3	0.1	-	11.5	29.6	44.5
Disposals	-	(0.2)	-	(3.1)	(2.9)	(6.2)
Amortization	(12.9)	(2.6)	(0.5)	-	(9.0)	(25.0)
Impairment	(0.4)	-	-	-	-	(0.4)
Reclassification and other	8.9	(0.1)	0.6	-	(9.4)	0.0
Reclassification to assets held for sale[(1)]	(0.6)	(38.6)	-	-	(0.8)	(40.0)
Exchange rate differences	-	11.7	(0.1)	(0.1)	1.0	12.5
Carrying amount at December 31, 2022	**52.2**	**147.8**	**1.3**	**8.3**	**77.9**	**287.5**
Gross amount	*167.0*	*159.1*	*6.6*	*8.3*	*163.3*	*504.3*
Amortization and impairment	*(114.8)*	*(11.3)*	*(5.3)*	-	*(85.4)*	*(216.8)*
Incoming entities	-	-	7.3	-	-	7.3
Acquisitions	1.0	-	3.7	7.6	56.2	68.5
Disposals	-	-	-	(4.0)	(0.4)	(4.4)
Amortization	(15.0)	(0.4)	(0.3)	-	(10.5)	(26.2)
Impairment	-	-	-	-	-	0.0
Reclassification and other	30.3	(9.4)	0.1	2.6	(23.2)	0.4
Reclassification to/from assets held for sale[(1)]	-	0.5	-	-	0.3	0.8
Exchange rate differences	(0.2)	0.1	(0.1)	-	(0.4)	(0.6)
Carrying amount at December 31, 2023	**68.3**	**138.6**	**12.0**	**14.5**	**99.9**	**333.3**
Gross amount	*173.6*	*150.1*	*15.7*	*14.5*	*172.1*	*526.0*
Amortization and impairment	*(105.3)*	*(11.5)*	*(3.7)*	-	*(72.2)*	*(192.7)*

(1) In 2023, +€0.8 million with respect to the business serving the paper market and in 2022, -€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).

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 with a corresponding 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 of 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 (loss). 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 term 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 term of the lease. 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 €264.1 million at December 31, 2023 and €284.8 million at December 31, 2022) and overburden assets (€127.0 million at December 31, 2023 and €130.6 million at December 31, 2022), 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.

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. 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, 2022	**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*
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	(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	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*
Depreciation and impairment	*(178.1)*	*(560.9)*	*(212.4)*	*(2,388.6)*	*(4.5)*	*(212.7)*	*(3,557.2)*
Incoming entities	1.0	0.4	2.8	4.4	-	1.3	9.9
Outgoing entities	-	-	-	-	(0.1)	-	(0.1)
Acquisitions	-	61.7	2.1	25.8	247.5	1.9	339.0
Acquisition cost and subsequent adjustments	57.9	-	-	-	-	-	57.9
Disposals	-	(0.4)	(1.1)	(2.6)	(1.5)	0.8	(4.8)
Depreciation	(52.2)	(50.2)	(9.9)	(147.4)	0.7	(18.1)	(277.1)
Impairment	(3.2)	(33.5)	(16.2)	(142.5)	(10.8)	(2.4)	(208.6)
Reversals of impairment	-	-	-	0.9	-	-	0.9
Reclassification and other	-	3.6	14.7	157.5	(189.1)	13.1	(0.2)
Reclassification to/from assets held for sale[(2)]	15.7	1.1	13.5	119.9	12.1	0.4	162.7
Exchange rate differences	(0.9)	(7.1)	(2.3)	(7.6)	(2.1)	(0.5)	(20.5)
Carrying amount at December 31, 2023	**151.4**	**391.1**	**231.3**	**895.5**	**285.3**	**63.8**	**2,018.4**
Gross amount	*363.8*	*961.9*	*489.6*	*3,746.9*	*299.3*	*272.4*	*6,133.9*
Depreciation and impairment	*(212.4)*	*(570.8)*	*(258.3)*	*(2,851.4)*	*(14.0)*	*(208.6)*	*(4,115.5)*

(1) In 2022, hydrous kaolin business in the US.

(2) In 2023, -€23.1 million with respect to the bauxite production business and +€185.7 million with respect to the business serving the paper market and in 2022, -€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).

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, 2023 the value of these rights, recognized in "Right-of-use assets", amounted to €151.4 million (€133.1 million at December 31, 2022). 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, 2022	**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*
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	(10.4)	(10.5)	(7.5)	(9.6)	(15.3)	(53.3)
Reclassification to assets held for sale[(1)]	(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*
Depreciation and impairment	*(30.0)*	*(59.3)*	*(19.7)*	*(19.6)*	*(49.5)*	*(178.1)*
Incoming entities	-	-	-	-	1.0	1.0
Acquisition cost and subsequent adjustments	19.4	3.7	5.3	10.6	18.9	57.9
Acquisition cost	*12.8*	*2.6*	*5.3*	*10.4*	*19.1*	*50.2*
Exercise of contractual options	*5.5*	*(1.0)*	-	*0.1*	-	*4.6*
Modification of leases	*1.1*	*2.1*	-	*0.1*	*(0.2)*	*3.1*
Amortization	(20.6)	(6.0)	(5.7)	(6.2)	(13.7)	(52.2)
Impairment	-	-	-	-	(3.2)	(3.2)
Reversals of impairment	-	-	-	-	-	0.0
Reclassification to/from assets held for sale[(2)]	13.9	0.7	1.1	-	-	15.7
Exchange rate differences	(0.5)	(0.1)	-	(0.2)	(0.1)	(0.9)
Carrying amount at December 31, 2023	**60.8**	**27.6**	**11.1**	**26.4**	**25.5**	**151.4**
Gross amount	*108.6*	*86.9*	*36.0*	*46.4*	*85.9*	*363.8*
Depreciation and impairment	*(47.8)*	*(59.3)*	*(24.9)*	*(20.0)*	*(60.4)*	*(212.4)*

(1) *-€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).*

(2) *-€0.2 million with respect to the bauxite production 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, 2023 this amount totaled €32.5 million (€31,5 million at December 31, 2022, as detailed in note 7). At December 31, 2023, lease liabilities recognized against right-of-use assets amounted to €160.5 million (€140.2 million at December 31, 2022, as detailed in note 24.2 - Reconciliation of net financial debt) and generated an interest expense of €4.2 million (€3.1 million at December 31, 2022), recognized in financial income (loss) (Consolidated Income Statement). Cash payments for right-of-use contracts recognized in 2023 totaled €52.1 million (€61.1 million at December 31, 2022), broken down as €47.9 million for the principal (€58.0 million at December 31, 2022) and €4.2 million in interest (€3.1 million at December 31, 2022), in financing and operating activities, respectively, in the Consolidated Statement of Cash Flows. Cash payments made in 2023 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 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, up to 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.

Judgments

Levels of tests on goodwill. Goodwill impairment tests are carried out at the level of each Cash Generating Unit (CGU). A cash generating unit (CGU) represents the smallest identifiable group of assets generating cash inflows independent of those from other assets or groups of assets. These CGUs, which are subject to independent asset groupings within the Group, also correspond to the various operating segments monitored by Executive Management: Performance Minerals, Europe, Middle East, Africa and Asia-Pacific (PM EMEA & APAC) and Performance Minerals, Americas (PM Americas) for the entire Performance Minerals (PM) segment, Refractory, Abrasives & Construction (RAC) and Graphite & Carbon (IG&C).

Following the disposal of the High Temperature Solutions (HTS) line of business, Imerys has incorporated the assets of the PMAPAC CGU into the other two CGUs, PM Americas and PM EMEA & APAC. Had Imerys maintained the 2022 CGU structure and performed impairment tests on that basis, it would not have needed to recognize any impairment. The 2022 comparative data has been restated to reflect these changes.

In addition, since the bauxite production business is designated an asset held for sale (note 25), its 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.

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, 2023 are taken from the 2024 budget approved by the Board of Directors and the 2025 - 2027 plan presented to the Executive Management. This mid case was developed using independent analysis of underlying markets. To calculate the perpetual growth rate, Imerys uses the Gordon Growth Model. The cash flows used correspond to net current free operating cash flow and the change in non-operating working capital requirement.

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 2023 (8.00% for 2022) is adjusted for a country-market risk premium, which depending on the assets tested ranged from +94 to +125 basis points (+92 to +174 basis points). In 2023, the average discount rate after income taxes amounted to 9.10% (8.89% in 2022). 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

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.

	2023		2022(1)	
	Discount rate	Terminal growth rate	Discount rate	Terminal growth rate
Performance Minerals (PM)	**9.21%**	**2.00%**	**9.06%**	**1.92%**
Performance Minerals, America (PM Americas)	9.16%	2.19%	8.95%	2.27%
Performance Minerals Europe, Middle East and Africa and Asia Pacific (PM EMEA & APAC)	9.25%	1.82%	9.15%	1.61%
Refractory, Abrasives & Construction (RAC)	**8.98%**	**2.08%**	**8.64%**	**1.98%**
Graphite & Carbon (IG&C)	**8.94%**	**2.53%**	**8.85%**	**0.00%**
TOTAL	**9.10%**	**2.10%**	**8.89%**	**1.68%**

(1) The discount rates and perpetual growth rates have been restated to make them comparable following the changes made to the CGUs in 2023.

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, 2023. 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;
- 1.00% increase in the discount rate; and
- 1.00% decrease in the terminal growth rate.

Furthermore, Imerys calculated its sensitivity to risks arising from climate change with respect to the global warming scenario of +2°C by 2030, 2040 and 2050, as projected by the Intergovernmental Panel on Climate Change (*IPCC*) published in the *Sixth Assessment Report of the Intergovernmental Panel on Climate Change* in 2021. 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 *IPCC*, 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 Entwicklungs-gesellschaft*. 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 does not indicate any impairment. The same applies to the sensitivity calculated on risks and opportunities arising from climate change.

	Mid case			
(€ millions)	5% decrease in cash flow	1% increase in the discount rate	1% decrease in the terminal growth rate	Risks arising from climate change
Performance Minerals (PM)				
Performance Minerals, America (PM Americas)	None	None	None	None
Performance Minerals Europe, Middle East and Africa and Asia Pacific (PM EMEA & APAC)	None	None	None	None
Refractory, Abrasives & Construction (RAC)	**None**	**None**	**None**	**None**
Graphite & Carbon (IG&C)	**None**	**None**	**None**	**None**

6

Annual impairment test on goodwill

The annual impairment test did not lead to the recognition of any impairment loss in 2022 or 2023. The following table presents the carrying amount of goodwill at the closing date.

	2023	2022
(€ millions)	Carrying amount	Carrying amount
Performance Minerals (PM)	**1,068.9**	**1,073.0**
Performance Minerals, America (PM Americas)[(1)]	427.7	424.0
Performance Minerals Europe, Middle East and Africa and Asia Pacific (PM EMEA & APAC)[(1)]	641.2	649.0
Refractory, Abrasives & Construction (RAC)	**742.1**	**751.2**
Graphite & Carbon (IG&C)	**27.3**	**27.2**
Holding	0.8	0.8
TOTAL	**1,839.1**	**1,852.2**

(1) Goodwill of €110.0 million from PM was allocated to the business serving the paper market, which was designated as assets held for sale at December 31, 2022. Impairment of €108.0 million was recognized in respect of this goodwill at December 31, 2022 and it was fully written off at December 31, 2023 (note 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. In 2023, Imerys did not recognize any impairment other than that in respect of the industrial production facilities, recognized in other operating income and expenses for a total amount of €210.2 million, of which €173.0 million with respect to the business serving the paper market (notes 11 and 25). In 2022, tests on the individual assets indicated the need to recognize impairment totaling €18.0 million in respect of the industrial production facilities. Reversals of impairment recognized in 2022 were incidental. These impairment losses were recognized in other operating income and expenses (note 11).

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 *"FIFO" (First-In, First-Out)* accounting and the weighted average cost method to measure raw materials. 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

	2023			2022		
(€ millions)	Gross amount	Write-down	Carrying amount	Gross amount	Write-down	Carrying amount
Raw materials	335.7	(19.1)	316.6	385.1	(19.3)	365.8
Work in progress	132.1	(5.2)	126.9	132.6	(4.5)	128.1
Finished goods	203.6	(10.5)	193.1	209.0	(12.2)	196.8
Merchandise	101.1	(3.1)	98.0	100.6	(1.4)	99.2
TOTAL	**772.5**	**(37.9)**	**734.6**	**827.3**	**(37.4)**	**789.9**

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 12. 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, 2023

	Non-hedge accounting			Hedge accounting				
	IFRS 9 categories			Cash flow		Net investment		
(€ millions)	Amortized cost	Fair value through profit or loss	Non IFRS 9	Hedged item	Hedge	Hedged item	Hedge	Total
Non-current assets								
Other financial assets	4.4	0.2	1.0	-	-	-	-	5.6
Other receivables	5.8	-	30.2	-	-	-	-	36.0
Derivative financial assets	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.2
Conversion of financial statements risk	-	-	-	-	-	-	*0.2*	*0.2*
Current assets								
Trade receivables	398.5	-	-	-	-	-	-	398.5
Other receivables	60.5	-	176.6	-	-	-	-	237.1
Derivative financial assets	0.0	1.1	0.0	0.0	10.4	0.0	3.2	14.8
Conversion of financial statements risk	-	-	-	-	-	-	*3.2*	*3.2*
Transactional currency risk	-	*1.1*	-	-	*8.9*	-	-	*10.0*
Energy price risk	-	-	-	-	*1.5*	-	-	*1.5*
Other financial assets	3.7	669.9	-	-	-	-	-	673.6
Cash and cash equivalents	585.0	-	-	-	-	-	-	585.0
TOTAL	**1,057.9**	**671.2**	**207.8**	**0.0**	**10.4**	**0.0**	**3.4**	**1,950.7**
of which operational derivatives	-	-	-	-	*10.4*	-	-	*10.4*
of which financial derivatives	-	*1.1*	-	-	-	-	*3.3*	*4.4*

6

At December 31, 2022

	Non-hedge accounting			Hedge accounting				
	IFRS 9 categories			Cash flow		Net investment		
(€ millions)	Amortized cost	Fair value through profit or loss	Non IFRS 9	Hedged item	Hedge	Hedged item	Hedge	Total
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	0.0	2.7	0.0	0.0	22.3	0.0	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	**1,166.2**	**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*

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, 2023, other non-current financial assets corresponded to €1.0 million in surplus and reimbursement rights of employee benefit plans (€16.1 million at December 31, 2022) (note 23.1), €4.4 million in loans and deposits (€7.0 million at December 31, 2022) and a residual €0.2 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. The stake in NGC is measured at fair value. Related changes, recognized as other comprehensive income, stood at -€1.1 million in 2023 (-€1.3 million at December 31, 2022) (Consolidated Statement of Comprehensive Income). 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, 2022	**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(1)	(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)*
Change in the scope of consolidation	2.4	-	11.1	31.9	-	45.4
Net change	(23.2)	(4.1)	(142.0)	(12.7)	671.6	489.6
Write-downs	0.2	(0.4)	3.6	1.4	-	4.8
Reclassification to assets held for sale(2)	0.2	8.4	46.2	8.6	-	63.4
Exchange rate differences	0.6	0.3	(10.3)	(0.5)	-	(9.9)
Carrying amount at December 31, 2023	**5.6**	**36.0**	**398.5**	**237.1**	**673.6**	**1,350.8**
Gross amount	*13.7*	*64.6*	*411.7*	*241.0*	*675.6*	*1,406.6*
Write-down	*(8.1)*	*(28.6)*	*(13.2)*	*(3.9)*	*(2.0)*	*(55.8)*

(1) *-€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 and €10.7 million with respect to the US hydrous kaolin business* (note 25).

(2) *-€5.6 million with respect to the bauxite production business and +€69.0 million with respect to the business serving the paper market* (note 25).

For the first time in 2023, Imerys has introduced an ad hoc factoring program within the PM Americas, PM EMEA & APAC and RAC segments. Under this arrangement, Imerys retains an ongoing involvement with the assigned receivables through the dilution risk, as well as through the obligation to pass over to the factor the cash flows received from customers. Most of the risks and benefits in respect of the assigned receivables have been transferred to the factor and these receivables have been derecognized. The carrying amount of these derecognized receivables at December 31, 2023 was €61.6 million.

The following table presents the main details of this factoring agreement as well as the amounts derecognized at the end of the reporting period.

Effective date of the agreement	June 2023
Possible redress for factor from Imerys on derecognized receivables	No
Contractual duration	6 months
Maximum outstanding amount including all taxes *(in € millions)*	110.0
Pre-identification of derecognized receivables	Yes
Substantial transfer of all risks and benefits to the factor, including default and late payment risks	Yes
Carrying amount of derecognized receivables at December 31, 2023 *(€ millions)*	61.6

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)	2023	2022
Receivables not yet due	**339.1**	**387.1**
Receivables due	**104.7**	**160.7**
1 to 30 days	72.7	98.5
31 to 60 days	12.1	17.6
61 to 90 days	5.8	11.1
More than 90 days	14.1	33.5
TOTAL	**443.8**	**547.8**

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, 2023, the Group's maximum exposure to credit risk before credit insurance and warranties, i.e. gross receivables net of write-downs, amounted to €1,350.8 million (€757.5 million at December 31, 2022). 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, 2022	**(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)**
Change in the scope of consolidation	-	-	0.1	-	-	0.1
Increase	(0.9)	(0.4)	(7.8)	(0.3)	-	(9.4)
Utilizations	1.2	-	11.3	1.7	-	14.2
Reclassification to assets held for sale(2)	1.8	(23.5)	0.4	(0.1)	-	(21.4)
Other	0.4	1.3	0.3	(1.0)	-	1.0
Exchange rate differences	-	(1.1)	-	-	-	(1.1)
Balance at December 31, 2023	**(8.1)**	**(28.6)**	**(13.2)**	**(3.9)**	**(2.0)**	**(55.8)**

(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).

(2) €3.0 million with respect to bauxite production 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 debt and equity instruments. At December 31, 2023:

- consolidated equity amounted to €3,157.3 million (€3,385.4 million at December 31, 2022) on the basis of which the Board of Directors has proposed a dividend of €1.35 per share , giving a total dividend of €114.7 million;
- 1,222,325 free shares were granted to certain employees and executive corporate officers that have not been exercised or not yet vested, which represents 1.44% of the share capital of Imerys after dilution (1.60% of the share capital after dilution at December 31, 2022);
- after transactions made throughout the year to purchase, sell, cancel or transfer shares, Imerys held 507,121 Imerys shares (573,022 at December 31, 2022).

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

	2023			2022		
(number of shares)	Shares issued	Treasury shares	Outstanding shares	Shares issued	Treasury shares	Outstanding shares
Number of shares at the beginning of the period	**84,940,955**	**(573,022)**	**84,367,933**	**84,940,955**	**(356,196)**	**84,584,759**
Capital increase	-	-	-	-	-	-
Capital decrease	-	-	-	-	-	-
Treasury share transactions	-	65,901	65,901	-	(216,826)	(216,826)
Number of shares at the end of the period	**84,940,955**	**(507,121)**	**84,433,834**	**84,940,955**	**(573,022)**	**84,367,933**

At December 31, 2023, Imerys' fully paid up share capital totaled €169,881,910 divided into 84,940,955 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, 2022).

The share capital has not changed and the number of voting rights has not undergone any significant change between December 31, 2023 and February 21, 2024, i.e. the date on which the annual financial statements at December 31, 2023 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)	2023	2022
Pension plans	131.2	131.1
Health insurance	14.8	16.4
Other long-term employee benefits	8.9	8.9
Retirement provision	**154.9**	**156.4**
Termination benefits	5.7	3.8
TOTAL	**160.6**	**160.2**

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 makes 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 income and expenses (note 11) and contributions to under-funded closed plans with mandatory funding requirements, which are recognized in financial income (loss) (note 13). The impact of these contributions is neutralized by decreases in provisions recognized in each of these three levels of profit or loss. Other items of change 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 11) and unwinding of obligations and normative return on assets, which are recognized in financial income (loss)(note 13). 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 13). 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.

The impact of pension reform in France, which was enacted on April 15, 2023, has not had a material effect on the Group's financial statements. It was reported in the Group financial statements as a change in demographic assumption and recognized in other comprehensive income.

Characteristics of defined benefit plans

At December 31, 2023, the Group's defined employee benefit obligations totaled €970.3 million (€945.9 million at December 31, 2022). made up of retirement benefits, post-employment health insurance and other pre-retirement benefits such as long-service 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:

	2023				2022			
(€ millions)	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Pension plans	(605.1)	(184.8)	(156.7)	(946.6)	(585.3)	(198.6)	(136.8)	(920.7)
Post-retirement health insurance	-	(9.0)	(5.8)	(14.8)	-	(9.9)	(6.4)	(16.3)
Other pre-retirement benefits	-	-	(8.9)	(8.9)	-	-	(8.9)	(8.9)
TOTAL	**(605.1)**	**(193.8)**	**(171.4)**	**(970.3)**	**(585.3)**	**(208.5)**	**(152.1)**	**(945.9)**

At December 31, 2023, 15,828 beneficiaries were covered by these obligations (18,199 beneficiaries at December 31, 2022), 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:

	2023				2022			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Headcount								
Active beneficiaries	300	709	6,280	7,289	324	857	7,853	9,034
Deferred beneficiaries	1,256	1,035	411	2,702	1,328	1,068	613	3,009
Retired beneficiaries	3,835	1,515	487	5,837	3,902	1,494	760	6,156
Total	**5,391**	**3,259**	**7,178**	**15,828**	**5,554**	**3,419**	**9,226**	**18,199**
Average age								
Active beneficiaries	57	54	44	45	56	55	44	45
Deferred beneficiaries	58	59	50	57	57	58	50	56
Retired beneficiaries	76	76	75	76	76	73	75	75
Years of service								
Active beneficiaries	32	18	12	13	31	19	13	14

At December 31, 2023 74.6% of the Group's total obligation was accounted for by just two plans (75.5% at December 31, 2022) – 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:

	2023		2022	
	Imerys UK	Imerys USA	Imerys UK	Imerys USA
Obligation by category of beneficiaries *(€ millions)*				
Active beneficiaries	(59.2)	(24.2)	(65.1)	(35.4)
Deferred beneficiaries	(108.9)	(40.3)	(99.8)	(41.5)
Retired beneficiaries	(437.0)	(53.8)	(420.4)	(52.4)
Total	**(605.1)**	**(118.3)**	**(585.3)**	**(129.3)**
Average age				
Active beneficiaries	57	56	56	56
Deferred beneficiaries	58	60	57	58
Retired beneficiaries	76	74	76	73
Eligibility				
Recruitment cut-off date	12/31/2004	3/31/2010	12/31/2004	3/31/2010
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	3/31/2015	12/31/2014	3/31/2010	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 a deterioration in 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, 2023, the value of these investments designated as plan assets amounted to €816.4 million (€805.5 million at December 31, 2022). Imerys also holds reimbursement rights, i.e. investments held directly by the Group, which amounted to €0.2 million at December 31, 2023 (€0.2 million at December 31, 2022). Therefore, the funding ratio of obligations equaled 84.1% at December 31, 2023 (85.2% at December 31, 2022). The total deficit of funded plans and unfunded plans amounted to €153.9 million at December 31, 2023 (€140.3 million at December 31, 2022), as disclosed in the following table:

	2023				2022			
(€ millions)	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Obligations funded by plan assets	(605.1)	(183.5)	(102.8)	(891.4)	(585.3)	(197.1)	(95.4)	(877.8)
Obligations funded by reimbursement rights	-	-	(0.3)	(0.3)	-	-	(0.5)	(0.5)
Plan assets	596.0	139.7	80.7	816.4	600.3	134.3	70.9	805.5
Plan assets ceiling	-	-	(0.1)	(0.1)	-	-	(0.1)	(0.1)
Reimbursement rights	-	-	0.2	0.2	-	-	0.2	0.2
Funded plans surplus (deficit)	**(9.1)**	**(43.8)**	**(22.3)**	**(75.2)**	**15.0**	**(62.8)**	**(24.9)**	**(72.7)**
Unfunded obligations	-	(10.3)	(68.4)	(78.7)	-	(11.4)	(56.2)	(67.6)
Total surplus (deficit)	**(9.1)**	**(54.1)**	**(90.7)**	**(153.9)**	**15.0**	**(74.2)**	**(81.1)**	**(140.3)**

The following table presents the contributions paid to the funds by profit or loss level in 2022 and 2023 as well as an estimate for 2024. Contributions are generally recognized in current operating income. They are recognized in other operating income 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.

