



Sustainability-Linked Bond Framework

2023



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1. Sustainability in the heart of our strategy

Imerys at a glance

Given the broad range of products, applications and end industries that depend on minerals, it is impossible to contest the importance that our industry has played historically to our societies and economies. Minerals are essential today and we know that they will continue to be essential for the future.

Our purpose is clear. We are here to unlock better futures for our people, our customers and the planet. As the world's leading supplier of mineral-based specialty solutions for the industry, Imerys delivers high value-added, functional solutions to a wide variety of industries, ranging from process manufacturing to consumer goods. Our understanding of applications, technological knowledge and expertise in material science and the innovative mindset of our people enable us to extract and transform minerals and materials responsibly to deliver the solutions that society needs.

Imerys is actively managing its business portfolio to align with long-term strategic trends driving its customers and stakeholders' expectations.

In November 2022 we shared our vision and strategic objectives with investors, repositioning our portfolio to focus on solutions for the energy transition, sustainable construction and natural solutions for consumer goods.

Unlocking Better Futures for our people, our customers and our planet

The Group is committed to playing a role in society, to meeting our obligations to the countries and communities within which we do business, to acting as a responsible environmental steward and to contributing to sustainable development through its operations and portfolio of solutions.

We recognize the need to act rapidly to provide solutions to the environmental and societal challenges facing the world. We are already on a journey to achieve our ambition, with clear measurable objectives, through what we call SustainAgility. This is an integral part of how we do business. Our people are already engaged in making our business more agile, always learning and improving, and leading our industry as we contribute to the United Nations Sustainable Development Goals. This approach is supported by a series of dedicated programs that are developed and rolled-out in an iterative fashion. The ultimate goal to be achieved through SustainAgility is to further embed sustainability within the Group strategy and drive systematic continuous improvement of environmental, social and economic aspects in all Group activities, thereby continuing to reduce risks, create new opportunities and build capacity for long-term shared value creation to unlock better futures.

Solutions for the energy transition

The urgency to act to combat climate change is leading to increasing demand for the minerals and the technologies that are critical to the development of a low-carbon future. Imerys believes it is particularly well positioned to play an enabling role to support the transition through the solutions we provide in core markets such as Automotive, Energy & Electronics, Construction, Industry and Consumer goods.

Comprehensive information on Imerys' products and solutions can be found on its website and Universal Registration Document, but a few solutions that are directly enabling the transition include the following:

Synthetic graphite & carbon black

Imerys' synthetic graphite and carbon black products represent the most effective conductive additives for lithium-ion batteries, alkaline batteries, advanced and standard lead-acid batteries, zinc-carbon batteries, fuel cells and conductive battery case coatings. Our graphite and carbon products are prized solutions for the production of lithium-ion batteries used to power new-generation electric vehicles, where they boost energy density and shorten charging times. These products are also an essential component for sustaining the rapidly growing fuel cells market, e.g. for heavy duty vehicles, using hydrogen as a fuel.

Lithium

Imerys has also announced its ambition to become a major lithium player in Europe through two projects. The first project (EMILI) in Beauvoir, France, will see the production of 34,000 tonnes of lithium hydroxide per year once operational. Upon completion, expected for 2028, it would be one of the European Union's largest lithium projects and could, once fully operational, equip the equivalent of 700,000 electric vehicles with lithium-ion batteries. It is anticipated that 1,000 direct and indirect jobs and an international center of excellence for lithium extraction from hard rocks will be created in the Auvergne-Rhône-Alpes region.

More information on the EMILI project can be found on the [EMILI project website](#).

The second project, through a joint venture with British Lithium, would produce 20,000 tonnes of lithium carbonate equivalent per year through our operations in the United Kingdom. Upon completion this strategic partnership would result in the UK's first integrated producer of battery-grade lithium carbonate.

More information on this strategic partnership can be found [here](#).

The combination of the EMILI and British Lithium projects would make Imerys the leading integrated lithium producer in Europe, accounting for more than 20% of the projected 2030 European integrated lithium production capacity¹.

¹ Please refer to the Imerys and British Lithium Joint Venture June 2023 [presentation](#).

