

# 2022 Annual Results

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February 17, 2023

Alessandro Dazza - Chief Executive Officer

Sébastien Rouge - Chief Financial Officer

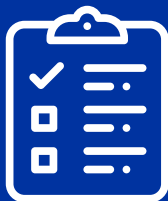
# Disclaimer

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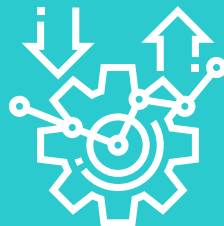
More comprehensive information about Imerys may be obtained on its website ([www.imerys.com](http://www.imerys.com)), under Regulated Information, including its Universal Registration Document filed under No. D.22-0131 in March 22, 2022 with Autorité des Marchés Financiers. Imerys draws the attention of investors to the “Risk factors and Internal control” set forth in the Universal Registration Document.

This document contains projections and other forward-looking statements. Investors are cautioned that such projections and forward-looking statements are subject to various risks and uncertainties (many of which are difficult to predict and generally beyond the control of Imerys) that could cause actual results and developments to differ materially from those expressed or implied.

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## Highlights



## Financial Results



## Outlook



## Highlights



## Financial Results



## Outlook

# Highlights - Solid financial performance in 2022 <sup>(1)</sup>

Continued organic growth	Current EBITDA above high end of guidance range <sup>(2)</sup>	Cash flow generation	Proposed special dividend
<b>+12.5%</b>	<b>€720m</b>	<b>€105m<sup>(3)</sup></b>	<b>€3.85 per share</b>
<ul style="list-style-type: none"> <li>+12.5% organic growth vs 2021, +8.2% in Q4</li> <li>Price increases in a high inflationary environment</li> <li>Strong commercial performance</li> <li>Volumes impacted by Russian/Ukrainian crisis, Covid restrictions in China and customer destocking in Q4</li> </ul>	<ul style="list-style-type: none"> <li>Good operational leverage leading to an 11.0% increase in current EBITDA vs 2021</li> <li>Increase in selling prices offsetting impact of high inflation</li> <li>Robust margin at 16.8%</li> <li>Q4 2022 performance above Q4 2021</li> </ul>	<ul style="list-style-type: none"> <li>Good cash generation despite inflationary environment, higher working capital requirements and activity levels</li> <li>€85m of strategic capex to support future growth</li> <li>Completion of the disposal of HTS: approximately €710m of cash impact (January 31 2023)</li> </ul>	<ul style="list-style-type: none"> <li>Current net income from continuing operations at €284m, up 23% vs last year</li> <li>Proposal of a dividend of €3.85 per share (vs. €1.55 per share paid in 2022), representing a total distribution of €327 million, including €200 million from the proceeds of the HTS disposal</li> </ul>

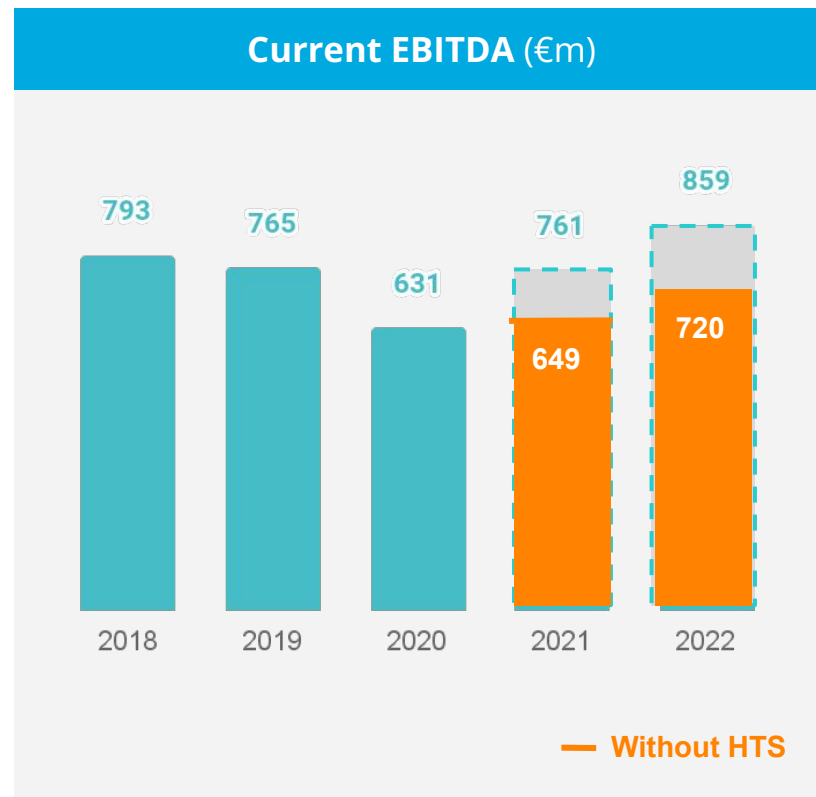
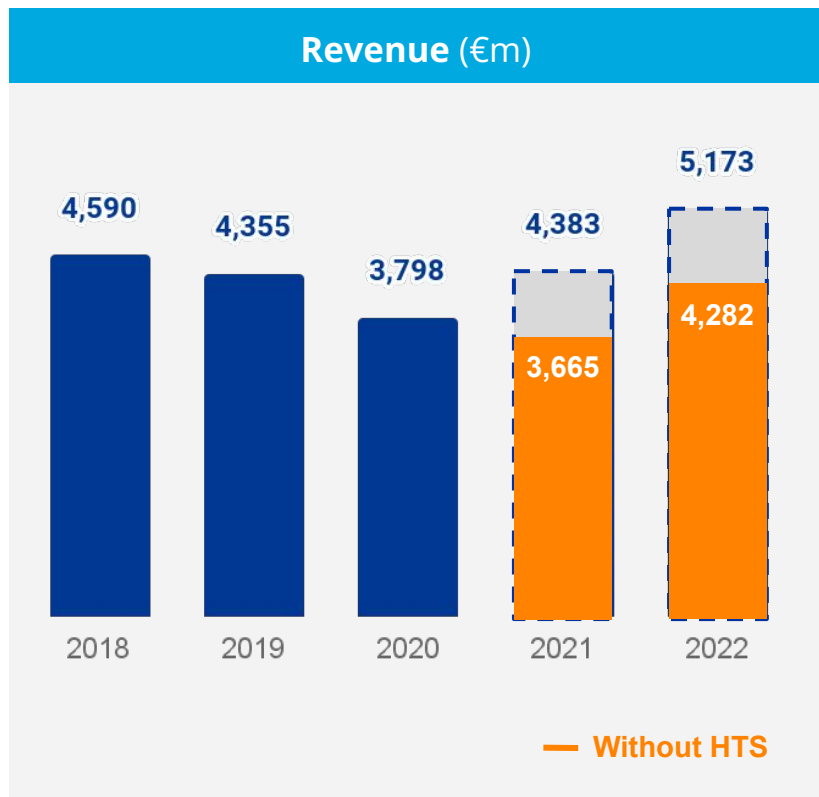
(1) According to IFRS 5, HTS is accounted for as a discontinued operation and reported under 'Net income from discontinued activities' (its revenue, expenses and pre-tax profits are not presented in the consolidated income statement). The assets serving the paper markets whose contemplated disposal was announced on September 9, 2022, are accounted for as non current assets held for sale and therefore included in the Group's consolidated financial statements.