(€ millions)	2024 estimate	2023	2022
Contributions in current operating income	(11.1)	(5.0)	(5.5)
Contributions in other operating income and expenses	-	-	-
Contributions in financial income (loss) (closed plans)	(24.7)	(23.0)	(10.2)
Employer contributions	**(35.8)**	**(28.0)**	**(15.7)**

Plan assets are mainly invested in instruments whose market values are listed on an active market:

	2023				2022			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Listed assets	**100.0%**	**100.0%**	**6.2%**	**90.7%**	**100.0%**	**100.0%**	**9.5%**	**91.6%**
Equity	16.2%	40.0%	-	18.7%	7.4%	40.0%	-	12.1%
Debt	76.5%	45.0%	-	63.6%	90.7%	45.0%	0.6%	74.8%
Real estate		-	-	-	0.6%	-	-	0.5%
Money market investments	7.2%	15.0%	6.2%	8.4%	1.3%	15.0%	8.9%	4.3%
Unlisted assets	**-**	**-**	**93.8%**	**9.3%**	**-**	**-**	**90.5%**	**8.4%**
Debt	-	-	-	-	-	-	0.1%	-
Money market investments		-	93.8%	9.3%	-	-	90.4%	8.4%
TOTAL	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

In 2023, the assets held by Imerys to finance employee benefits generated €33.3 million in actual interest earnings (-€325.0 million in 2022), i.e. an actual rate of return, including currency effects, of 4,1% in 2023 (-24.3% in 2022), 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 €36.3 million in 2023 (€21.5 million in 2022), 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 credited to other comprehensive income for -€3.0 million in 2023 (-€346.5 million in 2022).

	2023				2022			
(€ millions)	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Assets at the beginning of the period	**600.3**	**134.3**	**71.0**	**805.6**	**968.5**	**180.9**	**74.6**	**1,224.0**
Change in the scope of consolidation	-	-	(1.8)	(1.8)	-	-	-	0.0
Contributions	10.8	12.2	6.4	29.4	8.6	1.6	6.8	17.0
Payments to beneficiaries	(43.8)	(17.0)	(4.9)	(65.7)	(48.0)	(24.2)	(3.2)	(75.4)
Reclassifications	-	-	6.0	6.0	-	-	-	0.0
Assets held for sale	-	-	-	0.0	-	-	(10.1)	(10.1)
Exchange rate differences	12.3	(4.9)	2.2	9.6	(38.2)	11.8	1.5	(24.9)
Actual return on assets	**16.4**	**15.1**	**1.8**	**33.3**	**(290.6)**	**(35.8)**	**1.4**	**(325.0)**
Normative return (financial income (loss))	28.5	6.1	1.7	36.3	16.9	4.1	0.5	21.5
Adjustment to actual return (equity)	(12.1)	9.0	0.1	(3.0)	(307.5)	(39.9)	0.9	(346.5)
Assets at the end of the period	**596.0**	**139.7**	**80.7**	**816.4**	**600.3**	**134.3**	**71.0**	**805.6**
Actual rate of return	**2.7%**	**11.0%**	**2.4%**	**4.1%**	**(27.5)%**	**(17.5)%**	**1.8%**	**(24.3)%**

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.

	2023				2022			
	UK	US	Rest of the world	Total	UK	US	Rest of the world	Total
Discount rates	4.40%	4.50%	3.08%	4.19%	4.80%	4.76%	3.01%	4.43%
Retail price index	3.10%	-	1.77%	2.81%	3.15%	-	1.22%	2.76%
Salary increase rate	2.95%	-	2.95%	2.87%	2.80%	-	2.82%	2.80%
Changes in medical expense rates	-	-	9.60%	9.60%	-	-	9.11%	9.11%
Duration *(years)*	11	8	10	10	13	8	12	12

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, 2023 (actual 2023). 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	3.9%	4.4%	4.9%
Obligation at the closing date	(637.9)	(605.1)	(575.1)
Net interest in 2024 profit or loss[(1)]	(3.7)	(2.8)	(1.6)
Current service cost in 2024 profit or loss[(2)]	-	-	-
US			
Discount rate	4.0%	4.5%	5.0%
Obligation at the closing date	(201.3)	(193.8)	(186.8)
Net interest in 2024 profit or loss[(1)]	(2.1)	(2.1)	(1.9)
Current service cost in 2024 profit or loss	(0.6)	(0.5)	(0.5)

(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, 2023

(€ millions)	**Obligations**	**Assets**	**Assets (provisions)**
Balance at January 1, 2023	**(945.9)**	**805.6**	**(140.3)**
Plan assets			*15.9*
Reimbursement rights			*0.2*
Provisions			*(156.4)*
Unwinding	(41.1)	-	(41.1)
Current service cost	(13.9)	-	(13.9)
Plan amendments	-	-	0.0
Curtailments	0.7	-	0.7
Settlements	(0.3)	-	(0.3)
Actuarial gains (losses) of other employee benefits	0.3	-	0.3
Normative return on plan assets	-	36.2	36.2
Normative return on reimbursement rights	-	-	0.0
Change recognized in profit or loss			**(18.1)**
Surplus (deficit) of actual return on assets over normative return	-	(3.0)	(3.0)
Actuarial gains (losses) of post-employment benefits on:			
■ changes in demographic assumptions	10.9	-	10.9
■ changes in financial assumptions	(19.3)	-	(19.3)
■ experience adjustments	(15.2)	-	(15.2)
Asset cap	-	(0.1)	(0.1)
Change recognized in equity			**(26.7)**
Recurring payments	70.9	(65.7)	5.2
Settlement payments	-	-	0.0
Employer contributions	-	28.0	28.0
Employee contributions	(1.5)	1.5	0.0
Reclassification in liabilities related to assets held for sale(1)	(2.7)	(1.8)	(4.5)
Other movements	(6.0)	6.0	0.0
Exchange rate differences	(7.2)	9.7	2.5
Balance at December 31, 2023	**(970.3)**	**816.4**	**(153.9)**
Plan assets			*0.8*
Reimbursement rights			*0.2*
Provisions			*(154.9)*

(1) €2.5 million with respect to obligations and €1.8 million with respect to assets from the bauxite production business as well as -€5.2 million with respect to obligations and €0.0 million with respect to assets from the business serving the paper market (note 25).

The "Change recognized in profit or loss" line of the above table can be broken down as follows:

(€ millions)	Assets (provisions)
Current operating income	**(8.9)**
Of which continuing operations	*(8.8)*
Of which discontinued operations	*(0.1)*
Net change in provisions for employee benefits	1.5
Contributions to defined benefit plans	(10.4)
Other operating income and expenses	**0.2**
Net change in provisions for employee benefits	0.2
Financial income (loss)	**(9.7)**
Of which continuing operations	*(9.5)*
Of which discontinued operations	*(0.2)*
Net change in provisions for employee benefit liabilities - Closed plans	18.4
Contributions to defined employee benefit plans - Closed plans	(23.0)
Normative return on assets of defined benefit plans	36.2
Unwinding of defined employee benefit liabilities	(41.3)
Change recognized in profit or loss	**(18.4)**
Of which continuing operations	*(18.1)*
Of which discontinued operations	*(0.3)*

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)
Asset cap	-	(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 assets from the business serving the paper market (note 25).

The "Change recognized in profit or loss" line of the above table can be broken down as follows:

(€ millions)	**Assets (provisions)**
Current operating income	**(11.0)**
Of which continuing operations	*(8.8)*
Of which discontinued operations	*(2.2)*
Net change in provisions for employee benefits	2.7
Contributions to defined benefit plans	(13.7)
Financial income (loss)	**(7.2)**
Of which continuing operations	*(6.4)*
Of which discontinued operations	*(0.8)*
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)**
Of which continuing operations	*(15.2)*
Of which discontinued operations	*(3.0)*

CHANGE RECOGNIZED IN EQUITY

	2023				**2022**			
(€ millions)	**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	**(386.7)**	**212.6**	**2.6**	**(171.6)**	**(767.5)**	**553.5**	**2.6**	**(211.4)**
Change in obligations	(23.6)	-	-	(23.6)	390.7	-	-	390.7
Change in assets	-	(3.0)	(0.1)	(3.1)	-	(346.4)	(0.1)	(346.5)
Change recognized in equity	**(23.6)**	**(3.0)**	**(0.1)**	**(26.7)**	**390.7**	**(346.4)**	**(0.1)**	**44.2**
Outgoing entities	7.4	-	-	7.4	-	-	-	0.0
Exchange rate differences and other movements	14.9	(1.6)	-	13.3	(9.9)	5.5	0.1	(4.4)
Balance at the end of the period	**(388.0)**	**208.0**	**2.5**	**(177.5)**	**(386.7)**	**212.6**	**2.6**	**(171.6)**

23.2 Other provisions

(€ millions)	2023	2022
Product warranties	1.2	0.8
Environmental and dismantling obligations	144.2	112.9
Mine site restoration	135.2	147.7
Legal, social and regulatory risks	189.5	161.7
TOTAL	**470.1**	**423.1**
Other non-current provisions	*426.6*	*388.8*
Other current provisions	*43.5*	*34.3*

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 (€20.8 million at December 31, 2023 and €7.8 million at December 31, 2022), obligations to dismantle plants (€123.4 million at December 31, 2023 and €105.1 million at December 31, 2022) and obligations to restore mine sites that are no longer operational (€135.2 million at December 31, 2023 and €147.7 million at December 31, 2022). 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 13). 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, which generally calls 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 €189.5 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 Group's former 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 legal 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 Federal Court for the District of Delaware (the "*Bankruptcy Court*"), 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 talc claimants (the "Representatives of Claimants"). The Chapter 11 process suspended all ongoing litigation proceedings and enjoined 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"), which was filed on the same day with the *Bankruptcy Court*. The Plan provides that once the necessary approvals have been obtained, the Talc Subsidiaries Involved will come out of the Chapter 11 process and the Group will be released from all existing and future talc-related liabilities arising out of past operations of the Talc Subsidiaries Involved, as such liabilities will be channeled into a dedicated trust to be established (the "*Trust*").

Imerys Talc Italy has been named in a small number of talc related lawsuits in the United States. Upon the grant of the required majority vote on the Plan and requisite corporate approvals, Imerys Talc Italy also intends to file for Chapter 11 protection before the final confirmation of the Plan and join the 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.

Following the approval in January 2021 by the Bankruptcy Court of the disclosure statement filed in conjunction with the Plan, the Plan was then submitted to the vote by the creditors and claimants against the Talc Subsidiaries Involved. In accordance with the Plan, the North American Talc Subsidiaries also sold their assets to Magris Resources, a Canadian investment fund, for USD223.0 million on February 17, 2021.

In April 2021, the Plan was approved at a qualified majority exceeding the 75% required voting threshold under the applicable regulations. However, on October 13, 2021, the Bankruptcy Court issued a ruling that certain ballots cast in favor of the Plan will not be counted and, as a consequence, the approval of the Plan fell just short of the required 75% majority vote.

As a result, the North American Talc Subsidiaries, the Representatives of the Claimants, and other stakeholders in the Chapter 11 process (the "Mediation Parties") have engaged in a mediation approved by the *Bankruptcy Court*, with a successively extended timeline, to reach a revised Plan (the "Revised Plan") that will achieve the required 75% majority approval vote.

The progress in the mediation and negotiation process to agree on a Revised Plan has been delayed by the distraction of the Representatives of the Claimants caused by the chapter 11 petition commenced by a new subsidiary of the Johnson & Johnson group - LTL (now renamed LLT) Management LLC ("LLT") - specifically created for this purpose. This separate and specific chapter 11 case has been highly contested judicially and involved many of the same stakeholders, including claimants, as the Chapter 11 of the North American Talc Subsidiaries. After a first dismissal in January 2023 by the relevant Court of Appeals of the LLT's chapter 11 petition, the new filing in April 2023 by LLT for the chapter 11 protection before the same bankruptcy court for the District of New Jersey was again dismissed in August 2023.

The mediation and negotiations between the Mediation Parties have finally succeeded in an agreement on a revised Plan, together with all supporting documents required for its implementation, which were filed before the *Bankruptcy Court* on January 31, 2024. The Revised Plan includes without any change the terms and conditions of the settlement with the Group as embedded in the Plan announced in May 2020. The key amendments to the Plan as now reflected in the Revised Plan, relate to (i) the structure and governance of the Trust applicable to the receipt and management of the financial proceeds from the various financial contributors to the Revised Plan, (ii) the allocation rules of the *Trust* assets among talc claimants alleging different injuries, including the actual or potential North American Talc Subsidiaries' rights to insurance coverage and contractual indemnity, current and future potential settlement proceeds with third parties; and (iii) the detailed procedures applicable to the approval of the Revised Plan, reflecting in particular its alignment with the concurring chapter 11 process initiated in April 2021 by one of the previous owners of certain talc assets of North American Talc Subsidiaries (i.e the former North American mining group "Cyprus Mines") which is contributing to the Revised Plan.

The proposed Revised Plan is currently under review by the *Bankruptcy Court* for the approval of a new solicitation by the Talc Subsidiaries Involved of claimants' votes on the Revised Plan. 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 another competent Federal Court.

Under the terms and conditions of the settlement with the Group as embedded in the Plan and restated in the Revised Plan, the Group's contribution consists of (i) a minimum cash payment of USD75.0 million, (ii) the proceeds from the sale of the assets of the North American Talc Subsidiaries at a price of USD223.0 million, and (iii) certain other components further outlined in the Revised Plan. These commitments primarily include certain insurance assets, financing of minor unsecured trade claims (USD5.0 million) and certain excess administrative costs of the Chapter 11 process incurred by the Talc Subsidiaries Involved up to a maximum of USD15.0 million.

On the basis of the Revised Plan and the current state of the Chapter 11 process, at the date the Group's 2023 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 forecast financial impact for the Group. A provision of €250.0 million was initially accrued in Imerys' 2018 consolidated financial accounts, bearing in mind that the North American Talc Subsidiaries have been deconsolidated since February 13, 2019. At December 31, 2023, the provision recognized in the Imerys financial statements, which amounted to USD 114.8 million, i.e. €103.9 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)	2024-2028	2029-2038	2039 and beyond	Total
Product warranties	1.2	-	-	1.2
Environmental and dismantling obligations	40.2	52.0	52.0	144.2
Mine site restoration	30.8	47.4	57.0	135.2
Legal, social and regulatory risks	189.5	-	-	189.5
Other provisions	**261.7**	**99.4**	**109.0**	**470.1**

Discount rates. Discount rates integrate the time value of money (iBoxx AA Corporate Bonds) and monetary inflation at the date of future payments. The following assumptions are applied to the major monetary zones:

	2023			2022		
	EUR	**GBP**	**USD**	**EUR**	**GBP**	**USD**
Time value of money - environment and dismantling	3.0%	4.4%	4.7%	3.3%	4.8%	5.0%
Time value of money - mine site restoration	3.0%	4.4%	4.7%	3.3%	4.8%	5.0%
Inflation	2.2%	3.6%	2.3%	2.5%	4.0%	2.5%

TABLE OF CHANGES

(€ millions)	Product warranties	Environmental and dismantling obligations	Mine site restoration	Legal, social and regulatory risks	Total
Balance at January 1, 2022	**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(1)	(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**
Change in the scope of consolidation	-	-	2.4	-	2.4
Increase	1.1	12.9	4.5	48.3	66.8
Utilizations	(0.4)	(3.5)	(9.5)	(16.9)	(30.3)
Unused reversals	(0.4)	(1.6)	-	(10.4)	(12.4)
Financial unwinding	-	1.5	1.5	-	3.0
Reclassification and other	0.1	-	(0.1)	(0.6)	(0.6)
Reclassification to/from liabilities related to assets held for sale(2)	-	20.4	(8.9)	10.1	21.6
Exchange rate differences	-	1.6	(2.4)	(2.7)	(3.5)
BALANCE AT DECEMBER 31, 2023	**1.2**	**144.2**	**135.2**	**189.5**	**470.1**

(1) Of which -€8.8 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).

(2) Of which -€15.4 million with respect to the bauxite production business and +€37.0 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 12. 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 interest 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, 2023

	Non-hedge accounting			Hedge accounting				
	IFRS 9 categories			Cash flow hedge		Net investment hedge		
(€ millions)	**Amortized cost**	**Fair value through profit or loss**	**Non IFRS 9**	**Hedged item**	**Hedge**	**Hedged item**	**Hedge**	**Total**
Non-current liabilities								
Borrowings and financial debt	1,691.3	-	-	-	-	-	-	1,691.3
Lease liabilities	119.2	-	-	-	-	-	-	119.2
Other debts	3.1	-	15.3	-	-	-	-	18.4
Derivative financial liabilities	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3
Transactional currency risk	-	-	-	-	*0.3*	-	-	*0.3*
Current liabilities								
Trade payables	377.9	-	-	-	-	-	-	377.9
Other debts	157.6	-	207.0	-	-	-	-	364.6
Derivative financial liabilities	0.0	2.6	0.0	0.0	28.0	0.0	1.5	32.1
Conversion of financial statements risk	-	-	-	-	-	-	*1.5*	*1.5*
Transactional currency risk	-	*2.6*	-	-	*0.5*	-	-	*3.1*
Energy price risk	-	-	-	-	*27.5*	-	-	*27.5*
Borrowings and financial debt	520.2	-	-	-	-	-	-	520.2
Lease liabilities	41.3	-	-	-	-	-	-	41.3
Bank overdrafts	5.3	-	-	-	-	-	-	5.3
TOTAL	**2,915.9**	**2.6**	**222.3**	**0.0**	**28.3**	**0.0**	**1.5**	**3,170.6**
of which operational derivatives	-	-	-	-	*28.3*	-	-	*28.3*
of which financial derivatives	-	*2.6*	-	-	-	-	*1.5*	*4.1*

The fair value of fixed rate bonds included in "Borrowings and financial debt" is €98.1 million lower than their carrying amount:

Nominal amount *(in millions)*		Maturity	Listing	Interest rate Nominal	Interest rate Effective	Carrying amount	Fair value	Difference
500	EUR	12/10/24	Listed	2.00%	2.13%	500.1	492.6	(7.5)
600	EUR	01/15/27	Listed	1.50%	1.63%	606.5	577.6	(28.9)
300	EUR	03/31/28	Listed	1.88%	1.92%	303.8	284.2	(19.6)
500	EUR	11/29/29	Listed	4.75%	4.82%	500.4	516.0	15.6
300	EUR	07/15/31	Listed	1.00%	1.07%	300.0	242.3	(57.7)
TOTAL AT DECEMBER 31, 2023 *(€ millions)*						**2,210.8**	**2,112.7**	**(98.1)**

At December 31, 2022

	Non-hedge accounting			Hedge accounting				
	IFRS 9 categories			Cash flow hedge		Net investment hedge		
(€ millions)	Amortized cost	Fair value through profit or loss	Non IFRS 9	Hedged item	Hedge	Hedged item	Hedge	Total
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	0.0	1.2	0.0	0.0	27.2	0.0	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	**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*

The fair value of fixed rate bonds included in "Borrowings and financial debt" is €192.4 million lower than their carrying amount:

Nominal amount *(in millions)*		Maturity	Listing	Interest rate Nominal	Interest rate Effective	Carrying amount	Fair value	Difference
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 *(€ millions)*						**1,705.3**	**1,512.9**	**(192.4)**

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 2023, "Cash flow from financing activities" represented a net cash outflow of €930.8 million, including €660.0 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 €52.1 million), the acquisition of investment securities (representing an outflow of €670,0 million) and the repayment of short-term negotiable securities or NEU CP (representing an outflow of €433.0 million).

			Non-cash changes						
(€ millions)	01/01/2023	Cash changes	Change in the scope of consolidation	Change in lease liabilities against rights of use	Accrued interest	Fair value	Reclassi-fication[(1)]	Exchange rate differences	12/31/23
Non-current assets	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**(0.2)**	**0.0**	**(0.2)**
Derivative financial assets	-	-	-	-	-	-	(0.2)	-	(0.2)
Current assets	**(31.0)**	**(670.0)**	**0.0**	**0.0**	**(1.6)**	**12.0**	**2.2**	**0.0**	**(688.4)**
Derivative financial assets	(27.0)	-	-	-	-	12.0	0.2	-	(14.8)
Other financial assets	(4.0)	(670.0)	-	-	(1.6)	-	2.0	-	(673.6)
Non-current liabilities	**1,796.7**	**496.5**	**0.6**	**57.9**	**2.4**	**0.0**	**(540.0)**	**(3.3)**	**1,810.8**
Borrowings and financial debt	1,792.6	496.5	0.6	57.9	2.4	-	(536.2)	(3.3)	1,810.5
Derivative financial liabilities	4.1	-	-	-	-	-	(3.8)	-	0.3
Current liabilities	**523.8**	**(486.5)**	**4.1**	**0.0**	**5.1**	**(3.1)**	**551.6**	**(1.4)**	**593.6**
Derivative financial liabilities	29.0	-	-	-	-	(0.7)	3.8	-	32.1
Borrowings and financial debt	494.8	(486.5)	4.1	-	5.1	(2.4)	547.8	(1.4)	561.5
TOTAL	**2,289.5**	**(660.0)**	**4.7**	**57.9**	**5.9**	**8.9**	**13.6**	**(4.7)**	**1,715.8**
Loans issued	-	*496.5*	-	-	-	-	-	-	-
Repayments of borrowings	-	*(0.0)*	-	-	-	-	-	-	-
Payments of lease liabilities	-	*(52.1)*	-	-	-	-	-	-	-
Other cash inflows (outflows)	-	*(1,104.4)*	-	-	-	-	-	-	-

(1) Including reclassification to/from assets held for sale

In 2022, "Cash flow from financing activities" represented a net cash inflow of €102.6 million, including an outflow of €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 €333.0 million).

			Non-cash changes						
(€ millions)	**01/01/22**	**Cash changes**	**Change in the scope of consolidation**	**Change in lease liabilities against rights of use**	**Accrued interest**	**Fair value**	**Reclassi-fication[1]**	**Exchange rate differences**	**12/31/22**
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

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 - Derivative instruments 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 €4.5 million at December 31, 2023 (€11.8 million at December 31, 2022) not available for Imerys S.A. and its subsidiaries. Of this total amount, €3.6 million (€11.4 million at December 31, 2022) is not available due to legal restriction on foreign exchange controls and €0.9 million (€0.4 million at December 31, 2022) due to statutory requirements. At December 31, 2023, cash equivalents were composed of €319.5 million in short-term deposits and similar investments (€27.1 million at December 31, 2022). Other financial assets were composed mainly of €671.9 million in investment securities (€2.0 million at December 31, 2022).

(€ millions)	Notes	2023	2022
Borrowings and financial debt – non-current		1,691.3	1,694.5
Lease liabilities – non-current		119.2	98.1
Borrowings and financial debt – current		520.2	452.7
Lease liabilities – current		41.3	42.1
Financing hedge instruments – liabilities	24.1	4.1	1.7
Financing hedge instruments – assets	21.1	(4.4)	(4.4)
Gross financial debt		**2,371.7**	**2,284.7**
Cash and cash equivalents, net of bank overdrafts		(579.7)	(616.5)
Other financial assets		(673.6)	(2.0)
NET FINANCIAL DEBT		**1,118.4**	**1,666.2**

(€ millions)	2023	2022
Net financial debt at the beginning of the period	**(1,666.2)**	**(1,451.1)**
Change in net financial debt excl. exchange rate effects	520.7	(73.9)
Reclassification to/from liabilities related to assets held for sale(1)	35.3	(122.1)
Exchange rate effect	(8.2)	(19.1)
Change in net financial debt	**547.8**	**(215.1)**
NET FINANCIAL DEBT AT THE END OF THE PERIOD	**(1,118.4)**	**(1,666.2)**

(1) At December 31, 2023, the business serving the paper market for +€38.2 million and the bauxite production business for -€2.9 million and at December 31, 2022, 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 with respect to the US hydrous kaolin business (note 25).

