



SHAPING THE FUTURE TODAY

ACTIVITY REPORT
2017/2018



IMERYS
TRANSFORM TO PERFORM

02

PROFILE

04

LOCATIONS

06

**VISION
& BELIEFS**

14

**STRATEGY
& AMBITIONS**

26

**TRANSFORMATION
& INNOVATION**

36

**EXPERTISE
& PERFORMANCE**

42

**RESPONSIBILITIES
& COMMITMENTS**

56

**GOVERNANCE
& INDICATORS**



CREATING TOMORROW'S **WORLD TOGETHER**

With its finger on the pulse of a changing world, Imerys develops mineral-based solutions that improve many everyday products, and therefore contributes to creating tomorrow's world.

Imerys is engaged in a process of far-reaching change, and has set high ambitions: to support the aspirations of its customers and its employees, to make the company even more socially responsible, and to encourage collaborative working.
Shaping the future today.

IMERYS, THE WORLD LEADER IN MINERAL-BASED SPECIALTIES FOR INDUSTRY

By processing and extracting value from its mineral resources, and developing synthetic minerals, Imerys delivers functional additives that improve the performance of many products across all markets. The Group draws on its knowledge of applications, technological expertise and its material science know-how to serve its customers.



€4.6bn Revenue

€648M Current Operating Income



50+ Countries

14.1%
Current
Operational
Margin



12.5%
of revenue
generated by
new products

18,300
Employees



270
Industrial
sites



32 Specialty
minerals

VALUE-CREATING EXTERNAL GROWTH

WORLD-CLASS MINING ASSETS

High-quality mineral resources: Imerys draws on an extensive range of mineral resources to guarantee the quality of its supplies.

OPTIMIZED INDUSTRIAL ASSETS

Expertise in materials science and sophisticated processing techniques. Imerys' specialties are formulated to meet the technical specifications of each industry.

GROWTH CREATING INNOVATION STRATEGY

Innovation is one of the major cornerstones of the Group's growth strategy: our job is to envision tomorrow's industrial solutions.

CUSTOMER PROXIMITY

The solutions designed and developed by Imerys bring essential properties to the end products manufactured by our customers, and the performance they deliver. Our geographic and industry sector coverage allow us to support our customers in achieving their own development strategies.

4 BUSINESS GROUPS

ENERGY
SOLUTIONS
& SPECIALTIES

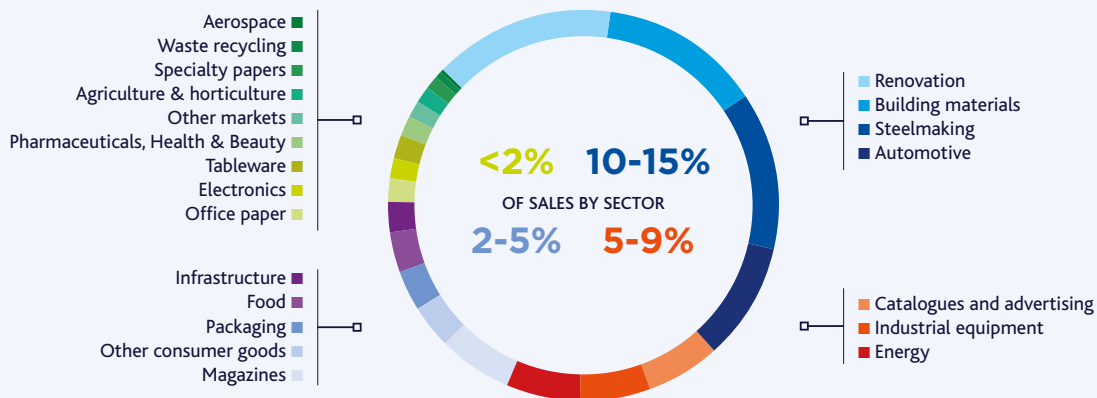
FILTRATION AND
PERFORMANCE
ADDITIVES

CERAMIC
MATERIALS

HIGH
RESISTANCE
MINERALS

OUR END-USER MARKETS

Imerys mineral specialties are used in a very large number of applications.



HIGH ADDED VALUE PROPERTIES

Imerys' 4 business groups develop bespoke mineral solutions that contribute key properties to its customers' products.

CONDUCTIVITY

Like carbon black, graphite is widely used in mobile energy, particularly as a conductive additive in the cathodes of lithium-ion batteries.

LIGHTNESS

Very light in weight, moler is used as an absorbent for chemicals, and as a soil conditioner. Our wollastonite and talc based solutions provide density and strength in the construction and automotive industries.

DURABILITY

Used in rubber compositions, calcium carbonates facilitate processing and provide high resistance to chemical attack.

RESISTANCE

Our kaolin, zirconia, magnesia and fused aluminium solutions contribute a high level of mechanical strength and thermal resistance to the products manufactured by many industries (automotive, buildings, construction, etc.).

WHITENESS

Thanks to its whiteness and specific particle size distribution, kaolin helps optimize the papermaking process. It is also a key component in the ceramic formulation of sanitary ware, tableware and glazed tiles.

PURITY

Diatomite and expanded perlite are used to filter water, beer, wine and edible oils. Mixed with bentonite, talc facilitates absorption of organic impurities in the papermaking process.

PERMEABILITY

Used in floor coverings, our quartz, feldspar and mica-based solutions contribute to urban development.

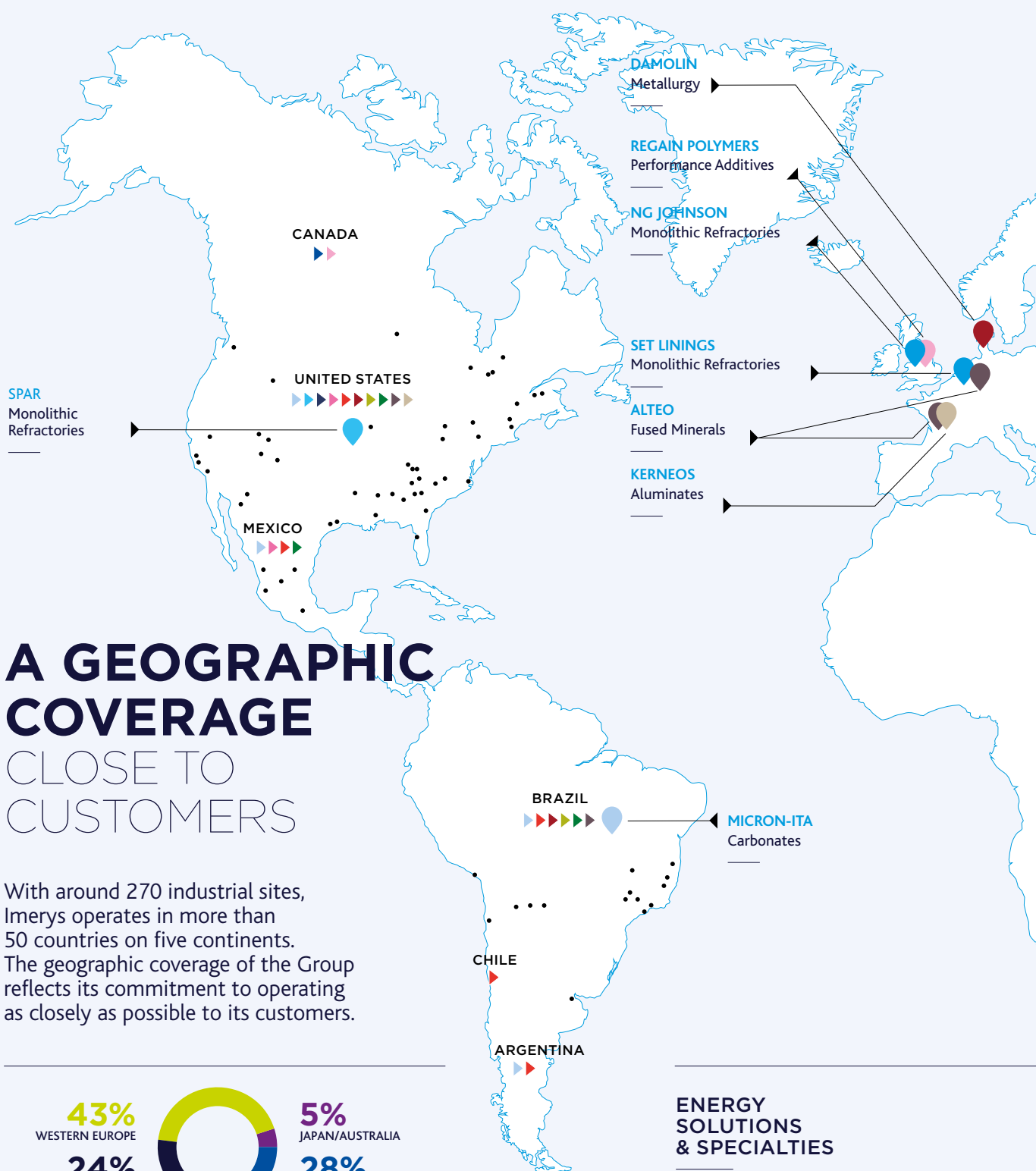
PLASTICITY

Ball clays, calcium carbonates and kaolin improve the rheological properties of sealants and adhesives.

TRANSLUCENCE

Thanks to the halloysite that gives porcelain its translucence, our ready-to-use prepared bodies are sought after for the production of fine porcelain and porcelain tableware.

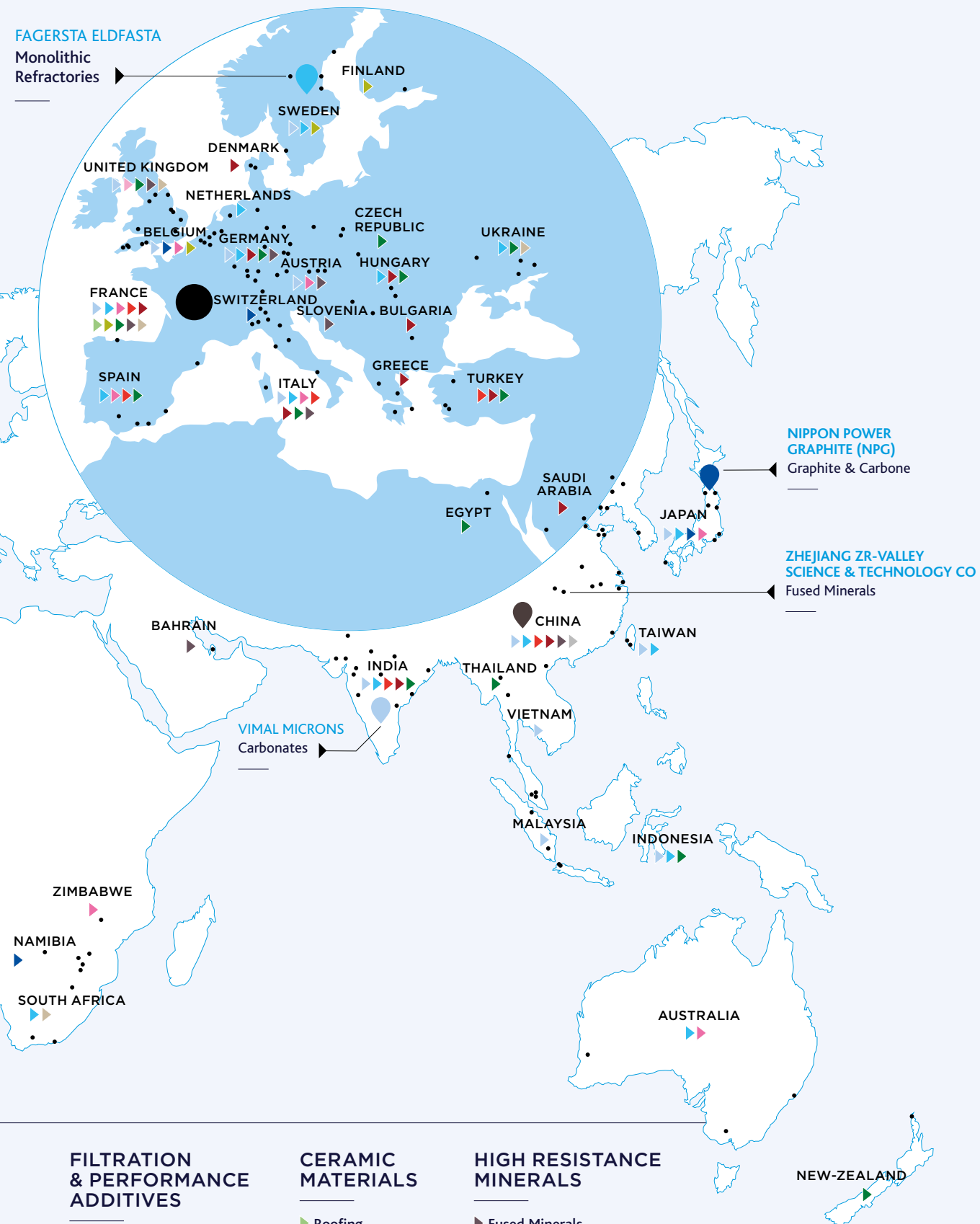
LOCATIONS



DISTRIBUTION OF 2017 REVENUE
BY GEOGRAPHIC REGION

FAGERSTA ELDFASTA

Monolithic
Refractories



FILTRATION & PERFORMANCE ADDITIVES

- ▶ Performance Additives
- ▶ Filtration
- ▶ Metallurgy

CERAMIC MATERIALS

- ▶ Roofing
- ▶ Kaolin
- ▶ Ceramics

HIGH RESISTANCE MINERALS

- ▶ Fused Minerals
- ▶ Aluminates



2017/2018
ACQUISITIONS (AT 30 APRIL)

● • INDUSTRIAL SITES

8

OUR CHALLENGES
FOR THE FUTURE


10

INTERVIEW
WITH GILLES MICHEL

VISION & BELIEFS

WITH SOLUTIONS USED IN MANY BUSINESS SECTORS, IMERYS HAS A CENTRAL ROLE TO PLAY WITHIN THE GREAT CHANGES THAT LIE AHEAD. CHANGING LIFESTYLES, THE EMERGENCE OF NEW ECONOMIC MODELS, ACCELERATION IN TECHNOLOGICAL PROGRESS, AND RESPONSIBLE GROWTH: THE GROUP IS PREPARING NOW TO SUCCEED IN THE MAJOR CHALLENGES THAT WILL SHAPE TOMORROW'S WORLD.