(2) Guidance announced on November 2, 2022: FY 2022 current EBITDA between €690 million and €710 million

(3) Net current free operating cash flow before strategic investments, of which €14m for discontinued operations

Note: Please refer to the glossary in appendix for definition of Alternative Performance Measures

# Record sales and current EBITDA in 2022 in high inflationary context and challenging markets



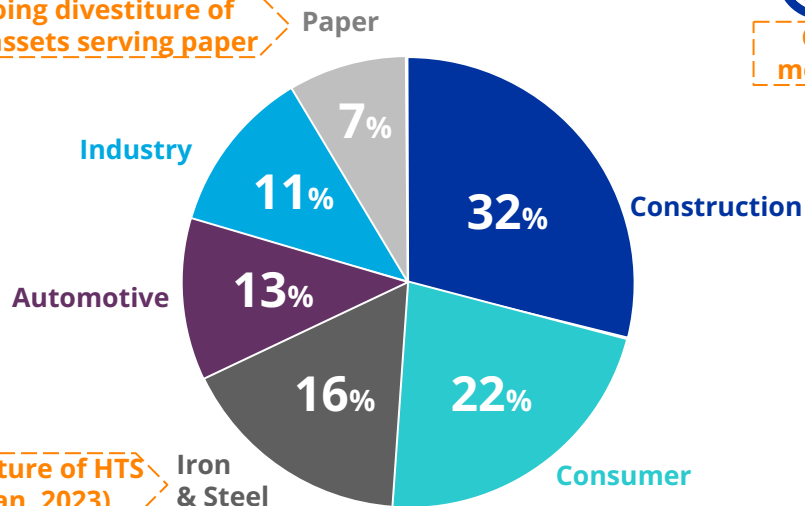
# Imerys poised to benefit from positioning on fast-growing markets

## Imerys end-markets

(% revenue, 2022)

### Pre-divestitures

Ongoing divestiture of most assets serving paper

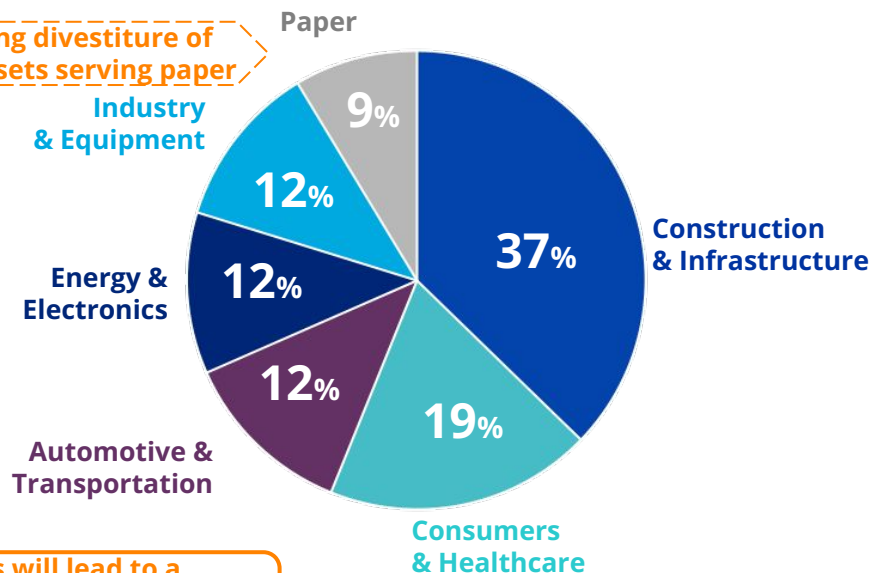


Divestiture of HTS (31 Jan. 2023)



### Post HTS divestiture

Ongoing divestiture of most assets serving paper



Contemplated divestitures will lead to a significant decrease in exposure to the Paper and Iron & Steel\* markets

\* Remaining exposure relating to certain raw materials allocated to end markets served

# End-markets trends in 2022 (1/3)

## Construction



### Construction<sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
Europe	+3%	+2%	+1%
North Am.	-9%	-10%	-10%
Asia <sup>(3)</sup>	+4%	+7%	+6%
World	+1%	+2%	+1%

- Evidence of **slowdown in Europe and North America**, continued growth in the rest of the world
- Headwinds in the US due to rising interest rates, shortage of skilled workers and higher raw material costs
- **Lower residential demand in Europe**
- Persistent **concerns about the financial strength of property developers in China**

## Consumer goods



### Private Consumption<sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
Europe	+5%	+2%	+1%
North Am.	+2%	+2%	+2%
Asia <sup>(3)</sup>	+4%	+4%	+4%
World	+3%	+3%	+2%

- **Private consumption in Europe and North America** remained **sustained** even in inflationary environment
- Europe benefited from a **decline in energy prices in Q4 vs. Q3**
- US driven by **resilient consumer spending** and robust job market

Source: (1) Oxford Economics; (2) Oxford Economics (3) Including China



# End-markets trends in 2022 (2/3)

## Automotive



### Light vehicle production <sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
Europe	+3%	+35%	+10%
North Am.	+12%	+23%	+8%
Asia <sup>(3)</sup>	+0%	+33%	-1%
World	+1%	+29%	+1%

- **Improvement of production levels** and supply chain environment
- Easing semiconductor supply constraints and decreasing risk of energy rationing in Europe
- Higher production level in the US, supported by OEM restocking

## Energy & Electronics



### Energy, Consumer electronics and EV <sup>(2)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
Europe	+8%	+9%	+4%
North Am.	+6%	+11%	+13%
Asia <sup>(3)</sup>	+14%	+17%	+10%
World	+11%	+15%	+9%

- **Steady growth momentum in EV production**
- **Electronics impacted by inflationary context**
- Energy sector continued to benefit from high level of energy prices throughout the year

Sources (1) ; IHS

(2) IHS, Oxford Economics, Group estimates

(3) Including China

# End-markets trends in 2022 (3/3)

## Industry & Equipment



### Industrial production <sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
<b>Europe</b>	+1%	+1%	-1%
<b>North Am.</b>	+4%	+4%	+4%
<b>Asia <sup>(2)</sup></b>	+3%	+3%	+3%
<b>World</b>	+2%	+4%	+1%

