

**ORDINARY
AND EXTRAORDINARY
SHAREHOLDERS'
GENERAL MEETING**

MAY 4, 2020
NOTICE OF MEETING



IMERYS



Dear shareholder,

We are pleased to inform you that the **Imerys Ordinary and Extraordinary Shareholders' General Meeting** will be held on **Monday May 4, 2020 at 2.30 p.m.** at its registered office at 43 quai de Grenelle, 75015 Paris, France.

Given the current outbreak of coronavirus (Covid-19) and the government imposed lockdown, the Board of Directors decided at its meeting of April 6, 2020 to hold the **Shareholders' General Meeting behind closed doors**, without the physical presence of its shareholders or their representatives, in accordance with the official order n°2020-321 of the French government on March 25, 2020.

We would like to draw your attention to the fact that the standard **terms and conditions for exercising your shareholder rights** at this General Meeting have been amended to enable you to take part in these exceptional circumstances, especially in light of the practical difficulties related to sending and receiving documents in the mail, restricted access to the registered office and the Shareholders' General Meeting being held behind closed doors.

As the situation is changing every day, we would ask you to regularly check the special page on the Imerys website (<https://www.imerys.com/finance/finance/shareholders-corner>), which will be updated accordingly.

Please find below the terms and conditions for exercising your shareholder rights prior to the Shareholders' General Meeting, along with the agenda, Statutory Auditors' reports, the draft resolutions that will be put forward for your approval, a brief review of the Company's performance over the last financial year and a form that can be used to request documents and information, as provided for in article R. 225-83 of the French Commercial Code.

The Board of Directors

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TERMS AND CONDITIONS FOR PARTICIPATION IN THE SHAREHOLDERS' GENERAL MEETING OF MAY 4, 2020

The exceptional circumstances surrounding the Ordinary and Extraordinary Shareholders' Meeting of May 4, 2020

Given the exceptional context due to the Covid-19 pandemic, the terms and conditions for participation in shareholders' general meetings in France have been amended by the official order of the French government dated March 25, 2020. The Board of Directors of Imerys (hereinafter referred to as your "**Company**"), having decided at its meeting of April 6, 2020 that **your Company's Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2020** will be held **behind closed doors**, invites you to cast your **vote before the meeting**, in the manner detailed below.

You can also attend the meeting remotely as it will be **streamed live and in full on our website**: www.imerys.com.

Terms and conditions for participation in the Shareholders' General Meeting of May 4, 2020

1 - Standard account registration procedure

The right to take part in the Shareholders' General Meeting of May 4, 2020 remains subject to **registering an account** for your shares by **midnight between Tuesday April 28 and Wednesday April 29, 2020**, central European time.

- ☐ If you hold shares in **registered** form (pure or administrated), you don't have to do anything, the fact that your shares appear on the Company register is enough.
- ☐ If you hold shares in **bearer** form, the financial intermediary (bank, financial institution or stock broker) that usually manages your account must provide you with a **participation certificate** to confirm that your shares are registered in an account.

2 - Two voting options ahead of the Shareholders' General Meeting of May 4, 2020

Given the current outbreak of coronavirus (Covid-19), no shareholder nor their representatives can physically attend the Shareholders' General Meeting and therefore vote during the session. That is why **no attendance cards will be issued** and votes may only be cast remotely in the following manner. **We would ask you to use ONLINE voting, where possible.**

- Use the **FORM** attached to the present brochure or the electronic notice of meeting and which can also be downloaded from the Imerys website www.imerys.com by going to Finance/Shareholders Corner/Shareholders' General Meeting.

This **FORM** allows you to:

- **Vote by mail** (by crossing out any draft resolutions you do not support or those from which you wish to abstain); or
- **Delegate power to the Chairman of the Assembly** (who will vote in favor of adopting the draft resolutions presented and approved by the Board of Directors and will vote against any resolutions that do not receive such approval).

As the Shareholders' General Meeting will be held behind closed doors, you will not be able to nominate a representative or be able to vote in your own name at this Meeting, other than through the Chairman as explained above.

RETURNING THE FORM

If you hold shares in **registered** form, you must **return the FORM** fully completed, signed and dated by **mail** to **CACEIS CT – Service Assemblées – 14 rue Rouget de Lisle, 92862 Issy les Moulineaux Cedex 09, France** (Telephone: +33 (0) 157 783 232 – Fax: +33 (0) 149 080 582) or by email to the following address: ct-assemblees@caceis.com.

If you hold shares in **bearer** form, you must **return the FORM** fully completed, signed and dated to your **usual financial intermediary**, who will forward it onto CACEIS CT along with the participation certificate mentioned above.

Whatever kind of shares you hold, CACEIS CT must receive your FORM by **May 1, 2020** at the very latest for it to be taken into account.