24.3 Other debts

(€ millions)	2023	2022
Non-current liabilities		
Income tax payable	0.5	0.2
Debt on assets	0.4	2.2
Tax debt	0.2	0.5
Social security debt	10.8	12.5
Other	6.5	4.6
TOTAL	**18.4**	**20.0**
Current liabilities		
Debt on assets	108.7	90.7
Tax debt	41.0	28.5
Social security debt	160.8	167.9
Contract liabilities	5.2	1.6
Other	48.9	55.6
TOTAL	**364.6**	**344.3**

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 €11.5 million of goods and services to be transferred at December 31, 2023 (€8.4 million at December 31, 2022), €6.3 million of trade payables had been received (€6.8 million at December 31, 2022) and €5.2 million was still outstanding (€1.6 million at December 31, 2022).

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 interest 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* or CVA). When the market value of a derivative is negative (derivative liability), its fair value includes the probability of Imerys defaulting (*Debit Value Adjustment* or 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 a fair value hedge, a cash flow hedge or a hedge of a net investment in foreign operations (notes 12, 13 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 12).

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 12). 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 12). 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. Derivative instruments 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, 2023, 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 assets and liabilities by €5.8 million at December 31, 2023 (€8.5 million at December 31, 2022).

Equity. As part of its strategy to manage foreign exchange, interest rate and energy price risks, Imerys holds derivative instruments 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 12. 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, 2022	**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)*
Effective portion of hedges	(1.6)	-	(57.7)	(59.3)
Recognition in equity	**(1.6)**	**0.0**	**(57.7)**	**(59.3)**
Continuing hedges	*(0.9)*	-	*53.3*	*52.4*
Reclassification in profit or loss	**(0.9)**	**0.0**	**53.3**	**52.4**
Balance at December 31, 2023	**7.4**	**0.0**	**(24.9)**	**(17.5)**
Continuing hedges	*7.4*	-	*(24.9)*	*(17.5)*

6

24.5 Managing risk arising from financial assets

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 derivatives at December 31, 2023. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2023 foreign exchange rates (note 26) (actual 2023).

(€ millions)	Lower case	Actual 2023	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Net financial debt	1,131.5	1,118.4	1,105.0

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 currency forwards, swaps or options. These instruments are used to hedge highly probable forecast transactions and are considered cash flow hedges. At December 31, 2023 Imerys held €223.0 million in transactional currency hedges at nominal value (€358.0 million at December 31, 2022). 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)	2023	2022
Balance at the beginning of the period	**9.9**	**1.3**
Recognition in equity	(1.6)	8.6
Reclassification in profit or loss	(0.9)	-
Balance at the end of the period	**7.4**	**9.9**
of which reclassification in profit or loss expected within 12 months	*7.4*	*9.9*

The following table presents the impact of a change in foreign exchange rates on the portfolio of derivative instruments held at December 31, 2023 with respect to highly probable future purchases and sales in foreign currencies. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2023 foreign exchange rates (note 26) (actual 2023). 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 derivative instruments is measured in profit or loss.

(€ millions)	Lower case	Actual 2023	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Effective portion in equity at the closing date	7.7	7.4	7.7
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 rates trends anticipated in 2023, 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, 2023. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2023 interest rates (actual 2023).

(€ millions)	Lower case	Actual 2023	Higher case
Interest rate	(0.5)%	-	0.5%
Net financial debt expense	(30.5)	(24.3)	(18.0)

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, 2023, Imerys did not hold any interest rate risk hedges. The nominal value at December 31, 2023 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)	2023	2022
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, 2023.

(€ millions)	EUR	USD	JPY	Other foreign currencies	Total
Debt at fixed rate	**2,298.6**	**27.2**	**2.1**	**43.8**	**2,371.7**
Debt at fixed rate on issue	2,298.6	27.2	2.1	43.8	2,371.7
Fixed-for-floating swap	-	-	-	-	0.0
Debt at floating rate	**(1,395.2)**	**227.3**	**5.3**	**(90.7)**	**(1,253.3)**
Debt at floating rate on issue	-	-	-	-	0.0
Net cash and investment securities	(1,047.9)	(37.5)	(11.7)	(156.2)	(1,253.3)
Fixed-for-floating swap	-	-	-	-	0.0
Exchange rate swap	(347.3)	264.8	17.0	65.5	0.0
Net financial debt at December 31, 2023	**903.4**	**254.5**	**7.4**	**(46.9)**	**1,118.4**

The following table presents a breakdown of interest rate hedging transactions by foreign currency at December 31, 2023.

(€ millions)	EUR	USD	JPY	Other foreign currencies	Total
Exposure at floating rate before hedging	**(1,395.2)**	**227.3**	**5.3**	**(90.7)**	**(1,253.3)**
Fixed rate hedges	-	-	-	-	0.0
Swap at average rate of	-	-	-	-	0.0
Capped rate hedges	-	-	-	-	0.0
Cap at average rate of	-	-	-	-	0.0
Exposure at floating rate after hedging	**(1,395.2)**	**227.3**	**5.3**	**(90.7)**	**(1,253.3)**

The following table presents the changes in interest rate hedging transactions at December 31, 2023 and beyond maturity.

(€ millions)	2023	2024-2028	2029 and beyond
Total exposure before hedging	**(1,253.3)**	**(1,253.3)**	**(1,253.3)**
Fixed rate hedges	-	-	-
Swap at average rate of	-	-	-
Capped rate hedges	-	-	-
Cap at average rate of	-	-	-
Total exposure after hedging	**(1,253.3)**	**(1,253.3)**	**(1,253.3)**

The following table presents the impact of a change in interest rates on net financial debt, after taking into account these interest rate derivative instruments at December 31, 2023. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2023 interest rates (actual 2023). 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 derivative instruments is measured in profit or loss.

(€ millions)	Lower case	Actual 2023	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 and electricity 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, 2023 Imerys held €105.2 million in energy price risk hedges at nominal value (€98.3 million at December 31, 2022). 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)	2023	2022
Balance at the beginning of the period	**(20.5)**	**57.8**
Recognition in equity	(57.7)	22.0
Reclassification in profit or loss	53.3	(100.3)
Balance at the end of the period	**(24.9)**	**(20.5)**
of which reclassification in profit or loss expected within 12 months	*(24.9)*	*(20.5)*

The following table summarizes the main energy price risk hedge positions at December 31, 2023.

	Net notional amounts *(in MWh)*	**Maturity**
Underlying position	6,300,272	<24 months
Management transactions	1,776,927	<24 months

The following table presents the impact of a change in natural gas, electricity and Brent prices on the portfolio of derivative instruments held at December 31, 2023 with respect to highly probable future purchases of natural gas, electricity and Brent crude. The analysis involves simulating both a decrease (lower case) and an increase (higher case) in 2023 natural gas, electricity and Brent prices (actual 2023). 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 derivative instruments is measured in profit or loss.

(€ millions)	Lower case	Actual 2023	Higher case
Natural gas, electricity and Brent prices	(10.0)%	-	10.0%
Effective portion in equity at the closing date	(27.5)	(24.9)	(22.3)
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, 2023. 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 €181.0 million. If all extension options were exercised, future cash outflows for lease liabilities would total €240.5 million.

	2024		2025-2029		2030 and beyond		
(€ millions)	Share capital	Stake	Share capital	Stake	Share capital	Stake	Total
Non-derivative financial liabilities	**543.5**	**55.8**	**1,492.7**	**192.7**	**348.6**	**22.4**	**2,655.7**
Eurobond/EMTN/Sustainability-Linked Bonds	500.0	51.4	1,400.0	183.3	300.0	6.0	2,440.7
Private placements	-	-	-	-	-	-	0.0
Short-term negotiable debt securities issued	-	-	-	-	-	-	0.0
Bilateral facilities	-	-	-	-	-	-	0.0
Other facilities	(5.7)	-	-	-	-	-	(5.7)
Lease liabilities	49.2	4.4	92.7	9.4	48.6	16.4	220.7
Hedge derivatives	**(0.4)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**(0.4)**
Financing hedge instruments – liabilities	4.1	-	-	-	-	-	4.1
Financing hedge instruments – assets	(4.5)	-	-	-	-	-	(4.5)
Future cash outflows with respect to gross financial debt	**543.1**	**55.8**	**1,492.7**	**192.7**	**348.6**	**22.4**	**2,655.3**
Non-derivative financial liabilities	**5.3**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**5.3**
Bank overdrafts	5.3	-	-	-	-	-	5.3
Non-derivative financial assets	**(1,258.6)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**(1,258.6)**
Other current financial assets	(673.6)	-	-	-	-	-	(673.6)
Cash and cash equivalents	(585.0)	-	-	-	-	-	(585.0)
Future cash outflows with respect to net financial debt	**(710.2)**	**55.8**	**1,492.7**	**192.7**	**348.6**	**22.4**	**1,402.0**
of which items recognized at December 31, 2023 (net financial debt)	(710.2)	(12.7)	1,492.7	-	348.6	-	1,118.4
Non-derivative financial liabilities	**760.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**760.9**
Trade payables	377.9	-	-	-	-	-	377.9
Other debts	383.0	-	-	-	-	-	383.0
Hedge derivatives	**17.9**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**17.9**
Operational hedge instruments – liabilities	28.3	-	-	-	-	-	28.3
Operational hedge instruments – assets	(10.4)	-	-	-	-	-	(10.4)
FUTURE CASH OUTFLOWS	**68.6**	**55.8**	**1,492.7**	**192.7**	**348.6**	**22.4**	**2,180.8**

The maturity of the net financial debt after interest rate swaps is as follows:

(€ millions)	2024	2025-2029	2030 and beyond	Total
Debt at fixed rate	**552.5**	**1,519.2**	**300.0**	**2,371.7**
Debt at fixed rate on issue	552.5	1,519.2	300.0	2,371.7
Fixed-for-floating swap	-	-	-	0.0
Debt at floating rate	**(1,253.3)**	**0.0**	**0.0**	**(1,253.3)**
Debt at floating rate on issue	-	-	-	0.0
Net cash and other current financial assets	(1,253.3)	-	-	(1,253.3)
Fixed-for-floating swap	-	-	-	0.0
NET FINANCIAL DEBT	**(700.8)**	**1,519.2**	**300.0**	**1,118.4**

Risk management. Imerys is required to maintain a covenant for a portion of its financing 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, 2023, the ratio worked out at 0.30 (0.45 at December 31, 2022).
- 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, 2023, Imerys had a long-term rating of *Baa3, stable outlook* (*Baa3, stable outlook* at December 31, 2022) from Moody's and *BBB-, stable outlook* (*BBB-, stable outlook* at December 31, 2022) from S&P.

On June 27, 2023, 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, 2023, outstanding securities amounted to €1,400.0 million (€1,400.0 million at December 31, 2022).

Imerys also has a short-term negotiable debt securities program (NEU CP) capped at €1,000.0 million (€1,000.0 million at December 31, 2022) rated P-3 by Moody's (P-3 at December 31, 2022). At December 31, 2023, outstanding short-term negotiable securities amounted to €0.0 million (€433.0 million at December 31, 2022).

In 2022 Imerys introduced a medium-term negotiable debt securities program (NEU MTN) with the Banque de France capped at €300.0 million (€300.0 million at December 31, 2022) rated. No securities were issued in 2023 or 2022. At December 31, 2023, Imerys had access to €1,010.0 million in bilateral facilities (€1,010.0 million at December 31, 2022), a portion of which secures the short-term negotiable securities issued, in accordance with the Group's financial policy.

Moreover, Imerys, having in 2023 further underscored its commitment in its sustainable development policy by tying its financing strategy to its sustainability ambition, on November 29, 2023, the Group completed an issue of bonds indexed to a sustainable development objective *(Sustainability-Linked Bonds)* for a principal amount of €500.0 million. These bonds, due to mature on November 29, 2029, bear an annual coupon of 4.75% 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 Markets Association (ICMA), these instruments, through their framework, are indexed to a target to reduce greenhouse gas emissions by 32.7% by 2028 (tCO2e) from a 2021 base year.

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, 2028 could lead to the payment of penalties corresponding to 75 basis points of the principal amount for the 2028 target.

On May 14, 2021, the Group also 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 Markets 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 base year, as approved by the *Science Based Target initiative* (SBTi).

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, 2023, Imerys had reduced the metric tons of CO2 emitted per million euros of revenue by 30.6% compared with 2018 levels (29.6% since 2018 at December 31, 2022). For more information on the minor adjustments to the 2022 historical data, see chapter 3, section 3.2.2.4. of the Universal Registration Document.

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 interest, 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 Group's financial resources amounted to €3,210.0 million at December 31, 2023 (€2,710.0 million at December 31, 2022). 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:

	2023	2022
Financial resources by maturity *(€ millions)*		
Maturity within Y+1	550.0	100.0
Maturity between Y+2 and Y+6	2,360.0	2,310.0
Maturity between Y+7 and +	300.0	300.0
Total	**3,210.0**	**2,710.0**
Financial resources by nature *(€ millions)*		
Bond resources	**2,200.0**	**1,700.0**
Eurobond/EMTN	2,200.0	1,700.0
Private placements	-	-
Bank resources	**1,010.0**	**1,010.0**
Miscellaneous bilateral facilities	1,010.0	1,010.0
Total	**3,210.0**	**2,710.0**
Average maturity of financial resources *(in years)*		
Bond resources	4.0	4.4
Bank resources	3.3	2.5
TOTAL	**3.8**	**3.7**

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, 2023, available financial resources after repayment of uncommitted resources corresponded to €838.4 million (€425.2 million at December 31, 2022), which gives the Group substantial room for maneuver, guarantees financial stability and helps to mitigate any going concern risk.

	2023			2022		
(€ millions)	Resources	Utilization	Available	Resources	Utilization	Available
Bonds	2,200.0	2,200.0	0.0	1,700.0	1,700.0	0.0
Short-term negotiable securities	-	-	0.0	-	433.0	(433.0)
Committed bank facilities	1,010.0	0.0	1,010.0	1,010.0	-	1,010.0
Bank facilities and accrued interest	-	16.9	(16.9)	-	12.8	(12.8)
Other debts and facilities	-	154.7	(154.7)	-	139.0	(139.0)
TOTAL	**3,210.0**	**2,371.6**	**838.4**	**2,710.0**	**2,284.8**	**425.2**

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 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, 2023, the borrowings and exchange rate swaps taken out to hedge net investments in foreign entities included: USD352.1 million, CHF61.2 million, GBP71.0 million and SGD325.0 million (USD378.3 million, CHF47.5 million, GBP53.8 million and SGD25.5 million at December 31, 2022).

The following table presents financial debt before and after the impact of these foreign currency swaps.

	2023			2022		
(€ millions)	Before currency swap	Exchange rate swap	After currency swap	Before currency swap	Exchange rate swap	After currency swap
EUR	2,298.6	(347.3)	1,951.3	2,244.6	(464.0)	1,780.6
USD	27.2	264.8	292.0	14.5	349.0	363.5
JPY	2.1	17.0	19.1	0.7	1.4	2.1
Other foreign currencies	43.8	65.5	109.3	24.9	113.6	138.5
TOTAL	**2,371.7**	**0.0**	**2,371.7**	**2,284.7**	**0.0**	**2,284.7**

At December 31, 2023, the portion of financial debt in each foreign currency, after swaps, was as follows:

(€ millions)	EUR	USD	JPY	Other foreign currencies	Total
Gross financial debt	1,951.3	292.0	19.1	109.3	2,371.7
Net cash and investment securities	(1,047.9)	(37.5)	(11.7)	(156.2)	(1,253.3)
NET FINANCIAL DEBT AT DECEMBER 31, 2023	**903.4**	**254.5**	**7.4**	**(46.9)**	**1,118.4**

The following table presents the impact of a change in foreign exchange rates on the portfolio of foreign exchange swaps held at December 31, 2023 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 2023 foreign exchange rates (note 26) (actual 2023). 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.

(€ millions)	Lower case	Actual 2023	Higher case
Foreign exchange rates	(10.0)%	-	10.0%
Effective portion in equity at the closing date	(291.2)	(214.7)	(152.1)
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 main line of business 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 in the 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 consolidation scope and planned disposals

Business serving the paper market (PM Americas and PM EMEA & APAC segments). In September 2022, Imerys received a proposal from Syntagma Capital to purchase a group of mining and industrial assets serving the paper market in the US, Europe and Asia. The assets involved in this transaction, as well as their related liabilities, were classified as assets and liabilities held for sale as of this date and amortization and depreciation ceased to be recognized.

At December 31, 2022, a €108.0 million impairment loss was recognized in respect of the €110.0 million share of goodwill from the Performance Minerals business allocated to this business.

During the second half of 2023, as the disposal to Syntagma Capital was no longer highly likely, the assets involved in the transaction and their related liabilities ceased to be presented as assets and liabilities held for sale. Of the depreciation and amortization not recognized for 2022, €9.7 million was recognized in 2023 in "Other operating income and expenses".

Imerys subsequently received expressions of interest from other players to take over these activities. In this context, and also reflecting current market conditions, impairment totaling €175.0 million was recognized (note 11).

At December 31, 2023, the translation reserve associated with these assets, which totaled a maximum of -€300.0 million, would be reclassified in profit or loss in the event of disposal.

Assets and liabilities held for sale in the business serving the paper market

(€ 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	**135.5**

Bauxite production business (RAC segment). Imerys has entered into exclusive negotiations with the Mytilineos Group to divest its bauxite production business in Greece, with an agreement signed on September 4, 2023, for an enterprise value of €10.0 million. The assets involved in this transaction, as well as their related liabilities, have been classified as assets and liabilities held for sale. Depreciation has ceased to be recognized as of this date and impairment totaling €19.9 million has been recognized at December 31, 2023 (note 11).

Assets and liabilities held for sale in the bauxite production business

(€ millions)	**2023**
Non-current assets	23.4
Current assets	15.1
Assets held for sale	**38.5**
Non-current liabilities	16.1
Current liabilities	9.9
Liabilities related to assets held for sale	**26.0**

High Temperature Materials & Solutions (HTMS). On July 28, 2022, Imerys' Executive Management designated almost all of its High Temperature Solutions line of business as a discontinued operation. Amortization and depreciation were no longer recognized after this date. In the financial statements at December 31, 2023, as was the case for the financial statements at December 31, 2022, the contribution of discontinued operations to earnings and cash flow were presented separately in the income statement and the consolidated statement of cash flows for the current and previous fiscal years presented. On January 31, 2023, the business was sold to US investment fund Platinum Equity. Proceeds of the disposal received in cash amounted to €702.8 million (including €0.3 million for the non-transferred entities), composed of a disposal price of shares in the entities sold of €645.1 million and €57.3 million in debt refinancing. The carrying amount of the asset sold was €455.1 million. Translation differences reclassified in profit or loss as part of this transaction stood at -€137.1 million. The Group made a gain on the disposal of €52.5 million.

Consolidated income statement for the high temperature solutions business

(€ millions)	**2023**	**2022**
Revenue	73.2	981.0
Current operating income	8.2	135.8
Operating income	40.1	118.7
Financial income (loss)	1.8	(2.5)
Income taxes	3.0	(38.7)
Gain (loss) on the net monetary position	-	(0.2)
Net income from discontinued operations	**44.9**	**77.3**

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 the discontinued operations were allocated between both scopes based on agreements entered into as part of the transaction. In 2023, the gain on disposal is also included in the operating income.
- **Financial income (loss).** Financial income (loss) includes interest on current accounts as set out in the existing agreements between the discontinued scope and the continuing scope.
- **Income taxes.** The impacts of income taxes were allocated between the discontinued scope and the continuing 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 continuing scope had the following impact by level of profit or loss:

	2023		2022	
(€ millions)	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
Operating income	(27.3)	27.3	118.5	(118.5)
Financial income (loss)	0.0	(0.0)	4.3	(4.3)
Income taxes	(5.9)	5.9	3.8	(3.8)
Net income	**(33.2)**	**33.2**	**126.6**	**(126.6)**

Consolidated statement of financial position for the high temperature solutions business

(€ millions)	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 for the high temperature solutions business

(€ millions)	2023	2022
Net cash flows from (used in) operating activities	11.9	17.1
Cash flow from investing activities	(60.7)	23.9
Cash flow from financing activities	(58.6)	(35.1)
Change in cash and cash equivalents of discontinued operations	**(107.4)**	**5.9**

Acquisitions

On June 29, 2023, Imerys and British Lithium created the joint venture Imerys British Lithium ("IBL"), with the aim of becoming the first integrated producer of battery-grade lithium carbonate in the United Kingdom. Imerys contributed its lithium mineral resources, its land and infrastructure in return for an 80% stake in RBL, while British Lithium contributed its bespoke lithium processing technology, its teams and pilot plant in return for the remaining 20%. RBL's opening balance sheet was included in the Group's financial statements at June 30, 2023. Allocation of the purchase price is currently in progress and will be finalized within the 12 months following the acquisition date.

2023 Scope of consolidation

The following table presents the main consolidated entities in 2023. 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					
Imerys Aluminates (SAS)	RAC	100.00	Imerys PCC France (SAS U)	PM EMEA & APAC	100.00
Imerys Beyrède (SAS U)	RAC	100.00	Imerys (SA)	Holding	Parent
Imerys Ceramics France (SAS)	PM EMEA & APAC	99.99	Imerys Services (SAS U)	Holding	100.00
Imerys Clérac (SAS U)	RAC	100.00	Imerys Tableware France (SAS)	PM EMEA & APAC	100.00
Imerys Filtration France (SAS U)	PM EMEA & APAC	100.00	Imerys Talc Luzenac France (SAS U)	PM EMEA & APAC	100.00
Imerys Glomel (SAS)	RAC	100.00	Mircal (SAS U)	Holding	100.00
Imerys Minéraux France (SAS U)	PM EMEA & APAC	100.00	The Quartz Company[(2)]	Other	50.00
Europe					
Austria					
Imerys Talc Austria GmbH	PM EMEA & APAC	100.00	Imerys Villach GmbH	RAC	100.00
Belgium					
Artemyn Belgium Srl	PM EMEA & APAC	100.00	Imerys Minéraux Belgique SA	PM EMEA & APAC	100.00
Imerys Graphite & Carbon Belgium SA	IG&C	100.00	Imerys Talc Belgium (NV)	PM EMEA & APAC	100.00
Bulgaria					
Imerys Minerals Bulgaria AD	PM EMEA & APAC	99.73			
Denmark					
Imerys Industrial Minerals Denmark A/S	PM EMEA & APAC	100.00			
Finland					
Imerys Minerals OY	PM EMEA & APAC	100.00			
Germany					
Imerys Laufenburg GmbH	RAC	100.00	Imerys Tableware Deutschland GmbH	PM EMEA & APAC	100.00
Imerys Minerals GmbH	PM EMEA & APAC	99.99[(1)]	Imerys Zschornewitz GmbH	RAC	100.00
Imerys Murg GmbH	RAC	100.00			
Greece					
Imerys Bauxites Greece Single Member SA	RAC	100.00	Imerys Industrial Minerals Greece Single Member SA	PM EMEA & APAC	100.00
Hungary					
Imerys Kiln Furniture Hungary KFT	PM EMEA & APAC	100.00			
Italy					
Imerys Ceramics Italy Srl	PM EMEA & APAC	100.00	Imerys Minerali SpA	PM EMEA & APAC	100.00
Imerys Domodossola SpA	RAC	100.00	Imerys Talc Italy SpA	PM EMEA & APAC	99.66
Luxembourg					
Imerys Minerals International Sales (SA)	PM EMEA & APAC	100.00			
Slovenia					
Imerys Ruse doo	RAC	100.00			
Spain					
Imerys Diatomita Alicante SA	PM EMEA & APAC	100.00	Imerys Perlita Barcelona SA	PM EMEA & APAC	100.00
Sweden					
Imerys Mineral AB	PM EMEA & APAC	100.00			
Switzerland					
Imerys Graphite & Carbon Switzerland SA	IG&C	100.00			
UK					
Imerys Aluminates Ltd	RAC	100.00	Imerys Minerals Ltd	PM EMEA & APAC	100.00
Imerys British Lithium Ltd	Other	100.00	Imerys PCC UK Ltd	PM EMEA & APAC	100.00

(1) Percentage of direct control: 100.00%
(2) Accounted for using the equity method

Country Entity	Segment	% interest	Entity	Segment	% interest
US					
Americarb Inc	PM Americas	100.00	Imerys Norfolk Inc	RAC	100.00
Imerys Carbonates USA Inc	PM Americas	100.00	Imerys Perlite USA Inc	PM Americas	100.00
Imerys Clays Inc	PM Americas/ Holding	100.00	Imerys Refractory Minerals USA Inc	RAC	100.00
Imerys Filtration Minerals Inc	PM Americas	100.00	Imerys Wollastonite USA LLC	PM Americas	100.00
Imerys Greeneville Inc	RAC	100.00	Kentucky-Tennessee Clay Co	PM Americas	100.00
Imerys Niagara Falls Inc	RAC	100.00			
Rest of the world					
Argentina					
Imerys Minerales Argentina SA	PM Americas	100.00			
Australia					
Imerys Talc Australia Pty Ltd	PM EMEA & APAC	100.00			
Bahrain					
Imerys Al Zayani Co WLL	RAC	70.00			
Brazil					
Imerys Do Brasil Comercio De Extracao de Minerios Ltda	PM Americas	100.00	Imerys Rio Capim Caulim SA	PM Americas	100.00
Imerys Fused Minerals Salto Ltda	RAC	100.00	Pará Pigmentos SA	PM Americas	100.00
Canada					
Berg Minerals Canada Inc.	PM Americas	100.00	Imerys Graphite & Carbon Canada Inc	IG&C	100.00
Chile					
Imerys Minerales Chile SpA	PM Americas	100.00			
China					
Imerys Fused Minerals Yingkou Co Ltd	RAC	100.00	Linjiang Imerys Diatomite Co Ltd	PM Americas	100.00
Imerys Shanghai Investment Management Co Ltd	PM Americas/PM EMEA & APAC/ Holding	100.00	Shandong Imerys Mount Tai Co Ltd	RAC	100.00
Imerys (Tianjin) New Material Technology Co Ltd	RAC	100.00	Zhengzhou Jianai Special Aluminates Co Ltd	RAC	90.00
Imerys Zhejiang Zirconia Co Ltd	RAC	100.00			
India					
Imerys Minerals India Private Ltd	PM EMEA & APAC	100.00	Imerys Newquest India Private Ltd	PM EMEA & APAC	73.99
Indonesia					
PT ECC (Corp)	PM EMEA & APAC	51.00			
Japan					
Imerys High Resistance Minerals Japan KK	RAC	100.00	Imerys Specialities Japan Co Ltd	PM EMEA & APAC	100.00
Imerys Minerals Japan KK	PM EMEA & APAC	100.00	Niigata GCC Co Ltd	PM EMEA & APAC	60.00
Malaysia					
Imerys Minerals Malaysia SDN BHD	PM EMEA & APAC	100.00			
Mexico					
Imerys Almeria SA de CV	PM Americas	100.00	Minera Roca Rodando S de RL de CV	PM Americas	100.00
Imerys Ceramics Mexico SA de CV	PM Americas	100.00			
Singapore					
Artemyn Asia Pacific Ltd	PM EMEA & APAC	100.00	Imerys Asia Pacific Pte Ltd	PM EMEA & APAC	100.00
South Africa					
Imerys Refractory Minerals South Africa Pty Ltd	RAC	68.94[1]			
Thailand					
MRD-ECC Co Ltd	PM EMEA & APAC	68.89			

(1) Percentage of direct control: 100.00%

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 and expenses (note 13) 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 (note 11).