- **Weak supply and demand in Q4/22**
- European slow-down lowers demand for equipment and steel-intensive industries
- Asia supported by the lifting of Covid-19 restrictions in China

## Graphic Paper



### Paper production <sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
<b>Europe</b>	-6%	-10%	-13%
<b>USA</b>	+2%	-4%	-2%
<b>India</b>	+9%	+9%	-1%

## Iron & Steel



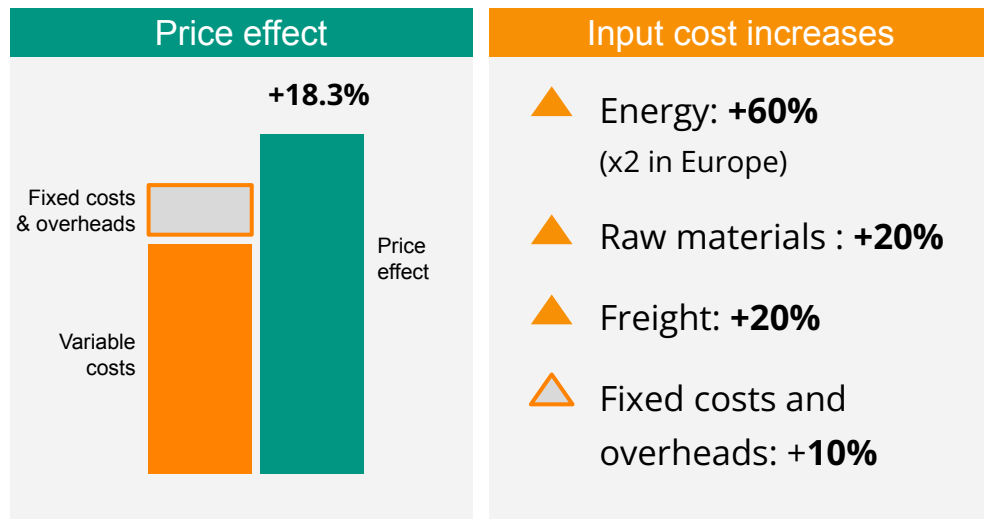
### Steel production <sup>(1)</sup>

	Q2-22 vs. Q2-21	Q3-22 vs. Q3-21	Q4-22 vs. Q4-21
<b>Europe</b>	-7%	-14%	-17%
<b>North Am.</b>	-4%	-8%	-11%
<b>Asia <sup>(3)</sup></b>	-2%	+1%	+4%
<b>World</b>	-4%	-3%	-1%

Source: (1) Oxford Economics (2) Including China.

# Selling price increases to cover rising inflation

## Evolution of selling prices and input costs in 2022 (vs prior year)



Positive contribution of price/cost balance to current EBITDA

- Purchasing and operational savings as well as effective hedging strategies contributing to Imerys' operational leverage
- Selling price increases and application of specific surcharges offsetting rising inflation of variable, fixed costs and overheads
- Tight labour market, especially in the US

# €85 million dedicated to strategic investments in 2022

## Jade project (China)

- **Lightweight for automotive polymers in China**
- Construction in final phase
- Commissioning in Q1 2023

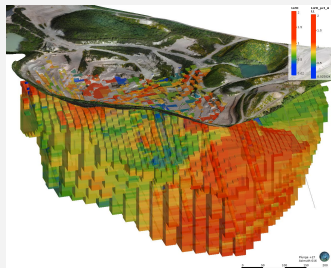


## Willebroek (Belgium)

- **Carbon black expansion (3rd line):** production to start in Q1 2023
- Construction of the 4th line underway



## Emili project (France)



- Award winner of France 2030 program
- **€22 million State aid** for R&D and piloting
- Scoping study in final phase

## Bodio (Switzerland)

- **3rd capacity expansion of synthetic graphite under construction**
- Production expected to start in Q4 2023



# More than 80 new mineral solutions launched in 2022



## Green Mobility

- Increased performance of lithium-ions batteries for electric vehicles  
> Lower CO2 emissions
- Rigidity of plastics used in cars  
> Lighter vehicles



## Sustainable Construction

- Additives for large ceramic tiles and for anticorrosion in powder coatings  
> Lightweight slabs/ renders and less energy consumption
- Sewper TL™ and new range of LEAP®<sup>(1)</sup> > reduce CO2 footprint of our customers



## Consumer Goods

- Natural mineral solutions for cosmetics > Sustainability
- Natural solutions for animals wellbeing > Adsorptions of organic toxins
- Natural solutions to improve crop yield > Nutrient retention and soil aeration

**75% of new products classified as “SustainAgility™ solutions” \***

\* Based on the SustainAgility Solutions Assessment framework. A “SustainAgility Solution” is a product in an application that has scored within the two highest categories of the four possible categories.

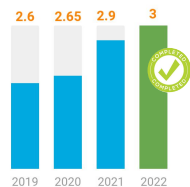
(1) LEAP: LEan calcium Aluminate binders for sustainable Performance ®

# ESG 2022 targets largely achieved

## EMPOWERING our People

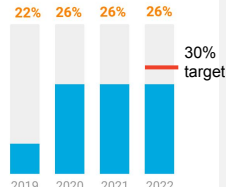
### Safety & Health

#### Safety Culture Maturity



### Human Capital

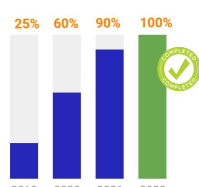
#### Women in Senior Management



## CARING for our planet

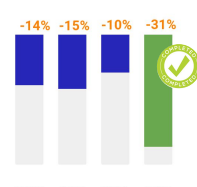
### Environmental Stewardship

#### Environmental Maturity Matrix Audits



### Climate Change\*\*

#### Greenhouse Gas Emission Reduction



## BUILDING for the future

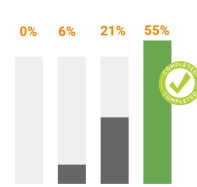
### Business Conduct

#### Group EcoVadis Score

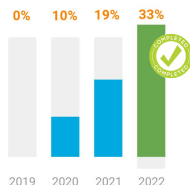


### Portfolio Management

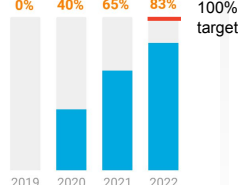
#### SustainAgility Solution Assessments



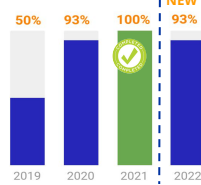
### Occupational Health Baseline



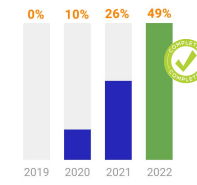
### Diversity & Inclusion Program



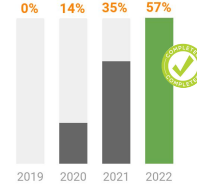
### Biodiversity Commitments\*



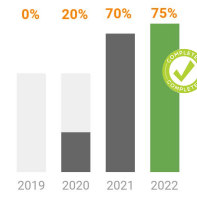
### Supplier GHG Engagement



### Supplier EcoVadis Coverage



### NPD SSA scores



\* The original biodiversity target date was set until 2021. For 2022 a 1 year target was been set.