Sustainable construction to reduce our customers' environmental footprint

Calcium aluminates for the building industry

Imerys has a comprehensive offer to help customers in construction meet their greenhouse gas emissions reduction target and reduce their environmental footprint. An essential point when the building sector alone represents 40% of greenhouse gas emissions². Imerys produces calcium aluminates for the building industry, wherein these additives improve the productivity of concrete, in particular by accelerating their hardening. Imerys also manufactures calcium aluminate based mortar to protect sewer systems against biogenic corrosion. It offers an extended service life, and as a consequence lowering consumption of raw material, reduced labor and less trucking needs reducing the utility owners greenhouse gas emissions, as well as reduced asset down time increasing productivity and lowering the risk for untreated water to be released into the environment.

Insulation solutions

Imerys also offers insulation solutions, such as mineral foam insulation for buildings (insulation properties while providing fire resistance and mechanical strength) and expanded minerals, contributing to high performance renders for the external thermal insulation composite systems by being lightweight and fast drying.

Natural solutions for consumer goods

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

Ultra-high purity filter aid for blood plasma fractionation

Imerys' diatomite High-Purity Filter Aids (HPFAs) are proprietary technology used for solid/liquid separation in biotechnology and pharmaceutical applications. Our Celpure diatomite range is specifically designed for the clarification and harvesting of biological fluids, including blood plasma fractionation. The process generates a media that surpasses conventional diatomite filter aids in terms of purity, performance and the consistency of the finished product to meet strict pharmaceutical and regulatory requirements.

Natural solutions for cosmetics

Imerys innovative product range for cosmetics includes perlite for replacing microplastics and chemicals in cosmetic formulations, for instance by carbonates as soft-focus agent, by kaolin as mattifying agent or replacement of titanium oxide in bar soap and toothpastes, and perlite in body and face scrubs as microbeads plastic alternative.

² International Energy Agency (IEA), [Global Status Report for Buildings and Construction 2019](#)

1.1. Sustainability Governance

Imerys' Sustainability performance is overseen by a Sustainability Committee, chaired by the Group CEO, which meets quarterly and has the responsibility to establish Group sustainability ambitions, validate key milestones and guide and monitor implementation on progress towards the Group's objectives.

Imerys' Board of Directors plays a strategic role in the definition and validation of the Group ambition, maintaining oversight on performance through updates at least twice per year. The Board of Directors has appointed one of its independent Directors as ESG Referent Director with the mandate to assist the Board and its Committees to ensure that the strategic orientations set by the Board adequately integrate long term environmental and social risks and opportunities.

Since 2020, the Operational SustainAgility Committee led by the Group Chief Sustainability Officer and composed of functional and business leaders is responsible for coordinating and accelerating the implementation of the Group programs linked to SustainAgility.



1.2. SustainAgility Commitments

Imerys' growth strategy and approach to creating value take into account the challenges and expectations from a wide range of stakeholders from both within the Group and beyond, including panels of experts, professional bodies, local forums and customers.

In 2022, Imerys conducted a double materiality assessment in order to further integrate stakeholder expectations on sustainability topics into our strategy. Full details on the results of the materiality assessment are presented in the Imerys 2022 Universal Registration Document.

The medium - and long - term sustainability, targets, in large parts based on the materiality assessment results, strive for continuous improvement and fall under the following three axes:



1.3. SustainAgility pillars and mid-term objectives

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



1.3.1. Climate Change

The climate crisis poses an urgent and irreversible systemic threat to our planet, with almost unimaginable environmental and social consequences. This calls for global action towards a low carbon economy in line with the internationally agreed acceptable limits of global warming, as set out in the Paris Agreement.

Companies have a pivotal role to play in reducing emissions and developing low carbon solutions, particularly in the industrial minerals sector. At Imerys, we see the role of our industry as central in facing this challenge. We are committed to act by reducing emissions, developing solutions that support a transition to a low carbon economy and taking action to adjust to present and future impacts of climate change.

Our climate change roadmap is **in line with the international commitments of the Paris Agreement** and it permeates all processes, from the energy we buy, the processes we use and the products we produce.

In 2019, we set targets that were validated by the Science Based Target initiative (SBTi) as aligned with a 2°C scenario:

- Reduce scope 1 & 2 greenhouse gas emissions by 36% relative to revenue (tCO₂eq³/M€) by 2030 from a 2018 base year in alignment with a 2°C trajectory
- Engage 71% of Group suppliers to have science based targets by 2023

In 2023, we updated our targets to go one step further and align with a 1.5°C trajectory. These new SBTi validated targets are:

- Reduce scope 1 & 2 greenhouse gas emissions (tCO₂eq) by 42% by 2030 from 2021 base year in alignment with a 1.5°C trajectory
- Reduce scope 3⁴ greenhouse gas emissions (tCO₂eq) by 25% by 2030 from a 2021 base year



CLIMATE CHANGE TARGETS

Climate Change Strategy:

Reduce scope 1 & 2 greenhouse gas emissions (tCO₂eq) by **42%** from 2021 base year in alignment with a 1.5°C trajectory by 2030

Reduce scope 3 greenhouse gas emissions (tCO₂eq) by **25%** from a 2021 base year by 2030



Imerys has reported to the CDP⁵ since 2006, including elements on governance, risks and opportunities, business strategy, targets, data and performance. In 2022, the CDP has attributed Imerys a score of B, **higher than the average of other mining companies** (C on average).