OUR WORLD IS GETTING READY
TO WELCOME 10 BILLION PEOPLE
BETWEEN NOW AND 2050,
THE MAJORITY OF WHOM
WILL LIVE IN URBAN AREAS.

DEMOGRAPHICS

We must respond to accelerating urbanization and population growth by envisioning solutions that will allow us to face tomorrow's challenges: designing smart buildings that have conductive surfaces and manage their own energy requirements.

OUR
CHALLENGES
FOR THE
FUTURE



**CLIMATE CHANGE POSES
AN URGENT, GLOBAL,
SYSTEMIC AND
IRREVERSIBLE RISK.**

CLIMATE

We must respond to global warming by applying much more demanding standards to the way we control our environmental footprint and by developing appropriate solutions.

**OUR
CHALLENGES
FOR THE
FUTURE**

INTERVIEW

WITH GILLES MICHEL,
CHAIRMAN OF THE BOARD OF DIRECTORS



“ Innovation is what underpins our leadership. It allows us to support our customers as they grow in a constantly changing global context. ”

WHAT IS YOUR ASSESSMENT OF THE FISCAL YEAR JUST ENDED?

Gilles Michel: I have no doubt that 2017 will be remembered as a milestone year. It was a milestone year not only in terms of our excellent financial performance with revenue growth up by 10.4% on 2016 to €4.6 billion, but also in terms of the ambition and commitment shown by our people. The Imerys growth strategy is designed to deliver steady growth in Group financial results as the basis for creating long-term value. That strategy is built around innovation, capital investment in development opportunities and targeted acquisitions. In 2017, we made 10 acquisitions, including Kerneos. Imerys also continued to implement its programme of investments (innovation, industrial capacity, mining resources and geographic expansion). The Group also responded to expectations and key market trends by stepping up its pace of innovation. Innovation is what underpins our leadership and allows us to support our customers as they grow in a constantly changing global context. So Imerys anticipates the needs of its markets and customers and facilitates the process of far-reaching

change in society. I'm thinking particularly here of changes in lifestyles (urbanisation, population ageing, health and wellbeing, mobility, recycling, etc.), the emergence of new economic models, such as the collaborative economy, the sharing economy and smart factories, and the many areas of progress we are now seeing in technology with the Internet of Things, energy from renewable sources, 3D printing, etc. To say nothing of the intensification of stakeholder expectations in terms of sustainable development, transparency and ethical behaviour.

I have to say that I am very proud of the personal and collective commitment shown by all our people to achieving the targets we have set, meeting and exceeding the expectations of our customers and stakeholders, and demonstrating their readiness to adapt to a changing world.

2017 WAS MARKED BY A MAJOR ACQUISITION: KERNEOS...

to seize opportunities and strengthen our specialty offering in high-potential markets, such as building chemicals. With reported revenue of €417 million for 2016, Kerneos is the world leader in calcium aluminate-based high-performance binders. These products have applications in a very broad range of areas, ranging from construction (floor screeds and tile adhesives) and civil engineering (wastewater drainage infrastructures) to refractories (heat protection for blast furnaces and conventional power generating plants). Kerneos and the Refractory Materials division have now been brought together into a single entity: the Aluminates division. This acquisition also consolidates our innovation capability around a world-class technology platform with research centres in France and China. At the same time, we made two so-called 'complementary' acquisitions. We have

G.M.: This strategic acquisition gives a clear demonstration of our ability

consolidated our positions in a number of markets: in fused minerals in China, with Zhejiang Zr-Valley Science & Technology Co, in calcium carbonates in Brazil with Micron-Ita, and in graphite and carbon in Japan, with Nippon Power Graphite. And at the beginning of 2018, Imerys acquired the carbonate business of Vimal Microns, allowing the Group to expand its presence in India, with particular emphasis on growing markets for specialty applications in polymers and coatings. We intend to continue this strategy of establishing a presence in industry sectors, regions and specialties that we expect to grow very quickly over the coming years.

SO WHAT IS THE OUTLOOK FOR THE GROUP GOING FORWARD?

G.M.: 2017 ended with some excellent results, and 2018 has got off to a good start in a still-buoyant macroeconomic environment. Nevertheless, we must remain prudent given the uncertainties surrounding foreign exchange rates and the cost of certain raw materials. Against this background, maintaining the dynamic pace of Imerys' organic growth remains our priority. We have many strengths to help us keep up that pace, including our business model, our strict management focus, our strategy and the four key levers of growth.

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“ The acquisition of Kerneos gives a clear demonstration of our ability to seize opportunities and strengthen our specialty offering in high-potential markets, such as building chemicals. ”



“ Safety is an essential factor for our success and our future. Our Group nurtures and develops an active safety culture. ”

>>>

The first of these is innovation, whether disruptive innovation with the development of new applications or incremental innovation that improves our existing products. We want to raise our level of ambition even further in this area.

The second lever, which is often linked with innovation, is investment. We have kept up a sustained level of effort in this area, with – for example – €120 million invested in the development of new solutions.

We are also expanding our production capacity in many of our facilities. And we will continue to do so.

Our third lever is excellence, whether industrial, commercial or in terms of internal efficiency. We have rolled out a number of excellence programmes to improve our working methods, optimize our performance and support our expansion.

Acquisitions are the fourth lever for our growth. The integration of new acquisitions gives us the opportunity to encourage economies of scale and synergies. Imerys plans to push ahead with external growth by making additional targeted acquisitions, with particular focus on high-growth regions of the world.

2018 has certainly begun with all the promise of another year of excellent progress, and it also marks the end of my appointment as Chief Executive Officer. I am handing over the reins of the Group to Conrad Keijzer, who took over the responsibilities of Chief Executive Officer on 4 May 2018. The Board of Directors has taken the decision to separate the roles of Chairman and Chief Executive Officer. Conrad Keijzer will bring a very substantial level of operational and international experience, which will support and accelerate the growth of Imerys.

WHAT ARE THE KEYS TO ACHIEVING CONTINUED LONG-TERM SUCCESS?

G.M.: In my view, success depends primarily on the women and men of Imerys.

By sharing the same ambition, culture, values, behaviours and commitment, Imerys employees make a full contribution to the continued progress of the Group. We also place great emphasis on labour relations, talent development and training. The Group offers all its people the opportunity to engage with motivating missions that contribute to their personal and professional development. And the agility of our organizational structure allows us to achieve the closest-possible fit with our customers, and respond rapidly to changing market conditions. In a perpetually changing world, this ability to adapt to events and change remains a competitive advantage, which we must nurture and maintain at every level of the company. Lastly, the third factor for success in the future relies on the ability to work more collaboratively as a network of functions and divisions.



Conrad Keijzer was appointed as Chief Executive Officer of Imerys on 4 May 2018. Dutch by nationality, Conrad has spent a large part of his career with Akzo Nobel, where he occupied a number of senior operational and international positions. Until 2017, he headed up the Performance Coatings division, which generated revenue of around €6 billion in 2016.



“ By sharing the same ambition, culture, values, behaviours and commitment, Imerys employees make a full contribution to the expansion of the Group. ”

SAFETY IS AN ISSUE OF REAL CONCERN FOR YOU, ISN'T IT?

G.M.: Safety is inextricably linked to our success and our future. Our Group develops and nurtures

an active safety culture through partnerships between management, employees, subcontractors, suppliers, visitors and local communities. We rely on the Imerys Safety System to raise the awareness of our people to this fundamental value, which is an integral part of our DNA as a business. So in this context, we run frequent training programmes and communication campaigns.

In 2017, we introduced the Safety Day concept.

The enormous success of this initiative in all our locations encouraged us to make it an annual event.

This year, we will be focusing even more closely on leading by example through the way we behave, the sharing of good practices and the involvement of managers. The ability of management to lead by example remains essential if Imerys is to set the global benchmark for safety.

IMERYS HAS ALWAYS BEEN COMMITTED TO RESPONSIBLE GROWTH. HOW WAS THIS AMBITION PUT INTO PRACTICE DURING THE YEAR?

G.M.: Imerys meets ambitious criteria for responsible development in terms of social, environmental, business ethics and corporate

governance issues. Imerys has also aligned itself with the most demanding international standards since 2016. As a signatory member of the Global Compact, the Group contributes to achieving a number of the United Nations Sustainable Development Goals (SDGs).

So during the year, we put in place a new governance structure and a new Corporate Social Responsibility (CSR) steering committee, which has the responsibility for setting the sustainable development ambitions and strategy of the Group for future years. It also guides the implementation process, and monitors how we are progressing towards achieving our targets. At the One Planet Summit of 2017, Imerys signed the French Business Climate Pledge as a public statement of its commitment to contribute to the collective efforts involved in combatting climate change.

In 2018, we are relying on the diversity and wealth of talented people in our Group teams to work with us on writing a new chapter of the Imerys' story: a chapter dedicated to growth and sustainable value creation.

16

SHAPING THE
IMERY'S OF
TOMORROW

18

INTERNAL
GROWTH DRIVEN
BY INNOVATION
AND INVESTMENT

20

EXTERNAL GROWTH
FOR ACCELERATED
DEVELOPMENT

22

IMERY'S WAY,
THE PATH TO
EXCELLENCE

24

TRANSFORMATION
AT THE HEART
OF EXCELLENCE

STRATEGY & AMBITIONS

PREPARING FOR THE CHALLENGES OF TOMORROW
TO ENSURE THAT THE GROUP REMAINS AN INNOVATIVE,
APPEALING AND PROFITABLE GLOBAL LEADER.
POSITIONING ITSELF AS THE INDUSTRY BENCHMARK
FOR SAFETY AND SUSTAINABLE DEVELOPMENT.
CONTINUING TO BE A COMPANY THAT CREATES LONG-TERM
VALUE FOR ALL ITS STAKEHOLDERS. THESE ARE THE KEY
GOALS FOR IMERY'S IN THE YEARS TO COME.



SHAPING THE IMERYS OF TOMORROW

To prepare for the future, Imerys is building on an ambitious strategy designed around three central pillars: sustained internal growth, dynamic external growth and an agile, networked organizational structure. The goals are to consolidate the global leadership of the Group, leverage its ability to drive innovation, and set the industry benchmark for corporate social responsibility.

1

INNOVATION AND INVESTMENT

Imerys has always put innovation at the heart of its growth strategy. The ability of the Group to develop new solutions in response to the needs of its customers is the driving force behind its **INTERNAL GROWTH**.

2

EXTERNAL GROWTH

Imerys continues to conquer new markets through acquisitions targeted to expand the scope of its business and extend its product portfolio. This **GROWTH STRATEGY** enables the Group to establish a presence in high-expansion and/or high-potential market segments in today's fast-changing world.