\*\* The SBTi target dates are 2030 for Scope 1 & 2, and 2023 for Scope 3. For 2022, the Scope 1 & 2 GHG emission reduction target was based on a linear trajectory to the 2030 target, while the Supplier GHG target was set at 45% of Group suppliers to have science based targets.

# New three-year Sustainability roadmap to continue raising the bar

		2022	Targets
Empowering our people	<ul style="list-style-type: none"> <li>Group Safety Culture Maturity</li> <li>Global Occupational Health action plan improvement rate</li> <li>Score of the Diversity &amp; Inclusion Index (see appendix)</li> </ul>	3.0 - -	<b>2025</b> <b>3.3</b> <b>75%</b> <b>100%</b>
Growing with our customers	<ul style="list-style-type: none"> <li>Imerys Products in Application Combinations according to sustainability criteria of Imerys product portfolio (by revenue)</li> <li>Group New Product Developments scored as SustainAgility Solutions</li> <li>Sustainability rating scheme of Group suppliers (by spend)</li> <li>External sustainability rating of the Group (vs. 2021)</li> </ul>	55%  75% 57% 66	<b>75%</b> <b>&gt;75%</b> <b>75%</b> <b>&gt;70</b>
Caring for our planet	<ul style="list-style-type: none"> <li>Reduce environmental impacts by assessing the maturity level of 100% of sites against environmental management requirements</li> <li>Water management of major sites (new water reporting requirements)</li> <li>Improve mineral resources efficiency by ensuring largest sites (by mineral waste volume) comply with new mineral wastes reporting requirements</li> <li>Impact on biodiversity by filling our act4nature commitments. Biodiversity audits on priority sites</li> <li>Scope 1 &amp; 2 greenhouse gas emissions (tCO2eq) by 2030 from 2021 base year in alignment with a 1.5°C trajectory.</li> </ul>	- - - - -10%	<b>100%</b> <b>100%</b> <b>80%</b> <b>20</b> <b>-42%</b> <b>(2030)</b>

# Accelerating decarbonisation by aligning with a 1.5°C trajectory

## Decarbonation levers

- Energy efficiency
- Fuel switching and biomass use
- Electrification
- Power purchase agreements
- Process innovation



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

SCIENCE  
BASED  
TARGETS

FRENCH  
BUSINESS  
CLIMATE  
PLEDGE

## Trajectory towards 1.5°C\*

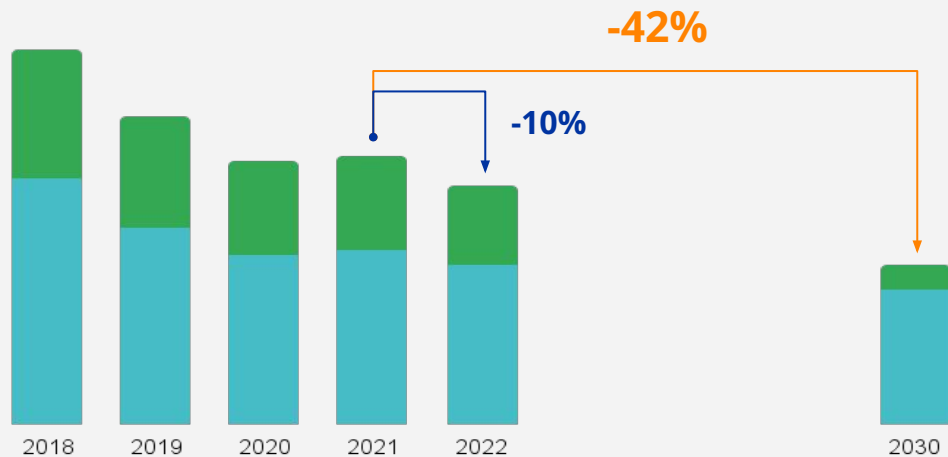
tCO<sub>2</sub>e - scope 1 & 2



Scope 2



Scope 1

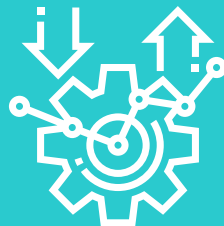


\* The Group new target aligned with a 1.5°C trajectory was built based on the most recent SBTi requirements and was submitted to the SBTi in December 2023 for validation.