Imerys is a signatory of the French Business Climate Pledge⁶, representing over 300 French companies with a turnover of 1.65 Trillion Euros. Within this Pledge, Imerys has publicly articulated its climate change ambitions and commitments.

1.3.2. Environmental Stewardship

Preserving the environment is an integral part of Imerys' business strategy and we are committed to take action to reduce the environmental footprint of our activities and our products.

Environmental Stewardship is based on three interconnected elements:

- Reducing the risks and impacts of our operations wherever we operate
- Reducing our environmental footprint through efficient and optimized use of natural resources including minerals and water
- Integrating the preservation of biodiversity into all operations with concrete actions for conservation and restoration

Biodiversity and environmental impact mitigation are key challenges for industrial mineral companies operating quarries. We are therefore committed to avoid pollution, optimize natural resources use and to protect biodiversity on our sites, both during their operating life, and at their end life, during the restoration period and have set specific targets to achieve by 2025.

⁵ The CDP is a global environmental impact non-profit organization, providing a platform for all companies and cities to report information on their climate impacts.

⁶ <https://1pacteclimat.fr/acteurs/entreprises>



ENVIRONMENTAL STEWARDSHIP TARGETS

Environmental Management:

Reduce environmental impacts by assessing the maturity level of **100%** of sites against environmental management requirements by end 2025

Natural Resource Efficiency:

Improve water management and mineral resources efficiency by ensuring major sites (**80%** of the water withdrawal volume) comply with new reporting requirements by end 2025

Biodiversity and Land Rehabilitation:

Reduce impact on biodiversity by filling our act4nature commitments and conducting biodiversity audits on **20** priority sites by end 2025



We have defined a comprehensive environmental roadmap to reduce the environmental impact of our operations based on a continuous improvement program.

The efficient use and preservation of water resources are key for the Group. We aim to continuously improve water management. We are focusing in particular on addressing water challenges and opportunities for priority sites, which have been defined as sites where total withdrawal or discharge is high (> 1 Mm3) or where the site is located in an area of high water stress.

We are committed to minimizing the impact of our operations on biodiversity and to implementing a comprehensive biodiversity improvement plan to preserve and restore nature. Our ultimate goal is no net loss of biodiversity.

To coordinate our actions, we have put in place a global program to assess and address our biodiversity impacts. This global roadmap outlines clear objectives and solutions, taking into account the diverse nature of our operations, locations and their individual ecologies. Since 2018, we have had a scientific partnership (2021-2024) with the UMS Patrimoine Naturel⁷. Our collaboration and contribution to research on biodiversity conservation methods and our land rehabilitation pilot projects help to inform our strategy. We have partnered with leading external experts, universities and NGOs, and we are a signatory to the [act4nature Business Commitments for Biodiversity](#), an initiative launched by

⁷ UMS Patrimoine Naturel is an umbrella organization bringing together the French National Museum of Natural History (MNHN), the French Agency for Biodiversity and the National Center for Scientific Research (CNRS).

Entreprises pour l'Environnement (EpE), wherein we have made our [biodiversity commitments](#) and our progress towards them publicly available.

Our global and local partnerships provide us with access to the necessary support, technical knowledge, expertise and tools required to achieve our goals.

1.3.3. Health and Safety

Safety and health are core values for all Imerys operations worldwide. As a Group we are committed to developing a proactive safety and health culture through partnerships amongst management, employees, contractors, suppliers, visitors and the communities in which we operate.



SAFETY & HEALTH TARGETS

Occupational Safety:

Improve Group Safety Culture Maturity across all Business areas to **3.3** by end 2025

Occupational Health:

Increase the global Occupational Health action plan improvement rate to **75%** by end 2025



We continue to improve our safety performance: the Group Total recordable Incident Rate (TRIR) combined for Imerys employees and contractors for 2022 decreased by 25% from 2019 to 2.45⁸. The Group aims to continuously improve its safety culture, ensuring that Imerys Safety System is fully implemented, employees are engaged and contribute actively to safety (Maturity Level 3.3⁹).