Exchange rate

The following table presents the exchange rates applied to translate the financial statements of the main consolidated entities at December 31, 2023 (note 25).

		2023		2022	
(€1 =)	**Currency**	**Closing**	**Average**	**Closing**	**Average**
Argentina	ARS	893.3742	320.0957	188.9250	137.1320
Australia	AUD	1.6263	1.6284	1.5693	1.5170
Bahrain	BHD	0.4161	0.4077	0.4037	0.3974
Brazil	BRL	5.3496	5.4020	5.5652	5.4410
Bulgaria	BGN	1.9558	1.9558	1.9558	1.9558
Canada	CAD	1.4642	1.4593	1.4440	1.3703
Chile	CLP (100)	9.7747	9.0858	9.1675	9.1717
China	CNY	7.8264	7.6136	7.4284	7.0683
Denmark	DKK	7.4529	7.4510	7.4365	7.4395
Hungary	HUF (100)	3.8280	3.8195	4.0087	3.9108
India	INR	91.8436	89.2779	88.2998	82.7117
Indonesia	IDR (100)	170.7971	164.8224	165.1982	156.4609
Japan	JPY (100)	1.5633	1.5195	1.4066	1.3798
Malaysia	MYR	5.0744	4.9309	4.7071	4.6300
Mexico	MXN	18.7231	19.1889	20.8560	21.2025
Singapore	SGD	1.4591	1.4521	1.4300	1.4517
South Africa	ZAR	20.3477	19.9448	18.0986	17.2093
Sweden	SEK	11.0960	11.4762	11.1218	10.6291
Switzerland	CHF	0.9260	0.9718	0.9847	1.0049
Thailand	THB	37.9730	37.6311	36.8350	36.8561
UK	GBP	0.8691	0.8699	0.8869	0.8527
US	USD	1.1050	1.0812	1.0666	1.0537

Translation reserve

The following table presents the amounts 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 investments in foreign operations (note 24.5 - Conversion of financial statements risk).

(€ millions)	BRL	GBP	INR	SGD	TRY	USD	Other foreign currencies	Total
Balance at January 1, 2022	**(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*
Translation 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)*
Recognition in equity	**11.7**	**7.8**	**(2.4)**	**(12.6)**	**(2.3)**	**(24.8)**	**(24.4)**	**(47.0)**
Hedges of net investments in foreign operations	-	*(1.4)*	*(2.2)*	*(0.2)*	-	*(1.8)*	*(11.6)*	*(17.2)*
Translation of financial statements	*11.7*	*9.2*	*(0.2)*	*(12.4)*	*(2.3)*	*(23.0)*	*(12.8)*	*(29.8)*
Reclassification in profit or loss(2)	(0.3)	(2.2)	80.3	-	47.4	(5.7)	17.3	136.8
Change in the scope of consolidation	(0.1)	-	-	-	(25.9)	(1.6)	7.3	(20.3)
Balance at December 31, 2023	**(325.8)**	**(70.5)**	**(23.0)**	**127.0**	**(62.0)**	**(33.6)**	**(118.0)**	**(505.9)**
of which net investment hedge reserve	*(0.5)*	*(28.9)*	*(7.2)*	*(3.6)*	*(6.4)*	*(121.7)*	*(46.5)*	*(214.8)*
• *continuing hedges*	*(0.5)*	*(28.9)*	*(7.2)*	*(3.6)*	*(6.4)*	*(121.7)*	*(46.5)*	*(214.8)*

(1) Of which in 2022, €3.5 million received with respect to the loss of control of the US hydrous kaolin business and -€1.9 million with respect to the loss of control of the Canadian and Namibian natural graphite business (note 25).

(2) Of which in 2023, €137.1 million with respect to the disposal of the High Temperature Solutions line of 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 Eagle Capital SA (Belgium), 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 Sarl (Luxembourg), a shareholder of Imerys, through GBL Verwaltung SA (Luxembourg). 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, 2023 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, 2022) and the nine members of the Executive Committee, including the Chief Executive Officer (10 members at December 31, 2022).

In accordance with the acquisition agreement concluded between Imerys, S&B GP, Blue Crest and K and R Holdings Sàrl on November 5, 2014 and subsequently amended, PropCo2, an entity affiliated with Blue Crest, which holds 5.97% of the voting rights in Imerys, in which Paris Kyriacopoulos, a director of Imerys, 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 2023, this €12,000 commitment was considered a related party transaction. No amount was reimbursed in 2022 or 2023.

Compensation and similar benefits granted to these related parties are presented in the following table:

		2023		2022	
(€ millions)	Notes	Expense	Liability	Expense	Liability
Short-term benefits	1	(6.7)	2.4	(7.2)	2.3
Directors' compensation	2	(0.6)	0.3	(0.7)	0.3
Post-employment benefits	3	(0.2)	0.6	(0.3)	0.7
Contributions to defined contribution plans		(0.8)	-	(0.7)	-
Share-based payments	4	(3.8)	-	(4.4)	-
TOTAL		**(12.1)**	**3.3**	**(13.3)**	**3.3**

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 2023 amounted to €28.0 million (€15.7 million in 2022), including €10.8 million for Imerys UK Pension Fund Trustees Ltd, United Kingdom (€8.6 million in 2022) and €12.2 million for Comerica, United States (€1.6 million 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 2022 and 2023 for 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 commitments presented below include commitments relating to these businesses.

COMMITMENTS GIVEN

(€ millions)	Notes	2023	2022
Mineral leases and services on lease contracts	1	4.2	4.4
Commitments relating to operating activities	2	181.2	112.8
Cash-related commitments	3	37.8	62.7
Other commitments	4	76.2	176.4
TOTAL		**299.4**	**356.3**

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 lease contracts.

Note 2. Commitments relating 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 €20.5 million at December 31, 2023 (€16.3 million at December 31, 2022).

Note 3. 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 4. 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	2023	2022
Operating leases	1	22.8	22.9
Commitments relating to operating activities	2	205.1	224.6
Cash-related commitments	3	26.0	3.0
Available financial resources	4	1,010.0	1,010.0
Other commitments	5	109.9	219.4
TOTAL		**1,373.8**	**1,479.9**

Note 1. Operating leases. Operating lease commitments correspond to future rent payments on leases in which Imerys is the lessor.

Note 2. Commitments relating 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 €107.3 million at December 31, 2023 (€201.0 million at December 31, 2022) in seller warranties and price adjustment clauses in favor of the Group upon business acquisitions.

NOTE 29 AUDIT FEES

The following table presents the breakdown of fees awarded to 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.

	2023								2022							
	DA		DA network		PwC		PwC network		DA		DA network		PwC		PwC network	
	(€M)	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*	*(€M)*	*(%)*
Certification of separate and consolidated accounts and half year limited review	**1.1**	*90.3%*	**1.5**	*55.6%*	**1.2**	*98.6%*	**1.8**	*69.2%*	**1.2**	*67.8%*	**2.0**	*69.9%*	**1.1**	*100.0%*	**1.6**	*67.7%*
Imerys SA	0.8		-		0.8		-		0.8		-		0.8		-	
Consolidated entities	0.3		1.5		0.4		1.8		0.4		2.0		0.4		1.6	
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**		**0.0**		**0.0**	
Imerys SA	-		-		-		-		-		-		-		-	
Consolidated entities	-		-		-		-		-		-		-		-	
Services other than the certification of accounts provided at the entity's request	**0.1**		**1.2**		**0.0**		**0.8**		**0.6**		**0.8**		**0.0**		**0.8**	
Imerys SA	0.1		1.0		-		0.2		0.6		0.5		-		0.2	
Consolidated entities	-		0.2		-		0.6		-		0.3		-		0.6	
Services other than the certification of accounts (Sub-total)	**0.1**	*9.7%*	**1.2**	*44.4%*	**0.0**	*1.4%*	**0.8**	*30.8%*	**0.6**	*32.2%*	**0.8**	*30.1%*	**0.0**	*0.0%*	**0.8**	*32.3%*
TOTAL	**1.2**	*100.0%*	**2.7**	*100.0%*	**1.2**	*100.0%*	**2.6**	*100.0%*	**1.7**	*100.0%*	**2.8**	*100.0%*	**1.1**	*100.0%*	**2.3**	*100.0%*

NOTE 30 EVENTS OCCURRING AFTER THE CLOSING DATE

On January 31, 2024, Imerys finalized the sale of the bauxite production business to the Mytilineos Group.

6.2 STATUTORY FINANCIAL STATEMENTS

6.2.1 Financial statements

INCOME STATEMENT

(€ thousands)	Notes	2023	2022
Operating revenue		**161,102**	**171,562**
Rendering of services		160,911	171,320
Other revenue and decreases in provisions		191	242
Operating expenses		**(200,756)**	**(190,257)**
Purchases and external services		(115,741)	(101,718)
Taxes and duties		(2,364)	(2,614)
Staff expenses		(58,709)	(66,620)
Amortization, depreciation, write-downs and provisions		(12,577)	(10,860)
Other expenses		(11,365)	(8,445)
Operating income (loss)	**10**	**(39,654)**	**(18,695)**
Financial income (loss)	**11**	**494,935**	**157,605**
Revenue from subsidiaries and affiliates		528,593	181,386
Net financial expenses		(31,211)	(12,110)
Increases and decreases in write-downs and provisions		(15,867)	(15,498)
Exchange rate gains (losses)		13,420	3,827
Current income		**455,281**	**138,910**
Exceptional income (loss)	**12**	**(225)**	**(2,602)**
Exceptional revenue		49,786	11,864
Exceptional expenses		(50,011)	(14,466)
Income tax	**13**	**22,431**	**13,950**
NET INCOME		**477,487**	**150,258**

BALANCE SHEET

(€ thousands)	Notes	2023	2022
Net intangible assets		**50,704**	**57,090**
Intangible assets	14	94,848	100,359
Accumulated amortization	14	(44,144)	(43,269)
Net property, plant and equipment		**3,107**	**3,869**
Property, plant and equipment	14	9,637	13,127
Accumulated depreciation	14	(6,530)	(9,258)
Net investments		**4,598,198**	**4,525,511**
Equity investments	15	4,610,198	4,528,725
Write-downs	15	(12,000)	(3,214)
Loans related to direct investments and other subsidiaries, net value	**16**	**697,535**	**990,101**
Loans related to direct investments and other subsidiaries		714,174	1,004,199
Write-downs		(16,639)	(14,098)
Other financial investments	**17**	**15,695**	**12,937**
Other financial investments		15,970	12,955
Write-downs		(275)	(18)
Non-current assets		**5,365,239**	**5,589,508**
Other receivables	16	106,726	45,573
Marketable securities and cash instruments	18	952,969	8,714
Cash and cash equivalents		46,326	256,407
Current assets		**1,106,023**	**310,694**
Prepayments and accrued income	16	53,503	45,975
Assets		**6,524,765**	**5,946,177**
Share capital		169,882	169,882
Additional paid-in capital		614,414	614,414
Reserves		961,153	961,153
Retained earnings		427,666	604,089
Net income for the year		477,487	150,258
Equity	**19**	**2,650,602**	**2,499,796**
Provisions for risks and expenses	**20**	**37,257**	**41,378**
Financial debt	21	3,722,090	3,277,803
Other debts	21	72,766	81,135
Debt		**3,794,856**	**3,358,938**
Accruals and deferred income	21	42,050	46,065
SHAREHOLDERS' EQUITY AND LIABILITIES		**6,524,765**	**5,946,177**

6.2.2 Notes to the statutory financial statements

ACCOUNTING PRINCIPLES AND POLICIES 318

NOTE 1 Intangible assets and property, plant and equipment 318
NOTE 2 Financial investments 318
NOTE 3 Receivables and debt 319
NOTE 4 Marketable securities 319
NOTE 5 Provisions 319
NOTE 6 Financial debt 320
NOTE 7 Derivatives 320
NOTE 8 Tax consolidation 321
NOTE 9 Transfer of expenses 321

NOTES TO THE INCOME STATEMENT 322

NOTE 10 Operating income (loss) 322
NOTE 11 Financial income (loss) 322
NOTE 12 Exceptional income (loss) 323
NOTE 13 Income tax 323

NOTES TO THE BALANCE SHEET 324

NOTE 14 Change in intangible assets and property, plant and equipment 324
NOTE 15 Change in the value of investments 325
NOTE 16 Receivables and regularization accounts 325
NOTE 17 Other financial investments 326
NOTE 18 Marketable securities and cash instruments 326
NOTE 19 Change in shareholders' equity 327
NOTE 20 Write-downs and provisions 328
NOTE 21 Debt and regularization accounts 330
NOTE 22 Accrued income and charges 331

OTHER INFORMATION 331

NOTE 23 Off-balance sheet commitments 331
NOTE 24 Items recognized in more than one line on the balance sheet (net value) 333
NOTE 25 Major shareholders 333
NOTE 26 2023 average headcount 333
NOTE 27 Compensation awarded to directors and executive managers 333
NOTE 28 Subsequent events 333
NOTE 29 Appropriation of profit 334
NOTE 30 Table of subsidiaries and equity investments 334

Highlights of the year

On November 29, 2023, the Group completed an issue of bonds indexed to its sustainable development objectives (Sustainability-Linked Bonds) for a principal amount of €500.00 million. These bonds, due to mature on November 29, 2029, bear an annual coupon of 4.75% and are admitted to trading on the regulated market of the Luxembourg Stock Exchange.

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 and independence of fiscal years and in accordance with the general rules for the 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 expenses);
- Development costs that are capitalized if they meet the specific conditions for capitalization.

Software and licenses acquired by the Company are recognized in the balance sheet at their acquisition cost or production cost (including acquisition expenses) and amortized over their estimated life of between three and eight years.

IT development costs are capitalized if they meet the following six criteria, in accordance with CNC notice 2004-15 on assets:

- 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 a liability on the balance sheet.

The depreciation methods and useful lives applied are 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 FINANCIAL INVESTMENTS

Equity investments

Equity investments and other financial investments are recorded in the balance sheet at their acquisition cost excluding incidental costs or their contribution value.

The Company has opted to recognize acquisition expenses in the cost price of these investments.

At each reporting date the asset value is determined on the basis of the higher 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.

Where the fair value exceeds the carrying amount recorded on the balance sheet, the latter is not modified.

If this is not the case, 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 intended 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 written down 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 bought back to stabilize the stock market price or intended for employees. When their acquisition cost is higher than their average market price of the last month of the fiscal year, a provision for impairment is recognized in respect of these shares, except for those that are to be canceled. Treasury shares bought back 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

A provision for impairment is recognized in respect of receivables when the current value, determined with regard 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 translation 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

Money market funds are recognized at their acquisition cost. Their value in use is assessed at the last known redemption price for money market 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 fiscal year, an impairment provision is recognized in respect of the shares concerned, 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 that can be reliably measured to the third party with no equivalent compensation expected from said third party.

Contingent liabilities are not recognized but are disclosed 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 relating 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 investments 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 written down;
- provisions for risks relating to free share grants are determined according to their 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 set up via the grant of existing shares, a provision is recognized. It is based on an estimate of the final number of shares definitively allocated using assumptions for employee turnover and the achievement of economic and/or financial performance targets to which allocations of these shares are contingent and proportionate. This provision is based on the weighted average price of the treasury shares at the end of the fiscal year for the part covered by treasury shares. The provision is valued at market price for commitments not covered by treasury shares. As the grant of performance shares or shares contingent on the condition of ongoing employment constitutes a compensation component, this provision is recognized in staff expenses in the case of Company beneficiaries. The commitment relating to the Group's other beneficiaries is provided for in total as soon as the shares are awarded and is recharged to the subsidiaries concerned. These items constitute components of operating income (loss). 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 method.

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 term of the borrowings;
- bond redemption premiums are amortized on a straight-line basis over the term 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 market risks 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 with entities 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 the income statement.

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:

As regards foreign exchange risk, 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 recognized to fully cover unrealized exchange rate losses (note 20).

As regards energy price risk, the value of derivative instruments measured at the closing price is aggregated into a comprehensive commodity position calculated for all energy sources. A provision is recognized 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).

	2023				
	Derivative assets		Derivative liabilities		Net
(€ millions)	External	Internal	External	Internal	
Foreign exchange risk (forwards, swaps, options)	**10.1**	**1.8**	**3.2**	**7.8**	**0.9**
Forward derivatives	10.1	1.8	3.2	7.8	0.9
Options derivatives					
Interest rate risk (swaps)					
Forward derivatives					
Options derivatives					
Energy price risk (swaps, options)	**1.5**	**23.8**	**27.5**	**0.8**	**(3.0)**
Forward derivatives	1.5	23.8	27.5	0.8	(3.0)
Options derivatives					
TOTAL	**11.6**	**25.6**	**30.7**	**8.6**	**(2.1)**

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. Calderys France and Imerys Metalcasting France SARL were the only entities that exited the tax consolidation scope in 2023. At December 31, 2023, the tax consolidation scope included the following 23 entities:

■ Ardoisières d'Angers	■ Imerys Services
■ 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 Beyrede	■ Mircal
■ Imerys PCC France	■ Mircal Brésil
■ Imerys Minéraux France	■ Parimetal
■ Imerys Clerac	■ Imerys Lithium France
■ Imerys Glomel	■ Imerys Greenelle One
	■ Imerys Greenelle Two

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 recognizes 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 recognized 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 2023, operating income amounted to €161.1 million (€171.6 million in 2022), representing a decrease of €10.5 million (6%). It consisted of €146.2 million from Group services, €1.5 million in guarantee fees and €13.4 million in miscellaneous re-invoicing. Revenue of €160.9 million includes Export sales for €99.9 million and sales in France for €61.0 million.

Operating expenses came to €200.8 million (€190.3 million in 2022), up €10.5 million, primarily due to additional staff expenses and external services related to planned disposals. Purchases and external services break down as follows:

(€ thousands)	2023	2022
Leasing and service charges	7,547	6,909
Purchases of non-inventory items	(445)	1,028
Staff and services re-invoiced by the Group	36,885	35,120
IT services(1)	19,724	18,012
Fees	41,618	31,075
Travel and entertainment	2,631	3,686
Telecommunications expenses	3,120	2,443
Insurance	2,089	1,461
Other services (Subscriptions, transport, documentation)	2,572	1,984
Purchases and external services	**115,741**	**101,718**
(1) Of which transfer of expenses (note 9)	*(7,482)*	*(4,778)*

Other expenses break down as follows:

(€ thousands)	2023	2022
Royalties and concessions: patents and licenses	10,533	7,421
Attendance fees	765	863
Exchange rate losses on trade receivables and payables	67	159
Miscellaneous operating expenses	0	2
Other expenses	**11,365**	**8,445**

NOTE 11 FINANCIAL INCOME (LOSS)

(€ thousands)	2023	2022
Financial revenue	**722,711**	**403,815**
Revenue from subsidiaries and affiliates[(1)]	528,593	181,386
Other financial income[(1)]	142,235	176,181
Decrease in provisions and transfer of expenses	7,448	5,323
Exchange rate gains	44,435	40,925
Financial expenses	**227,776**	**246,210**
Financial interest and expenses on financial instruments[(2)]	175,033	188,291
Increase in financial amortization and provisions	21,727	20,821
Exchange rate losses	31,015	37,098
FINANCIAL INCOME (LOSS)	**494,935**	**157,605**
(1) Of which revenue related to controlled entities	*638,730*	*233,819*
(2) Of which expenses related to controlled entities	*68,520*	*131,402*

Revenue from subsidiaries and affiliates amounted to €528.6 million, up €347.2 million on 2022. 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 2023, Imerys S.A. recognized in this respect a net foreign exchange gain of €13.4 million (compared with a €3.8 million net foreign exchange gain in 2022). Increases and decreases in financial provisions are presented in note 20.

NOTE 12 EXCEPTIONAL INCOME (LOSS)

(€ thousands)	2023	2022
Gains (losses) on asset disposals	(3,214)	(2,875)
Other exceptional revenue	3,786	393
Decrease in provisions	219	889
Increase in provisions	0	0
Other exceptional expenses	(1,016)	(1,009)
EXCEPTIONAL INCOME (LOSS)	**(225)**	**(2,602)**

Exceptional income and expenses include items qualified as exceptional by nature according to the accounting rules (in particular income from asset disposals and 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, the expenses or income concerned are only classified as exceptional income (loss) if their amount and/or frequency is not recurring.

In 2023, the Group reversed €0.2 million in provisions for staff-related risks. 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.

NOTE 13 INCOME TAX

(€ thousands)	2023	2022
Tax on long-term capital gains	-	-
Income tax	22,431	13,950
TOTAL	**22,431**	**13,950**

BREAKDOWN OF TAX EXPENSES

(€ thousands)	Profit or loss before tax	Tax	Profit or loss after tax
Current income	455,281	0	455,281
Exceptional income (loss)	(225)	0	(225)
Impact of tax consolidation	0	22,431	22,431
TOTAL	**455,056**	**22,431**	**477,487**

In accordance with the terms of the tax consolidation agreements signed by each Imerys Group company in France, the tax expense or income 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 income resulting from tax consolidation.

In this respect, Imerys S.A. recognized income of €22.4 million in 2023 (€13.9 million in 2022).

In 2023, Imerys S.A. recorded a loss of €21.7 million on a stand-alone basis. Imerys S.A. carried forward losses on a stand-alone basis for a cumulative amount of €1,468.1 million at December 31, 2023 (€1,446.4 million at December 31, 2022).

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 must be disclosed as follows:

(€ thousands)	2023	2022
Deferred tax assets (decrease in the future tax expense)	3,180	5,131
Deferred tax liabilities (increase in the future tax expense)	1,120	657

The tax rate applied for 2023 is 25.83% (same as for 2022).