Highlights

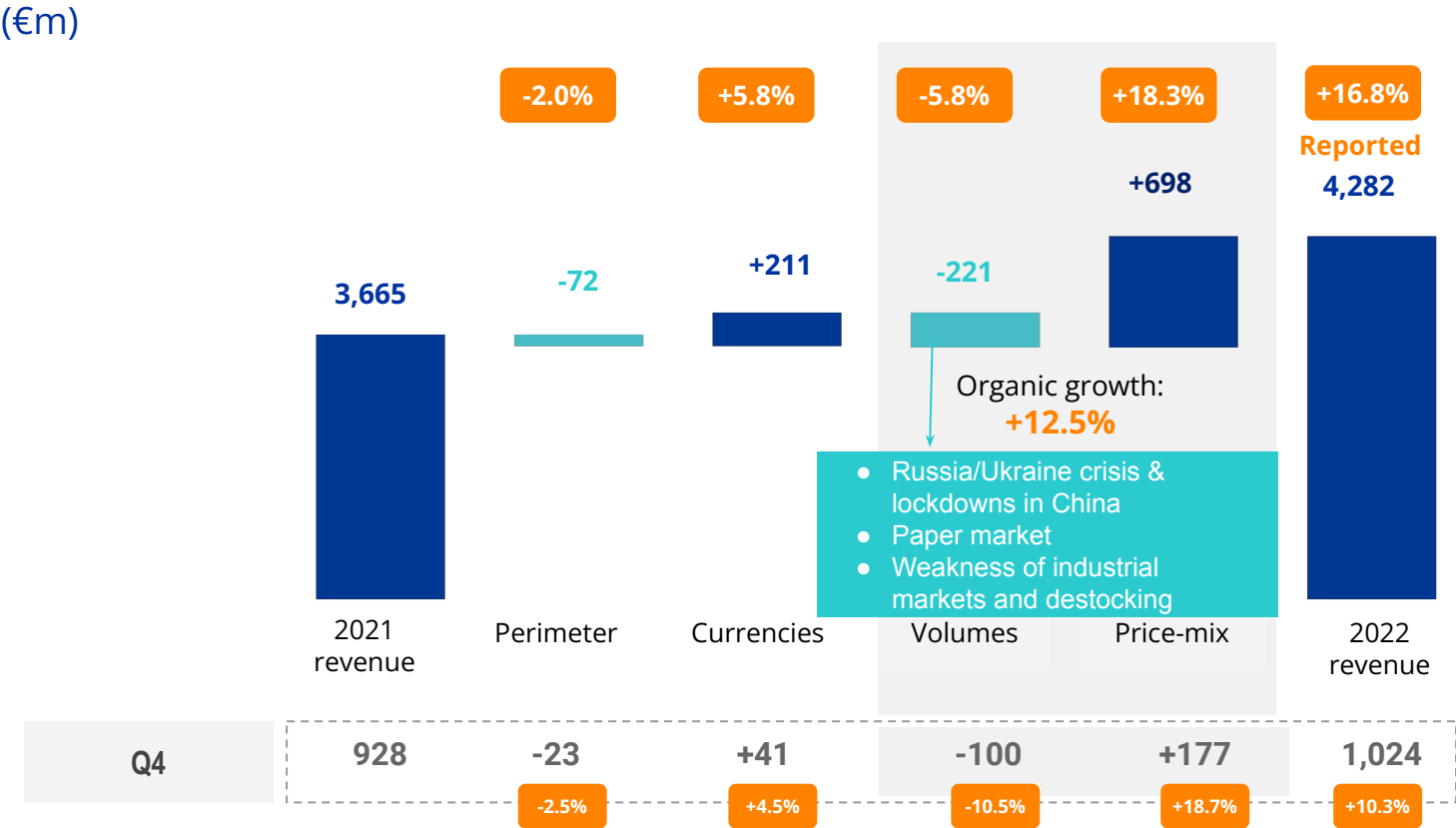


Financial  
Results



Outlook

# Organic growth at 12.5% in 2022, driven by pricing actions



# Performance Minerals

Q4 2021	Q4 2022	Like for like change vs. Q4 2021	(€m) Revenue	2021	2022	Like for like change vs. 2021
240	279	+10.1%	PM Americas	957	1,154	+12.3%
267	324	+21.8%	PM EMEA	1,130	1,336	+17.3%
129	144	+16.0%	PM APAC	515	588	+12.4%
(41)	(51)	-	Eliminations & others	(177)	(232)	-
<b>594</b>	<b>696</b>	<b>+15.0%</b>	Total segment revenue	<b>2,425</b>	<b>2,853</b>	<b>+13.6%</b>
-	-	-	Current EBITDA	<b>497</b>	<b>555</b>	<b>+11.7%*</b>
			Current EBITDA margin	<b>20.5%</b>	<b>19.5%</b>	-

- European sales affected by significant destocking and customer plant shutdowns in several markets
- Rebound in automotive in Europe
- Healthy ceramics and building products activity in Europe, but weaker in Asia, due to Covid-19 restrictions, and in the US
- Paper market remaining weak
- Good performance for filtration & life sciences and mobile energy in Asia

(\*) reported growth

# High Temperature Materials & Solutions<sup>(1)</sup>

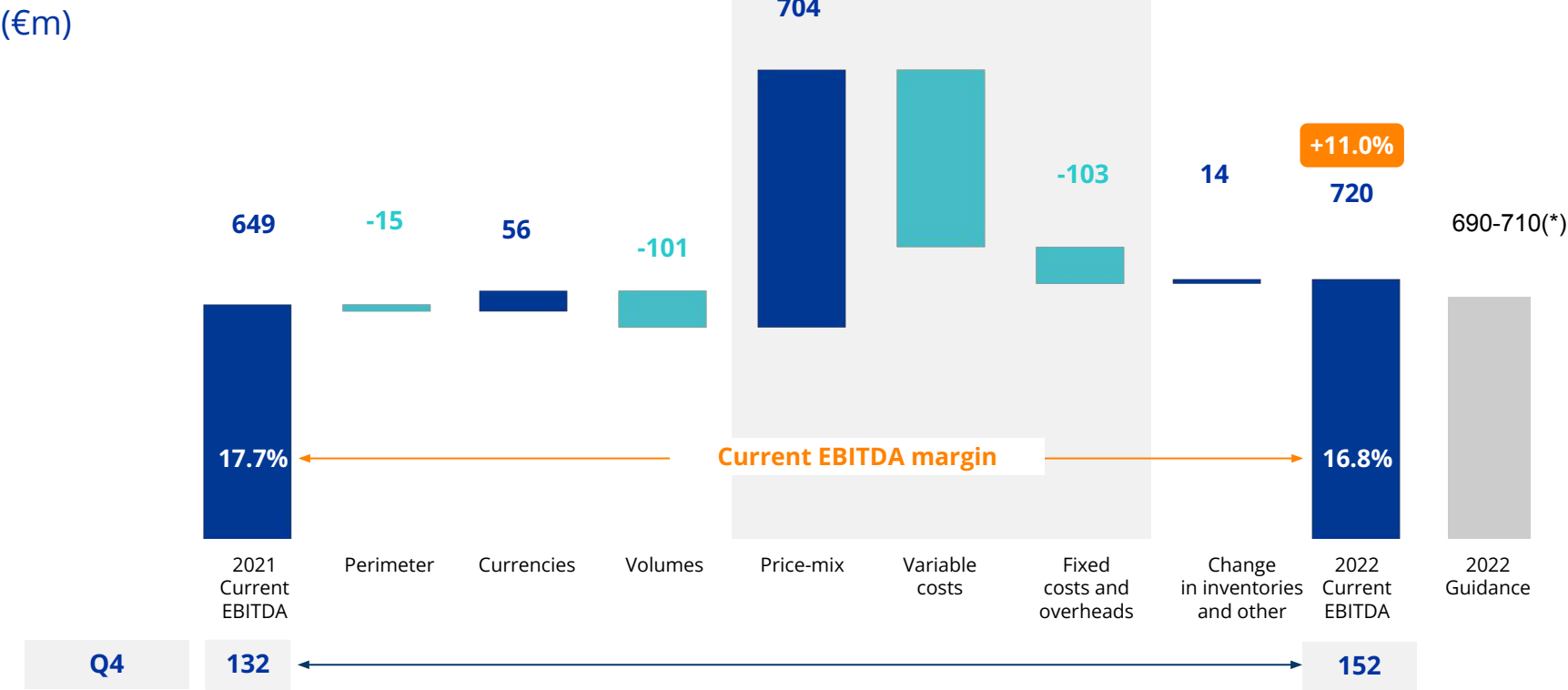
Q4 2021	Q4 2022	Like for like change vs. Q4 2021	(€m) Revenue	2021	2022	Like for like change vs. 2021
328	329	-3.6%	Refractory, Abrasives, Construction (RAC)	1,240	1,434	+10.1%
6	-	-	Eliminations & others	-	-	-
<b>334</b>	<b>329</b>	<b>-5.2%</b>	<b>Total segment revenue</b>	<b>1,240</b>	<b>1,434</b>	<b>+10.1%</b>
-	-	-	Current EBITDA	<b>189</b>	<b>202</b>	<b>+7.0%*</b>
-	-	-	Current EBITDA margin	<b>15.2%</b>	<b>14.1%</b>	-