3

IMERYS WAY

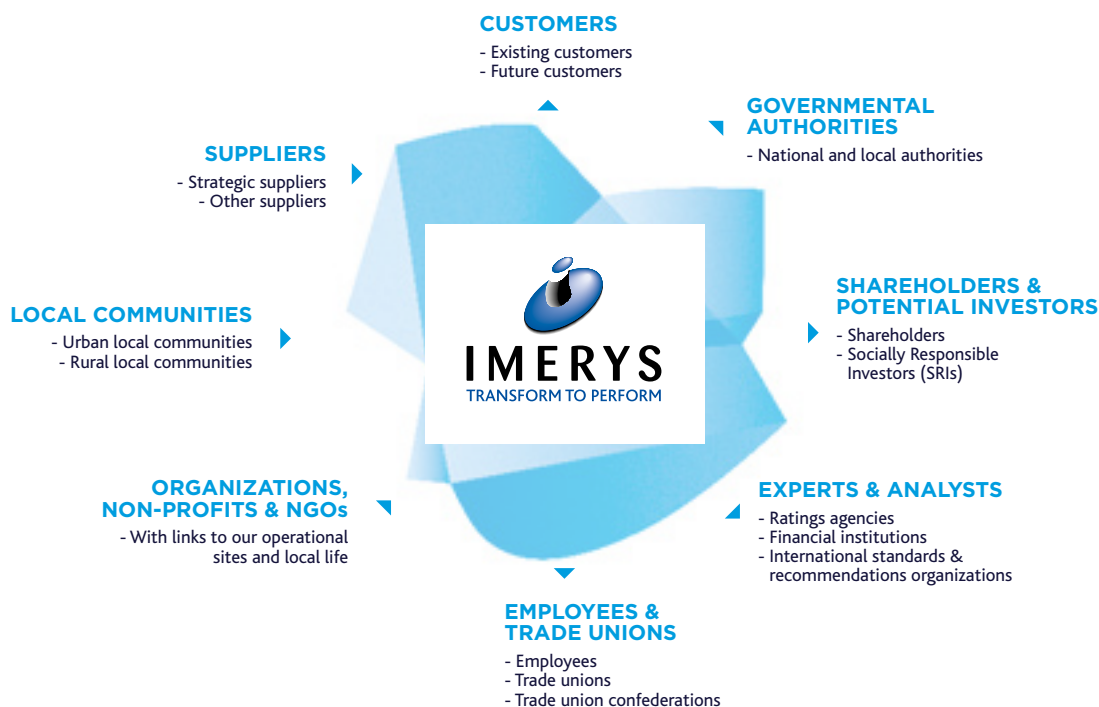
The rollout of a decentralized organizational structure based on networked collaborative working underlines Imerys' willingness to adopt a **PATHWAY OF EXCELLENCE** towards building a Group that is more efficient, delivers more powerful performance and is safer.

A Group engaged in transformational change

What will Imerys look like in the future? With its focus on transformational change, the most recent Group conference held in Barcelona in June 2017 provided the perfect opportunity to present the new strategic plan and gather the teams around this far-reaching project. Sharing good practices and collective successes, revisiting the major achievements since 2014, discovering the potential of new collaborative working tools, all of these contributed to laying the foundations for the Imerys of the future. Extending the reach of the Group and becoming more competitive in a changing world are the stated key ambitions.



OUR AMBITION TO CREATE LONG-TERM VALUE FOR ALL OUR STAKEHOLDERS



1. INTERNAL GROWTH FACILITATED BY INNOVATION AND INVESTMENT

Imerys positions itself as the preferred partner of its customers by developing a customer culture guided by operational excellence in terms of quality, service, local presence and innovation.

THE I-CUBE PROGRAMME FOR OPERATIONAL EXCELLENCE

Imerys is committed to developing a culture of operational excellence at all levels. It was in this context that the Group introduced a continuous improvement programme for its industrial processes and performance in 2014. Known as Imerys Industrial Improvement – I-Cube for short – it has two central aims: to define shared standards and indicators, and to encourage the sharing of good practices. From safety to production, energy efficiency, resource management and waste recovery and recycling, continuous improvement is as essential as the empowerment of employees to deliver that improvement. Offering a very real opportunity to share and exchange ideas, the programme has been rolled out in 55% of Group sites. During 2017, I-Cube was rolled out in around 40 more sites, bringing the total to 146. Operational excellence is what enables resources and industrial capacity to be optimized.

I-Cube is now in place in

 **55%**
of Group sites

Innovation is one of the driving forces behind the Group's internal growth, regardless of whether it is applied to improve existing solutions or to launch new products. Investment in development allows Imerys to increase its presence in certain markets in response to demand from its customers. Together with operational excellence and production line development, innovation is one of the cornerstones of the Group strategy.

A NEW ORGANIZATIONAL STRUCTURE FOR INNOVATION

The centralization of Science & Technology teams and the management of transversal projects will enable the Group to substantially shorten its time-to-market for new mineral and synthetic mineral solutions. The Innovation Department also has its own marketing team to identify and penetrate new high-growth market segments as they emerge from megatrends. Against this background, the Group's technology centres are working to develop tomorrow's solutions in the form of applications and services that deliver an effective response to market developments and anticipate customer expectations. As part of consolidating its leadership, the Group is entering into more partnerships with universities and research institutes.

STRENGTHENED PRODUCTION CAPACITY

Imerys continues to implement its development programme by investing in its production capacity. Many development projects are underway in sectors as diverse as energy (with the production of carbon black in Belgium), the automotive industry (talc production capacity in France and the USA) and consumer goods in response to rising demand.

Designed and introduced to optimize production capacity, the Group operational excellence programme, I-Cube, enables production sites to perform even more effectively. Good practices are applied not only to existing structures, but also to the development of new sites. ●

HIGHLIGHTS

INNOVATION, OPERATIONAL EXCELLENCE
AND STRENGTHENED PRODUCTION CAPACITY
ARE ALL KEY FACTORS FOR IMERYS SUCCESS.



1 - Industrial minerals give vehicles unrivalled levels of strength and lightness. For example, talc boosts the strength of the plastics now used to replace some steel bodywork components.

2 - The Group officially opened its first multi-application technology centre in Atlanta, Georgia (USA) on 23 August 2017: 30,000m² dedicated to collaborative innovation.

3 - 4 - 2017 was marked by a striking increase in production capacity: in Belgium for the carbon black used in mobile energy sources, in Europe and the USA for the talc used in polymers for the automotive industry, a new unit in the USA producing diatomite for blood plasma fractionation, and new production lines for natural graphite in Namibia, and synthetic graphite in Switzerland.

1	
2	3
	4

2. ACCELERATING DEVELOPMENT THROUGH EXTERNAL GROWTH

With the integration of 10 companies in 2017, including Kerneos, the global leader in high-performance calcium aluminate-based binders, Imerys effectively reasserts its intention to further strengthen its existing operations, expand its product portfolio, and boost its development in the markets of the future.

10 acquisitions in 2017

DAMOLIN

Manufacturer of absorbents for industrial use (Denmark)

ALTEO

Production of specialty aluminas (France and Germany)

REGAIN POLYMERS

Plastics recycling (UK)

ZHEJIANG ZR-VALLEY

Production of zirconium oxychloride and high-purity Zirconia (China)

SPAR

Development of monolithic refractories (USA)

MICRON-ITA

Micronised natural calcium carbonates for polymer applications (Brazil)

NG JOHNSON

Industrial installer of monolithic refractories (UK)

SET LININGS

Industrial installer of monolithic refractories (Germany)

FAGERSTA ELDFASTA

Industrial installer of monolithic refractories (Sweden)

NIPPON POWER GRAPHITE

Technology development company (Japan)

Having made more than 80 acquisitions in 15 years, Imerys is now the market leader in mineral solutions for industry. Diversification through company acquisition remains one of the central principles of its external growth policy. It's a strategy that opens the way to new opportunities: new technology platforms, new geographic regions and a more diversified range of mineral specialties. But in all these cases, the priority remains the same: the ability to offer mineral solutions that deliver high added value.

KERNEOS, A MAJOR ACQUISITION

Finalized on 18 July 2017, the acquisition of Kerneos, the global leader in high-performance calcium aluminate-based binders, expands the range of specialty products offered by the Group in fast-growing markets, and boosts its potential for further growth. With reported revenue of €417 million for 2016, Kerneos now forms part of the High Resistance Minerals business group. Another significant acquisition – this time in graphite carbon – was the Japanese company Nippon Power Graphite (NPG), which specialises in products for the mobile energy industry. This acquisition increases the Group's share of the lithium-ion batteries market. Imerys also made a number of additional acquisitions focused on the markets of the future in countries such as China, India and Brazil.

THE NEW MARKETS OF THE FUTURE

The Group intends to implement and develop its proactive policy of targeted acquisition in geographic regions with high growth potential, such as Asia and South America. In addition to consolidating its traditional business sectors, the intention of the Group is to expand its portfolio of mineral specialties, either by penetrating high-growth segments connected with its existing business sectors, or by focusing on new high-potential markets. In this way, the Group intends to prepare the way for new areas of business driven by the emergence and dominance of megatrends, competition and advances in technology. Imerys therefore remains closely focused on changes in its trading environment and listens attentively to market demand.

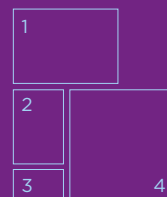
The Vimal Microns acquisition at the beginning of 2018 has allowed the Group to expand its presence in the Indian market for the carbonates used in polymers. ●

“The Group intends to prepare the way for new areas of business driven by the emergence and dominance of megatrends.”

Olivier Hautin
Vice President Strategy,
M&A and International Development

KERNEOS

A MAJOR ACQUISITION IN HIGH-GROWTH MARKETS.



1 - Kerneos is the global leader in calcium aluminate technologies (9 production facilities, 17 sales offices and 1,500 employees).

2 - The high-performance binders developed by Kerneos are used to strengthen the protection of refractory furnaces, blast furnaces and conventional power generating plants.

3-4 - As the world Number 1 in high-performance binders, its solutions provide key properties, such as rapid hardening, waterproofing and wear resistance to products used in construction (mortars) and civil engineering (wastewater drainage infrastructures).



3. IMERY'S WAY, THE PATH TO EXCELLENCE

Imery's Way is first and foremost the state of mind that motivates the women and men of the Group who demonstrate their commitment to the achievement of safety, efficiency and performance excellence on a daily basis. Together, they share the same ambition to put in place a strong organizational structure, collaborative working processes and the sharing of good practices to make the business even more competitive.

THE IMPORTANCE OF GOOD PRACTICES

How do you encourage the adoption of good practices in an international corporate group? Answering that question is one of the progress priorities for the Imery's Way. Building on existing processes and practices that have been well tested and proven makes it possible to boost the operational performance of the Group as it prepares to meet the challenges of tomorrow.

“We must make it a natural reflex to share our knowledge, methods, feedback and good ideas between Group entities.”

Alessandro Dazza,
Vice President

The ability to rely on an agile organizational structure is a strength that enables the Group to respond effectively to the demands of its customers, listen attentively to their expectations, and adapt rapidly to changes in the market.

A NETWORKED STRUCTURE

All Group operational decisions are taken as closely as possible to on-site realities. Each of its twelve divisions exercises a high level of autonomy and applies the same operating methods. Structured as a network, they share many resources, including manufacturing processes, information systems and performance indicators. Every year, Imery's provides them with the significant resources essential for their growth, including excellence programmes and new production capacity.

MORE EFFECTIVE TOGETHER

The Group plans to strengthen its existing organizational model to make it even more decentralised, at the same time as promoting collaborative and cross-functional working. With this in mind, Imery's is intensifying the networking of its entities to take greater advantage of its size and the pooling of its skills and expertise. The goal is therefore to improve collective efficiency by sharing best practices, development projects, costs and talent, as well as adopting processes and systems that are shared by all Group entities. The Imery's Way symbolises a shared ambition, culture and values that will offer employees the opportunity to perform more effectively and more powerfully together. It will also enable Imery's to remain a recognised, profitable, appealing and innovative global leader. ●

HIGHLIGHTS

THE IMERYS WAY EMBODIES THE GROUP'S COMMITMENT TO RENEWAL AND TRANSFORMATIONAL CHANGE, PARTICULARLY IN ITS WORKING METHODS.



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4	5

1 - Imerys Days gave managers the opportunity to interact and share good practices; an essential way forward for improving working methods.

2-3 - The head office teams in France and Belgium relocated into their new offices during 2017. In Paris, many entities (divisions and support functions) that had previously been based in different locations around the Paris region have been brought together in a single building for greater efficiency.

4 - Safety is an essential factor and major improvement priority for the Group. Safety Days help raise employee awareness of safety issues and introduce the right reflexes into their everyday working lives.

5 - The commitment of everyone in the company continues to be a key factor for success. *Your Voice* in-house satisfaction survey contributed to measure the expectations of employees as the basis for responding more effectively to them.



TRANSFORMATION & SYNERGIES

TRANSFORMATION AT THE HEART OF EXCELLENCE

As the global leader in its markets thanks to an active external growth strategy, Imerys has a very diverse and disparate spread of operational models and IT systems. The time for transformation and synergies is now. The ambition is to provide effective management of business activities, become more agile and accelerate the pace of development.

TARGETING OPERATIONAL PERFORMANCE

Cost management and control of expenditure are the subject of constant focus for Imerys, which has also committed investment in production capacity, innovation, human resources and programmes designed to boost its competitiveness and support future growth. These programmes concentrate on production excellence (cost controls, higher quality, more accurate traceability and higher process reliability, improved safety and capacity optimization), commercial excellence (improving the customer offering and optimizing sales and marketing) and internal efficiency (systems convergence, resource sharing and cost optimization). They also accelerate the process of integrating companies acquired by the Group and locking in place the resulting synergies.

ROLLING OUT THE COMMERCIAL EXCELLENCE PROGRAMME

The new Imerys commercial excellence programme is designed to create value for both customers and the Group. It introduces proactive identification of customer requirements. This programme of transformational change will give the divisions the necessary resources tailored to their needs. As a result, they will then be able to accelerate their own strategies.

The programme is structured around three topics:

- facilitating a more customer-focused approach to help understand their expectations and challenges as the basis for exploiting new markets more effectively;
- progressively developing sales, technical sales and marketing capabilities in areas such as strategic market data and performance management;
- ensuring the active participation of every part of the company.