Likewise for Occupational Health, we aim to continuously enhance our performance by ensuring that we accelerate the implementation of identified improvement actions.

⁸ Imerys has a different TRIR definition than many other Groups. Many Groups consider an injury as “recordable” when its treatment requires more than first aid. However, Imerys considers a recordable injury as an accident without lost-time whenever a medical service provider is involved in the treatment, even if the treatment is first aid.

⁹ Proactive level on the Imerys Safety Culture Maturity Matrix where Imerys Safety System is “fully implemented, employees are engaged and contribute actively”. At the end of 2022, the Maturity level across the Group was 3.0.

1.3.4. Human Capital

Human capital is at the heart of Imerys' business success. We are committed to respect international principles on human rights, including the International Bill of Human Rights, the International Labour Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights.

Diverse and inclusive for Imerys is about bringing a mix of people from diverse backgrounds with different experiences and perspectives and maintaining a strong culture of inclusion within our organization to help drive innovation and deliver even better financial performance.



HUMAN CAPITAL TARGETS

Diversity, Equity and Inclusion:

Increase the score of the Diversity, Equity & Inclusion Index to **100%** by end 2025



In the context of the Group's diversity, equity and inclusion roadmap, we have established a composite metric approach – a Diversity, Equity and Inclusion Index – that will be used to track diversity, equity and inclusion in the areas of gender balance, pay equity, nationality, disability, as well as inclusion.

Within our communities, we are determined to play a positive role, both for local ecosystems and economies over the long-term. We are partnering with local actors and are finding new ways to help our local communities thrive.

1.3.5. Business Conduct

Ethical business conduct is the foundation upon which Imerys' business is built. We are committed to growing with our customers, partners and other stakeholders through ethical behavior and fair operating and responsible purchasing practices.

As members of the United Nations Global Compact (UNGC), we are committed to supporting the Ten Principles of UNGC in the areas of Human Rights, Labor, Environment and Anti-Corruption and embed the United Nations Global Principles within the Group strategy, operations and sharing them with our value chain partners.



BUSINESS CONDUCT TARGETS

Business Ethics & Compliance:

Improve the external sustainability rating of the Group by **+7%** compared to 2022 assessment by end 2025

Responsible Purchasing:

Deploy a sustainability rating scheme covering **75%** of Group suppliers (by spend) by end 2025



In addition to transparently communicating on our progress, we aim to continually improve by assessing our sustainability performance¹⁰ against broad industry benchmarks.

We are extending this same assessment criteria to our supply chain partners to ensure they are engaged and aligned with our Group Code of Business Conduct and Ethics and our SustainAgility ambition.

1.3.6. Sustainable Solutions

Rethinking the use of the world's natural resources is a major challenge for the coming decades.

The expectations of our customers, investors and of wider society are rapidly changing. Ever-increasing demand for vital minerals to meet the world's needs means a growing clamor for more sustainable specialty products that reduce environmental and social impacts.

We are committed to minimizing the environmental and social impacts of our products, while maximizing the economic benefits for our customers and social benefits to end users.

We have embarked on an ambitious journey to screen our existing and future product portfolio against environmental and social criteria from cradle to grave based on the Portfolio Sustainability Assessment

¹⁰ Imerys' is assessed annually by EcoVadis. EcoVadis is a recognized leader used across industries to assess sustainability performance based on 4 pillars: environment, labour and human rights, ethics and sustainable procurement. The same rating scheme is used to assess Group suppliers.

framework¹¹. Our SustainAgility Solutions Assessment uses state of the art, science-based methods, which allows us to quantify both the impact and benefits of our products and to differentiate Imerys solutions from less sustainable alternatives.



SUSTAINABLE SOLUTIONS TARGETS

Portfolio Sustainability:

Assess **75%** of the Products in Application Combinations (PAC) of Imerys product portfolio (by revenue) according to sustainability criteria by end 2025

Ensure **75%** of Group New Product Developments are scored as SustainAgility Solutions by end 2025



We have made clear public commitments and we are raising awareness about our product impact within Imerys and mobilizing our people to achieve ambitious goals through a systematic approach and concrete action plans. This rigorous approach, which we call our SustainAgility Solution Assessment¹², is based on the World Business Council for Sustainable Development's Portfolio Sustainability Assessment framework. This approach informs decision making throughout the business and is central to our approach to innovation and new product development.