- Significantly lower abrasives and refractory demand in Europe and China, resilient US business
  - Significant customer destocking
  - Shut down of some customer plants in Q4
- Good momentum of specialty binders for construction and infrastructure
- Ongoing ramp-up of production at Vizag refractory and specialty binders plant in India

(1) In accordance with IFRS 5, the High Temperature Solutions business area is accounted for as a discontinued operation in 2022 and 2021 and no longer as a business area

(\*) reported growth

# Current EBITDA at €720 million, beating FY 2022 guidance (\*)



(\*) Guidance announced on November 2, 2022: FY 2022 current EBITDA between €690 million and €710 million



# Current net income from continuing operations up 22.3%

(€m)	2021	2022	Change
Current EBITDA	649	720	+11.0%
Current operating income	358	439	+22.4%
Current financial expenses	(40)	(50)	-
Current income tax	(86)	(105)	-
Current tax rate	27.0%	26.9%	-
Current net income from continuing operations	232	284	+22.3%
Other operating income and expenses, net	(50)	(107)	-
Net income from continuing operations	182	177	-2.8%
Net income from discontinued activities	68	77	+14.5%
Minority interests	(10)	(17)	-
Net income, Group share	240	237	-1.3%

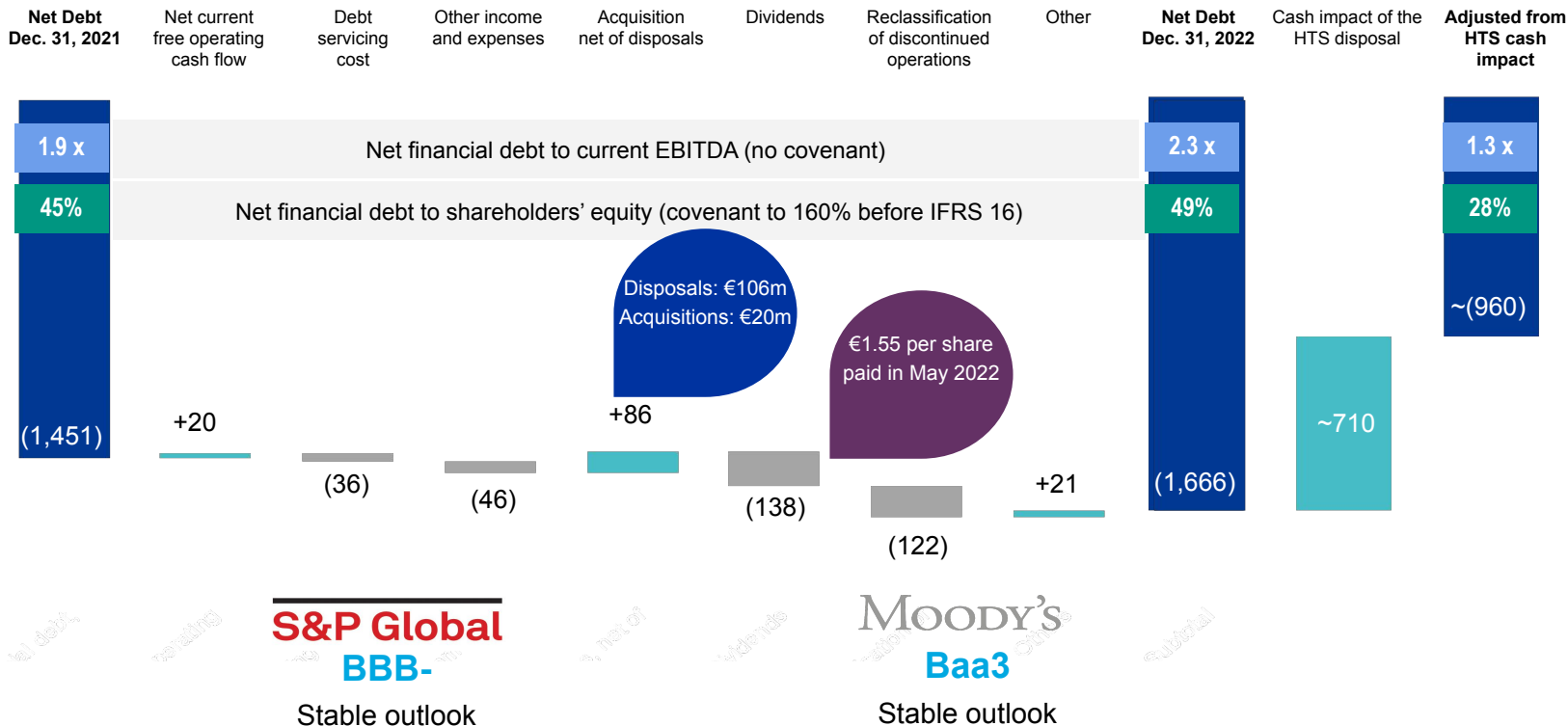
- Other operating income and expenses (net) impacted by €108 million loss relating to goodwill impairment on the ongoing disposal of assets serving the paper market
- €77 million of net income from discontinued activities included in net income

# Cash flow generation impacted by inflation on working capital and strategic CAPEX

(€m)	2021	2022
Current EBITDA (including discontinued operations)	761	859
Increase (-)/decrease (+) in operating working capital	(19)	(233)
Notional tax on current operating income	(122)	(155)
Others	6	11
Current operating cash flow (before capital expenditure)	626	482
Paid capital expenditure	(336)	(406)
<i>of which strategic investments</i>	(45)	(85)
Right to use assets (IFRS 16)	(34)	(56)
Net current free operating cash flow	255	20
<i>of which discontinued operations</i>	39	14

# Financial structure strengthened

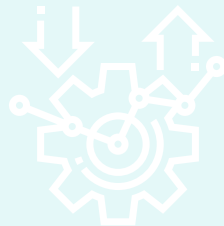
## Change in net financial debt (€m)