From this point onwards, the same customer relations management system will be shared by all divisions and all regions. The technology used adapts to meet different needs, making this an extremely flexible and adaptable solution with a forward development path.

MAKE IT #1: DOING BUSINESS MORE EFFICIENTLY, WITH GREATER AGILITY AND MORE COLLABORATIVELY

The Make IT #1 programme has been designed to address the twin goals of modernising Imerys by providing it with a universal global platform in the form of a shared language and business processes, and taking the Group fully into the digital era with more powerful collaborative working and production management tools designed to accelerate its development.

The overall aim is to redesign the ecosystem of business tools and processes in order to work more efficiently and effectively by encouraging and facilitating collaboration and information sharing. Process standardisation will facilitate audit processes and deliver assured efficiency and effectiveness.

Google G Suite for operational performance

Imerys has chosen to introduce Google G Suite for its user-friendliness, ease-of-use on the move and cross-functional participative and collaborative working features. The system offers an appropriate solution for a dynamic international organization driven by the determination to boost its financial and commercial performance.

TRANSFORMATION: 4 KEY DRIVERS FOR PERFORMANCE

TECHNOLOGY

**From complex IT systems...
to a global infrastructure
strategy**

IT systems convergence, standardized business processes and the use of the most advanced technology will ensure data accuracy and facilitate the rapid generation of detailed, reliable reports. The information system will become a digital facilitator supporting business with tools that encourage greater collaboration and save time.



DATA

**From multiple data...
to the administration
of reliable data**

The definition and introduction of a shared language (coding of shared customers and suppliers, accounting structure and cost centres) within existing information systems solutions will enable faster and more reliable reporting and account consolidation.

ORGANIZATIONAL

**From scattered
small-scale teams...
to resource pooling**

Introduction of a new IT network operations centre for management on the international scale. Definition of a shared resources strategy to facilitate internal controls and task segmentation.

PROCESSES

**From local process...
to cross division
end-to-end process**

The standardization of financial, sales, purchasing, manufacturing and other processes will facilitate audit controls and deliver assured efficiency and effectiveness.



**“The IT of the future: easier,
faster, further and safer.”**

Frédéric Beucher,
Vice President

Why do we need to build a new operating model?

Frédéric Beucher: We decided to start this journey to ensure that Imerys will be future ready. These changes will allow us to carry out our day-to-day work with less effort, but also better manage fast integration of new acquisitions, by delivering synergy. In a nutshell, the goal is: easier, faster, further and safer.

We are building a modern, digital operating model that will create a competitive advantage. It encompasses a digital ERP (Enterprise Resource Planning) core model based on end-to-end processes for finance, sales, purchasing and manufacturing, and we have acquired the latest SAP technology, SAP S4 Hana.

Who is involved?

F.B.: The most talented individuals in the Metallurgy, Aluminates and Ceramics divisions are working as a team to build this new model. And other divisions are also making their contributions: Performance Additives for supply and Fused Minerals for maintenance.

What are the key goals?

F.B.: The central challenge is the rollout of a shared language right across the Group, which is key to our financial reporting system and the performance of our management control functions. Being more efficient and agile will allow us to be more responsive and stay ahead of the competition.

28

INNOVATION AT
THE HEART OF THE
TRANSFORMATION

31

IMERYS DRIVES
MULTIDISCIPLINARY
INNOVATION

32

INNOVATION
FROM THE INSIDE

34

FACE-TO-FACE

TRANSFORMATION & INNOVATION

USED BY THE GROUP AS ONE OF THE PRINCIPAL DRIVING FORCES OF ITS GROWTH, INNOVATION IS WHAT MAKES IT POSSIBLE TO RESPOND TO MARKET CHANGES IN ORDER TO BUILD THE IMERYS OF THE FUTURE. AS AN INTEGRAL PART OF ITS BUSINESS MODEL, IT REPRESENTS A FUNDAMENTAL VALUE FOR IMERYS EMPLOYEES.



INNOVATION AT THE HEART OF THE TRANSFORMATION

In 2017, Imerys gave a new and dynamic level of impetus to innovation, with a new organizational structure, a new name and new investment: all these changes mark an important and evolutionary step forward driven by the introduction of the Innovation department. The central challenge for innovation is to bring forward mineral-based solutions that dovetail with the needs of the market and the technology developments that will shape tomorrow's world.

2,300 
patents recorded
at the end of 2017

85 
patented
industrial models

“Innovation, a driver of growth”... this is the motto of those Group employees who together make up the Innovation@Imerys community. This approach underpins the transition from the traditional (R&D) mindset to a new perspective that focuses more closely on the development of solutions that draw on the Group's technical, application and marketing knowledge. This new reality should enable a more effective response to the needs of customers and emerging megatrends.

A SHARED MINDSET


Regardless of business segment or area of application, innovation is a shared mindset that drives the inspiration of women and men in ways that transcend the purely technological. Whether they work in Marketing, Sales, Human Resources, CSR or any other discipline, everyone is encouraged to think in new ways, to look beyond accepted attitudes and methods and to embrace continuous improvement. As the world changes, so do Imerys and its people.

As an integrated part of the Group's business model, innovation is a powerful lever for its organic growth. The number of patents filed by the Group has increased by more than 30% since 2010. More than 100 new products generated 12.5% of 2017 annual revenue.

THREE LEVERS TO PREPARE FOR THE FUTURE

Innovation at Imerys is facilitated by three levers.

- The Science & Technology teams who work alongside the divisions to envision and design innovative projects that align as closely as possible with the needs of customers and markets.
- Innovation in sales, marketing and new business development, which is the particular focus and responsibility of the Business Innovation teams. They conduct market surveys and analyse customer requirements and megatrends to identify fundamental shifts in the market and define the associated research projects.
- In its long-term development strategy, the Group is also supported by a technology centre that provides process and technology development services for all its divisions.

 **12.5%**
This is the proportion
of revenue generated by
new products during 2017:
a total of €575 million

Synthetic minerals for new applications

In 2017, Imerys developed and perfected two synthetic minerals: talc and perlite. The synthetic talc product was developed in partnership with a research institute. Its key properties are its purity and nano-particulate size. An initial production pilot project is now up and running. The Group has also developed a synthetic perlite called 3i LFM. As a flexible and easily cut foam, it is used to manufacture thermal insulation panels for buildings. The composition of these new-generation panels makes them more eco-friendly, and they emit no harmful fumes in the event of fire.

This approach allows Imerys to envision all types of new natural and synthetic mineral-based solutions (cf. inset), which helps its industrial customers to broaden the scope of possibilities for their own products. This commitment to disruptive innovation favours the emergence of new materials, new applications and new markets.

VIRTUOUS SYNERGIES

Science & Technology activities are structured into three application-based skills centres:

- high-temperature processes and materials;
- functional additives;
- energy-related and electronic equipment;

Each of these host interdisciplinary, multi-application Imerys Technology Centres (ITCs) based in Europe, the USA and Asia.

>>>

 **1.5%**
of Group revenue
is devoted to innovation

>>>

This dynamic approach to innovation is accompanied by high levels of investment in cutting-edge technologies. The ITCs facilitate internal synergies on a day-to-day basis by embracing the new and/or complementary areas of expertise introduced into the Group as a result of recent acquisitions (Kerneos, Damolin, etc.). They also contribute to sharing best practices and assist in the development of shared and cross-disciplinary projects involving the Group's scientific experts.

The Imerys commitment to developing tomorrow's innovations also involves forming close long-term partnerships with renowned universities, research institutes and international organizations. The Group is therefore an associate member of Knowledge and Innovation Community for raw materials of the European Institute of Innovation & Technology (EIT). This entity works to stimulate the competitiveness, growth and appeal of the sector through innovation and entrepreneurship.

At the beginning of 2018, Imerys also signed partnership agreements with the world-famous Massachusetts Institute of Technology (MIT) and Penn State University in the USA. All of these partnerships are powerful levers for providing long-term input to the Group innovation strategy. ●

“At Imerys, innovation means building tomorrow's world, translating the ideas and inventions of its researchers into innovative solutions, products and applications to create new uses and new lifestyles.”

Thierry Materne,
Chief Innovation Officer

The impact of megatrends

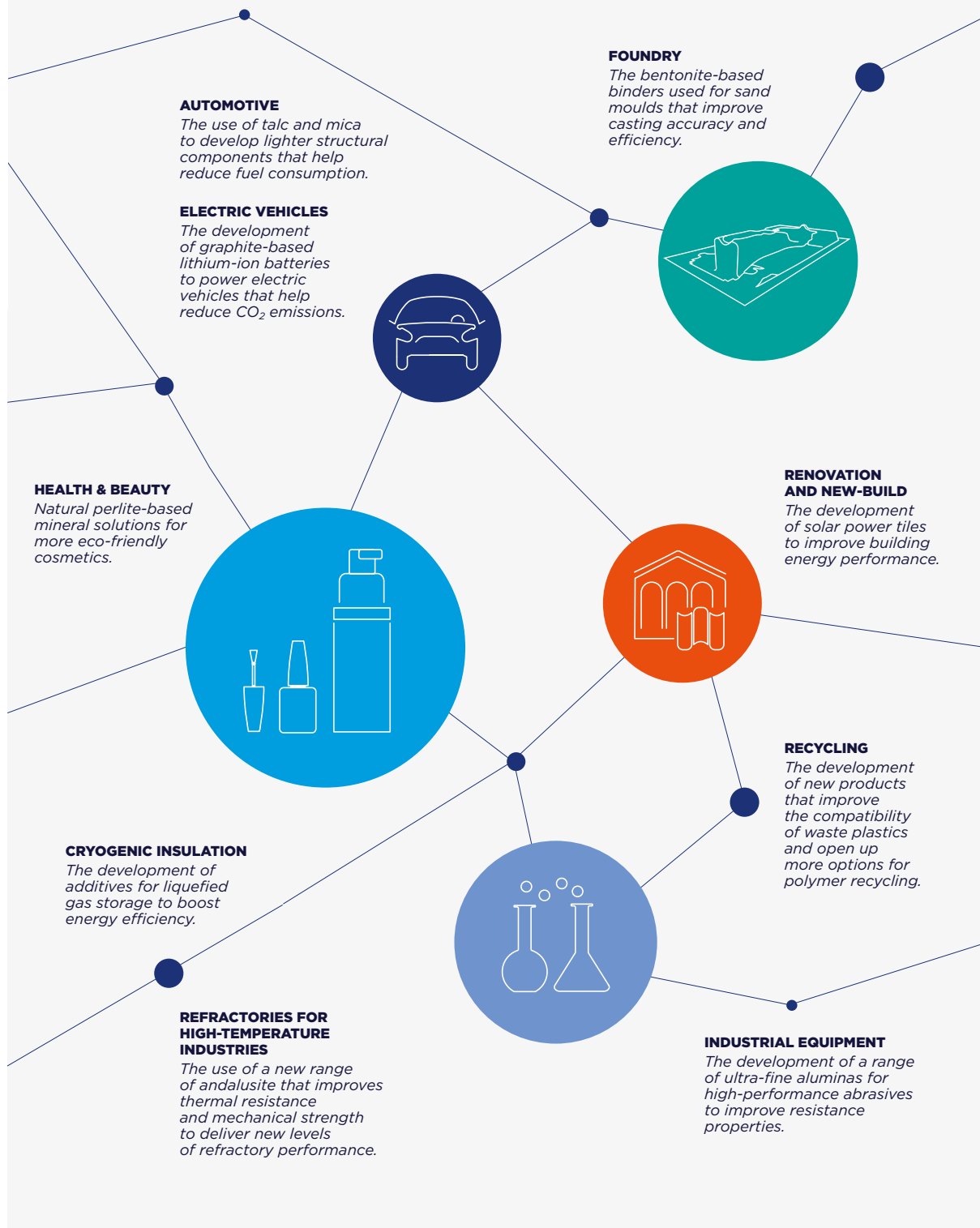
- Urbanisation and demographic growth
- Longer life expectancy
- Climate change
- Increasing scarcity of resources
- Digitalisation and technological revolution

Imerys has identified 5 megatrends likely to impact the Group and which have the potential to change its sustainable development policy and financial performance significantly. In order to anticipate these megatrends, the Group is investing, planning projects and designing unique products, applications and solutions that will contribute to creating tomorrow's new lifestyles.





IMERYS DRIVES INNOVATION IN MANY SECTORS



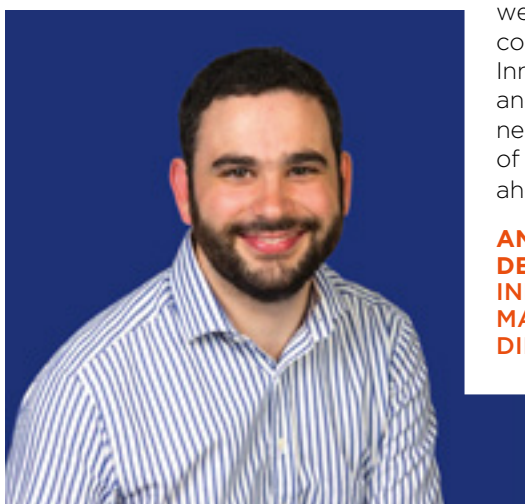
INNOVATING MEANS...