In our business, we are scaling up our efforts to deliver new solutions and opportunities to extend the life cycle of our minerals, by assessing our portfolio of products against sustainability criteria, recognizing the demands from both society and customers to produce better for longer.

¹¹ 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. Full details on Imerys' methodology are available on [Imerys.com](https://www.imerys.com).

¹² 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.

2. Rationale for establishing a Sustainability-Linked Bond Framework

Imerys recognizes the importance of sustainable finance in driving capital and investments towards the transition to a net zero economy.

Sustainability-linked financing allows the alignment of our financial resources usage with our sustainability targets. By further promoting our targets (both internally and externally) and reinforcing engagement with investors, we believe sustainability-linked bond issuance will accelerate our journey towards our sustainability ambition.

It will further support and motivate our whole company and all of our employees to reach our science based targets and contribute to our SustainAgility ambition. This is what drove Imerys to issue our inaugural Sustainability-Linked Bond in May 2021.

Imerys strives to continually improve our sustainability performance and enhance our sustainability ambitions. The present updated sustainability-linked bond framework (the “Framework”) aims to reflect our increasingly ambitious targets, and in particular our updated GHG emissions reduction targets validated by the SBTi.

This Framework has been established in accordance with the Sustainability-Linked Bond Principles 2023 (the “SLBP”) as administered by the International Capital Market Association (the “ICMA”)¹³. The SLBP are voluntary process guidelines that outline best practices for financial instruments to incorporate forward-looking Sustainability outcomes, and that promote integrity in the development of the sustainability-linked bond market by clarifying the approach for issuance of sustainability-linked bonds. Unless specified otherwise, the proceeds of Imerys’ 2023 Sustainability Linked Bonds (“2023 SLBs”) are intended to be used for general purposes; hence, the use of proceeds is not a determinant in our categorization.

Our framework is in alignment with the five core components of the SLBP:

- I. Selection of Key Performance Indicators (KPIs)
- II. Calibration of Sustainability Performance Targets (SPTs)
- III. Bond Characteristics
- IV. Reporting
- V. Verification

¹³<https://www.icmagroup.org/assets/documents/Sustainable-finance/2023-updates/Sustainability-Linked-Bond-Principles-June-2023-220623.pdf>

3. Imerys' Sustainability-Linked Bond Framework

3.1. Selection of Key Performance Indicator (KPI)

The KPI that has been selected for the purpose of this Framework focuses on one of the main environmental challenges the industrial minerals industry is facing: greenhouse gas (GHG) emissions reduction.

KPI: Absolute GHG Emissions (Scope 1 and 2) expressed in tonnes of CO₂ equivalent emissions

Definition:

- The KPI includes Scope 1, 2 GHG emissions. Scope 1 emissions are direct emissions from sources owned or controlled by Imerys, while Scope 2 (market-based) emissions are indirect emissions from the consumption of purchased energy in accordance with the Greenhouse Gas Protocol.
- HFCs, PFCs, SF6 and NF3 are excluded gasses as they represent a small share of emissions (<1% of Scope 1), but all other Scope 1 and 2 emissions will be included. Carbon offsets via external carbon credits are not included in the calculations.
- The perimeter of the KPI is Group level in line with the financial consolidation perimeter.

Rationale:

- This KPI is material to Imerys business as it enables us to take into account our overall performance in terms of GHG emission reduction of the group operations. Any change in production activities will impact our GHG emissions; it can therefore be described as highly strategic.
- Historically, growth in GHG emissions has been linked to GDP growth, and this needs to change in order to reach the Paris Agreement and mitigate climate change. Imerys is committed to grow in a sustainable manner, and we therefore have to decouple our revenue growth from our GHG emissions. The KPI tons of CO₂ equivalent emissions perfectly reflects our performance regarding this goal.
- This KPI data is externally verified annually. Indeed our GHG emissions data are covered by the auditor assurance on Imerys compliance with regards to the French law on extra-financial disclosure ("Déclaration de performance extra-financière").

Materiality:

- This KPI represents 33% of our total GHG emissions based on our most recent estimates of scope 3 emissions.
- This KPI covers above 99% of Imerys' Scope 1 and 2 GHG emissions.