## Highlights



## Financial Results



## Outlook

# Outlook

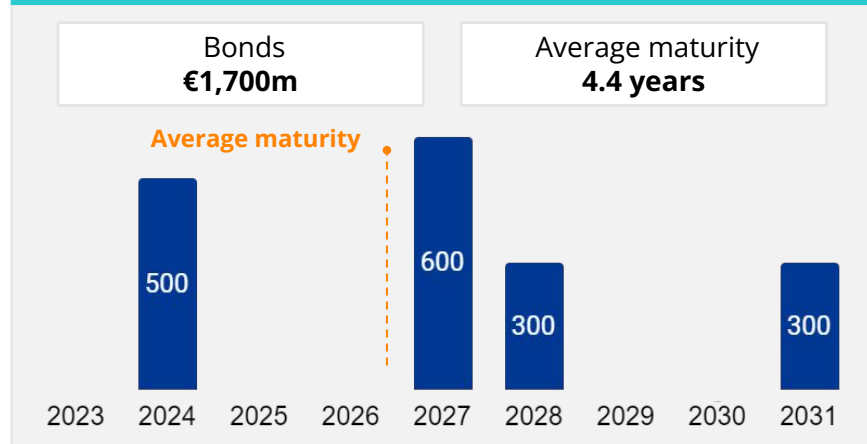
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- Gradual recovery of demand in the course of 2023 after a significant destocking impact on volumes in the fourth quarter of 2022
- Expected normalization of inflation and energy prices to support improved profitability
- Varying demand trends across markets and geographies
  - US more robust than Europe, Asian markets benefitting from the recovery of China
  - Construction and industrial markets softness; better prospects for automotive; resilient consumer goods
- Imerys on track to generate organic growth of 3-5% annually on average between 2023-2025 while delivering higher current EBITDA margins and maintaining superior ESG track record

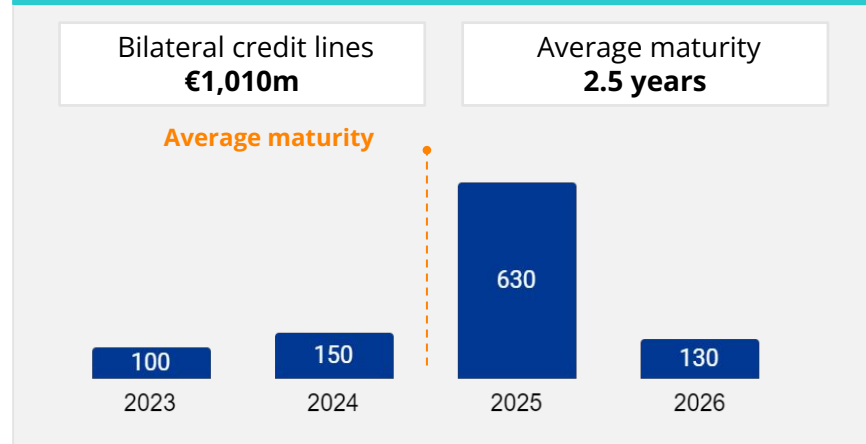
# APPENDIX

# Strong liquidity position

## Bond maturity profile (€m)



## Bilateral credit lines maturity profile (€m)



**High level of available resources :**  
 €1,010 billion credit lines and €619 million cash  
 as of December 31, 2022

(€m)	31/12/2021	31/12/2022
<b>Bonds</b>	1,700	1,700
<b>Other debts</b>	306	585
<b>Gross debt</b>	2,006	2,285
<b>Cash</b>	555	619
<b>Net debt</b>	1,451	1,666
<b>Average interest rate (gross)</b>	1.7%	1.5%

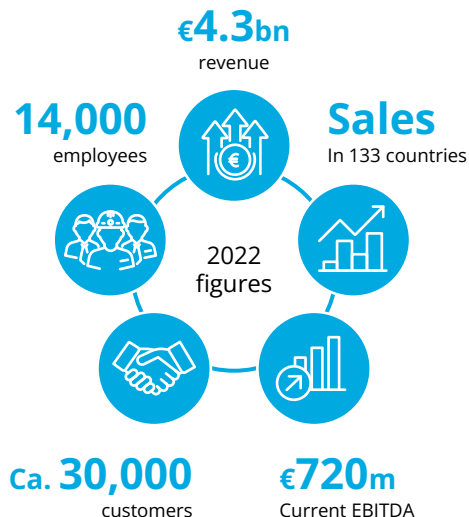
# Q4 Net income

(€m)	Q4 2021	Q4 2022	Change
Current EBITDA	133	152	+14.5%
Current operating income	63	93	+48.4%
Current financial expenses	(12)	(14)	-
Current income tax	(14)	(21)	-
Current tax rate	27.0%	26.7%	-
Current net income from continuing operations	37	57	-
Other operating income and expenses, net	(30)	(9)	-
Net income from continuing operations	8	49	-
Net income from discontinued activities	19	(10)	-
Minority interests	(2)	5	-
Net income, Group share	24	44	-

# Imerys in a nutshell

## Who we are

World's leading supplier  
of mineral-based specialty solutions



## What we offer

High added-value solutions  
to different industries

We succeed through:

- **Best-in-class** resources, operations and technologies
- Customer application **knowledge** and market-driven **innovation**
- Geographical **footprint** and growing **underlying markets**
- **Leading positions** in most markets
- Ambitious **sustainability** targets

## Whom we serve

Plastics, rubber,  
paints & adhesives



Building  
& infrastructure



Mobile  
energy



Filtration  
& life sciences



Ceramics  
& Building  
products



Refractories



Abrasives



# Value-added solutions for diverse markets

## Imerys delivers value-added solutions that are formulated to meet the technical specifications of each customer

- Valorization of mineral resources (clay, bentonite, diatomite, feldspar, kaolin, mica, etc.)
- Formulations (ceramic bodies, continuous casting fluxes for steel, etc.)
- Synthetic minerals (synthetic graphite, zirconia, etc.)







### From high quality assets

- Unique portfolio of mineral resources
- Wide range of exclusive technologies and processes
- Materials science expertise
- Know how and customers' application knowledge



# New Mid-Term objectives 2025 : Empower our people

## 1. Reinforce our maturity on core values

Material Topic	Group Objective	Perf 2022	Target 2022	Target 2025
<b>Health &amp; Safety</b>  				
<b>Safety</b>	Improve Group Safety Culture Maturity* across all Business areas	3.0	3.0	3.3
<b>Health</b>	Increase the global Occupational Health action plan improvement rate	NEW	-	75%
<b>Human Capital</b>    				
<b>Diversity &amp; Inclusion</b>	Increase the score of the Diversity, Equity & Inclusion Index**	NEW	-	100%
	<ul style="list-style-type: none"> <li>Increase the number of women in Senior Managers (SM) roles and the number of women in Manager/ Expert/ Professionals (M/E/P) roles</li> </ul>	SM 26% M/E/P 32%	-	30% 35%
	<ul style="list-style-type: none"> <li>Increase the percentage of Manager/ Expert/ Professionals employees with grades falling within an explained or non significant pay gap</li> </ul>	57%	-	100%
	<ul style="list-style-type: none"> <li>Increase the percentage of underrepresented nationalities in SM roles</li> </ul>	29%	-	35%
	<ul style="list-style-type: none"> <li>Increase the percentage of registered headcount with a disability</li> </ul>	1.42%	-	1.8%
	<ul style="list-style-type: none"> <li>Increase engagement score for diversity and fairness of treatment statements through employee engagement survey</li> </ul>	73%	-	76%

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

\*\* The Diversity and Inclusion Index is a composite metric used to track diversity and inclusion across a range of dimensions including gender balance, pay equity, nationality, disability, as well as inclusion.