OFFERING BRAND-NEW SOLUTIONS

For me, innovation at Imerys is characterized by the way we provide solutions that are completely new on our markets. Innovating allows us to anticipate and respond to our customers' needs by using our portfolio of mineral solutions to stay ahead of the competition.

**ANTOINE LAFONT
DE SENTENAC,
INNOVATION PROJECT
MANAGEMENT OFFICE
DIRECTOR, FRANCE**



ADDRESSING CHALLENGES COLLECTIVELY

A way of reaching a solution which is creative, credible and applicable to very complex problems, innovation requires sustained and continuous efforts. Innovation is also the ability to work together, developing interdisciplinary cooperation, sometimes by seeking support from external contributors, from universities or research institutes.

**CLAIRE THERON,
TRANSFORMATIONAL EXTERNAL
INNOVATION LIAISON SCIENTIST,
UNITED STATES**





A STATE OF MIND AND A SHARED PASSION

Innovation is above all a passion – a state of mind which drives us and pushes us to always want to do better. It also means being relevant and finding a way to anticipate needs which have not yet been expressed. In the field of industrial minerals, we need to be curious and sufficiently inventive to try to transform, optimize and make the best use of our mineral wealth.

**MURIELLE PERRONNET,
SCIENCE & TECHNOLOGY MANAGER,
FRANCE**



RESPONDING TO CUSTOMER NEEDS AND TACKLING UNCERTAINTY

In addition to the technical challenge, understanding our customers' needs, launching research programmes and finding solutions is a real shared challenge. At Imerys, we are developing solutions which provide real added value to numerous industries over the long term.

**DOMINIC MCMAHON,
BUSINESS INNOVATION DIRECTOR,
BELGIUM**



A COLLABORATIVE APPROACH TO ACCELERATE INNOVATION

*Designing lifestyles for future decades by sharing and expanding knowledge: these are the goals of the partnership between MIT (Massachusetts Institute of Technology) and Imerys. **Randall Wright**, MIT Industrial Liaison Program Director, and **Thierry Materne**, Chief Innovation Officer at Imerys, explain...*

Why is it important for innovation to be open to the world?

Randall Wright : Really disruptive innovation is the main domain of leading universities. The MIT's motto « Mens et Manus » « Mind and Hand » is quite literal: all of MIT's 12,000 students must build an original experiment as a requirement of graduation. The motivation behind their experiments is to make a positive impact on people's lives. That means the MIT starts out with thousands of prototypes of technologies – not just ideas – to change significantly how we all live. These are real game changers, not mere incremental improvements.

Thierry Materne : By identifying and understanding the implications and opportunities of megatrends, we are maximizing the potential impact of Imerys as well as its ability to satisfy the current and future market and customers' needs. It helps us leveraging and further developing our materials and our expertise to develop relevant and innovative market-driven solutions to support the growth of our business. For example, we are already developing today lightweighting alternatives to replace traditional materials to improve performance, increase efficiency and reduce the environmental impact of transportation. The globalization and the overall acceleration of technology development makes this a prerequisite if we want to maintain our leadership in the field of specialty industrial minerals.

What are the selection criteria for choosing the organization to partner with?

R.W. : The first thing to realize is that all universities are not the same. MIT faculty members are recognized internationally as the leading creators of new fields. Digital technology, for example, originated at MIT. Companies from every sector and country come to MIT to join our Industrial Liaison Program (ILP). Membership provides a discovery phase of a relationship with MIT faculty members and researchers and is an essential building block of breakthrough innovation. This includes unbiased discussions where an innovative mindset on the part of a company is paramount. We engage with companies wanting to create a visionary world. It is a true meeting of the minds. MIT faculty members and their students are researching topics to create the next wave of megatrends.

T.M. : Building networks and expertise by connecting with scientists, academics and universities around the world is a critical pillar of Imerys' innovation process. Our partnership with the MIT is a significant step in our strategy to build a strong external network and will help us better anticipate the industrial solutions brought upon by the megatrends. Having insights in what the MIT is working on will also guide our strategic thinking in terms of organic growth. On top of its worldwide recognition as leading

“ Our partnership with MIT will help us to become better at forecasting the industrial solutions that emerge from megatrends. ”

Thierry Materne

THIERRY MATERNE

Chief Innovation Officer of Imerys SA since May 2016, Mr. Materne holds a PhD in Chemistry and Materials Science from the University of Liège (Belgium) and worked at Goodyear Tire & Rubber in Europe and the USA, before joining Dow Corning and then Sabic Innovative Plastics (formerly GE Plastics) in various roles associated with R&D and business management.

research institution and think tank, MIT has a unique approach combining science & technology together with other disciplines like sociology, architecture, management, etc. Having a comprehensive view of all these dimensions enables a unique way to better understand the all encompassing opportunities and consequently maximizing the chances of success and impact on society.

In terms of innovation, how do you choose research topics ?

R.W. : I think it's important to realize that most of the MIT's research projects are the outcome of greater movements which aim at changing and improving how we live. MIT is the locus of inspired movements in sustainability, energy, environment, artificial intelligence (AI), food, biology,

and many more. Research topics are all about a vision about how we all could live in a better world – even if most people can't yet imagine it.

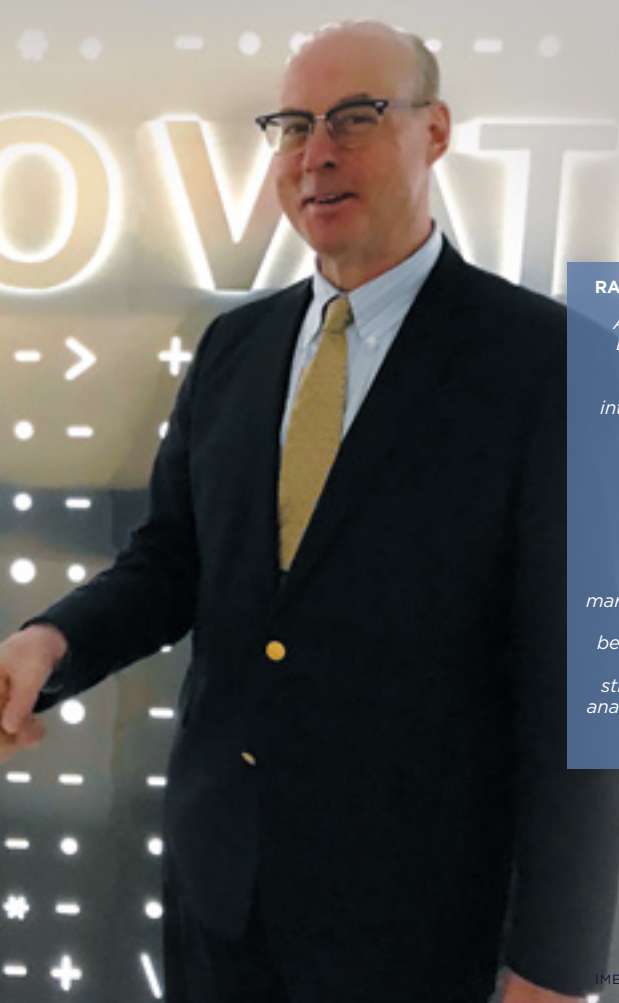
T.M. : With growing population and emerging megatrends, it is vital to develop new solutions and strategies to be more sustainable and find alternative products. Our Business Innovation team is constantly looking to our future, to identify and understand market trends and changes beyond our current business to anticipate how our customers, and their customers, might respond and find new opportunities for Imerys.

What are the mutual benefits from such a collaboration?

R.W. : From a company's perspective, it is about finding information, having high level discussions, and doing

the hard thinking to make the best decisions about the future. It is also about being part of growing and emerging movements and having access to different points of view. The work at MIT is practical and consists of understanding and solving real-world problems. Obviously funding from the corporate sphere is crucial to advance the work of our faculty members. Companies want to be on the forefront of new developments and one important reason they fund research is to develop a pool of graduates from which to hire critical new talent.

T.M. : The MIT's ILP also gives us access to knowledge, expertise, science and technology from some of the best Faculty members and students in the world. It is a development of knowledge. Again, it is all about complementarity. Companies provide insights on topics faculties don't have much exposure to. At Imerys, we truly believe that strong partnerships and transversal collaboration are key to our success. ●●



RANDALL WRIGHT

As MIT Industrial Liaison Program Director, he manages the interface between companies and the senior administration and faculty of MIT. A graduate of mechanical engineering, Randall was a marketing manager for Pfizer, Inc. before joining MIT. He was also a strategic planning analyst for Pennzoil Company.

“ MIT has thousands of technology prototypes with the potential to significantly change the way we live. ”

Randall Wright

EXPERTISE & PERFORMANCE

AN ORGANIZATION CLOSE TO CUSTOMERS,
AND ADAPTED TO THE MARKETS EVOLUTIONS.
FORMULATED TO MEET THE TECHNICAL SPECIFICATIONS
OF EACH CUSTOMER, IMERYS' FUNCTIONAL SOLUTIONS
ARE DESIGNED FOR A WIDE RANGE OF INDUSTRIES,
FROM PROCESS INDUSTRIES TO CONSUMER GOODS.



ENERGY SOLUTIONS & SPECIALTIES

The Energy Solutions & Specialties business group serves a broad diversity of end-user markets, including paper, steelmaking, construction, consumer goods and energy.

29% of Group revenue
€1,327 million in revenue
73 industrial sites in 27 countries
4,990 employees



CARBONATES

The Carbonates division produces ground calcium carbonate (GCC), precipitated calcium carbonate (PCC) and limestone to serve the local paper and packaging industries, as well as high-performance mineral applications, such as polymers, rubber, health, beauty, personal care and construction.

MONOLITHIC REFRACTORIES

The Monolithic Refractories division develops and markets Caldersy-branded monolithic refractories. These solutions and services are used for construction and repair of refractory linings subject to high temperatures and intensely demanding operating conditions, such as steel mills, foundries, power generating plants, incinerators, biomass boilers, cement and petrochemical plants.



GRAPHITE & CARBONE

The Graphite & Carbon division is the world leader in high-performance technical applications for graphite and carbon black. It produces and markets natural and synthetic graphite powders, as well as conductive carbon blacks for the energy, automotive, electronics, and engineering industries, and refractories for the transportation and automotive markets.

OILFIELD SOLUTIONS

The main markets served by the Oilfield Solutions division are those for ceramic proppants and mineral-based solutions for use in a wide range of different applications in the oil and gas industry.

FILTRATION & PERFORMANCE ADDITIVES

The main outlets for the Filtration & Performance Additives business group are the end-user consumer goods, automotive and construction markets.

PERFORMANCE ADDITIVES

The mineral solutions produced by the Performance Additives division are essential in a very broad range of applications, including agri-food, the automotive industry, construction and intermediate goods, such as paint, rubbers, catalysts, paper, pharmaceuticals, personal care, health & beauty.

FILTRATION

The Filtration division is the world's leading supplier of diatomite and expanded perlite-based products for the filtration

of beers, wines, oils, fruit juices, biodiesel and other liquids.

Diatomite can be used in the blood plasma fractionation process.

METALLURGY

The Metallurgy division serves the iron and steel industry, as well as a large number of intermediate industries, including construction, civil engineering and oil drilling. The division is also the world's leading perlite ore supplier for a broad range of applications, such as agriculture and pet litter.



27%

of Group
revenue

€1,237

million
in revenue

83

industrial sites
in 24 countries

4,263

employees

CERAMIC MATERIALS

The products of the Ceramic Materials business group are used mainly in the construction, papermaking and ceramics markets.

25%

of Group
revenue

€1,183

million
in revenue

72

industrial sites
in 20 countries

4,285

employees



ROOFING

The Roofing division manufactures clay tiles and accessories, together with additional photovoltaic and heliothermic options. The Imerys Toiture™ product range offers many different styles of traditional tile, as well as tiles incorporating solar panels, roofing accessories, and metal profiles, gutters and downspouts for rainwater drainage.

KAOLIN

The Kaolin division offers the world's broadest kaolin range. Thanks to the diversity and quality of its assets, it covers a large spectrum of applications that allow for bespoke solutions tailored to the specific



requirements of each customer in industries as varied as papermaking to ceramics, paints, refractories and fiberglass. The division is the world's leading producer of kaolin for papermaking.

CERAMICS

The Ceramics division is a global supplier of ceramic minerals and prepared bodies for the sanitary ware, tableware and decorative tile industries. The division also offers a wide range of solutions for technical ceramics and glassmaking (mostly glass fiber), as well as for electrometallurgy, energy and some construction-related applications, as well as kiln furniture for the ceramics markets.

HIGH RESISTANCE MINERALS

The main outlets for the products of the High Resistance Minerals business group are the steel, industrial machinery, automotive and construction markets.

FUSED MINERALS

The Fused Minerals division is the world leader in specialty products for the abrasives, refractories, technical ceramics, steelmaking heating equipment, automotive, industrial equipment and construction markets. The Fused Minerals division manufactures fused alumina, tabular alumina and fused zirconia.