Note on Scope 3

Imerys recognizes the importance of reducing its Scope 3 emissions, and as such has set an ambitious target, to reduce Scope 3 GHG emissions by 25% in tCO₂eq by 2030 from a 2021 base year. This target has been validated by the SBTi together with our updated scope 1 and 2 targets. Our Scope 3 target covers GHG emissions from purchased goods and services, capital goods, fuel and energy related activities, upstream and downstream transportation and distribution, waste generated in operations, business travel, employee commuting, and investments, representing ~87% of our scope 3 emissions

While we continue to progress in the collection of scope 3 emissions data and the development of our strategy to reduce them in line with our 2030 target, obtaining accurate and robust emissions data within our supply chain remains challenging today, and we expect our methodology to evolve in the next couple years. For this reason, we have chosen not to include our scope 3 emissions target as a KPI and Specific Performance Target for this SLB Framework. We do not exclude the possibility that we may include scope 3 if and when we update the present SLB Framework in the future.

For the time being, in line with the Group's SBTi approved Scope 3 target, Imerys shall continue to work on further quantification of our Scope 3 emissions. The key levers we intend to pursue to achieve our SBTi scope 3 targets include:

- Training and internal awareness raising campaigns on the Group climate change strategy and targets, which have been and shall continue to be launched to support the achievement of the Group scope 3 targets;
- Direct engagement with our suppliers and customers to establish science based emission reduction targets for their own operations;
- Use of recycled raw materials, energy efficiency measures, waste reduction, increased intermodal transport, circular economy initiatives, and portfolio management.

Progress, both towards refined quantification of Scope 3 emissions and progress towards the Group SBTi Scope 3 targets will be reported transparently annually within the Imerys Universal Registration Document and other climate-specific reports (such as CDP).

3.2. Calibration of Sustainability Performance Targets (SPTs)

SPT 1:

Reduce GHG emissions (scope 1 and 2) by **32.7%** in tCO₂eq by 2028
- from a 2021 base year

SPT 2:

Reduce GHG emissions (scope 1 and 2) by **42%** in tCO₂eq by 2030
- from a 2021 base year

With the revision of this framework, Imerys has introduced two new Sustainability Performance Targets related to GHG emissions reductions in absolute tonnes of CO₂ equivalent, on a trajectory validated by the SBTi.

Baseline

2,485 kt CO₂e in 2021¹⁴

The year 2021 was chosen as the baseline for the updated SBTi target as it was the most recent year before the submission of our SBTi target at the end of 2022.

Group GHG emissions Historical Data

<i>(thousands of tonnes, kt)</i>	2022	2021 <i>(base year)</i>	2020	2019	2018
Scope 1 GHG emissions	1,478	1,609	1,492	1,738	2,186
Scope 2 GHG emissions (market-based)	702	877	849	983	1,135
Total GHG emissions (Scope 1 and Scope 2)	2,180	2,485	2,341	2,721	3,320
Energy	83.1%	84.1%	85.8%	86.7%	83.6%
Processes	16.9%	15.9%	14.2%	13.3%	16.4%

Target Ambition:

SPT 1 implies that Imerys shall reduce scope 1 & 2 GHG emissions from 2,485 ktCO₂e in 2021 to 1,673 ktCO₂e in 2028, which corresponds to an average annual decrease of 4.7%.

SPT 2 implies that Imerys shall reduce scope 1 & 2 GHG emissions from 2,485 ktCO₂e in 2021 to 1,442 ktCO₂e in 2030, which corresponds to an average annual decrease of 4.7%.

The 2030 target has been approved by the SBTi¹⁵ as being aligned with a 1.5 °C trajectory as per criteria TWG-FOR-001/ Version 5.2 March 2023¹⁶. Based on this most recent SBTi methodology and the International Energy Agency 1.5°C scenario trajectories¹⁷, this target is more ambitious than the Group's previous targets that were aligned with a 2 °C trajectory, as approved by SBTi at the time.

The intermediary 2028 target is based on the linear interpolation between our 2021 baseline and our 2030 target.

We are accelerating the pace of our decarbonisation efforts across our business.

¹⁴ Base year GHG emission figures are reported here in ktCO₂e. Differences with projected figures may be observed due to rounding.

¹⁵ Imerys SBTi target is available [here](#).

¹⁶ [SBTi Near-Term Target Submission Form and Guidance, March 2023](#).