The bases for the deferred tax assets and liabilities mainly consist of unrealized translation 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

(€ thousands)	Amount 12/31/2022	Increase	Decrease	Reclassifications of items	Amount 12/31/2023
Software	79,726		(8,174)	2,976	74,528
Internet/Intranet sites	138		(138)		0
Intangible assets in progress	20,495	26,020	(22,755)	(3,440)	20,320
Total gross amounts	**100,359**	**26,020**	**(31,067)**	**(464)**	**94,848**
Amortization: software	(43,131)	(9,187)	8,174		(44,144)
Amortization: Internet/Intranet sites	(138)		138		0
Impairment: intangible assets in progress	0				0
Total amortization/impairment	**(43,269)**	**(9,187)**	**8,312**	**0**	**(44,144)**
NET CARRYING AMOUNT: INTANGIBLE ASSETS	**57,090**	**16,833**	**(22,755)**	**(464)**	**50,704**

(€ thousands)	Amount 12/31/2022	Increase	Decrease	Reclassifications of items	Amount 12/31/2023
Machinery and tooling	2		(2)		0
Greenelle facilities	3,937				3,937
IT equipment	6,307		(3,999)	491	2,799
Office furniture	1,380				1,380
Grenelle dismantling facilities	1,496				1,496
Tangible assets in progress	5	47		(27)	25
Total gross amounts	**13,127**	**47**	**(4,001)**	**464**	**9,637**
Depreciation: machinery and tooling	(2)				(2)
Depreciation: Grenelle facilities	(2,018)	(397)			(2,415)
Depreciation: IT equipment	(5,653)	(536)	3,965		(2,224)
Depreciation: office furniture	(713)	(138)			(851)
Depreciation: Grenelle dismantling facilities	(872)	(166)			(1,038)
Impairment: tangible assets in progress	0				0
Total depreciation/impairment	**(9,258)**	**(1,237)**	**3,965**	**0**	**(6,530)**
NET CARRYING AMOUNT: PROPERTY, PLANT AND EQUIPMENT	**3,869**	**(1,190)**	**(36)**	**464**	**3,107**

In 2023, Imerys S.A. continued to invest in its management IT systems (OPERA project), which are amortized over a period of 8 years using the straight-line method.

NOTE 15 CHANGE IN THE VALUE OF INVESTMENTS

At December 31, 2023, the total gross amount of investments amounted to €4,610.2 million (€4,528.7 million at December 31, 2022).

(€ thousands)	Gross amount 12/31/2022	Increases	Decreases	Transfer	Gross amount 12/31/2023
Parimetal	230				230
Mircal	3,076,544				3,076,544
Imerys USA	721,734	91,483			813,217
Imerys Services	1,043				1,043
S&B Minerals Finance	712,768			(712,768)	0
S&B Minerals Participations				712,768	712,768
Imertech	5,037				5,037
Calderys NGJ (1)	10,010		(10,010)		0
Imerys (Shanghaï) Investment Management Company Limited	1,359				1,359
TOTAL EQUITY INVESTMENTS	**4,528,725**	**91,483**	**(10,010)**	**0**	**4,610,198**

(1)The disposal of the Calderys NGJ shares was carried out as part of the HTS project.

(€ thousands)	Write-downs at 12/31/2022	Increase	Decrease	Write-downs at 12/31/2023
Calderys NGJ	(3,214)		3,214	0
S&B Minerals Participations		(12,000)		(12,000)
TOTAL IMPAIRMENT OF INVESTMENTS	**(3,214)**	**(12,000)**	**3,214**	**(12,000)**

NOTE 16 RECEIVABLES AND REGULARIZATION ACCOUNTS

(€ thousands)	Gross amount	Maturity in less than 1 year	Maturity from 1 to 5 years	Maturity beyond 5 years
Loans and receivables related to investments	**714,174**	**215,593**	**271,741**	**226,840**
Loans and receivables related to direct investments	318,203	14,418	112,151	191,634
Loans and receivables related to other Group subsidiaries	395,971	201,175	159,589	35,206
Other receivables	**106,728**	**102,267**	**3,721**	**740**
Operating receivables	100,435	100,435		
Bond issuance premium	6,293	1,832	3,721	740
Regularization accounts	**53,503**	**49,477**	**3,284**	**741**
Prepaid expenses(1)	6,438	6,438		
Bond issuance cost	5,233	1,208	3,284	741
Unrealized translation losses(2)	41,832	41,832		
TOTAL	**874,405**	**367,338**	**278,386**	**228,681**

(1) Prepaid expenses mainly comprise external services.

(2) Unrealized translation gains and losses derive from remeasuring loans and receivables in foreign currencies at the closing exchange rate and valuation adjustments on cash instruments.

The gross amount of loans and receivables related to investments decreased by €290.1 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).

(€ thousands)	Gross amount 12/31/2022	Net increase	Net decrease	Gross amount 12/31/2023
Loans and receivables related to direct investments	357,830		(39,627)	318,203
Loans and receivables related to other Group subsidiaries	646,369		(250,398)	395,971
Total loans and receivables related to equity investments (gross)	**1,004,199**	**0**	**(290,025)**	**714,174**
Impairment: loans and receivables related to other subsidiaries	(14,098)	(2,541)		(16,639)
Total impairment	**(14,098)**	**(2,541)**		**(16,639)**
LOANS AND RECEIVABLES RELATED TO EQUITY INVESTMENTS (NET)	**990,101**	**(2,541)**	**(290,025)**	**697,535**

NOTE 17 OTHER FINANCIAL INVESTMENTS

At end-2023, other financial investments totaled €16.0 million, up €3.0 million compared with the position at December 31, 2022. This heading consists of the following items:

(€ thousands)	Gross amount 12/31/2022	Net increase	Net decrease	Gross amount 12/31/2023
Collateral, deposits and guarantees	23	3		26
Treasury shares	12,927	3,012		15,939
Other non-consolidated investments	5			5
TOTAL OTHER FINANCIAL INVESTMENTS	**12,955**	**3,015**	**0**	**15,970**

(€ thousands)	Write-downs at 12/31/2022	Increase	Decrease	Write-downs at 12/31/2023
Treasury shares	(18)	(275)	18	(275)
TOTAL IMPAIRMENT OF FINANCIAL INVESTMENTS	**(18)**	**(275)**	**18**	**(275)**

NOTE 18 MARKETABLE SECURITIES AND CASH INSTRUMENTS

NET VALUES

(€ thousands)	2023	2022
Money market funds and mutual funds	280,495	2,928
Treasury shares	585	5,785
Total marketable securities	281,080	8,713
Term accounts and interest	671,889	1
Total cash instruments	671,889	1
TOTAL	**952,969**	**8,714**

NOTE 19 CHANGE IN SHAREHOLDERS' EQUITY

			Reserves[1]					
(€ thousands)	Share capital	Share premium	Legal	Regulated	Other	Retained earnings	Income for the period	Total
Equity at January 1, 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 1, 2023								
before appropriation of net income	169,882	614,414	16,989	273,471	670,693	604,089	150,258	2,499,796
Appropriation of 2022 income	-	-	-	-	-	150,258	(150,258)	0
Dividends	-	-	-	-		(326,681)	-	(326,681)
Income at 12/31/2023	-	-	-	-	-	-	477,487	477,487
Equity at December 31, 2023								
before appropriation of net income	169,882	614,413	16,989	273,471	670,694	427,666	477,487	2,650,602
Proposed appropriation of income	-	-	-	-	-	477,487	(477,487)	0
Dividend payout[2]						(114,670)		(114,670)
Shareholders' equity at January 1, 2024								
incl. proposed appropriation of income	169,882	614,413	16,989	273,471	670,694	790,483	0	2,535,932

(1) Imerys' shareholders' equity does not include remeasurement differences.

(2) Submitted for approval to the Shareholders' General Meeting on May 10, 2024.

NUMBER OF SHARES MAKING UP THE SHARE CAPITAL

	2023	2022
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, 2023:

- parent company shareholders' equity amounted to €2,650.6 million (€2,499.8 million at December 31, 2022) on the basis of which the Board of Directors has proposed a dividend of €1.35 per share (€3.85 in 2022);
- 1,222,325 free shares were granted to certain employees and executive corporate officers that have not been exercised or not yet vested, which represents 1.44% of the share capital of Imerys S.A. after dilution (1.60% of the share capital after dilution at December 31, 2022);
- after transactions made throughout the year to purchase, sell, cancel or transfer shares, Imerys S.A. held 507,121 Imerys shares (573,022 shares at December 31, 2022).

The share capital of Imerys S.A. is subject to a number of mandatory requirements under the French Commercial Code (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 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, 2023 and February 21, 2024, i.e. the date on which the annual financial statements at December 31, 2023 were approved by the Board of Directors.

CHANGE IN TREASURY SHARES

(€ thousands)	2023	2022
Gross value of treasury shares at January 1	**18,712**	**13,394**
Disposals (acquisitions) of treasury shares	14,006	10,999
Transfer of treasury shares to be granted (free shares)	(16,194)	(5,681)
Capital decrease by canceling treasury shares		
GROSS VALUE OF TREASURY SHARES AT DECEMBER 31[1]	**16,524**	**18,712**

(1) At December 31, 2023, treasury shares were recognized under other financial investments for €15.9 million and under marketable securities for €0.6 million

NOTE 20 WRITE-DOWNS AND PROVISIONS

	Amount at the beginning of the year	Increases			Decreases[1]			Amount at the end of the year
(€ thousands)		Operating	Financial	Exceptional	Operating	Financial	Exceptional	
Write-downs								
Equity investments	3,214	-	12,000	-	-	(3,214)	-	12,000
Trade receivables	0	-	-	-	-	-	-	0
Loans and receivables related to investments	14,098	-	2,604	-	-	(63)	-	16,639
Non-consolidated investments	18	-	275	-	-	(18)	-	275
Bond issuance premium[2]	6,126	-	167	-	-	0	-	6,293
Miscellaneous debts	0	-	-	-	-	-	0	0
Marketable securities	0	-	-	-	-	-	-	0
Total assets	**23,438**	**0**	**15,046**	**0**	**0**	**(3,295)**	**0**	**35,207**
Provisions								
Provisions for risks	**36,676**	**0**	**4,335**	**0**	**(7,812)**	**(2,550)**	**0**	**30,650**
Management risks	33,486				(7,812)		0	25,674
Provisions for exchange rate losses	2,550	-	4,335	-	-	(2,550)	-	4,336
Staff-related risks	640	-	-		-	-	-	640
Financial instruments	0	-		-	-	-	-	0
Risks related to subsidiaries and investments	0	-	-	-	-	-		0
Provisions for expenses	**4,702**	**2,153**	**77**	**0**	**(90)**	**(15)**	**(219)**	**6,608**
Refurbishment of Company premises	1,496	-	-	-	-	-	-	1,496
Future employee benefits	2,612	928	77	0	(90)	(15)		3,512
Provisions for termination benefits	594	1,225	-	-	-	-	(219)	1,600
Total liabilities	**41,378**	**2,153**	**4,412**	**0**	**(7,902)**	**(2,565)**	**(219)**	**37,258**
TOTAL WRITE-DOWNS AND PROVISIONS	**64,816**	**2,153**	**19,458**	**0**	**(7,902)**	**(5,859)**	**(219)**	**72,464**

(1) Reversals of unused provisions for €219K.

(2) A new bond issuance premium was recognized at December 31, 2023 in respect of a new EMTN.

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 2023, a €25.5 million provision for risks was set aside in view of future performance share grants with respect to shares not yet acquired. Increases in financial provisions relate to the impairment of SB Minerals Participations shares. The write-down of loans and receivables related to investments relates 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 have not taken on any new active beneficiaries since 2008.

In accordance with 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	3.7%	3.6%
Expected rate of salary increases	2.5%	2.5%
Annual turnover rate:		
▪ Managers and non-managers under 30 years old	3.6%	3.6%
▪ Managers and non-managers between 30 and 39 years old	2.8%	2.8%
▪ Managers and non-managers between 40 and 49 years old	2.1%	2.1%
▪ Managers and non-managers between 50 and 55 years old	1.8%	1.8%
▪ Managers and non-managers over 55 years old	1.6%	1.6%

CHANGE IN THE DISCOUNTED VALUE OF OBLIGATIONS

			2023			2022
(€ thousands)	**Retirement**	**Other**	**Total**	**Retirement**	**Other**	**Total**
Obligations at the beginning of the period	**(7,190)**	**(1,058)**	**(8,248)**	**(7,105)**	**(1,149)**	**(8,254)**
Interest cost	(51)	(26)	(77)	(38)	(8)	(46)
Current service cost	(233)	(104)	(337)	(217)	(118)	(335)
Payments to beneficiaries	88	103	191	85	1	86
Curtailments and settlements	0	(193)	(193)	85		85
Reclassification			0			0
Actuarial gains (losses)	887	(426)	461	0	216	216
Obligations at the end of the period	**(6,499)**	**(1,704)**	**(8,203)**	**(7,190)**	**(1,058)**	**(8,248)**
Funded by plan assets	*(4,929)*		*(4,929)*	*(4,914)*		*(4,914)*
Unfunded	*(1,570)*	*(1,704)*	*(3,274)*	*(2,276)*	*(1,058)*	*(3,334)*

CHANGE IN FAIR VALUE OF PLAN ASSETS

			2023			2022
(€ thousands)	**Retirement**	**Other**	**Total**	**Retirement**	**Other**	**Total**
Assets at the beginning of the period	**5,265**	**0**	**5,265**	**5,249**	**0**	**5,249**
Expected return on assets	(378)		(378)	16		16
Payments to beneficiaries			0			0
Employer contributions			0			0
Actuarial gains (losses)			-			0
ASSETS AT THE END OF THE PERIOD	**4,887**	**0**	**4,887**	**5,265**	**0**	**5,265**

ASSETS/LIABILITIES IN THE BALANCE SHEET

	2023			2022		
(€ thousands)	**Retirement**	**Other**	**Total**	**Retirement**	**Other**	**Total**
Funded obligations	(4,929)		(4,929)	(4,914)		(4,914)
Fair value of assets	4,887		4,887	5,265		5,265
Funded status	**(42)**	**0**	**(42)**	**351**	**0**	**351**
Unfunded obligations	(1,570)	(1,704)	(3,274)	(2,276)	(1,058)	(3,334)
Unrecognized past service cost	33		33	85		
Net unrecognized actuarial differences	(228)		(228)	286		
Assets (provisions) in the balance sheet	**(1,807)**	**(1,704)**	**(3,511)**	**(1,554)**	**(1,058)**	**(2,612)**
Provisions for pensions	*-*	*-*	*0*	*-*	*-*	*0*
Provisions for future employee benefits	*(1,807)*	*(1,704)*	*(3,511)*	*(1,554)*	*(1,058)*	*(2,612)*

CHANGE IN ASSETS (PROVISIONS) IN THE BALANCE SHEET

	2023			2022		
(€ thousands)	**Retirement**	**Other**	**Total**	**Retirement**	**Other**	**Total**
Assets (provisions) at the beginning of the period	**(1,554)**	**(1,058)**	**(2,612)**	**(1,368)**	**(1,149)**	**(2,517)**
Reclassification			0			0
Current service cost after curtailments/ settlements	(342)	(749)	(1,091)	(271)	90	(181)
Contributions	88	103	191	85	1	86
ASSETS (PROVISIONS) AT THE END OF THE PERIOD	**(1,807)**	**(1,704)**	**(3,511)**	**(1,554)**	**(1,058)**	**(2,612)**

NOTE 21 DEBT AND REGULARIZATION ACCOUNTS

(€ thousands)	**Amount**	**Maturity in less than 1 year**	**Maturity from 1 to 5 years**	**Maturity beyond 5 years**
Financial debt	3,722,090	1,962,754	959,336	800,000
Other debts(1)	72,766	72,766	-	-
Deferred income	-	-	-	-
Unrealized translation gains	42,050	42,050	-	-
TOTAL	**3,836,906**	**2,077,570**	**959,336**	**800,000**

(1) *Other debts include €25.8 million in intra-group debt, €14.9 million of which relates to tax consolidation in France, €29.7 million in trade payables and invoices not received and €17.3 million in tax and social debt.*

Fixed-rate bonds are included in Financial debt and break down as follows:

				Interest rate		Carrying amount	
Nominal amount (in millions)	**Maturity**	**Maturity**	**Listing**	**Nominal**	**Effective**	**Carrying amount**
500	EUR	12/10/2024	Listed	2.00%	2.13%	500.1
600	EUR	01/15/2027	Listed	1.50%	1.63%	606.5
300	EUR	03/31/2028	Listed	1.88%	1.92%	303.8
300	EUR	07/15/2031	Listed	1.00%	1.07%	300.0
500	EUR	11/29/2029	Listed	4.75%	4.75%	500.4
TOTAL AT DECEMBER 31, 2023 (€ MILLIONS)						

The Group's various bank overdrafts do not provide any security or guarantee to the benefit of the lending banks. The following table presents the breakdown of financial debt by foreign currency:

(€ thousands)	Amount
EUR	3,043,077
USD	296,305
GBP	19,373
JPY	-
Other foreign currencies	363,335
TOTAL	**3,722,090**

The following table analyzes financial debt by type and maturity:

(€ thousands)	Amount	Maturity in less than 1 year	Maturity from 1 to 5 years	Maturity beyond 5 years
Bonds	2,200,000	500,000	900,000	800,000
Commercial paper	0	-	-	-
Deposits and securities received	60	-	60	-
Subsidiary loans	60,427	1,151	59,276	-
Group financial current accounts	1,439,289	1,439,289	-	-
Bank overdrafts and accrued interest	22,314	22,314	-	-
TOTAL	**3,722,090**	**1,962,754**	**959,336**	**800,000**

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, 2023 is presented in note 23.

NOTE 22 ACCRUED INCOME AND CHARGES

(€ thousands)	Accrued income	Accrued charges
Operating	15,298	10,277
Financial	369	292
TOTAL	**15,667**	**10,569**

(1) Accrued income is mainly made up of accrued interest on financial instruments.

OTHER INFORMATION

NOTE 23 OFF-BALANCE SHEET COMMITMENTS

Endorsements, sureties and guarantees

At December 31, 2023, the amount of confirmed, non-utilized and available multi-currency bilateral credit lines granted to Imerys and maturing between 2024 and 2027 totaled €1.010 million.

The following table presents the amount of commitments received and given for endorsements, sureties and guarantees to equity investments (direct investment), subsidiaries (indirect investment) and other entities:

COMMITMENTS GIVEN

(€ thousands)	Equity investments	Other controlled companies	Other	Total
Endorsements, sureties and guarantees	31,674	142,603	0	174,277

Commitments on foreign exchange risk

The following table presents the breakdown of net forward purchase and sale commitments by foreign currency at December 31, 2023 (the equivalent value in thousands of euros is presented in the two right-hand columns):

	(local currency thousands)		*(€ thousands)*	
	Forward purchases	**Forward sales**	**Forward purchases**	**Forward sales**
ARS	0	686,098	0	768
AUD	47,987	1,200	29,507	738
BRL	30,321	0	5,668	0
CAD	18,478	3,925	12,620	2,681
CHF	30,343	97,603	32,767	105,403
CLP	4,738,120	0	4,847	0
CNY	109,999	31,027	14,055	3,964
CZK	2,116	0	86	0
DKK	8,792	306,845	1,180	41,171
GBP	29,521	73,067	33,969	84,077
HUF	1,531,822	681,816	4,002	1,781
INR	0	4,249,710	0	46,271
JPY	34,172	4,615,130	219	29,522
MXN	2,764,692	910,450	147,662	48,627
MYR	20,922	0	4,123	0
NZD	6,198	3,146	3,541	1,797
PEN	1,827	0	446	0
PLN	1,573	0	362	0
SEK	0	1,150	0	104
SGD	366,884	332,770	251,445	228,065
THB	0	265,690	0	6,997
TRY	63,233	0	1,937	0
TWD	0	24,607	0	727
USD	100,949	515,833	91,357	466,818
ZAR	432,619	19,995	21,261	983
TOTAL			**661,054**	**1,070,493**

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 instruments since March 16, 2019.

Commitments on energy price risk

The following table presents the positions taken at December 31, 2023 to hedge energy price risk:

	Net notional amounts *(MWh)*	**Maturity**
Underlying position	6,300,272	<24 months
Management transactions	1,776,927	<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	4,610,198	4,610,198
Loans related to direct investments and other subsidiaries	697,535	697,535
Other financial investments	15,970	0
Other receivables	106,726	70,066
Financial debt	3,722,090	1,503,067
Other debts	72,766	25,753

(1) Affiliated undertakings 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 Sarl	46,341,270	54.56%	68.06%
Blue Crest Holding S.A.	4,314,260	5.08%	5.95%
Group employees	1,196,536	1.41%	1.38%
Treasury shares	507,121	0.60%	0.37%
Public float	32,581,768	38.35%	24.24%
TOTAL AT DECEMBER 31, 2023	**84,940,955**	**100.00%**	**100.00%**

(1) Total theoretical voting rights: 136,185,563

(2) An indirectly 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 2023 AVERAGE HEADCOUNT

	Non-managers	Managers	Total
Full time	29	261	290
Part time	1	5	6
TOTAL EMPLOYEES OF THE ENTITY	**30**	**266**	**296**

NOTE 27 COMPENSATION AWARDED TO DIRECTORS AND EXECUTIVE MANAGERS

(€ thousands)	2023	2022
Board of Directors	639	725
Executive management	1,830	1,460
TOTAL	**2,469**	**2,185**

NOTE 28 SUBSEQUENT EVENTS

The annual consolidated financial statements at December 31, 2023 were approved by the Board of Directors at its meeting held on February 21, 2024.

NOTE 29 APPROPRIATION OF PROFIT

The appropriation of profit is proposed in accordance with the provisions of Article L. 232-7 of the French Commercial Code(1).

(€)	
Income for the period	477,486,507.61
Allocation to the legal reserve to reach 10% of the share capital	0.00
Retained earnings	427,666,092.50
Distributable profit	**905,152,600.11**
Dividend of €1.35 paid for each of the 84,940,955 shares making up the share capital at December 31, 2023	114,670,289.25
Retained earnings	**790,482,310.86**

NOTE 30 TABLE OF SUBSIDIARIES AND EQUITY INVESTMENTS

			(local currency thousands)			
	Country	**SIREN number**	**Share capital**	**Equity other than capital**	**Number of shares held by Imerys**	**Type of securities**
Subsidiaries (at least 50% of the share capital held by Imerys)						
Mircal	France	333,160,620	1,352,038	2,209,071	90,135,848	shares of €15
Imerys USA	US	-	694,700	1,173,045	1,000	shares of USD1
Imerys Services	France	320,750,730	371	(14)	24,700	shares of €15
S&B Minerals Participations	Luxembourg	-	62	317,838	6,200,000	shares of €0.01
Imertech	France	509,434,296	5,037	1,219	503,700	shares of €10
Imerys (Shanghaï) Investment Management Company Limited	China	-	14,404	159,263	1	share of CNY14,404,000

		(€ thousands)							
	% interest held by Imerys	**Gross 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, endorse-ments given by Imerys**	**Dividends received by Imerys in 2023**	**Revenue 2023**	**Net profit or loss for the year 2023**
Subsidiaries (at least 50% of the share capital held by Imerys)									
Mircal	100	3,076,544	3,076,544	-	166,764	-	279,421	-	400,668
Imerys USA	100	813,217	813,217	318,203	70,672	31,674	-	-	(52,341)
Imerys Services	100	1,043	1,043		1,839	-		-	245
S&B Minerals Participations	100	712,768	700,768	-	3,153	-	249,172	-	4,930
Imertech	100	5,037	5,037	-	2,913	-		-	266
Imerys (Shanghaï) Investment Management Company Limited	100	1,359	1,359	-	14,083	-	-	58,418	1,172
Equity investments									
Between 10% and 50% of the share capital held by Imerys		-	-						
Miscellaneous equity investments									
Immaterial French entities		230	230	-	15	-	-	-	121
TOTAL		**4,610,198**	**4,598,198**	**318,203**	**259,439**	**31,674**	**528,593**	**58,418**	**355,061**

6.3 STATUTORY AUDITORS' REPORTS

6.3.1 Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2023

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, 2023.