ALUMINATES

The Aluminates division, resulting from the merger of the Refractory Minerals division and Kerneos, is the world leader in high-performance

calcium aluminate-based binders used mainly in the refractory, construction chemicals, civil engineering, mining and wastewater drainage network markets. The division also enjoys a unique position in the production of minerals for silico-aluminous refractory solutions used in acidic or neutral environments, and at high temperature. The large range makes it possible to offer products with different functional properties meeting the need of industrials for performance continuous improvement.



19%

of Group
revenue

€915

million
in revenue

39

industrial sites
in 12 countries

4,400

employees

44	46	48	50	52	54
BEHAVING RESPONSIBLY TOWARDS SOCIETY	NURTURING OUR PARTICULARITIES	KEEPING EVERYONE SAFE AND HEALTHY	MANAGING OUR ENVIRONMENTAL FOOTPRINT	FACE-TO-FACE	CONTRIBUTING TO LOCAL ECONOMIC AND SOCIAL DEVELOPMENT

RESPONSIBILITIES & COMMITMENTS

IMERYS RESPECTS THE WORLD IN WHICH IT OPERATES. THROUGH ITS ACTIONS, THE GROUP IS A COMMITTED CONTRIBUTOR TO SUSTAINABLE DEVELOPMENT.



CSR POLICY

BEHAVING RESPONSIBLY TOWARDS SOCIETY

Imerys believes that maintaining high standards of social and environmental behaviour across all its activities is essential to achieve its financial and non-financial goals.

Imerys respects the world in which it operates. The Group is committed to play a role in society, to meet its obligations to the countries and communities within which it does business, and to act as a responsible environment steward and thereby contribute to sustainable development.

THE CHALLENGES AND PRIORITIES OF THE GROUP

In order to achieve the aforementioned ambitions, the Group shall continue to align its Group Corporate Social Responsibility (CSR) strategy to the international framework of the United Nations Global Compact (UN GC) and the United Nations Sustainable Development Goals (SDG). The high-level commitments, as outlined in the Group Sustainable Development Charter, are:

- to ensure that health and safety come first;
- to develop the human capital;
- to act as responsible environmental stewards;
- to reduce the impacts of climate change;
- to ensure exemplary business conduct;
- to innovate through sustainable product management.

The Group's objective is to further embed CSR within its global strategy and drive systematic continuous improvement of CSR aspects in operations, thereby continuing to reduce risks, unlock opportunities and build capacity for long term value creation.

A robust assessment of material CSR risks is fundamental to the definition of the Group CSR strategy consistent with Imerys' long term business strategy as well as stakeholder expectations. Materiality in this context is about identifying the key issues, threats and opportunities for Imerys and its stakeholders that may negatively impact or have the capacity to create value. The Group CSR strategy is structured around six pillars: health & safety, human capital, natural resources management, climate change, business conduct and product management. ●

A CODE OF CONDUCT FOR ETHICAL, LONG-TERM RELATIONSHIPS

Imerys is committed to building ethical relationships with all its stakeholders. In building its relationships, the Group bases its actions on its Code of Ethics and Business Conduct, which sets out the principles underlying the ethical behaviour that the Group expects from all its employees, subcontractors, suppliers and other partners. Imerys employees are expected to adopt attitudes that comply fully with all the laws and regulations applicable to the Group, and to respect the principles of responsibility, integrity, fairness and openness that have contributed to its history over the years. Compliance with these principles is both an individual and collective responsibility as the Group progresses towards a sustainable future.

“ We depend on the relationships we have, we respect the countries and communities in which we operate, and we want them to benefit from our presence. Demonstrating respect for law and ethical behavior is the only way to continue to be seen as trusted partners and positive actors in communities worldwide. ”

Denis Musson,
Group CSR & General Counsel,
Company Secretary

SUSTAINABLE DEVELOPMENT GOALS



- 1 - The United Nations sustainable development goals.
- 2 - Imerys is committed to greater diversity and inclusion within its teams.
- 3 - Every year, the Group organizes the Sustainable Development Challenge to identify and reward the best CSR projects developed and implemented by individual sites.
- 4 - Imerys has been a signatory to the UN Global Compact since 2016.

EMPLOYEES

NURTURING OUR PARTICULARITIES

As a key factor for growth and transformational change, the Group human resources management programme is underpinned by a policy that encourages employees personal development.

Employee commitment and diversity represent a considerable strength for the Group. Facilitating the development of teams, promoting internal mobility and attracting complementary talent to build the Imerys of tomorrow are strategically important components of Group human resources policy. Imerys conducted its first *Your Voice* in-house employee survey in April 2017. Covering all Group sites, this anonymous survey was conducted in 17 languages and designed to allow employees to give their views on many different issues. With a 75% response rate, the results reveal that Imerys employees are fully committed to their missions, when compared to the rest of the industry. They feel empowered, motivated and engaged. This level of engagement is explained particularly by the trust employees have in certain basic topics, such as safety. More precisely, 91% of employees highlighted the efforts that Imerys continues to make in terms of Occupational Health & Safety. Although the women and men of the Group say they feel ready to take on the challenges posed by the future, the survey does reveal some areas for improvement, including diversity, strategy sharing and communication. On the basis of these results, a series of working groups have been set up to develop action plans and concrete proposals for local implementation.

ATTRACTING AND DEVELOPING TALENTED PEOPLE

Whether experienced or young recruits, Imerys hires talented people who deserve professional success and fulfilment. Which is why the Group implements initiatives to further improve HR processes, such as recruitment, internal mobility, professional training and skills development.

As part of attracting new talent, Imerys develops and publicises its employer brand. Its *Discover What You're Made of* campaign, run on social media and at further education jobs forums, makes implicit reference to its minerals and the diversity of their applications. In 2017, the Group welcomed 24 graduates of eight different



“Developing the spirit of entrepreneurship, attracting the diversity of employee profiles and rewarding performance: all are helping us to nurture our particularities and face up to the challenges of tomorrow.”

Vincent Lecerf,
Chief Human Resources Officer

nationalities into its Graduate Program. During the year, Imerys also welcomed new experienced employees and continued to implement its internal career development policy. The Group now has a series of shared tools and systems for personal performance appraisals, talent reviews and organizational reviews. The range of training opportunities is also designed to enable employees to extend and expand their skills.

COMMITTED TO DIVERSITY AND EQUAL OPPORTUNITIES

The Group Diversity Charter sets out the formal framework for its commitment to improve diversity, inclusion and equal opportunities within its teams. This issue has been identified as a priority and is the focus of sustained and continuous effort at every level in the organization. Imerys is supported in this effort by its Diversity & Inclusion working group, whose goals are to research and analyze these issues within Imerys, identify the main challenges and opportunities, and propose practical measures, which include monitoring and auditing. ●

 **341,927**
hours of training provided
to Group employees in 2017



- 1
- 2
- 3

1 - The Graduate Program facilitates the induction of graduate recruits.
 2 - *Your Voice* survey gave the Group the opportunity to ask employees for their opinions on issues such as health, safety, and strategy.
 3 - Conferences and workshops provide the opportunity to bring employees together to address issues such as diversity, inclusion and education.

SAFETY

KEEPING EVERYONE SAFE AND HEALTHY

Health and safety are major challenges. Imerys develops and maintains an active culture on these issues, involving all its employees, managers and suppliers.

At Imerys, safety is a constant and non-negotiable issue. All Group sites must have their own effective and specific safety management programme. These plans are prepared and developed on the basis of the continuous improvement principle as part of the Imerys Safety System and the I-Cube operational excellence programme. A safety culture maturity matrix helps individual entities to analyse their progress and succeed in implementing their improvement initiatives.

Health and safety are also integral to Group training programmes. A series of dedicated tools and systems have been introduced, including safety summits, the Imerys Safety University (ISU), online seminars, online training courses, *Safety Toolbox* meetings, induction seminars for new managers and safety information communication campaigns.

MANAGERS AT THE HEART OF SAFETY CULTURE

Employee behaviour is the foundation of an effective safety culture. Individual Group sites implement behavioural improvement programmes or incorporate behavioural factors into their regular safety inspections. To consolidate its safety culture, Safety Culture Improvement Team (SCIT) events are also hosted by Health & Safety professionals worldwide. Whether for its employees or partners, safety is always the priority at Imerys. So in 2018, the Group introduced a new policy of continuous safety improvement. ●



“Safety is a culture. It must be integrated into your daily life and the work you do.”

Alexander Kristen,
Vice President, Health & Safety

54%

of training delivered by Imerys in 2017 focused on health and safety

IMERYS SAFETY DAY... AN ANNUAL EVENT

A new safety awareness initiative was introduced in 2017, when all Imerys sites worldwide hosted the first Safety Day on 22 June. The day was packed with many events and screening of the *Hidden Hazards* video featuring a series of strong messages and a personal message from Group Chairman Gilles Michel. The Imerys senior management team demonstrated its commitment by taking part in the many activities and workshops hosted by every site. This initiative will now be repeated annually with a new topic every year.





- 1
- 2
- 3
- 4

- 1 - In 2017, Imerys held its first Safety Day on all its sites.
- 2 - In Brazil, an innovative campaign was run featuring employees and their children to raise awareness of safety issues.
- 3 - The interactions between vehicles and pedestrians was the focus for the first Group Safety Day.
- 4 - Safe September is an annual get-together designed to remind employees and subcontractors of the key safety rules.

ENVIRONMENT

MANAGING OUR ENVIRONMENTAL FOOTPRINT

Reducing its greenhouse gas emissions and energy consumption, and improving its recycling of waste are just some of the initiatives introduced by Imerys to limit its environmental impact.

The Group CSR policy encourages systematically higher levels of responsibility in terms of shop floor operations. The Group management of its environmental responsibilities is based on the deployment of a strong and effective Environmental Management System (EMS).

RESPONSIBLE ENVIRONMENTAL MANAGEMENT

Imerys is committed to identifying environmental risks and minimising the negative impacts of its operations, with particular focus on controlling liquid effluent discharges and atmospheric emissions, managing its hazardous and non-hazardous waste, and controlling and optimizing its consumption of non-energy-related resources, such as minerals and water. The EMS standards set for sites of the Group are covered by a specific environmental protocol structured around eight pillars consistent with international standards: policy, legal and regulatory requirements, impact identification, goals and targets, roles and responsibilities, training, emergency intervention and audits.

A COMMITMENT TO BIODIVERSITY

Because its activities are likely to affect and change the environments in which it operates, Imerys has put in place many different measures to protect plant and animal life on and around its operating sites, and especially its quarries. Protecting and encouraging biodiversity by intensifying mining site remediation during their working life is one of the Group's flagship commitments to sustainable development.

COMBATting CLIMATE CHANGE

Imerys' signature of the French Business Climate Pledge in 2017 marked a public statement of its commitment to contribute to the collective efforts involved in combatting climate change. Monitoring and reducing its greenhouse gas emissions are among the main levers used to combat climate change and its knock-on effects. On a like-for-like basis, the overall carbon efficiency of the Group has improved by 6% compared with the baseline year of 2014, which is consistent with the target set. By becoming more efficient, Imerys now uses less energy to achieve the same levels of productivity. Since 2016, the Group has focused particularly on the energy performance of

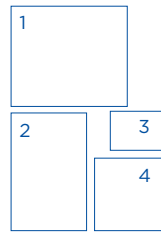


“The aim of the Group is to develop and introduce a new and more ambitious CSR programme by developing and relying on existing systems, protocols and initiatives, at the same time as going further than straightforward compliance. Our ambition is to integrate these issues more comprehensively into the overall Group strategy and involve employees at every level in achieving the Group's CSR targets.”

Pierre Daniellou,
Vice President, CSR

12 of its industrial sites, which together account for 30% of its total energy consumption. Developed as part of the I-Cube operational excellence programme, the solutions implemented at these key sites have already generated energy savings. The Group is encouraging the transition to energy from renewable sources. Some of its sites already use electricity supplies that include power generated by renewables. 17 systems (8 solar, 4 wind, 4 hydropower and 1 district heating network) now provide a number of Group operating sites directly with power generated from renewable sources. ●

ENVIRONMENT



1 - 2 - 3 - The UK Platform received a Natural England award in 2017 for its commitment to the natural world and biodiversity, which include the remediation of 785 hectares of former kaolin (china clay) quarries in Cornwall. The project is now acknowledged nationally and by the European Union as setting the benchmark for biodiversity management.

4 - This wind turbine at Blackpool South in Cornwall provides Imerys with around 180,000 kWh of green electricity every month.



PROTECTING BIODIVERSITY IS A REAL ISSUE FOR THE FUTURE

*The biodiversity of our world is under threat. Fully conscious of its own responsibility, Imerys has made this key issue one of the priorities of its CSR commitments. **Jean-Philippe Siblet**, Director of Expertise at the French National Museum of Natural History, and **Christine Dénériaz**, Environmental Director of the Imerys group explain what is at stake.*

What actually is biodiversity?

Jean-Philippe Siblet: It's the term used to describe the diversity of the living world in all its forms. It refers primarily to the diversity of species on Earth. We estimate the number of species living on the planet to be around 11 million, although so far, we have discovered and classified only 1.7 million and continue to discover 10,000 new species every year. But talking about biodiversity also means talking about habitats.

Why are we hearing so much more these days about biodiversity?