Please do not send your FORM directly to Imerys.

- **Online voting (recommended)**

Imerys is offering all shareholders the possibility to vote ahead of the Shareholders' General Meeting using the secure online platform **VOTACCESS** in the following manner:

- holders of shares in pure registered form should connect to the OLIS-Actionnaire website (<https://www.nomi.olisnet.com>) using the ID (which can be found on the FORM attached to the present brochure or the electronic notice of meeting) and password they usually use to access their account;
- holders of shares in administered registered form should connect to the OLIS-Actionnaire website using the ID, which can be found on the FORM attached to the present brochure.

Once connected, holders of shares in registered form (pure or administrated) should follow the on-screen instructions to access the VOTACCESS website.

- holders of bearer shares should contact their account-keeping institution to find out whether or not the latter is connected to VOTACCESS and if so, whether there are any special conditions of use. If this institution is connected to VOTACCESS, shareholders should connect to the website using their standard access codes. They should then follow the on-screen instructions to access the VOTACCESS website and cast their vote.

VOTACCESS will be open from April 17, 2020 at 10 a.m. and will close on May 3, 2020, at 3 p.m., central European time. In order to avoid any congestion, we recommend shareholders do not wait until the day before the General Meeting to cast their vote.

NB: shareholders who have voted by post will not be able to vote online.

3 - Terms and conditions for taking part in the Shareholders' General Meeting and sale of your shares

In accordance with article R. 225-85 of the French Commercial Code, any shareholder who has carried out any of the above steps is still able to sell all or some of their shares. However, if the sale is completed before two working days prior to the General Meeting, i.e. before **midnight between Tuesday April 28 and Wednesday April 29, 2020**, central European time, the Company will nullify or change the vote cast or the participation certificate, as appropriate. The relevant account-keeping institution must notify the Company or CACEIS CT of the sale and communicate all necessary information. The Company will not take into consideration any sale or other transaction completed after **midnight between Tuesday April 28 and Wednesday April 29, 2020**, central European time.

4 - Documents and information made available to shareholders

In accordance with regulations in force, the documents and information made available to shareholders can be viewed on the Company's website <https://www.imerys.com/finance/finance/shareholders-corner> (Shareholders' General Meeting), or obtained by addressing a request to CACEIS CT.

You can also consult the Company's statutory financial statements and the Group's consolidated financial statements for 2019 and well as the biographies of the Company's directors in office at December 31, 2019 and of the people put forward for appointment or renewal at the Shareholders' General Meeting, by viewing or downloading Imerys' 2019 Universal Registration Document from www.imerys.com, which was filed with the French financial markets authority on March 24, 2020.

Shareholders can request the communication of documents that would not be available on the Company's website by sending their request by email to the following address: shareholders@imerys.com; they will be answered, as far as possible, by electronic means.

5 - Written questions

You **are able to address written questions to the Company**. These questions must be sent to the Company for the attention of the Chairman of the Board of Directors, either by **recorded delivery with acknowledgment of receipt** sent to the registered office, or - **preferably** given the exceptional circumstances due to the outbreak of Covid-19 - by **email** to the following address: shareholders@imerys.com. To ensure written questions can be answered, they must be received by the Company at least four working days before the Shareholders' General Meeting, i.e. April 27, 2020, and be sent with an **account registration certificate**.

6 - Other rights usually exercisable during the Shareholders' General Meeting

Given the exceptional circumstances related to Covid-19 and because the Shareholders' General Meeting is being held behind closed doors, you will not be able to ask questions nor to request amendment to resolutions or new resolutions during the meeting.

In order to maintain the level of **shareholder dialogue** Imerys values so highly, the Company encourages you to continue to ask your questions by sending them by email to the following address: shareholders@imerys.com. The Company will respond to the questions under the most satisfactory conditions possible and, if appropriate, at the Shareholders' General Meeting on May 4, 2020.

AGENDA

ORDINARY RESOLUTIONS

1. Approval of the Company's management and statutory financial statements for the year ended December 31, 2019
2. Approval of the consolidated financial statements for the year ended December 31, 2019
3. Appropriation of profit and setting the dividend with respect to the year ended December 31, 2019
4. Option for payment of the dividend with respect to the year ended December 31, 2019 in cash and/or in shares
5. Statutory Auditors' special report governed by article L. 225-40 *et seq.* of the French Commercial Code
6. Approval of the policy on compensation awarded to executive corporate officers
7. Approval of the policy on compensation awarded to members of the Board of Directors
8. Approval of the components of compensation awarded to corporate officers in accordance with article L. 225-37-3 I. of the French Commercial Code
9. Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Conrad Keijzer in the year ended December 31, 2019
10. Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Gilles Michel in the year ended December 31, 2019
11. Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Patrick Kron in the year ended December 31, 2019
12. Ratification of the appointment of Patrick Kron as a director
13. Re-appointment of Aldo Cardoso as a director
14. Re-appointment of Paul Desmarais III as a director
15. Re-appointment of Colin Hall as a director
16. Appointment of Annette Messemer as a director
17. Appointment of Véronique Saubot as a director
18. Purchase by the Company of its own shares