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, 2023, 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, 2023, 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.821-53 and R.821-180 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

The carrying value of goodwill on the balance sheet amounts to 1 839,1 million euros as of December 31, 2023. Such goodwill are tested at the level at which they are monitored by management as indicated in note 19 to the consolidated financial statements.

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.

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.

We considered the measurement of the recoverable amount of goodwill to be a Key Audit Matter for the following reasons:

- 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

Our audit procedures mainly consisted in:

- 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:
- 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.

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.

Valuation of provisions for the industrial sites dismantling and mining sites restoration

Note 23.2 of the consolidated financial statements

Risk identified

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.

Provisions have been recognized on the balance sheet for this purpose, for an amount of 258,6 million euros as of December 31, 2023 (135,2 million euros for mining site restoration and 123,4 million euros for dismantling obligations).

The calculation of these provisions requires management's judgement and relies on assumptions to:

- 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.

Management also relies on in-house experts to determine the main assumptions, and the expected impacts, where applicable, of regulatory changes.

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.

Our response

We performed a critical review of restoration and dismantling obligations, as well as provisions recorded, and disclosures provided. Our work mainly consisted in:

- 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:
- 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

Assessment of the financial impacts relating to the talc litigation

Note 23.2 of the consolidated financial statements

Risk identified

Certain Group subsidiaries are involved in litigations related to the talc business in the United States.

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.

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.

The voting process of the Plan failed to obtain 75% of favorable votes at the end of 2021. A Revised Plan has finally been filed on January 31, 2024. As of December 31, 2023, the remaining provisions for these claims amounts to 103,9 M€.

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.

Our response

We assessed the reasonableness of the provision recorded in the balance sheet, based on:

- The 'Disclosure Statement' approved by the Court;
- The 'Disclosure Statement for Second Joint Plan' filed to 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

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.

We assessedthe appropriateness of information disclosed in the note 23.2 to the consolidated financial statements with 'IAS 37 'Provisions, contingent liabilities and contingent assets.

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, 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 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, 2023, the firm Deloitte & Associés and the firm PricewaterhouseCoopers Audit were in the 20th and 2nd 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.821-55 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.821-27 to L.821-34 of the French Commercial Code (code de commerce) and in the French Code ofEthics (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 7, 2024

The Statutory Auditors French original signed by

PricewaterhouseCoopers Audit
Cédric HAASER

Deloitte & Associés
Olivier BROISSAND

6.3.2 Statutory auditors' report on the financial statements

For the year ended December 31, 2023

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, 2023.

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, 2023 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, 2023 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.821-53 and R.821-180 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, 20 and 30 to the financial statements

Risk identified	Equity interests, appearing on the balance sheet as of December 31, 2023 for a net amount of 4,598,198 thousand euros, represent the most significant balance sheet item. They are recognized on their entry date at acquisition cost 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. 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. 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. 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.
Our response	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: ● 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", Note 20 "Write-downs and provisions" 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, 20223 Deloitte & Associés was in its 21th year of uninterrupted engagement and PricewaterhouseCoopers Audit in its 2nd 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.821-55 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.821-27 to L.821-34 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 7, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	Deloitte & Associés
Cédric HAASER	Olivier BROISSAND

6.3.3 Statutory Auditors' Special Report on Regulated Agreements with Third Parties

For the Year ended December 31, 2023

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

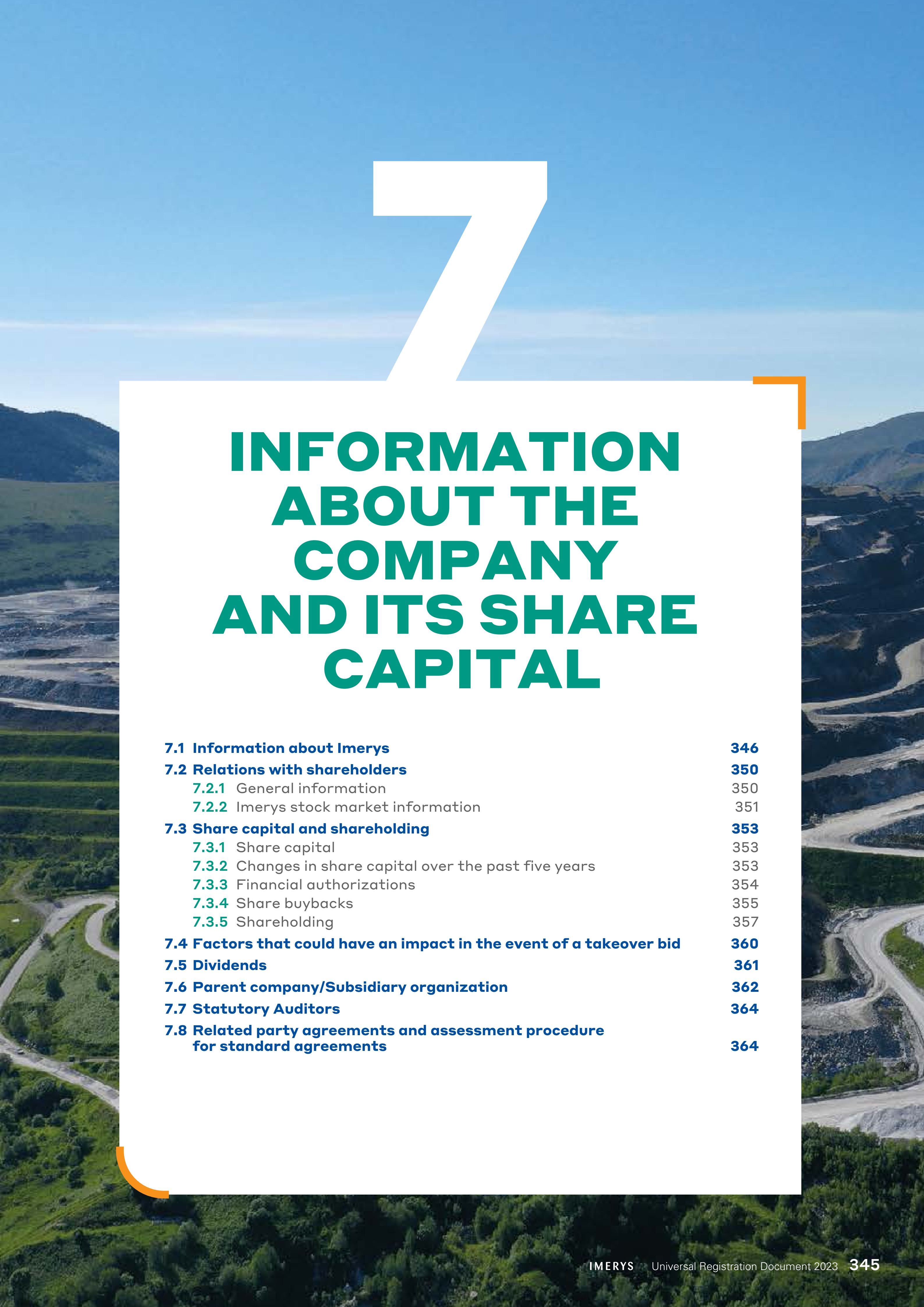
Agreements approved during previous fiscal years whose implementation continued during the fiscal year

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, 2023.

Neuilly-sur-Seine and Paris-La Défense, March 7, 2024

The Statutory Auditors

PricewaterhouseCoopers Audit	**Deloitte & Associés**
Cédric HAASER	Olivier BROISSAND



7

INFORMATION ABOUT THE COMPANY AND ITS SHARE CAPITAL

7.1 Information about Imerys **346**

7.2 Relations with shareholders **350**

- 7.2.1 General information 350
- 7.2.2 Imerys stock market information 351

7.3 Share capital and shareholding **353**

- 7.3.1 Share capital 353
- 7.3.2 Changes in share capital over the past five years 353
- 7.3.3 Financial authorizations 354
- 7.3.4 Share buybacks 355
- 7.3.5 Shareholding 357

7.4 Factors that could have an impact in the event of a takeover bid **360**

7.5 Dividends **361**

7.6 Parent company/Subsidiary organization **362**

7.7 Statutory Auditors **364**

7.8 Related party agreements and assessment procedure for standard agreements **364**

The details included in this chapter regarding the terms and conditions of shareholders' participation in the Shareholders' General Meeting (see section 7.1), the financial authorizations currently in force (see paragraph 7.3.3), the factors that could have an impact in the event of a takeover bid (see section 7.4) and the assessment process to which related party agreements are subject (see section 7.8) 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 21, 2024. Chapter 4 and chapter 8 include all the other essential information 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 this document.
(2) Industrial minerals: non-metallic and non-combustible rocks or minerals, mined and processed for industrial purposes.
(3) Throughout the Universal Registration Document, the 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 Perfiltra (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 CO_2 emissions by 42% in absolute terms (tCO_2) by 2030, with 2021 serving as the base year.

In 2023, Imerys announced the completion of the disposal of the High Temperature Solutions business, representing a key stage in its long-term development strategy and its ambitions in terms of value creation and helping to refocus the Group on mineral-based specialty solutions. Imerys also announced the entry into a number of strategic partnerships, particularly one with E.ON relating to the construction of an energy recovery facility in Willebroek, one with TotalEnergies relating to the production of renewable energy at a site in California and once with Vinci Construction relating to the development of sustainable construction solutions. Imerys and British Lithium also announced their partnership to accelerate the development of the UK's largest lithium deposit. In the environmental field, Imerys adopted new SBTi (Science-Based Target Initiative) objectives aligned with the 1.5°C trajectory, reducing its Scope 1 and 2 CO2 emissions by 42% in absolute terms (tCO2eq) and its Scope 3 emissions by 25% by 2030, with 2021 serving as the base year. These targets have been approved by the SBTi initiative.

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 14 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, 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, 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 online 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:

April 30, 2024	Q1 2024 Results
July 29, 2024	H1 2024 Results
October 30, 2024	Q3 2024 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
  90-110 Esplanade du Général de Gaulle
  92931 Paris-La Défense 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 2019 AND 2023

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
2023	42.7	24.16	28.48

* *Market prices observed during trading (sources: Bloomberg and Euronext).*

TRADING SINCE JANUARY 2021

	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
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**	**-**	**-**	**-**

7

	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
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**	**-**	**-**	**-**
2023							
January	39.18	36.76	2,010,374	76.3	91,381	3.48	916
February	42.7	39.24	1,882,626	76.8	94,131	3.85	1,075
March	42	38.28	1,742,931	69.7	75,780	3.03	880
April	39.44	36.26	1,533,958	57.8	85,220	3.21	948
May	37.22	32.64	3,194,393	109.2	145,200	4.96	1,481
June	36	33.38	1,959,750	67.8	89,080	3.10	829
July	35.86	31.58	1,999,787	65.6	95,228	3.11	1,037
August	32.2	29.92	1,058,427	32.8	46,019	1.43	570
September	31.42	27.64	1,298,820	38.3	61,849	1.81	705
October	27.02	24.16	2,027,986	51.7	92,181	2.35	871
November	26.72	24.42	1,741,577	44.5	79,163	2.02	782
December	28.48	25.8	1,393,680	37.7	73,352	1.99	770
2023 TOTAL	**-**	**-**	**21,844,309**	**728.20**	**-**	**-**	**-**

* *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, 2023

Imerys' fully-paid up share capital at December 31, 2023 totaled €169,881,910, made up of 84,940,955 shares with a par value of €2, including 51,244,608 that carried double voting rights pursuant to article 22 of Imerys' by-laws. In total, 136,185,563 theoretical voting rights were attached to outstanding shares. Taking into account the 507,121 treasury shares held by the Company at December 31, 2023 (see paragraph 7.3.4 of this chapter), the total number of net voting rights attached to outstanding shares was 135,678,442 at that date.

Taking into account the 1,222,325 free shares granted to certain employees and executive corporate officers and not yet exercised or acquired at December 31, 2023, the maximum potential dilution of the share capital was 1.44% at this date (i.e. a nominal amount of €2,444,650).

No stock options were outstanding at December 31, 2023.

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
2023	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, 2022 or 2023.*

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 2023
Share buyback and cancellation of shares			
Treasury share purchase by the Company *(Shareholders' General Meeting of May 10, 2023, 14th resolution)*	November 9, 2024 (18 months)	10% of outstanding shares at January 1, 2023 (representing 8,494,095 shares)	1,100,804 shares (i.e. 1.29% of share capital)
Share capital decrease by canceling treasury shares *(Shareholders' General Meeting of May 10, 2023, 25th resolution)*	July 9, 2025 (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 *(Shareholders' General Meeting of May 10, 2023, 15th resolution)*	July 9, 2025 (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 capital without pre-emptive subscription rights, but with, where applicable, a priority period granted by the Board of Directors open to the public *(Shareholders' General Meeting of May 10, 2023, 16th resolution)*	July 9, 2025 (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 capital through private placements without pre-emptive subscription rights granted to qualified institutional buyers or a limited number of investors *(Shareholders' General Meeting of May 10, 2023, 17th resolution)*	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	None
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 *(Shareholders' General Meeting of May 10, 2023, 18th resolution)*	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	None
Setting of the issue price of shares or securities conferring entitlement to capital in the event pre-emptive subscription rights are canceled *(Shareholders' General Meeting of May 10, 2023, 19th resolution)*	July 9, 2025 (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 *(Shareholders' General Meeting of May 10, 2023, 20th resolution)*	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	None
Increase of share capital paid up by capitalizing retained earnings, profits, additional paid-in capital or issue premiums *(Shareholders' General Meeting of May 10, 2023, 21st resolution)*	July 9, 2025 (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 *(Shareholders' General Meeting of May 10, 2023, 22nd resolution)*	July 9, 2025 (26 months)	Capital: €75 million represents the maximum common cap set in the 15th to the 21st resolutions 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**")	-

Type of authorization	Expiration and term of the authorization	Maximum nominal amount authorized	Use in 2023
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 *(Shareholders' General Meeting of May 10, 2023, 23rd resolution)*	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	446,300 performance shares were granted in 2023, representing 0.52% of the Company's share capital
Free Imerys share grant to employees and corporate officers or certain categories among them *(Shareholders' General Meeting of May 10, 2023, 24th resolution)*	July 9, 2026 (38 months)		

SUMMARY OF THE FINANCIAL AUTHORIZATIONS FOR WHICH RENEWALS HAVE BEEN SUBMITTED FOR APPROVAL AT THE ORDINARY SHAREHOLDERS' GENERAL MEETING OF MAY 10, 2024

The following table presents the financial authorizations submitted to the approval of the Ordinary Shareholders' General Meeting of May 14, 2024.

√ 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 cancellation of shares		
Treasury share purchase by the Company *(Ordinary Shareholders' General Meeting of May 14, 2024, 16th resolution)*	November 13, 2025 (18 months)	10% of outstanding shares at January 1, 2024 (representing 8,494,095 shares)

Other securities

On May 10, 2023, 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 14, 2024, the Board of Directors will consider renewing this delegation to the Chief Executive Officer.

On November 29, 2023, the Company issued €500 million of sustainability-linked bonds bearing a fixed annual coupon of 4.75% and maturity on November 29, 2029.

7.3.4 Share buybacks

Legal framework of share buyback programs implemented in 2023

The Ordinary and Extraordinary Shareholders' General Meeting held on May 10, 2023 renewed for a period of 18 months, i.e. until November 9, 2024, the authorization previously granted to the Board of Directors by the Ordinary Shareholders' General Meeting held on May 10, 2022. 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, 2023, representing 8,494,095 shares, and within the limit of a total investment of €721,998,075. It was also decided at the same Shareholders' General Meeting that the number of shares that may be held by the Company, directly or indirectly at any time, may not exceed 10% of its 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. Lastly, the maximum acquisition price was set at €85 per share.

On May 10, 2023, 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 2023 (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.

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] and assigned, with effect from October 23, 2023, to BNP Paribas Arbitrage (the "**Liquidity Agreement**"), the following transactions were completed in 2023:

- 710,804 shares were purchased on the market at an average weighted price of €33.780; and
- 666,173 shares were sold on the market at an average weighted price of €33.658.

(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.

Furthermore, on May 15, 2023, 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 July 14, 2023 (the "**Purchase Agreement**"). Under the Purchase Agreement, 390,000 of the Company's shares were purchased on the market between May 15, 2023 and July 14, 2023 at an average weighted price of €33.8473.

Treasury shares held at December 31, 2023

Taking into account:

- the balance of treasury shares held at December 31, 2022, representing 573,022 shares;
- the delivery in 2023 of 500,532 vested shares to the beneficiaries of performance share grants (for further details, see chapter 4, paragraph 4.3.3 of the Universal Registration Document);
- 710,804 shares purchased and 666,173 shares sold under the Liquidity Agreement in 2023;
- 390,000 shares purchased under the Purchase Agreement;
- the balance of treasury shares held at December 31, 2023 totaled 507,121. These shares, which have a par value of €2, represented approximately 0.60% of share capital at December 31, 2023.

It should be noted that:

- the transactions carried out by the Company in 2023 as part of its share buyback programs were made in full and without opening any buying or selling positions;
- the Company does not use derivatives as part of its share buyback programs;
- taking into account the shares bought back within the framework of the Purchase Agreement, the Company incurred trading fees of €9,219.09 and paid €39,601.53 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 and Extraordinary Shareholders' General Meeting held on May 10, 2023 expires on November 9, 2024, shareholders will be asked to renew it at the Ordinary Shareholders' General Meeting to be held on May 14, 2024 for a further period of 18 months, i.e. until November 13, 2025 (see chapter 8, paragraph 8.2.7. of the Universal Registration Document).

The buyback program put forward for renewal at the Ordinary Shareholders' General Meeting held on May 14, 2024 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 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, 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, 2024 (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, 2021				At December 31, 2022				At December 31, 2023			
	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 Sarl	46,341,270	54.56	89,192,743	67.53	46,341,270	54.56	92,682,540	68.37%	46,341,270	54.56	92,682,540	68.06
Blue Crest Holding S.A.	4,305,235	5.07	7,989,470	6.05	4,305,235	5.07	8,087,217	5.97	4,314,260	5.08	8,096,242	5.95
Group employees	774,751	0.91	1,373,685	1.04	848,233	1.00	1,512,081	1.12	1,196,536	1.41	1,883,838	1.38
Treasury shares	356,196	0.42	0	0	573,022	0.67	0	0	507,121	0.60	507,121	0.37
Public float	33,163,503	39.04	33,529,808	25.38	32,873,195	38.70	33,287,318	24.55	32,581,768	38.35	33,015,822	24.24
TOTAL	**84,940,955**	**100**	**132,085,706**	**100**	**84,940,955**	**100**	**135,569,156**	**100**	**84,940,955**	**100**	**136,185,563**	**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.*

7.3.5.2 Crossing of statutory thresholds

No disclosures were made to the Company to report a threshold being crossed in 2023 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 this 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 S.à r.l[1], which itself is controlled, via GBL Verwaltung (Luxembourg), 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 could be exerted abusively. The Company and its Board of Directors have always considered protecting shareholder interests to be of great importance and consistently make every 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. (since became Belgian Securities S.à r.l.) 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.

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%; and
- on January 15, 2025, if any of the parties sends the other parties a letter informing them that they wish to terminate the agreement before December 15, 2024 (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 shareholders

At December 31, 2023, Group employees held 1.41% of outstanding share capital and 1.38% of theoretical voting rights in the Company, particularly through operations intended to promote employee share ownership (see paragraph 7.3.1 of this 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.

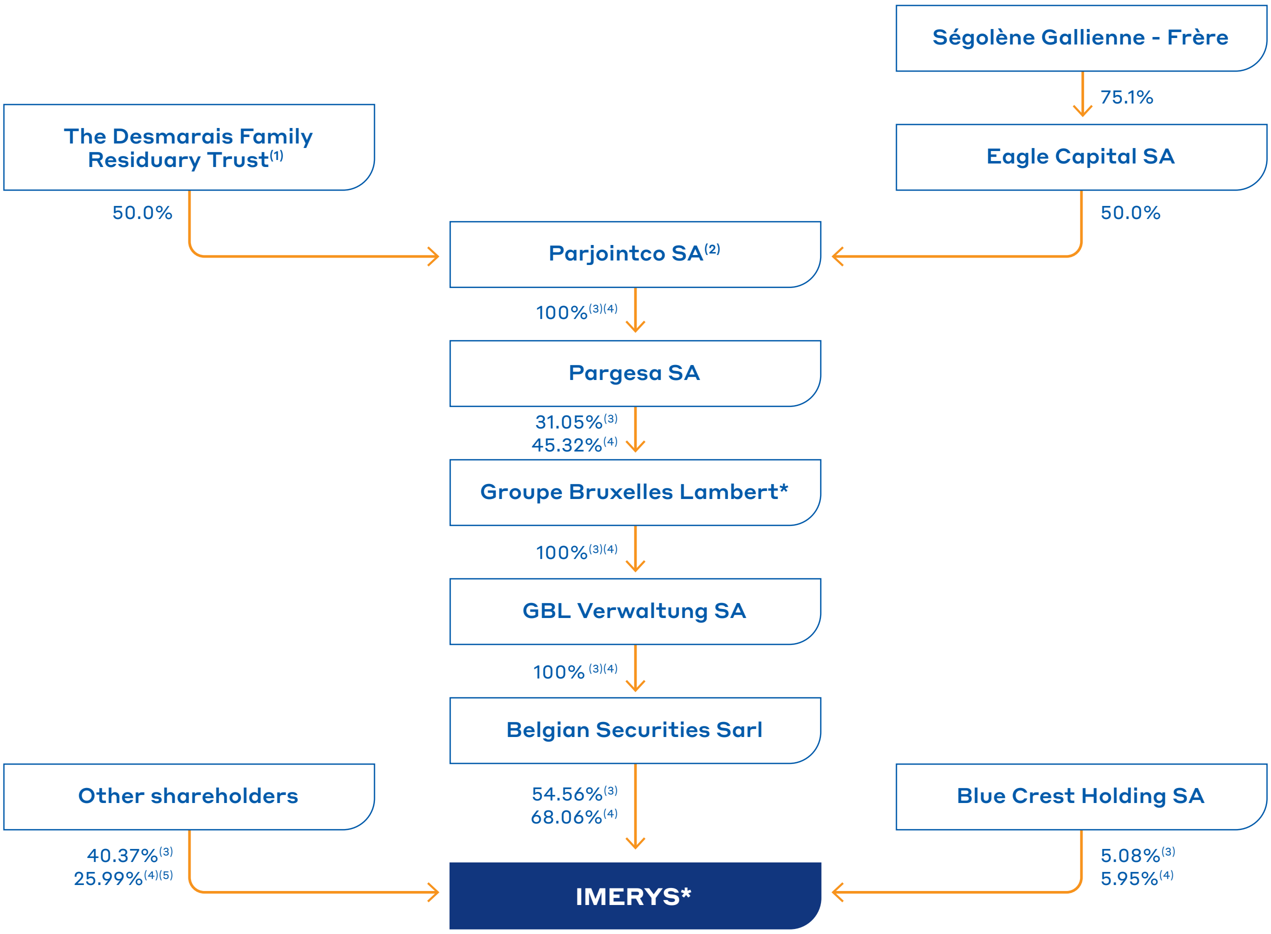
7.3.5.5 Identification of bearer shares

The Company has not carried out a survey of identifiable bearer shares during the last two years.

(1) On December 5, 2023, Belgian Securities BV (Netherlands) transferred its registered office to Luxembourg and was therefore converted into a company governed by Luxembourg law, fully retaining its legal personality.

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, 2023 (see paragraph 7.3.1 of this chapter):



** Listed company*
(1) Trustees of a trust set up on the death of Paul G. Desmarais, for the benefit of cer ain 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 2023 annual report, in section 8.3.3.

Belgian Securities Sarl is a company governed by Luxembourg law whose registered office is located at 19-21 route d'Arlon, 8009, Strassen (Luxembourg).

GBL Verwaltung SA is a company governed by Luxembourg law whose registered office is located at 19-21 route d'Arlon, 8009, Strassen (Luxembourg).

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 FACTORS 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 this chapter.

Restrictions on voting rights and transfers of shares or agreements of which the Company is aware

See paragraph 7.3.5.3 of this 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 this 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 this 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 this chapter.

It should be noted that when the financial authorizations were submitted for renewal at the Shareholders' General Meeting held on May 10, 2023, 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.