J.-P.S.: The biodiversity we know today is just an infinitesimally small part of the total biodiversity that existed on the face of the Earth at any given time in its history, and 99% of all the species that have lived on our planet are now extinct. We are now living through the sixth extinction crisis, and this latest crisis is entirely due to the influence of humanity; a new geological age that some writers refer to as the Anthropocene.

The pace at which species are disappearing today is a thousand times faster than would be the case in the natural world without the intervention of man. And then, added to the extinctions and the genetic decline of species, we are also seeing a reduction in domestic varieties and bloodlines and the increasing uniformity of ecosystems and landscapes. It can take hundreds of thousands of years for a new species to emerge, which is why biodiversity is so precious.

Christine Dénériaz: Biodiversity is now a major international issue driving increasingly high levels of expectation from our stakeholders employees, local communities, ratings agencies, NGOs and others and is feeding through into tighter regulations and more demanding requirements. The threats to biodiversity are influenced by many factors, from habitat deterioration to the introduction of non-native species, climate change and over-exploitation. Our operating sites, mines and quarries, are home to a very large number of plant and animal species, and biotopes. And our activities have a direct impact on biodiversity, which is why we feel a particular level of concern about this issue. It's our duty to take action to minimize our impacts.

So what precisely are the challenges?

J.-P.S.: For humanity, biodiversity poses a major social challenge. Our natural ecosystems regulate gases, the climate and its disturbances, as well as pollination and agricultural production.

C.D.: For Imerys, the challenges are many, and they exist at the meeting point of many concerns for the company: ethical, social, regulatory, financial and strategic.

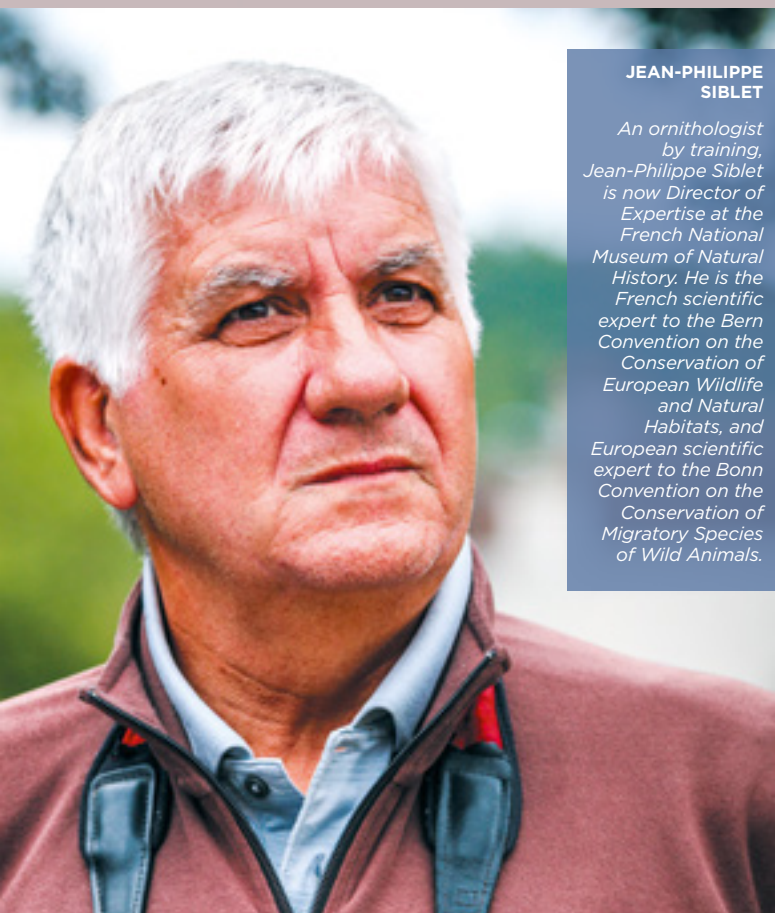


CHRISTINE DÉNÉRIAZ

An engineering graduate of the Nancy Geology School de Nancy and with a Masters in Management, Christine Dénériaz joined Imerys in 2017 as its Environmental Director. She was previously a senior consultant at Advalis and Environmental Director at Eurovia (Vinci Group).

“ We are now living through the sixth extinction crisis, and this latest crisis is entirely due to the influence of humanity. ”

Jean-Philippe Siblet



JEAN-PHILIPPE
SIBLET

An ornithologist by training, Jean-Philippe Siblet is now Director of Expertise at the French National Museum of Natural History. He is the French scientific expert to the Bern Convention on the Conservation of European Wildlife and Natural Habitats, and European scientific expert to the Bonn Convention on the Conservation of Migratory Species of Wild Animals.

“ The Group wants to structure a ‘global biodiversity project’ and step up its proactive initiatives through its local entities. ”

Christine Dénériaz

So in your view, what would be the best strategy to implement in order to protect the biodiversity of our planet?

J.-P.S.: It is essential that those who use and manage the land have a clear knowledge and detailed understanding of the ecological challenges facing that land, properly assess the impact of their actions on biodiversity, and have the capability of rolling out measures that encourage the development of that very same biodiversity.

Imerys faces the additional challenge posed by the geographic diversity of its operating locations, and the added complexity of the wide disparities that exist in terms of ecological regulation and circumstances.

What does the new Imerys biodiversity project actually consist of?

C.D.: In all the countries where it operates, the Group has dramatically stepped up its initiatives over many years to ensure that its projects are consistent with achieving the challenges of sustainable development. Imerys now wants to structure a global biodiversity project as part of its Corporate Social Responsibility roadmap.

Its ambition is to step up its proactive initiatives through its local entities. Imerys wants to put in place a process of continual progress in which each of its operating sites can assess its current position and improve. To succeed in this ambitious and complex project, we are relying on the advice and recommendations of renowned experts.

And it is in this context that the National Museum of Natural History is helping Imerys with the design, monitoring and analysis of this process of continual progress. It will be advising the Group on goal setting and the associated action plans. It's a project that establishes biodiversity as one of the priority issues for Imerys going forward. ●●

INITIATIVES

CONTRIBUTING TO LOCAL ECONOMIC AND SOCIAL DEVELOPMENT

The development of social and environmental initiatives in locations where the Group operates is a key factor for successful operational integration.

In carrying out its business in ways that are respectful of the countries, regions and communities it operates in, Imerys builds on strong and stable relationships with its internal and external stakeholders.

A GROUP THAT WORKS CLOSELY WITH LOCAL COMMUNITIES

Considering the worldwide spread of Imerys, sites and employees inevitably become an integral part of their local communities and are seen as representing the company as a whole. In this context, the Group encourages individual sites to contribute to local socio-economic development, not only by identifying and understanding the needs and expectations of stakeholders, but also by sharing skills and supporting initiatives with the potential to create shared value. By working constructively and collaboratively with local partners, communities, non-profit organizations and other stakeholders, the Group contributes to achieving a number of the United Nations Sustainable Development Goals (SDGs). Every year, Imerys hosts the internal competition known as the SD (Sustainable Development) Challenge, which encourages the development and sharing of social and environmental projects that relate directly to the Group's CSR goals and priorities. In 2017, more than 60% of these projects were community focused, and 53 of them contributed to either the local economy or social development.

In 2017, more than 20 Imerys facilities around the world took part in the Minerals Days event. These open days give the general public the opportunity to familiarise themselves with the world of minerals and discover the science and skills behind Group operations.

PROMOTING ACCESS TO EDUCATION

Imerys is committed to combatting illiteracy by providing education for women and girls, and supporting young adults as they develop their employability.

Depending on local circumstances, Imerys introduces literacy and numeracy courses (either directly or with local partners), contributes to the construction and upgrading of schools, and provides material support, as well as school and health supplies. Delivering practical qualification-based courses in Indonesia, providing

EVERY EMPLOYEE

IS PERSONALLY COMMITTED TO CREATING A BETTER WORLD

As part of supporting the Group's Corporate Social Responsibility (CSR) commitment, its teams contribute through local initiatives, identified on the basis of an analysis, to pinpoint the context and needs of each operating country.

The SD Challenge has been enabling Imerys sites to make a difference locally through long-term involvement and the sharing of good practices since 2004.

Its overriding ambition is to contribute to creating a better world. In 2017,

102 initiatives competed in the Challenge, with awards going to 10 of them.

The winning projects included a training and apprenticeship programme for young students in Barcarena, Brazil (Kaolin), the recovery and recycling of quarry waste as raw materials for construction as a contribution to local industry in Cornwall, UK (UK Platform), and environmental initiatives, such as *Côte à côte, Kaolin en harmonie avec les oiseaux côtiers, les abeilles et la mousse* (Side-by-Side: Kaolin in harmony with coastal birds, bees and moss) in France (Ceramics).

management courses for women and awareness training for their managers to facilitate their career development, and facilitating education by combatting malnutrition and dependency in India... These are just some examples of the many initiatives introduced and run by the Group.

ARTS SPONSOR & TECHNOLOGY PARTNER

Imerys is committed to facilitating access to the arts through sponsorship. The Group has signed a three-year partnership with the *RMN-Grand Palais* in Paris. Since 2016, Imerys has sponsored iconic photographic exhibitions, including those by Seydou Keita in 2016 and Irving Penn in 2017. In 2018, the Artists & Robots exhibition will invite the public to experience works of art created using increasingly smart robots. Imerys has also renewed its commitment of support for *Les Arts Florissants*. In a different form of sponsorship, the Group is the technology partner for the Energy Challenge, an offshore sailing project led by skipper Phil Sharp, winner of the 2017 Class40 Champion. ●

INITIATIVES



1	
4	2
	3
	5

Education

1 - 2 - Imerys is committed to promoting education, and more specifically literacy, ensuring education for women and girls, and providing support for young adults as they develop their employability.

Sponsorship

3 - 4 - Imerys has been sponsoring iconic exhibitions at the *RMN-Grand Palais* in Paris since 2016, including the Irving Penn photography exhibition and *Artists & Robots* in 2018.

5 - The Group is the technology partner for the Energy Challenge offshore sailing project led by skipper Phil Sharp, winner of the 2017 Class 40 Champion. As the only zero CO₂ emissions boat in the competition, Imerys Clean Energy competed in the last Transat Jacques Vabre event and is preparing for the *Route du Rhum* in 2018.

58

GOVERNANCE

60

FINANCIAL DATA

62

SIMPLIFIED FINANCIAL
STATEMENTS

GOVERNANCE & INDICATORS

IMERYS RELIES ON A CHIEF EXECUTIVE OFFICER
ASSISTED BY AN EXECUTIVE COMMITTEE, A BOARD
OF DIRECTORS AND FOUR SPECIALIZED COMMITTEES.
THIS ORGANIZATION IS DRAWN FROM THE BEST
CORPORATE GOVERNANCE PRACTICES.



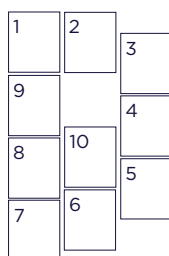
◀ Salle du Conseil

— EXECUTIVE COMMITTEE —

The Executive management of the Group has been headed up by Gilles Michel, Chairman & Chief Executive Officer until May 4, 2018. Since then Gilles Michel has been appointed Chairman of the Board and Conrad Keijzer, Chief Executive Officer. In his role, Conrad Keijzer is assisted by an Executive Committee whose members are the Group's nine principal operations and support executives.



Gilles Michel -
Chairman of the Board
of Directors



-
- 1 - Conrad Keijzer** -
Chief Executive Officer
2 - Frédéric Beucher -
Vice President,
Supervision of the Roofing,
Kaolin, Ceramics and
Graphite & Carbon divisions
3 - Jean-François Claver -
Chief Industrial Officer
4 - Alessandro Dazza -
Vice President,
Supervision of the Fused Minerals,
Aluminates and Monolithic
Refractories divisions
5 - Olivier Hautin -
Vice President,
Mergers & Acquisitions and
International Development,
Supervision of the Oilfield
Solutions division
6 - Vincent Lecerf -
Chief Human Resources Officer
7 - Thierry Materne -
Chief Innovation Officer
8 - Daniel Moncino -
Vice President,
Supervision of the Performance
Additives, Filtration, Metallurgy
and Carbonates divisions
9 - Denis Musson -
Group General Counsel,
Company Secretary
10 - Olivier Pirote -
Chief Financial Officer
-



BOARD OF DIRECTORS

The Board of Directors approves strategic orientations and authorizes major operations that are decisive for the Group's future. It also ensures the quality of the information provided to shareholders and the market through the preparation of the annual statements.

As of May 4th, members of the Board of Directors are :

Gilles MICHEL (Chairman of the Board), Paul DESMARAIS III (Vice President), Éliane AUGÉLET-PETIT⁽¹⁾, Aldo CARDOSO⁽²⁾, Odile DESFORGES⁽²⁾, Ian GALLIENNE, Marion GUILLOU⁽²⁾, Colin HALL, Conrad KEIJZER, Ulysses KYRIACOPOULOS, Martina MERZ⁽²⁾, Enrico d'ORTONA⁽¹⁾, Lucile RIBOT⁽²⁾, Marie-Françoise WALBAUM⁽²⁾. Independent members account for 50% and women for 41.70% (excluding Employee representative Directors). The Board met five times in 2017.