EXTRAORDINARY RESOLUTIONS

19. Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares, immediately or at a later date, without preferential subscription rights open to the public, excluding the offers referred to in article L. 411-2 1° of the French Monetary and Financial Code and provided for in the twentieth resolution
20. Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares, immediately or at a later date, without preferential subscription rights, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1-II of the French Monetary and Financial Code
21. Overall ceiling for the par value of share capital increases and issues of debt securities resulting from the aforementioned delegations and authorizations
22. Authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, stock options or purchase plans for Company shares
23. Authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, free shares in the Company
24. Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares of the Company reserved for members of a Company or Group savings plan without pre-emptive subscription rights
25. Amendments to the Company's by-laws
26. Powers.

AUDITORS' REPORTS

Deloitte & Associés 6, place de la Pyramide 92908 Paris-La Défense Cedex – France with a share capital S.A. of €2,188,160 Statutory Auditors Member of the compagnie régionale de Versailles	Ernst & Young et Autres Tour First TSA 14444 92037 Paris-La Défense Cedex S.A.S. à capital variable 438 476 913 R.C.S. Nanterre Statutory Auditors Member of the compagnie régionale de Versailles

This is a free translation into English of the statutory auditors' reports issued in French and it is provided solely for the convenience of English speaking users.

This report includes information specifically required by European regulation or French law, such as information about the appointment of the statutory auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

Statutory Auditors' Report on the Consolidated Financial Statements

For the year ended December 31, 2019

To the Imerys Shareholders' Meeting,

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as at December 31, 2019 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union. The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our responsibilities under those standards are further described in the "Statutory Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report.

Independence

We conducted our audit in compliance with independence rules applicable to us, for the period from January 1, 2019 to the issue date of our report and in particular we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) no. 537/2014 or in the French Code of ethics for statutory auditors (*Code de déontologie*).

Observation

Without qualifying the aforementioned opinion, we draw your attention to the change in accounting method arising from the mandatory application as of January 1 of IFRS 16 "Leases" described in Note 2.1 to the consolidated financial statements.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements, accounts or items of the consolidated financial statements.

Impact of the Group's reorganization regarding the definition of the segments to be presented – "Segment reporting" Note

Risk identified

On November 18, 2018, Imerys announced the set-up of a more market-oriented managerial and operational organization. Segment reporting in accordance with the new organization is only reflected in the 2019 consolidated financial statements for the reasons described in the "Segment reporting" note to the consolidated financial statements.

This note presents segment reporting based on the new organization.

The new organization is structured around five operating segments grouped into two segments for reporting purposes:

- "Performance minerals" combines three operating segments corresponding to different geographical regions: Europe Middle East and Africa, America and Asia Pacific. It mainly serves the plastics, painting and surfacing, filtration, ceramics, renewable energies, paper and cardboard industries.

- “High Temperature Materials and Solutions” combines two operating segments: High Temperature Solutions and Refractories, Abrasives & Construction. It mainly serves the refractory, foundry, metals, abrasives and building chemicals markets.

We considered these changes to be a key audit matter due to the weight of segment reporting in the assessment of the Group’s financial performance and the judgments applied by Management in this respect; these judgments were decisive mainly for the regrouping of the new operating segments.

Response as part of our audit

Our work consisted in:

- Interviewing management to understand the operating characteristics and procedures of the new organization and the differences with the previous organization;
- Analyzing the consistency of the operating segments adopted for segment reporting with the management indicators used by Group management;
- Assessing the judgments adopted by management for the regrouping of the operating segments presented in the “Segment reporting” note;
- Verifying that the comparative segment information is presented using the same bases;
- Verifying that the disclosure in the “Segment reporting” note complies with IFRS 8 ‘Operating segments’.

Impairment of non-current assets (including goodwill) – Note 19

The carrying value of non-current assets on the balance sheet amounts to €4,815.2 million as of December 31, 2019 and includes goodwill for an amount of €2,153.1 million. Such goodwill is allocated to CGUs.

An impairment test is carried out every 12 months at the end of the period in all CGUs, including goodwill. During the year, Management reviews any indicators of impairment for CGUs or non-current individual assets. As soon as facts indicating that a CGU or an individual non-current asset may be impaired, Management performs an impairment test at an interim date.