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 may 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, the dividends paid in respect of the last three financial years were as follows:

	2022	2021	2020
Net income from current operations, per share	€3.28	€3.40	€2.03
Net dividend per share	€3.85*	€1.55	€1.15
Gross dividend per share	€3.85*	€1.55	€1.15
Number of shares carrying dividend rights	84,852,296	84,732,456	84,811,788
TOTAL NET DISTRIBUTION	**€326.7 MILLION**	**€131.3 MILLION**	**€97.5 MILLION**

** The dividend paid in respect of the 2022 financial year was €3.85 per share, equating to an ordinary dividend of €1.50 per share and an exceptional dividend linked to the sale of the High Temperature Solutions business of €2.35 per share.*

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, 2023, the Group was made up of 236 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.

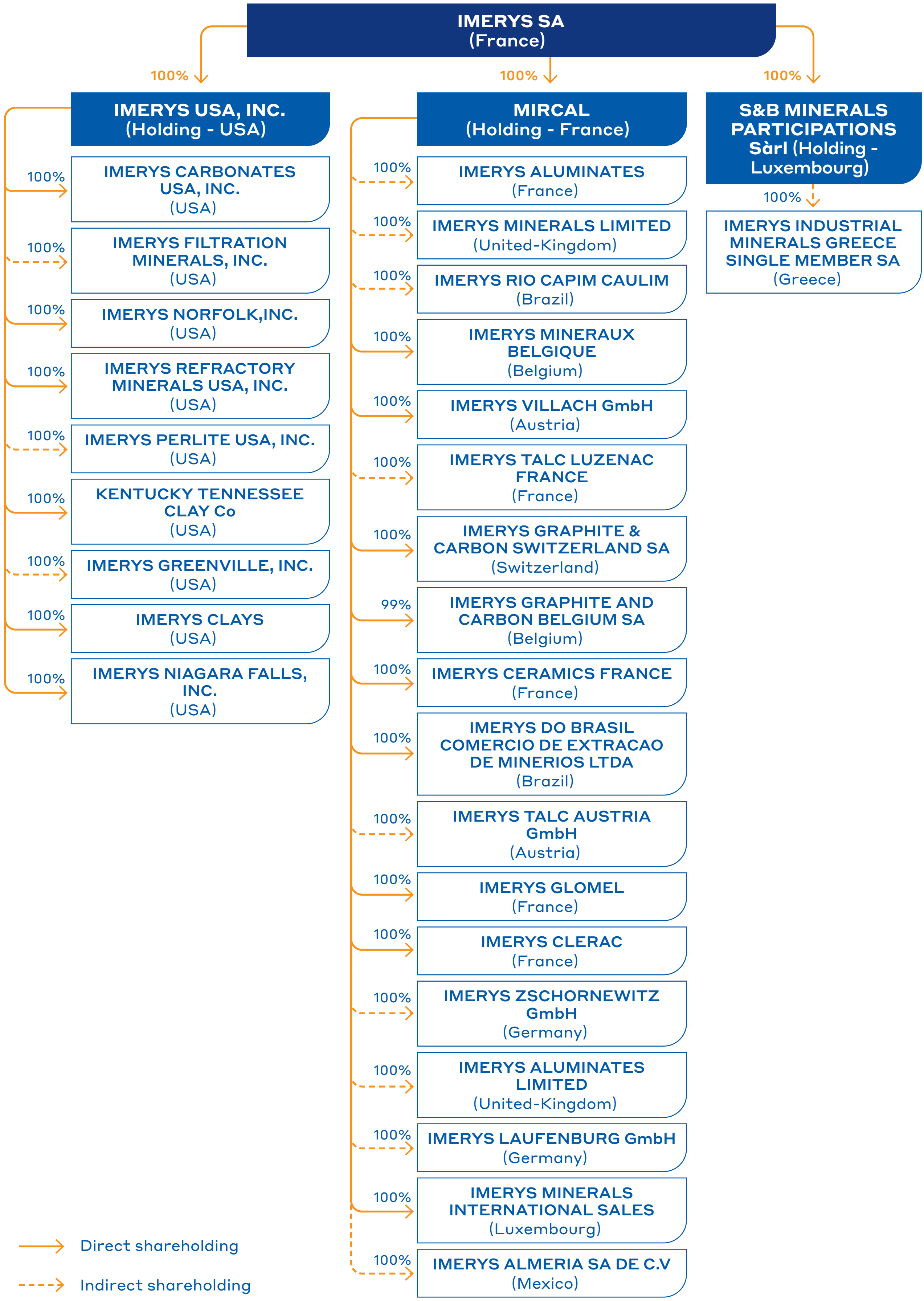
Imerys, along with certain local holding companies, provides all their subsidiaries with general support and expertise in the following areas in particular:

- Purchasing;
- Insurance;
- Audit;
- Communication;
- Accounting & Financial Control;
- Environment, Health & Safety;
- Operational Excellence;
- Tax.
- Geology;
- Information Technology;
- Innovation, Research & Development;
- Legal;
- Industrial Projects;
- Intellectual Property;
- Human Resources;
- Strategy;
- Mineral Transformation Processes;
- Cash Management.

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 2023, the Company invoiced a net total amount of approximately €120.5 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, 2023.


IMERYS SA
(France)
100%
100%
100%
IMERYS USA, INC.
(Holding - USA)
MIRCAL
(Holding - France)
S&B MINERALS PARTICIPATIONS Sàrl (Holding - Luxembourg)
100%
IMERYS CARBONATES USA, INC.
(USA)
100%
IMERYS FILTRATION MINERALS, INC.
(USA)
100%
IMERYS NORFOLK,INC.
(USA)
100%
IMERYS REFRACTORY MINERALS USA, INC.
(USA)
100%
IMERYS PERLITE USA, INC.
(USA)
100%
KENTUCKY TENNESSEE CLAY Co
(USA)
100%
IMERYS GREENVILLE, INC.
(USA)
100%
IMERYS CLAYS
(USA)
100%
IMERYS NIAGARA FALLS, INC.
(USA)
100%
IMERYS ALUMINATES
(France)
100%
IMERYS MINERALS LIMITED
(United-Kingdom)
100%
IMERYS RIO CAPIM CAULIM
(Brazil)
100%
IMERYS MINERAUX BELGIQUE
(Belgium)
100%
IMERYS VILLACH GmbH
(Austria)
100%
IMERYS TALC LUZENAC FRANCE
(France)
100%
IMERYS GRAPHITE & CARBON SWITZERLAND SA
(Switzerland)
99%
IMERYS GRAPHITE AND CARBON BELGIUM SA
(Belgium)
100%
IMERYS CERAMICS FRANCE
(France)
100%
IMERYS DO BRASIL COMERCIO DE EXTRACAO DE MINERIOS LTDA
(Brazil)
100%
IMERYS TALC AUSTRIA GmbH
(Austria)
100%
IMERYS GLOMEL
(France)
100%
IMERYS CLERAC
(France)
100%
IMERYS ZSCHORNEWITZ GmbH
(Germany)
100%
IMERYS ALUMINATES LIMITED
(United-Kingdom)
100%
IMERYS LAUFENBURG GmbH
(Germany)
100%
IMERYS MINERALS INTERNATIONAL SALES
(Luxembourg)
100%
IMERYS ALMERIA SA DE C.V
(Mexico)
100%
IMERYS INDUSTRIAL MINERALS GREECE SINGLE MEMBER SA
(Greece)
Direct shareholding
Indirect shareholding

7.7 STATUTORY AUDITORS

Principal Statutory Auditors (1)

Deloitte & Associés	PricewaterhouseCoopers Audit
represented by Olivier Broissand	represented by Cédric Haaser
6, place de la Pyramide, 92908 Paris-La Défense, France	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.

The Shareholders' General Meeting of May 14, 2024 will be asked to approve the appointment of Deloitte & Associés and PricewaterhouseCoopers Audit as Statutory Auditors in charge of certifying sustainability information, for terms that will come to an end following the Ordinary Shareholders' General Meeting to be held in 2028 called to approve the financial statements for the year ending December 31, 2027.

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).

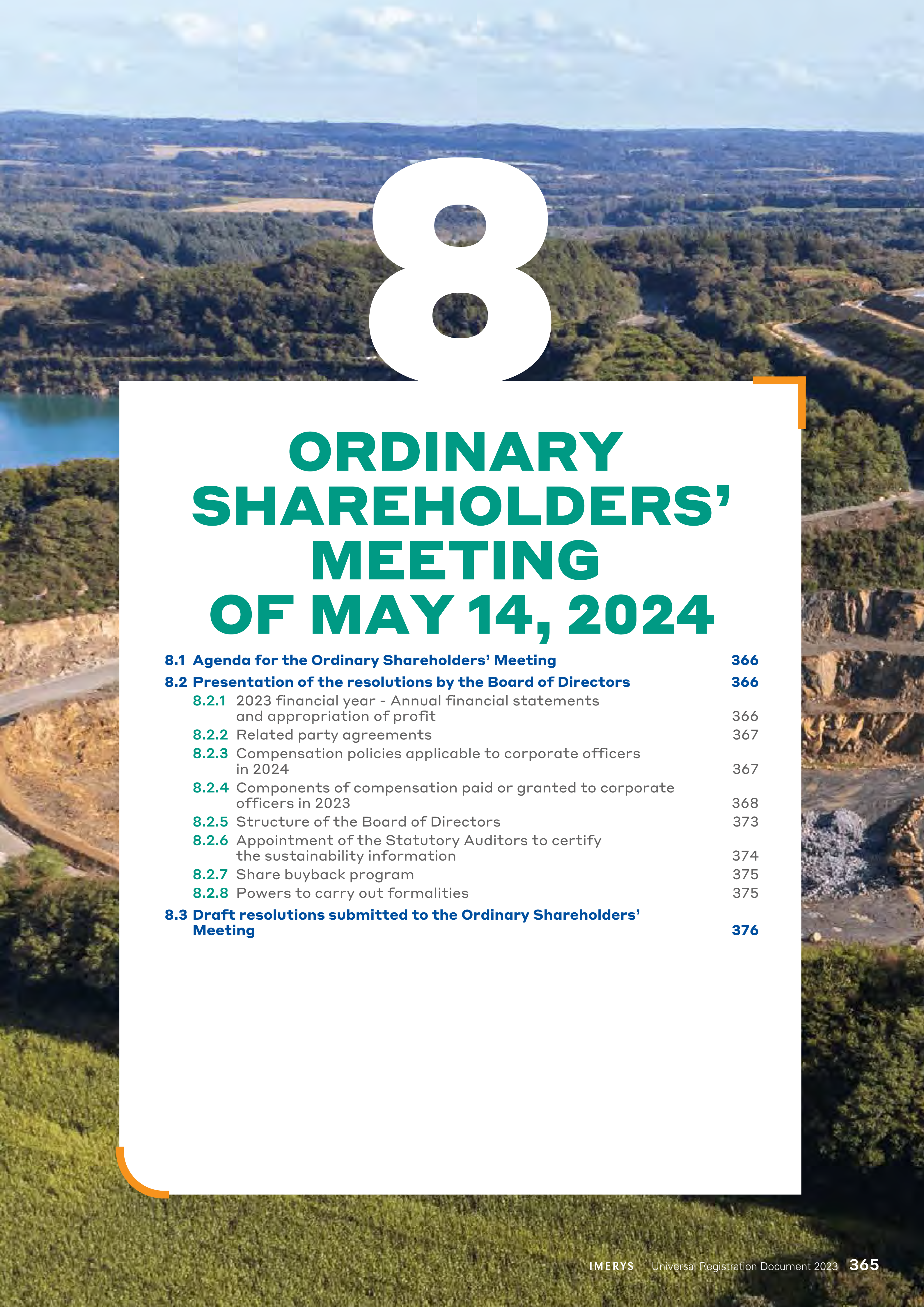
Related party agreements in 2023

At its meeting on February 21, 2024, the Board of Directors conducted its annual review of related party agreements for 2023, 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 2023 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 2023.

(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 SHAREHOLDERS' MEETING OF MAY 14, 2024

8.1 Agenda for the Ordinary Shareholders' Meeting **366**

8.2 Presentation of the resolutions by the Board of Directors **366**

- 8.2.1 2023 financial year - Annual financial statements and appropriation of profit 366
- 8.2.2 Related party agreements 367
- 8.2.3 Compensation policies applicable to corporate officers in 2024 367
- 8.2.4 Components of compensation paid or granted to corporate officers in 2023 368
- 8.2.5 Structure of the Board of Directors 373
- 8.2.6 Appointment of the Statutory Auditors to certify the sustainability information 374
- 8.2.7 Share buyback program 375
- 8.2.8 Powers to carry out formalities 375

8.3 Draft resolutions submitted to the Ordinary Shareholders' Meeting **376**

At its meeting of February 21, 2024, the Board of Directors drew up the agenda and resolutions that will be submitted to the Ordinary Shareholders' Meeting of May 14, 2024.

8.1 AGENDA FOR THE ORDINARY SHAREHOLDERS' MEETING

1) Approval of the Company's management and statutory financial statements for the year ended December 31, 2023;
2) approval of the consolidated financial statements for the year ended December 31, 2023;
3) appropriation of profit and setting the dividend with respect to the year ended December 31, 2023;
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 year ended December 31, 2024;
6) approval of the compensation policy applicable to the Chief Executive Officer with respect to the year ended December 31, 2024;
7) approval of the compensation policy applicable to members of the Board of Directors with respect to the year ended December 31, 2024;
8) approval of the information relating to the compensation of corporate officers with respect to the year ended December 31, 2023, 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, 2023;
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, 2023;
11) re-appointment of Patrick Kron as a director;
12) re-appointment of Paris Kyriacopoulos as a director;
13) appointment of Laurent Favre as a director;
14) appointment of Deloitte & Associés as Statutory Auditor to certify the sustainability information;
15) appointment of PricewaterhouseCoopers Audit as Statutory Auditor to certify the sustainability information;
16) purchase by the Company of its own shares;
17) powers to carry out formalities.

8.2 PRESENTATION OF THE RESOLUTIONS BY THE BOARD OF DIRECTORS

All the resolutions submitted for your approval are ordinary resolutions.

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, paragraphs 8.2.3 to 8.2.5 form an integral part of the Corporate Governance Report.

8.2.1 2023 financial year - Annual financial statements and appropriation of profit

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, 2023.

These financial statements, along with the financial situation, business and results of the Group and the Company for the year ended December 31, 2023, as well as various items of information required by current laws and regulations, are published in chapter 5 (Comments on 2023) 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 that Code, which corresponded to €157,828.28 over the year ended December 31, 2023. No tax was incurred on these expenses.

Shareholders are then called upon to approve the appropriation of the Company's distributable profit for 2023 **(third resolution)**. In 2023, the Company's distributable profit totaled €905,152,600.11, representing €477,486,507.61 in net profit plus €427,666,092.50 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 an ordinary dividend in cash of €1.35 per share.

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, 2023. 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, individual shareholders domiciled for tax purposes in France may benefit from a 40% tax allowance on the proposed dividend for 2023, 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 that Code.

Dividends paid in respect of the past three financial years were as follows:

Financial year ending:	12/31/2022**	12/31/2021	12/31/2020
Net dividend per share	€3.85*	€1.55*	€1.15*
Number of shares carrying dividend rights	84,852,296	84,732,456	84,811,788
TOTAL NET PAYOUT	**€326.7 MILLION**	**€131.3 MILLION**	**€97.5 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 dividend paid in respect of the 2022 financial year was €3.85 per share, equating to an ordinary dividend of €1.50 per share and an exceptional dividend linked to the sale of the High Temperature Solutions business of €2.35 per share.*

The ex-dividend date will be May 21, 2024 and the dividend will be paid on May 23, 2024.

8.2.2 Related party agreements

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 that 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 21, 2024 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 entered into in 2023; and
- no related party agreements entered into in previous years and already approved by the Shareholders' General Meeting continued to apply in 2023.

8.2.3 Compensation policies applicable to corporate officers in 2024

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 2024 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 2023 compensation policies, at its meeting held on February 21, 2024 and based on proposals made by the Compensation Committee, the Board of Directors decided to:

- while confirming the previously approved Chairman of the Board's compensation policy, remove the possibility of granting a sign-on bonus to a future Chairman of the Board of Directors (non-executive corporate officer) and remove the possibility of granting exceptional compensation for special services or assignments entrusted to the Chairman of the Board of Directors;
- alter certain criteria included in the Chief Executive Officer's annual variable compensation, while confirming the previously approved compensation policy;
- confirm the compensation policy previously approved for members of the Board of Directors and keep the gross annual budget and allocation bands unchanged. The Board decided, however, to provide for the option of not applying the 50% reduction in compensation where directors attend a meeting of the Board or a Committee by telephone or video conference, where exceptional circumstances mean that the meeting is unable to be held in person (for example, natural disasters, major events or demonstrations, widespread strike action and critical IT incidents).

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 2024 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 2023

8.2.4.1 Information on components of corporate officer compensation in 2023 (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 that Code, which includes in particular details of 2023 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, 2023 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, 2023	Amount granted in the year ended December 31, 2023 or equivalent accounting value	Details
Fixed compensation	€400,000	€400,000	Gross annual fixed compensation granted with respect to 2023 and paid in 2023: €400,000 (as decided by the Board of Directors at its meeting held on February 16, 2023) √ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.
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	√ See details under "fixed compensation" above.
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, 2023 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, 2023	Amount granted in the year ended December 31, 2023 or equivalent accounting value	Details
Annual fixed compensation	€920,000	€920,000	Gross annual fixed compensation granted with respect to 2023 and paid in 2023: €920,000 (as decided by the Board of Directors at its meeting held on February 16, 2023) √ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.
Annual variable compensation	€660,000	€946,849	Annual variable compensation for 2022: The annual variable compensation for 2022, set at €660,000 by the Board of Directors at its meeting of February 16, 2023 and paid in 2023, following the approval by the Shareholders' General Meeting of May 10, 2023. Annual variable compensation for 2023: At its meeting of February 21, 2024 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 quantifiable and individual targets set for 2023 in order to determine the amount of variable compensation payable for the year. The quantifiable criteria relating to financial performance for 2023, weighted at 65% of annual variable compensation, were tied to targets for the Group's current operating income, free operating cash flow and organic revenue growth, accounting for 26%, 26% and 13%, respectively. The quantifiable criteria relating to ESG performance for 2023, weighted at 15% of annual variable compensation, were tied to: ■ improving the Group's Safety Culture Maturity to Level 3.3 across all Business Areas by the end of 2025; ■ increasing the global Occupational Health action plan improvement rate to 75% by the end of 2025, ■ increasing the score of the Diversity & Inclusion Index to 100% by the end of 2025; ■ increasing the number of women on the Executive Committee to 30% by the end of 2025; ■ assessing Imerys' portfolio according to the sustainability criteria to cover at least 75% (by revenue) by the end of 2025, ■ ensuring that at least 75% of the Group's New Product Developments are scored as 'SustainAgility Solutions' (A+ or A++) by the end of 2025; ■ improving the external sustainability rating of the Group by 7% compared to the 2022 assessment[1] by the end of 2025; ■ reducing environmental impacts by assessing the maturity level of 100% of sites against environmental management requirements by the end of 2025; ■ reducing the impact on biodiversity by fulfilling the act4nature commitments and conducting biodiversity audits on the 20 priority sites by the end of 2025; ■ reducing the Group's Scopes 1 & 2 greenhouse gas emissions (in tCO_2eq) by 42% from 2021, the base year, in alignment with a 1.5°C trajectory by the end of 2030. The individual criteria were linked to the active management of the portfolio of business activities in accordance with the Group's strategies, putting the Group on a growth trajectory, aligning the organization with the Group's new scope, continuing to develop talented individuals, and implementation of actions required for operational performance. These criteria are confidential and so cannot be published in full.

(1) Correction of a typo. The 2023 compensation policy for the Chief Executive Officer stated "2021" but, with the exception of one criterion relating to the reduction of greenhouse gas emission, 2022 is the base year for all the criteria.

8

Components of compensation subject to approval	Amount paid in the year ended December 31, 2023	Amount granted in the year ended December 31, 2023 or equivalent accounting value	Details
			Calculation procedures: The amount of the annual variable compensation resulting from the measurement of the achievement of all the criteria (quantifiable and qualitative) is calculated by applying the rate of distribution 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. *Quantifiable financial performance criteria:* In terms of current operating income: if the result achieved is less than or equal to 85% of the budget target, the distribution rate will be equal to 0%; if the result achieved is equal to 100% of the budget target, the distribution rate will be equal to 26%; if the result achieved is equal to 115% of the budget target, the distribution rate will be equal to 39%. In terms of free operating cash flow: if the result achieved is less than or equal to 50% of the budget target, the distribution rate will be equal to 0%; if the result achieved is equal to 100% of the budget target, the distribution rate will be equal to 26%; if the result achieved is equal to 125% of the budget target, the distribution rate will be equal to 39%. In terms of organic revenue growth: if the result achieved is less than or equal to 50% of the budget target, the distribution rate will be equal to 0%; if the result achieved is equal to 100% of the budget target, the distribution rate will be equal to 13%; if the result achieved is equal to 125% of the budget target, the distribution rate will be equal to 19.50%. *ESG quantifiable criteria:* If the result is less than the minimum threshold specific to each criterion, the distribution rate will be equal to 0%. If the result is equal to 100% of the target objective, the distribution rate will be equal to 15%. If the result is higher than the maximum threshold specific to each criterion, the distribution rate will be equal to 22.5%. *Individual qualitative criteria:* The measurement of the individual achievements is defined within a range between 0 and 150% (100% is equal to the target objectives). **Attainment of targets:** The Board of Directors assessed the level of achievement of the quantifiable financial performance criteria to be in line with the budget targets for 2023. These budget targets are not made public for confidentiality reasons. Accordingly, the Board found that two of the three criteria were achieved or partially achieved. With regard to the level of achievement of the quantifiable criteria relating to ESG performance, the Board assessed the level of performance of the criteria in line with the 2023 objectives of the SustainAgility Group's sustainable development roadmap (in relation to the 2022 reference year, with the exception of the criterion relating to the reduction of greenhouse gas emissions which is assessed in relation to 2021 reference year). As a result, the Board noted that all the objectives met or exceeded the target with the exception of the criteria relating to the improvement of the Group's ESG rating and of the criteria relating to the increase of achievement rate of the action plan for the overall improvement of occupational health, which was partially achieved. The Board of Directors considered the Chief Executive Officer's individual performance met the criteria set, given the following: the Board considered that the Group actively managed its business portfolio in line with its newly-defined longterm growth strategy. The Board noted that in an environment characterized by softer demand and volume decline, the Company still pursued an adequate commercial strategy to protect margins, and implemented actions necessary to develop high-potential activities, in particular in mobile

			and sustainable energy, investing in new industrial capabilities. The Board took note of the positive developments with regards to internal promotions, both at Executive Committee and lower levels of the organization, as well as the improvement of talent bench strength. The Board appreciated the management's efforts on cost savings, efficiencies and cash generation actions, which delivered above expectations. Consequently, the annual variable compensation granted to Alessandro Dazza with respect to 2023 amounts to €946,849, representing 93.56% of his annual variable compensation target for 2023. This figure reflects the achievement of 53.10% of quantifiable criteria relating to financial performance, 18.30% of quantifiable criteria relating to ESG performance and 22.17%(1) of individual performance criteria. This sum will be paid to Alessandro Dazza, subject to the approval of the tenth resolution submitted to the Shareholders' General Meeting of May 14, 2024. The Company does not have the option of asking for this variable compensation to be returned. √ For further details, see chapter 4, paragraph 4.3.2.1 of the Universal Registration Document.
Multi-annual variable compensation	N/A	N/A	No decision was made to award multi-annual variable compensation (in cash) with respect to 2023.
Exceptional compensation	€250,000	N/A	Exceptional compensation in the amount of €250,000, i.e. 31.25% of the Chief Executive Officer's annual fixed compensation for 2022, calculated by the Board on February 16, 2023, was paid in 2023 following the approval by the Shareholders' General Meeting of May 10, 2023.
Stock options, performance shares and any other long-term benefit	N/A	€2,374,083 (accounting value of performance shares granted in 2023 under IFRS 2)	Performance shares At its meeting held on May 10, 2023 and based on the recommendations of the Compensation Committee, the Board of Directors decided to grant Alessandro Dazza 85,000 performance shares, representing approximately 0.1 % of the Company's share capital. This grant was made pursuant to the compensation policy approved by the Combined Shareholders' General Meeting of May 10, 2023 (sixth resolution) and the authorization granted by the Ordinary and Extraordinary Shareholders' General Meeting of May 10, 2023 (twenty-fourth resolution). The shares are subject to the same financial performance conditions as those applicable to the 2023 General Performance Share Plan offered to the Group's executive managers. These conditions were linked to: ■ the Group's net income from current operations per share (50%); ■ its free operating cash flow (35%); ■ and the following ESG criteria (15%): improving the Group's Safety Culture Maturity to Level 3.3 across all Business Areas by the end of 2025; increasing the score of the Diversity & Inclusion Index to 100% by the end of 2025; assessing Imerys' portfolio according to the sustainability criteria to cover at least 75% (by revenue) by the end of 2025; improving the external sustainability rating of the Group by 7% compared to the 2022 assessment(2) by the end of 2025; reducing the impact on biodiversity by fulfilling the act4nature commitments and conducting biodiversity audits on the 20 priority sites by the end of 2025; reducing the Group's Scopes 1 & 2 greenhouse gas emissions (in tCO_2eq) by 42% from 2021, the base year, in alignment with a 1.5°C trajectory by the end of 2030. No other benefit/long-term compensation was granted in 2023. Performance shares that vested in 2023 It should be noted that, during the 2023 financial year, 110,880 performance shares (valued for accounting purposes at €2,963,557) awarded under the May 2020 performance plan vested for Alessandro Dazza. The 2020 plan vested in May 2023 with a completion level of 98.21%. √ For further details, see chapter 4, paragraph 4.3.3.