SPECIALIZED COMMITTEES

Under the responsibility of the Board of Directors, the specialized Committees have an advisory role. They give the Board the benefit of their opinions and recommendations in preparing its decisions.

THE STRATEGIC COMMITTEE

The Committee examines the Group's industrial, commercial and financial strategic orientation. It checks that the strategy set by the Board of Directors is implemented by Executive Management. It also examines the main risk factors for the Group and the related internal controls in the following fields: external environment (investor relations, market positions), internal processes (financial resources management, human resources potential, mineral reserves and resources) and management information (management control and financial reporting, capital projects).

— 7 meetings in 2017

THE APPOINTMENTS COMMITTEE

This Committee is predominantly comprised of independent members in accordance with the recommendation of the AFEP-MEDEF Code. The Committee gives an opinion on the composition of the Board of Directors and Specialized Committees. It examines potential changes relating to adapting the Group's shareholding in terms of diversity and independence. It also reviews the recommendations for proposed appointments and succession plans.

— 3 meetings in 2017

THE COMPENSATION COMMITTEE

This Committee is predominantly comprised of independent members in accordance with the recommendation of the AFEP-MEDEF Code. It reviews compensation and benefit proposals for corporate officers and the general long-term compensation and retention policy for top managers (including performance share awards).

— 2 meetings in 2017

THE AUDIT COMMITTEE

Two-thirds of the Committee's members are independent directors as recommended by the AFEP-MEDEF Code of Corporate Governance. The Audit Committee reviews Imerys' annual and half-yearly statutory and consolidated financial statements, makes sure that the accounting methods used are appropriate and consistent, and reviews the Group's debt position. It controls the process for producing and disseminating accounting and financial information, supervises the related communication policy and procedures, and makes sure that published information is consistent and appropriate. This Committee selects and recommends candidates for the position of Statutory Auditor. It reviews the schedule and results of work performed by the internal and external auditors and by the internal control department. It reviews the orientations and achievements of the Group's Sustainable Development Strategy, the mapping of the Group's main risks and, in depth, its financial and legal risks, as well as the related internal controls, and prevention and insurance policies.

— 5 meetings in 2017



For more information on members of the Board of Directors and Specialized Committees, visit the Governance section of the website www.imerys.com

(1) Employee representative Director
(2) Independent Director

— THE IMERYS SHARE —

The Imerys Group strives to maintain a quality relationship with the entire financial community, both with its shareholders, as well as individual and institutional investors.

THE IMERYS SHARE AND RATING AGENCIES

The Imerys share is included in more than 60 international indexes, including the SBF 120, one of the main French rating index and DJ Eurostoxx 600, the 600 European companies rated on a best-in-class basis. Imerys is also part of socially responsible investment (SRI) indices like FTSE4Good, MSCI Global Sustainability Index Series and STOXX® Global ESG Leaders. It is also included in NYSE Euronext Vigeo Europe 120 and Eurozone 120, and Ethibel's "Excellence Europe" index.

SHARE MANAGEMENT MADE EASY

Imerys offers a special service for its shareholders who opt to register their shares directly on the Company's register⁽¹⁾. In addition to exemption from all custody fees and some management fees, the Group also provides a secure online service where shareholders can manage their share portfolio, www.nomi.olisnet.com. The website gives access to information about the shares, share prices, latest movements, availability of the shares and attached voting rights (each share held for more than two years benefits from double voting rights). All documentation concerning the Company's Annual General Meeting is available on the website and shareholders can also use it to vote online. Registered shareholders also receive notice of General Meetings and information about the Group.

Shareholders wishing to register their shares on the Company's register should apply to their financial intermediary who will contact CACEIS Corporate Trust. CACEIS Corporate Trust will then send directly any documents needed for registration.

(1) Shares registered in the holder's name are kept on Imerys' share register and administrated by CACEIS. This identification makes direct, perso-nalized contact possible.

REGULAR INFORMATION

Imerys pays special attention to its shareholders by keeping them updated on its activities, strategy, capital expenditure, results and outlook. This goal is reflected in the various communication vehicles that involve shareholders in the Group's life:

- the website www.imerys.com with dedicated sections for individual shareholders, investors and analysts;
- the letter to shareholders is published several times a year;
- the Annual Activity Report;
- the Registration Document (Annual Financial Report), and half-year financial report.



Financial Communication Agenda 2018

Wednesday, February 14
2017 Annual results

Friday, April 27
1st quarter 2018 results

Friday, May 4
Shareholders' General Meeting

Tuesday, May 15 (from)
Release dividend payment

Friday, July 27
1st half 2018 results

Tuesday, October 30
3rd quarter 2018 results

These dates are given for information only and are subject to change.

LISTING MARKET

Euronext Paris, Eligible for SRD (deferred settlement)
Eurolist Market
Compartment A
Par value: €2

CODES

ISIN FR0000120859
Mnemo NK
Reuters IMTP. PA
Bloomberg NK. FP

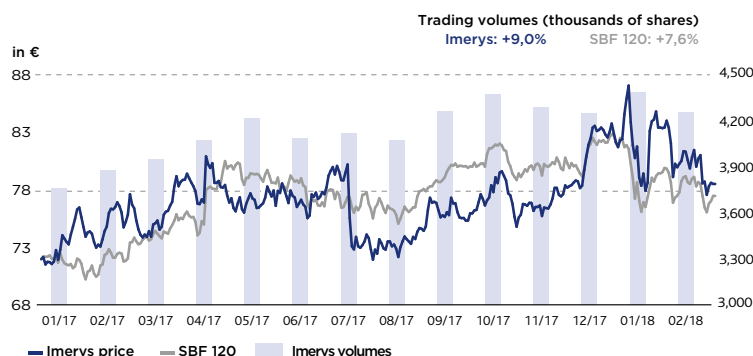
INDEXES

Imerys is a member of more than 60 international indexes, including SBF 120, CAC All tradable index, CAC Mid & Small, DJ Eurostoxx 600, STOXX Europe 600 Basic Resources, Euro STOXX Basic Resources, MSCI Standard Developed, MSCI Europe.

SRI INDEXES

FTSE4Good, Euronext Vigeo Europe 120 et Eurozone 120, Ethibel Sustainability Index Excellence Europe, MSCI Global Sustainability Index, STOXX Global ESG Leaders Index.

SHARE PRICE TRENDS FROM 01/01/2017 TO 03/20/2018 (SOURCE EURONEXT)



After a volatile start to the year 2017, the Imerys share benefited from the overall improvement in its markets and results, which translated in a solid stock market performance since the second half of 2017. Since the beginning of 2018, however, this performance was impacted by the geopolitical uncertainties that weighed on the financial markets. In this context, the Imerys share rose by +9.0%, while its benchmark, the SBF 120, rose by +7.6% over the period.

DATA PER SHARE

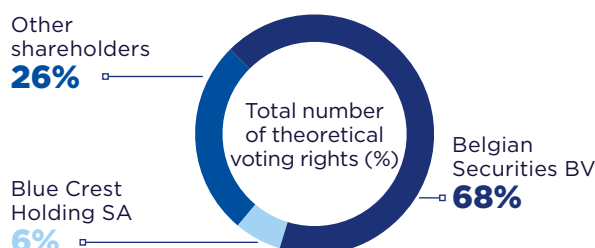
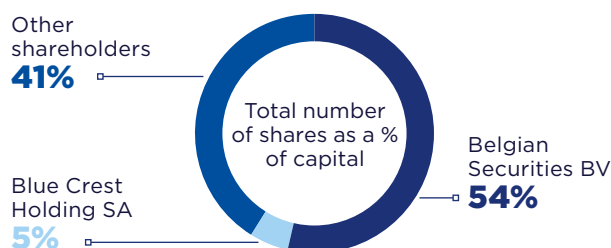
	2015	2016	2017
Net income from current operations per share	€4.31	€4.60	€5.11
Dividend	€1.750	€1.870	€2.075

+11.0%

Net current income per share
between 2016 and 2017

Data per share	2015	2016	2017
Weighted average number of outstanding shares (thousands)	79,276	78,715	79,015
Outstanding shares on December 31 (thousands)	79,572	79,568	79,604
High	€73.41	€72.17	€81.30
Low	€57.00	€51.61	€71.90
Closing price	€64.42	€72.07	€78.54
Market capitalization at December 31	€5,126M	€5,734M	€6,252M

DISTRIBUTION OF CAPITAL AND VOTING RIGHTS AT 12/31/2017



— SIMPLIFIED FINANCIAL STATEMENTS —

CONSOLIDATED INCOME STATEMENT

(€ MILLIONS)

	2017	2016	2015	2014
Revenue	4,598.4	4,165.2	4,086.7	3,688.2
EBITDA courant⁽¹⁾	889.6	818.9	745.4	673.8
Current operating income⁽²⁾	648.1	582.1	538.1	494.6
Current financial income	(79.2)	(63.9)	(55.5)	(45.1)
Current tax	(164.6)	(154.1)	(140.5)	(131.5)
Minority interests	(0.9)	(2.0)	(0.7)	(1.7)
Net income from current operations, Group share⁽³⁾	403.4	362.1	341.5	316.3
Other revenue and expenses net, Group share	(35.2)	(69.3)	(273.1)	(44.7)
Net income, Group share	368.2	292.8	68.4	271.6

(1) Current operating income plus depreciation expense and provisions, net of reversals.

(2) Operating income before other operating revenue and expenses.

(3) Net income before other operating revenue and expenses, net.

CONSOLIDATED BALANCE SHEET

(€ MILLIONS)

	2017	2016	2015	2014
Assets				
Net non-current assets ⁽⁴⁾	4,929.6	4,028.2	3,878.3	3,148.0
Current assets	1,865.0	1,595.6	1,573.5	1,426.8
Other assets	282.6	289.4	285.8	163.8
Cash ⁽⁵⁾	390.7	819.2	431.2	683.8
Total	7,468.0	6,732.4	6,168.8	5,422.4
Liabilities and shareholders' equity				
Net worth (including minority interests)	2,878.2	2,914.2	2,671.9	2,470.5
Provisions	743.0	661.8	646.3	589.2
Gross financial debt ⁽⁵⁾	2,637.1	2,185.7	1,911.6	1,553.6
Other liabilities	1,209.7	970.7	939.0	809.1
Total	7,468.0	6,732.4	6,168.8	5,422.4
(4) of which mining assets	592.6	585.4	552.3	471.6
(5) i.e. net financial debt of	2,246.4	1,366.5	1,480.4	869.8

CASH FLOW STATEMENT AND CHANGE IN NET FINANCIAL DEBT

(€ MILLIONS)

	2017	2016	2015	2014
EBITDA	889.6	818.8	745.4	673.8
Notional tax on current operating income and other depreciation	(187.5)	(173.1)	(156.7)	(144.6)
Change in operating WCR ⁽¹⁾	(11.7)	14.4	21.8	(48.9)
Paid capital expenditure	(340.9)	(278.5)	(271.6)	(241.5)
Current free operating cash flow⁽²⁾	358.4	394.6	342.5	244.1
Financial income (expense) net of tax	(57.5)	(39.9)	(31.8)	(21.0)
Change in other WCR items, deferred tax and other	25.3	74.1	27.7	4.4
Current free cash flow	326.2	428.8	338.4	227.5
External growth/Divestments	(1,054.0)	(60.4)	(943.2)	(0.5)
Non-recurring cash flow	(13.9)	(55.4)	(59.5)	(15.0)
Dividends	(149.6)	(139.4)	(132.6)	(125.3)
Capital transactions	(0.5)	(49.8)	227.0	(42.6)
Foreign exchange/Other movements	21.4	(9.9)	(40.6)	(28.6)
Decrease (increase) in net financial debt	(870.4)	113.9	(610.5)	15.5

(1) Working capital requirement.

(2) Current free operating cash flow: EBITDA deducted from notional tax, changes in working capital requirement and paid capital expenditure.

 **4,598**

€ millions
revenue in 2017

403

€ millions
net income in 2017

165

€ millions
dividend payout proposed
with respect to 2017

REGISTRAR SERVICE

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14, RUE ROUGET-DE-LISLE
92862 ISSY-LES-MOULINEAUX CEDEX 9
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FAX: + 33 (0) 1 49 08 05 80
E-MAIL: CT-CONTACT@CACEIS.COM

SHAREHOLDER CONTACTS

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75015 PARIS
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FAX: + 33 (0) 1 49 55 63 16
E-MAIL: ACTIONNAIRES@IMERYS.COM

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DESIGN & PRODUCTION côtécorp.

PHOTOGRAPHIC CREDITS Adobe Stock, Deposit-photos (steauarosie), Gettyimages (Alija, Tomml and Andy A. Widmer/EyeEm), iStock (Yvan Dube), Nicolas Grout, Michel Labelle, Nathalie de La Falaise, Imerys Photographic Library, Shutterstock (De Repente, Guppyss, Pisaphotography, QiuJu Song and Rawf8), Simone Van Es and Philippe Zamora.

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TRANSFORM TO PERFORM

French Limited Liability Company (Société Anonyme)
with a share capital of €159,208,570
RCS Paris 562 008 151