¹⁷ (The Intergovernmental Panel on Climate Change (IPCC)'s Special Report on Global Warming of 1.5°C (SR15, 2018))

Strategy to reach the SPTs:

With regards to our scope 1 and 2 emissions the following actions, amongst others, have been embedded in our Group processes and will drive performance towards our 2030 target:

- A dedicated Climate Steering Committee, composed of Executive Committee members, Industrial and Purchasing Vice Presidents has been created to oversee the Group's decarbonisation roadmap. A Climate change task force, led by the Group's Climate and Portfolio Sustainability VP has been established.
- GHG reduction targets have been cascaded across our Business Areas (BA), with performance against targets reviewed during quarterly business reviews.
- The Chief Executive Officer annual variable compensation and long term incentive scheme for relevant senior management teams, including the CEO, have been linked to the absolute GHG reduction targets.
- An Internal Carbon Price was defined in June 2020 (80 €/tCO₂e) within the capital allocation process.
- Sustainability criteria, including GHG emissions, are systematically assessed within our innovation processes for new product development.
- The Group's SustainAgility Solution Assessment framework launched in 2019 includes the quantification of the environmental footprint of our products, including their carbon footprint, which will help us to pilot our product portfolio with visibility on the impact on our GHG emissions associated with each product family.
- Training and internal awareness raising campaigns on the Group climate change strategy and targets have been and shall continue to be launched.

Our five key decarbonisation levers are:

- **Energy efficiency lever:** A specific energy program (I-Nergize) was launched in 2019 to evaluate sites energy performance and improve energy efficiency, with a particular focus on top 68 energy consuming sites representing 82% of Group consumption and 80% of GHG emissions. These energy efficient improvements are expected to represent approximately 10% of emissions reductions potential.
- **Fuel switching and biomass lever:** A comprehensive program to identify, assess and implement projects to switch fossil fuels to biomass waste was launched in 2023. This lever is expected to represent approximately 20% of emissions reductions potential.
- **Electrification lever:** Opportunity studies have been initiated to identify feasible technologies for the electrification of plant equipment. This lever is expected to represent approximately 5-10 % of emissions reductions potential.
- **Low carbon electricity lever:** A Group-wide program to increase the sourcing of low carbon electricity has been launched. This lever is expected to represent approximately 60% of emissions reductions potential.
- **Process innovation lever:** A dedicated process innovation team within the Group science and technology organization is focused on process technology research, laboratory testing and pilot studies to develop solutions to reduce process related emissions, including but not limited to

carbon capture and storage; this lever is expected to represent approximately 5-10% of emissions reductions potential.

Factors that might put at risk the achievement of the targets:

- Organic growth related to new developments and/or additional activity in low carbon technologies that would generate new emissions.
- Changes in product mix.
- Lack of availability of biomass supply and/or access to low carbon electricity due to increasing competition related to land use.
- Technical feasibility of new technologies related to process innovations, such as electrification or carbon capture and storage.

3.3. Bond Characteristics

Unless otherwise stated, the proceeds of Imerys' 2023 Sustainability-Linked Bonds will be used for general corporate purposes.

The choice of SPT(s) for a given transaction will be specified in the relevant documentation (e.g. prospectus or final terms of the 2023 Sustainability-Linked Bonds).

The failure by Imerys to satisfy the selected SPT(s) or to provide the externally verified reporting of the performance of the KPI as of the respective Target Observation Date will trigger a premium payment, or, as the case may be, a step-up coupon margin until the Maturity Date of the financial instrument.

The step-up margin or premium payment amount, as applicable, will be specified in the relevant documentation of the specific transaction.

3.4. Reporting

Performance of the KPI towards the SPT(s), will be reported annually in the Imerys Universal Registration Document and publicly available on the Group's website: www.Imerys.com. Any relevant information on the trigger event or premium payment or adjustment to the coupon step-up as applicable, will also be provided.

Information may also include, when appropriate and feasible:

- Quantitative and qualitative explanations on the performance. It may include but not limited to market changes, operational issues/performance, M&A activity, exceptional events;
- Qualitative or quantitative explanation of the contribution of the main factors, including M&A activities;
- Illustration of the positive sustainability impacts of the performance improvement;
- Any re-assessments of KPI and/or restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope, if relevant;
- Updates on new or proposed regulations from regulatory bodies relevant to the KPI and the SPT.

A report will be published each time there is a modification to the bond structural/financial characteristics.

Recalculation Policy

In order to accurately track progress towards our GHG targets, we may recalculate in good faith our base year emissions inventory in case of a recalculation event, as defined below, driving a significant increase/decrease in emissions¹⁸.

Recalculation events are:

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

In the case of a recalculation event, an external verification by an independent body will be sought to confirm that the proposed revision is consistent with the initial level of ambition of the SPT(s).