(1) *For sake of clarity, achievement rates have been rounded.*
(2) *Correction of a typo. The 2023 compensation policy for the Chief Executive Officer stated "2021" but, with the exception of one criterion relating to the reduction of greenhouse gas emission, 2022 is the base year for all the criteria.*

<table>
<tr><th>Components of compensation subject to approval</th><th>Amount paid in the year ended December 31, 2023</th><th>Amount granted in the year ended December 31, 2023 or equivalent accounting value</th><th>Details</th></tr>
<tr><td>Severance package</td><td>N/A</td><td>N/A</td><td><u>Termination benefit</u>

Alessandro Dazza would be due severance pay 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 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.

The performance conditions applicable to the severance package include:
■ free operating cash flow:
● if free operating cash flow is 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 the severance pay would be due,
● if free operating cash flow is 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 the severance pay would be due,
● if free operating cash flow is 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 the severance pay would be due,
● if free operating cash flow is 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:
● if Group current operating income, calculated at constant scope and exchange rates, falls 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, falls by over 25% per year over the last three years in office prior to departure, no severance pay would be due.

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.

√ For further details, see chapter 4, paragraph 4.3.2 of the Universal Registration Document.</td></tr>
<tr><td></td><td></td><td></td><td><u>Non-compete indemnity</u>

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.

No compensation would be due if Alessandro Dazza opts to claim retirement benefits.

√ For further details, see chapter 4, paragraph 4.3.2 of the Universal Registration Document.</td></tr>
</table>

Components of compensation subject to approval	Amount paid in the year ended December 31, 2023	Amount granted in the year ended December 31, 2023 or equivalent accounting value	Details
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 (*Benefits in kind*).
Directors' compensation	N/A	N/A	-
Benefits in kind	€109,516	€109,516	These benefits include a complementary pension plan and official accommodation (until August 2023).

8.2.5 Structure of the Board of Directors

The terms of office of Patrick Kron, Paris Kyriacopoulos and Marie-Françoise Walbaum are due to expire at the end of this Shareholders' General Meeting.

At its meeting held on February 21, 2024 and having considered the opinion of the Appointments Committee, the Board of Directors:

- took note of Marie-Françoise Walbaum's wish not to renew her term of office following this 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 2027 to approve the financial statements for the year ending December 31, 2026, the directorships of Patrick Kron **(eleventh resolution)** and Paris Kyriacopoulos **(twelfth resolution)** and to appoint Laurent Favre **(thirteenth resolution)** as a new director.

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 Laurent Favre, 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 as directors, the Board of Directors considered that:

- the reappointment of Patrick Kron was in the Group's interests, given his professional skills, his industry knowledge and his status as an independent director. In addition, according to the evaluation of the Board in 2023/2024 by an external consultant, the members of the Board consider the relationship between the Chairman and the Chief Executive Officer to be strong and healthy, and conducive to good governance of the Group. The members of the Board consider that the Chairman creates an environment in which other members can speak with full freedom and expressed full confidence in him. They also emphasized that communications between the Chairman and the principal shareholder were simple and fluid. Lastly, the members of the Board highlighted the high quality and effectiveness of Board meetings. Subject to him being appointed, on the recommendation of the Appointments Committee, Patrick Kron would be reappointed as Chairman of the Board;
- the reappointment of Paris Kyriacopoulos, given his industrial expertise, his international profile and his in-depth knowledge of the Group, where he carried out a number of different roles between 2016 and 2020, would be an asset to the Company. Paris Kyriacopoulos is also affiliated with Blue Crest Holding SA, a shareholder in Imerys, which, under the terms of the shareholders' agreement in force between, *inter alia*, Belgian Securities Sarl and Blue Crest Holding SA, has the right to be represented on the Company's Board and Strategic Committee. Subject to him being appointed, on the recommendation of the Appointments Committee, Paris Kyriacopoulos would be reappointed as a member of the Strategy and Sustainability Committee;
- lastly, the appointment of Laurent Favre would be a real asset for the Board, given his substantial industrial and strategic expertise. For more than 20 years, Laurent Favre carried out various high-level roles at leading German automotive OEMs such as ThyssenKrupp (steering systems), ZF (gearboxes and steering columns) and Benteler (structural components), where he was Chief Executive Officer of the automotive division. Laurent Favre is currently Chief Executive Officer of Plastic Omnium, a listed French company. The appointment of Laurent Favre would also help to maintain the proportion of independent directors at 60%. His appointment would allow one of the composition-related objectives of the Board's diversity policy to be met, namely the appointment by the end of 2024 of a director with industry expertise and an executive and, if possible, international, background. Subject to him being appointed, Laurent Favre would be appointed by the Board of Directors as a member of the Strategy and Sustainability Committee, thereby increasing the percentage of independent directors on that committee.

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 Patrick Kron and Laurent Favre and did not recognize the independent status of Paris Kyriacopoulos (for further details, see chapter 4, paragraph 4.1.1 of the Universal Registration Document).

Consequently, at the end of the Shareholders' General Meeting of May 14, 2024 and subject to approval of the above proposals, the Board of Directors will be made up of 10 people, 40% 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 member
2027	Patrick Kron	Yes
	Paris Kyriacopoulos	No
	Laurent Favre	Yes
2026	Stéphanie Besnier	Yes
	Annette Messemer	Yes
	Véronique Saubot	Yes
	Dominique Morin, employee representative director	N/A
	Carlos Perez, employee representative director	N/A
2025	Bernard Delpit	No
	Ian Gallienne	No
	Laurent Raets	No
	Lucile Ribot	Yes

In addition, the term of office of Rein Dirkx, non-voting observer, will be considered for renewal by the Board in 2025.

8.2.6 Appointment of the Statutory Auditors to certify the sustainability information

In accordance with applicable provisions, the Board of Directors, in accordance with the recommendations of the Audit Committee, decided to submit for approval at the Shareholders' General Meeting the appointment of Deloitte & Associés and PricewaterhouseCoopers Audit as Statutory Auditors to certify the sustainability information, for a term of four years, i.e. until the end of the 2028 Ordinary Shareholders' General Meeting called to approve the financial statements for the financial year ended December 31, 2027 **(fourteenth and fifteenth resolutions)**.

8.2.7 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 and Extraordinary Shareholders' General Meeting of May 10, 2023 will expire on November 9, 2024. Shareholders are therefore asked to renew the authorization at this meeting, in accordance with current provisions **(sixteenth resolution)**.

For further details about the way in which the Company implemented its share buyback programs in 2023, 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 in accordance with the authorization granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' General Meeting of May 10, 2023 in its 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, 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.

8.2.8 Powers to carry out formalities

As in previous years, the last resolution grants all necessary powers to carry out legal formalities arising from the Shareholders' General Meeting **(seventeenth resolution)**.

8.3 DRAFT RESOLUTIONS SUBMITTED TO THE ORDINARY SHAREHOLDERS' MEETING

First resolution

Approval of the Company's management and statutory financial statements for the year ended December 31, 2023

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, 2023 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, the shareholders approve the total amount of charges and expenses, as defined in article 39, paragraph 4 of said Code, which corresponded to €157,828.28 over the year ended December 31, 2023. No tax was incurred on these expenses.

Second resolution

Approval of the consolidated financial statements for the year ended December 31, 2023

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, 2023 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, 2023

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Board o Directors' Report, the shareholders:

■ acknowledge that the Company recorded a profit in 2023 of:	€477,486,507.61
■ plus retained earnings of:	€427,666,092.50
■ that there is not requirement to make any allocation to the legal reserve, which already represents 10% of the Company's capital:	N/A
■ representing a total distributable amount of:	€905,152,600.11
■ decide to pay a dividend of €1.35 with respect to 2023 to the holders of each of the 84,940,955 shares comprising the share capital at December 31, 2023, representing a distribution of:	€114,670,289.25
■ and allocate the balance to retained earnings, which now amount to:	€790,482,310.86

The payment of €1.35 per share corresponds to an ordinary dividend paid wholly in cash.

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, 2023 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 dividend actually paid.

The ex-dividend date will be May 21, 2024 and the dividend will be paid on May 23, 2024. 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 that Code. The shareholders acknowledge that the dividends paid with respect to the previous three financial years were as follows:

Financial year ending:	12/31/22**	12/31/21	12/31/20
Net dividend per share	€3.85*	€1.55*	€1.15*
Number of shares carrying dividend rights	84,852,296	84,732,456	84,811,788
Total net payout	€326.7 million	€131.3 million	€97.5 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 dividend paid in respect of the 2022 financial year was €3.85 per share, equating to an ordinary dividend of €1.50 per share and an exceptional dividend linked to the sale of the High Temperature Solutions business of €2.35 per share.*

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 2024 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 2024 financial year, as detailed in chapter 4, section 4.3 of the Company's 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-8°II of that Code.

Sixth resolution

Approval of the compensation policy applicable to the Chief Executive Officer with respect to the 2024 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 2024 financial year, as detailed in chapter 4, section 4.3 of the Company's 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-8°II of that Code.

Seventh resolution

Approval of the compensation policy applicable to members of the Board of Directors with respect to the 2024 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 2024 financial year, as detailed in chapter 4, section 4.3 of the Company's 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-8 II of that Code.

Eighth resolution

Approval of the information relating to corporate officer compensation in 2023 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 2023 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 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-9°I of that 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, 2023

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, 2023, as detailed in chapter 4, section 4.3 and chapter 8, paragraph 8.2.4 of the Company's 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-34 II of that 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, 2023

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, 2023, as detailed in chapter 4, section 4.3 and chapter 8, paragraph 8.2.4 of the Company's 2023 Universal Registration Document, in accordance with the provisions of article L. 22-10-34 II of that Code.

Eleventh resolution

Re-appointment of Patrick Kron 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 Patrick Kron expires at the close of this Shareholders' General Meeting, the shareholders decide to re-appoint him as a director for a term expiring at the end of the Shareholders' General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026, in accordance with the provisions of the by-laws.

Twelfth resolution

Re-appointment of Paris Kyriacopoulos 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 Paris Kyriacopoulos expires at the close of this Shareholders' General Meeting, the shareholders decide to re-appoint him as a director for a term expiring at the end of the Shareholders' General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026, in accordance with the provisions of the by-laws.

Thirteenth resolution

Appointment of Laurent Favre 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 Laurent Favre as a director of the Company for the first time, for a term expiring at the end of the Shareholders' General Meeting to be held in 2027 to approve the financial statements for the year ending December 31, 2026, in accordance with the provisions of the by-laws.

Fourteenth resolution

Appointment of Deloitte & Associés as Statutory Auditor to certify the sustainability information

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 Deloitte & Associés as Statutory Auditor to certify the sustainability information for a term expiring at the end of the Shareholders' General Meeting to be held in 2028 to approve the financial statements for the year ending December 31, 2027.

Fifteenth resolution

Appointment of PricewaterhouseCoopers Audit as Statutory Auditor to certify the sustainability information

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 PricewaterhouseCoopers Audit as Statutory Auditor to certify the sustainability information for a term expiring at the end of the Shareholders' General Meeting to be held in 2028 to approve the financial statements for the year ending December 31, 2027.

Sixteenth 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 the shares at a later date to reduce the Company's share capital in accordance with the authorization granted by the Ordinary and Extraordinary Shareholders' General Meeting of May 10, 2023 in its twenty-fifth resolution,
   - 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, 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 in paragraph 2 of this resolution, the number of shares bought back should be considered net of any shares sold during the term 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 this authorization:
   - the number of shares that may be purchased cannot exceed 10% of the shares issued and outstanding at January 1, 2024, 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 the 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 this authorization for a period of 18 months from the date of this Shareholders' General Meeting, which supersedes the unused portion of any authorizations previously granted to the Board of Directors regarding share buybacks;
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 implement this authorization.

Seventeenth resolution

Powers to carry out formalities

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders grant full powers to the bearer of an extract or copy of the minutes of this Shareholders' General Meeting to carry out any and all filing and publication formalities.

9 APPENDICES

9.1 Person responsible for the Universal Registration Document **382**

9.2 Person responsible for the financial information **382**

9.3 Declaration by the person responsible for the Universal Registration Document, including the Annual Financial Report **382**

9.4 Information included in the Universal Registration Document by reference **382**

9.5 Cross-reference table **384**

- 9.5.1 Universal Registration Document 384
- 9.5.2 Management Report 387
- 9.5.3 Annual Financial Report 388
- 9.5.4 Corporate Governance Report 389
- 9.5.5 Declaration of non-financial performance and Duty of Care 390

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 216 to 227 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 26, 2024

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, 2022, 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 196 to 284 and pages 285 to 306), chapter 6 – Reports on the fiscal year 2022 (pages 307 to 315) and chapter 5 – Comments on fiscal year 2022 (pages 184 to 193), respectively, of the 2022 Universal Registration Document filed with the AMF on 22 March 2023 under number 23-0127 available on the Company's website *(https://www.imerys.com/public/2023-03/imerys-22-03-2023-document-enregistrement-universel-2022.pdf).*
- 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 281 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-universel-2021.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	213; 358
www.imerys.com	68; 90; 107; 132; 178; 346; 349; 350; 361; 364
www.investor.uptevia.com	350
https://www.efrag.org/About/Facts	73
https://www.patrinat.fr/fr/patrinat-centre-dexpertise-et-de-donnees-sur-le-patrimoine-naturel-346	104
http://www.epe-asso.org/en/	104
https://www.oecd.org/environment/business-models-for-the-circular-economy-g2g9dd62-en.htm	108
https://www.amcconsultants.com/	110
https://www.wbcsd.org/Programs/Circular-Economy/ Resources/Portfolio-Sustainability-Assessment-v2.0	132
https://sa-intl.org/programs/sa8000/	142
https://secure.ethicspoint.eu/domain/media/fr/gui/107966/index.html	137
www.cofrac.fr	148

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	382
1.2	Declaration by the persons responsible	9	382
1.3	Statement for expert reports	3	148-501
1.4	Third party declaration	N/A	N/A
1.5	Statement without prior approval	N/A	N/A
2	**Statutory Auditors**	**7**	**364**
3	**Risk factors**	**2**	**46-49**
4	**Information about the Issuer**		
4.1	Legal and commercial name	7	346
4.2	The place of registration of the Issuer, its registration number and its legal entity identifier (LEI)	7	346
4.3	Date of incorporation and the length of life of the Issuer	7	346
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	346
5	**Business overview**		
5.1	Principal activities	1	4-5; 30-37
5.2	Principal markets	1	4-5; 15; 30-37
5.3	Important events in the development of the Issuer's business	5	216-221
5.4	Strategy and objectives	1; 5	8-9; 16-29; 223
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	26-29
5.6	Competitive position	1	32-33; 35; 37
5.7	Investments	1; 5	10-11; 14; 16-25; 216
6	**Organizational structure**		
6.1	Brief description of the Group	1	4-15
6.2	List of the Issuer's significant subsidiaries	6; 7	308-309; 363
7	**Operating and financial review**		
7.1	Financial condition	5; 6	216-227; 230-236
7.2	Operating income	5; 6	216-227; 230-231; 322
8	**Capital resources**		
8.1	Information concerning the Issuer's capital resources	5; 6; 7	216-221; 233; 277; 327-328; 230-344; 353-359
8.2	Sources and amounts of the Issuer's cash flows	5; 6	216-221; 234-236
8.3	Information on the borrowing requirements and funding structure of the Issuer	5; 6	216-221; 234-236 ; 291-304
8.4	Restrictions on the use of capital resources	6	301-302
8.5	Anticipated sources of funds	5; 6	216-221; 255; 291- 304

Information		Chapter	Pages
9	**Regulatory environment**	**7**	**348**
10	**Trend information**		
10.1	Most significant recent trends in production, sales, inventory, costs and selling prices since December 31	5	216-223
10.2	Description of any significant change in the Group's financial performance	5	216-223
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	216-223
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	153-194
12.2	Administrative, management and supervisory bodies and senior management conflicts of interests	4; 6; 7; 8	161-162; 192; 312; 344; 358; 364; 367
13	**Remuneration and benefits**		
13.1	Remuneration & benefits in kind	4; 6; 8	194-212; 312-329; 367-373
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	194-212; 329; 367- 373
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	154
14.2	Information about members of the administrative, management or supervisory bodies' service contracts with the Issuer or any of its subsidiaries	4	156-157
14.3	Information about the Issuer's audit committee and remuneration committee	4	186 -189
14.4	Statement of compliance with the corporate governance regime(s) applicable to the Issuer	4	152
14.5	Potential material impacts on the corporate governance	4; 8	155; 373-374
15	**Employees**		
15.1	Number of employees and breakdown of employed persons	1; 3	10; 145-146
15.2	Shareholdings and stock options	4	154; 207-211
15.3	Arrangements for involving the employees in the capital of the Issuer	6	312
16	**Major shareholders**		
16.1	Shareholders holding more than a 5% interest in the Issuer's share capital or voting rights	7	357
16.2	Different voting rights	7	353
16.3	Control or direct or indirect ownership of the Issuer	6; 7	358-359
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	360
17	**Related party transactions**	**6; 7**	**312; 364**

Information		Chapter	Pages
18	**Financial information concerning the Issuer's assets and liabilities, financial position and profits and losses**		
18.1	Historical financial information	5	216-221
18.2	Interim and other financial information	5; 6	216-221; 230-344
18.3	Auditing of historical annual financial information	6	335-344
18.4	Pro forma financial information	N/A	N/A
18.5	Dividend policy	1; 5 ; 6	11; 217; 361
18.6	Legal and arbitration proceedings	6	288-290
18.7	Significant change in the financial position	5	216-221
19	**Additional information**		
19.1	Share capital	6; 7	277; 327; 328; 333; 353
19.1.1	Issued capital	6; 7	277; 327; 328; 333; 353
19.1.2	Shares not representing capital	N/A	N/A
19.1.3	Treasury shares	6; 7	277; 328; 355-357
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	353
19.2	Memorandum and Articles of Association	7	346-349
19.2.1	Corporate purpose	7	348
19.2.2	Description of rights, preferences and restrictions attached to shares	7	349
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	360
20	**Material contracts**	**1**	**4-23**
21	**Documents available**	**7**	**350**

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	216-227
Key financial and non-financial performance indicators (article L. 225-100-1 of the French Commercial Code)	1	14-15
Main risks and uncertainties (article L. 225-100-1 of the French Commercial Code)	2	46-49
Financial risks of climate change and measures taken by the Company (article L. 22-10-35 of the French Commercial Code)	2; 3	46-49; 51-57; 84-98
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	51-57
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	291-304
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	216-227
Research and development (article L. 232-1 of the French Commercial Code)	1	26-29
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	308-309; 363
Corporate governance(1)		
Board of Directors' Corporate Governance Report (articles L. 225-37 et seq. and L. 22-10-8 et seq. of the French Commercial Code)	9	389
Shareholding and capital		
Employee shareholding at December 31 (article L. 225-102 of the French Commercial Code)	7	357-358
Trading in the Company's own shares (article L. 225-211 of the French Commercial Code)	7	355-356
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	213
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	390(2)
Duty of care (article L. 225-102-4 of the French Commercial Code)	9	391(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	315-334
Consolidated financial statements	230-314
Statutory Auditors' Report on the annual financial statements	340-343
Statutory Auditors' Report on the consolidated financial statements	335-339
Board of Directors' Management Report	216-227
Declaration by the person responsible for the Board of Directors' Management Report	382
Board of Directors' Corporate Governance Report(1)	389
Declaration by the person responsible for the Annual Financial Report	382

(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	154; 163-174; 192
■ Related party agreements	6; 7; 8	344; 364; 367
■ Summary table of financial delegations	7	354-355
■ Operating procedures of Executive Management	4	192-194
■ Composition, preparation and organization of the work of the Board of Directors	4	153-191
■ Diversity policy applied to members of the Board of Directors	4	158-159
■ Restrictions on the powers of the Chief Executive Officer	4	177-178
■ Framework Corporate Governance code	4	152
■ Terms and conditions of shareholders' participation in Shareholders' General Meetings	7	349
■ Assessment procedure for standard agreements	7	364
■ Compensation package of corporate officers (*ex ante*)	4	194-200; 207-209
■ Compensation and benefits paid in the last financial year (*ex post*)	4	201-206
■ Relative proportion of fixed and variable compensation	4	194-206
■ Variable compensation awarded	4	194-206
■ Commitments of any kind given by the Company in the last financial year	4	194-206
■ Compensation within the scope of consolidation	4	194-212
■ Pay gap (ratio) between top executives and employees	4	212
■ Annual changes in compensation over the past five years	4	212
■ Compliance with the compensation policy in force	4	194-212
■ Consideration of the vote at the last Ordinary General Meeting on the compensation policy (*ex ante*)	4	194-212
■ Deviation and derogation from the compensation policy	4	194-212
■ Suspension/restoration of directors' compensation for lack of diversity	4	204-206
■ Elements that could have an impact in the event of a takeover bid	7	360
■ Capital structure	7	357-359
■ Statutory restrictions on voting rights and transfers of shares or agreements known by the Company	7	360
■ Share ownership structure	7	357-359
■ Holders of shares carrying specific control rights	7	360
■ Control mechanisms applied to employee shareholding schemes	7	360
■ Shareholder agreements	7	358-360
■ Rules governing the appointment or replacement of members of the Board and amendments to the Company's by-laws	7	360
■ Powers of the Board	7	360
■ Agreements amended or terminated in the event of a change of control of the Company	7	360
■ Compensation awarded to members of the Board or employees in the event of a public offer	7	360

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		**10**
Social		
Main social considerations, including:		115-134
	Social commitments in favor of sustainable development	115-134
	Collective bargaining agreements and their impact on the Company's financial performance	117
	Employee working conditions	115-127
	Discrimination	71-73;117-123; 142-144
	Diversity	115-134;128
	Measures for people with disabilities	73;123;129;142
Policies to mitigate social risks		115;128;129
Results and KPIs		122;128
Environmental		
Main environmental considerations, including:		76-115
	Climate change	84-98
	Circular economy	108-115
	Food waste	116
	Animal welfare	116
	Responsible, equitable and sustainable food purchasing	116
Policies to mitigate environmental risks		99;102;104;108
Results and KPIs		91;100;103;107;109
Respect for human rights		
Main human rights considerations		115;128;129
Policies to mitigate human rights risks		115;128;129;131
Results and KPIs		122;128
Anti-corruption		
Main corruption considerations		138
Tax evasion		138
Policies to mitigate corruption risks		136;142
Results and KPIs		136

9.5.5.2 Duty of care

Components of the "Duty of care plan"		Pages
Risk mapping		
Group risk mapping process		139
ESG risk mapping process		72
Supplier risk mapping process and assessment		139
Evaluation of environmental, social and governance risks		
Group ESG risk evaluation process		141
Supplier ESG risk evaluation process		141
Control measures		
Management framework		
	Human rights and fundamental freedoms	115
	Health and safety	115
	Environment	88-114
	Training and awareness	116
	Assessments	141
Whistleblowing system		**137**
Monitoring and evaluation of the effectiveness of control measures		**141**

9

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