### Drivers of the Group strategy

Being a safe and diverse place to work are the cornerstone of Imerys’ company values.

**Safety** : the Group ambition is to **push the boundaries of the Safety culture** by improving its performance to level 3.3 by 2025.


**Health** : the Group will **accelerate the implementation of improvement actions** allowing the sites to go one level further in terms of maturity.

**Diversity & Inclusion** : The Group recognizes that D&I are long-term ambitions and is **fully committed to accelerate and pursue its efforts on gender, nationality, disability and other dimensions of diversity**, in full alignment with its new D&I program and industry best practices.





# New ESG Mid-Term objectives 2025 : Grow with our customers

## 2. Accelerate the development of sustainable solutions

Material Topic	Group Objective	Perf 2022	Target 2022	Target 2025
<b>Portfolio management</b> 				
Product sustainability	Assess the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria*	55%	40%	75%
	Ensure the Group New Product Developments are scored as SustainAgility Solutions**	75%	50%	75%

## 3. Sustain business ethics in the whole value chain

Material Topic	Group Objective	Perf 2022	Target 2022	Target 2025
<b>Business Conduct</b>  				
Business ethics & compliance	Improve the external sustainability rating of the Group compared to 2021 assessment.	66	≥ 64	+7% (≥ 70)
Responsible purchasing	Deploy a sustainability rating scheme of Group suppliers (by spend)	57%	50%	75%

### Drivers of the Group strategy

**Product sustainability** : the ambition is to push the boundaries of our products to meet customers' needs and offer sustainable solutions with the quantification of the positive impacts. **A higher coverage of the portfolio (75%) is necessary to steer our portfolio for the future.**

**Responsible purchasing** : a finer identification and mitigation of the risks in our supply chain will be possible by **covering a greater part (75%) of our suppliers panel** with a sustainability rating scheme.



**Business ethics and compliance** : in line with the previous objective, Imerys will demonstrate its leadership **by improving** its rating score. By setting an Ecovadis score at 70, Imerys will ensure to **maintain its best in class level in amongst industry leaders.**

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

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

# New Mid-Term objectives 2025 : Care for our planet

## 4. Strengthen our commitments to preserve the planet

Material Topic	Group Objective	Perf 2022	Target 2022	Target 2025
<b>Environmental Stewardship</b> 				
<b>Environmental Management</b>	Reduce environmental impacts by assessing the maturity level of sites against environmental management requirements*	NEW	-	100%
<b>Natural Resource Efficiency</b>	Improve water management by ensuring major** sites comply with new water reporting requirements	NEW	-	100%
	Improve mineral resources efficiency by ensuring sites (by mineral waste volume) comply with new mineral wastes reporting requirements	NEW	-	80%
<b>Biodiversity &amp; land rehabilitation</b>	Reduce impact on biodiversity by filling our act4nature commitments and conducting biodiversity audits on priority sites	NEW	-	20
<b>Climate Change</b> 			2023	2030
<b>Scope 1 &amp; 2</b>	Reduce Group scope 1 & 2 greenhouse gas emissions (tCO2eq) by 42% from 2021 base year in alignment with a 1.5°C trajectory	NEW	-	-42%
<b>Scope 3</b>	Engage our suppliers (by spend) to have science based targets	49%	71%	-

\*Requirement as defined by Imerys protocols and measured by the environmental maturity matrix

\*\*Major sites refer to withdrawal > 1 Mm3 or located in water stress zones.

### Drivers of the Group strategy

**Environmental management**: it is necessary to keep on **building expertise and strengthen the Environmental Management System**. A all (100%) of our operations will perform **assessments to regularly measure their progress against leading standards**.

**Natural Resource Efficiency**: the **implementation and accuracy of new specific reporting indicators on water and mineral flows** on sites where the major risks have been identified **will improve significantly the management of the resources** in the long term and contribute to the Group's circularity.

**Biodiversity**: to mitigate **Imerys' exposure to significant risks** related to biodiversity in certain countries, the group will continue to pursue its effort related to act4nature and also **launch biodiversity audits to assess the level and anticipate actions to further reduce risks**.

**Climate Change**: A new target aligned to a 1.5 C trajectory will align Imerys with **upcoming EU regulation**. In addition, the new target will maintain the Group's **competitiveness both in terms of reputation and sustainable product offering**.

Alternative Performance Indicators	Definitions and reconciliation to IFRS indicators
Growth at constant scope and exchange rates (also called life-for-like growth, LFL, organic growth or internal growth)	<ul style="list-style-type: none"> <li>• Calculated by stripping out the impact of currency fluctuations as well as acquisitions and disposals (scope effect).</li> <li>• Restatement of the currency effect consists of calculating aggregates for the prior year at the exchange rate of the current year.</li> <li>• The impact of exchange rate instruments qualifying as hedging instruments is taken into account in current data.</li> <li>• Restatement of Group structure to take into account newly consolidated entities consists of subtracting the contribution of the acquisition from the aggregates of the current year, for entities entering the consolidation scope in the current year and subtracting the contribution of the acquisition from January 1 of the current year, until the last day of the month of the current year when the acquisition was made the prior year, for entities entering the consolidation scope in the prior year.</li> <li>• Restatement of entities leaving the consolidation scope consists of subtracting the departing entity's contribution from the aggregates of the prior year as from the first day of the month of divestment, for entities leaving the consolidation scope in the current year and subtracting the departing entity's contribution from the aggregates of the prior year, for entities leaving the consolidation scope in the prior year.</li> </ul>
Volume effect	The sum of the change in sales volumes of each business area between the current and prior year, valued at the average sales price of the prior year.
Price mix effect	The sum of the change in average prices by product family of each business area between the current and prior year, applied to volumes of the current year.
Current operating income	The operating income before other operating income and expenses (income from changes in control and other non-recurring items).
Net income from current operations	The Group's share of income before other operating income and expenses, net (income from changes in control and other non-recurring items, net of tax) and income from discontinued operations.
Current EBITDA	Calculated from current operating income before operating amortization, depreciation and impairment losses and adjusted for changes in operating provisions and write-downs, share in net income and dividends received from joint ventures and associates.
Net current operating cash flow	Net current free operating cash flow before paid intangible and tangible capital expenditure and changes in right-of-use assets.
Net current free operating cash flow	Current EBITDA after notional income tax on current operating income, adjusted for changes in operational working capital requirement, proceeds from divested intangible and tangible assets, paid intangible and tangible capital expenditure and changes in right-of-use assets.
Net financial debt	The difference between borrowings and financial debt and cash and cash equivalents.

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## Thank you for your attention

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