Baseline adjustments will occur at the end of each fiscal year if we identify any changes described above that have occurred in the reporting period that may require us to recalculate our base year. We will publicly restate our baseline when we report the GHG emissions for the financial year. When significant structural changes occur in the middle of a year, the current and baseline year will be recalculated for the entire year. In the event of a significant acquisition, in order to ensure that full and accurate data are available, recalculation will be carried out within one year after the structural change has occurred.

Imerys will publicly disclose the re-baselined audited figure in its Universal Registration Document in a timely manner (or as the case may be in a separate report or document publicly available on Imerys website), and will transparently explain how those significant or structural changes triggered a recalculation of the baseline and the methodology used.

3.5. Verification

The **data and metrics used to produce our KPIs are externally verified on an annual basis**. As such, Scope 1 and Scope 2 GHG emissions are verified by an external verifier at moderate assurance for each of Imerys annual financial reports, which are publicly available on Imerys' website and within the Imerys Universal Registration Documents on [Imerys.com](https://www.imerys.com).

¹⁸ Imerys follows SBTi criteria and recommendations on recalculation.

3.6. Second Party Opinion

A **Second Party Opinion** has been provided by S&P Global to confirm the alignment of this Framework with the five core components of the ICMA SLB Principles. It will be made publicly available on <https://www.imerys.com/finance/sustainability-linked-bond>.

3.7. Amendments to this Framework

Imerys may review this Framework from time to time, including its alignment to updated versions of the relevant Principles as and when available in the market. Any major update will be subject to the prior approval of S&P Global or any such other qualified provider of Second Party Opinion.

Disclaimer

This Framework does not constitute or form part of, and should not be construed as, (i) an offer or invitation to sell securities of Imerys (including in the United States) or (ii) a prospectus within the meaning of Regulation (EU) 2017/1129, or the solicitation of an offer to subscribe for or purchase securities of Imerys, and nothing contained herein shall form the basis of or be relied on in connection with any contract or commitment whatsoever. Any decision to purchase any securities of Imerys should be made solely on the basis of the information to be contained in the prospectus produced in connection with the offering of such securities.

This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. Persons into whose possession such documents may come must inform themselves about, and observe any applicable restrictions on distribution.

Prospective investors are required to make their own independent investigations and appraisals of the business and financial condition of Imerys and the nature of the securities before taking any investment decision with respect to securities of Imerys. Prospective investors are required to take into account the information contained in the prospectus and this Sustainability Linked Bond Framework regarding the sustainability performance targets, and must determine for themselves the pertinence of said information.

S&P Global] has issued an independent opinion, dated in November 2023, on this Framework (the "Second Party Opinion"). The Second Party Opinion is a statement of opinion on certain sustainability and related considerations, not a statement of fact. No representation or assurance is given as to the suitability or reliability of the Second Party Opinion or any opinion or certification of any other third party made available. The Second Party Opinion and any other such opinion or certification is not intended to address any credit, market or other aspects of any investment in any security, including without limitation market price, marketability, investor preference or suitability of any security or any other factors that may affect the value of the securities. The Second Party Opinion and any other opinion or certification is not a recommendation to buy, sell or hold any such securities and is current only as of the date it was issued. The criteria and/or considerations that formed the basis of the Second Party Opinion and any other such opinion or certification may change at any time and the Second Party Opinion may be amended, updated, supplemented, replaced and/or withdrawn.

The information and opinions contained in this Framework are provided as at the date of this document only and are subject to change without notice. Imerys does not assume any responsibility to update, modify or amend the information contained in this Framework or to otherwise notify any recipient if any information, opinion, projection, forecast or estimate set forth herein changes or subsequently becomes inaccurate.

None of Imerys or its representatives and affiliates shall have any liability whatsoever in case of negligence or otherwise for any loss however arising from any use of this Framework or its contents or otherwise arising in connection with this Framework or any other information or material discussed.

This Framework does not create any legally enforceable obligations against Imerys. Failure to adhere or comply with any terms of this Framework, including, without limitation, failure to achieve any sustainability performance targets set forth therein, will not constitute an event of default or breach of contractual obligations under the terms and conditions of any sustainability-linked securities. This Framework is not intended to be and should not be construed as providing legal or financial advice.

Forward-looking statements:

This Framework contains certain forward-looking statements that reflect Imerys' current views with respect to future events. These forward-looking statements are based on Imerys' current expectations and projections about future events. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Imerys to control or estimate precisely. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this document. Imerys does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this document. The information contained in this Framework does not purport to be comprehensive and has not been independently verified by any independent third party.

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