An impairment test consists in comparing the carrying value of the CGUs tested, including the goodwill which is allocated to them, or an individual non-current asset in the scope of IAS 36 with its recoverable amount, corresponding to the highest amount between its value in use, estimated based on discounted future cash flows and its fair value less cost to sell.

We considered the impairment of non-current assets (including goodwill) to be a key audit matter for the following reasons:

- The amount of goodwill is material in the consolidated financial statements;
- The definition of the CGUs and determination of indications of impairment represent major judgments exercised by management;
- The determination of the parameters used to implement impairment tests require management to make significant estimates, such as the levels of expected organic growth underlying the projected cash flows and perpetual growth and discount rates, which, by nature, depend on the economic environment;
- The Group reviewed its profit outlook downwards on October 22, 2019.

Response as part of our audit

We held meetings with Management to identify possible indications of impairment loss.

We analyzed the consistency with IAS 36 ‘Impairment of assets’ of the method used by Management to determine the recoverable amount of each CGU and, where necessary, each individual non-current asset falling within the scope of the standard, presenting an indication of impairment.

We have also, with the assistance of our valuation experts, carried out a critical review of the implementation terms of this methodology and analyzed in particular:

- The reasonableness of the cash flow projections relating to each CGU compared to the economic and financial context in which they operate;
- The consistency of these cash flow projections with the most recent Management estimates that were presented to the Board of Directors as part of the budget process;
- The consistency of the growth rate adopted for the projected cash flows with market analysis and the consensus of the main players;
- The calculation of the discount rates applied to future cash flows;
- The consistency of the CGU definition with the new Imerys organization and IAS 36.

We have also:

- Verified the sensitivity calculations performed by Management, in particular, for forecast cash flows, discount rates and perpetual growth rates, in order to determine the amount from which an impairment loss should be recognized;
- Verified arithmetical calculations.

Assessment of provisions for industrial site dismantling and mining site restoration – note 23.2

Risk identified

Imerys is subject to different regulatory requirements relating to the restoration and dismantling, at the end of their operations, of the mining and industrial sites that the Group operates.

Provisions have been recognized on the balance sheet for this purpose, for an amount of €265.1 million as of December 31, 2019 (€153.2 million for mining site restoration and €111.9 million for industrial site dismantling).

The calculation of these provisions requires Management to make assumptions to estimate the useful life of the mining sites and industrial sites as well as to determine the costs related to the aforementioned regulatory requirements and the implementation timetable with regard to the specificities of each site, the time frame

considered and local regulatory requirements. The determination of the discount rates for forecast costs is also an important assumption

Management relies on in-house experts to determine the main assumptions, by taking into account the expected impacts, where applicable, of regulatory changes.

The valuation of provisions for restoration of mining sites and dismantling of industrial sites are therefore considered to be a key audit matter.

Response as part of our audit

We familiarized ourselves with the procedures set up by Management to determine these provisions and have performed certain specific tests on a sampling of operating entities. As part of our tests:

- We have examined the competence and objectivity of the in-house experts contacted by the Group;
- We have assessed the pertinence of the method adopted and analyzed the reasonableness of the cost estimates with respect to applicable legal or contractual requirements;
- We have analyzed the method for determining discount rates and reconciled the component parameters with market data.

For the other entities, we have analyzed the changes in provisions to identify any possible inconsistencies with respect to our understanding of the relevant site restoration or dismantling programs.

Assessment of the financial impacts relating to the talc litigation– Note 23.2

Certain Group subsidiaries, which mine talc in North America, are among the defendants in claims on the possible risks relating to the use of talc in certain products. Most of these disputes concern sales realized prior to Imerys' acquisition of these companies in 2011. In Q4 2018, the relevant entities were faced with these disputes in growing number and intensity.

As of December 31, 2018, a provision was recorded, corresponding to the most reasonable estimate made by Management of the amount needed to extinguish the historical liabilities of the subsidiaries involved in this situation and the expected impacts for the Group.

In February 2019, the North American entities exposed to these disputes filed for Chapter 11 bankruptcy protection. Under this procedure, the Group remains legal owner of the relevant entities. However, the analysis of their placement under the legal control of the Court of the State of Delaware (United States) requested to negotiate a business reorganization plan resulted in their exit from the Group's consolidation scope as from February 13, 2019, as the latter lost the previous control it exercised over them.

The ongoing negotiations for the reorganization of these entities with all the relevant parties are ongoing. Based on the available information, Imerys' management reassessed with the help of independent experts the estimated risk relating to the resolution of the aforementioned Chapter 11 proceedings and its potential impact for the Group.

The assessment of a provision depends on management's judgment of the probability of a negative outcome for the Group and the possibility of making a reliable estimate of the resulting obligation and all the related costs, where necessary. Management also exercised its judgment in determining the provision amount to be recorded. Considering the material financial impacts for the Group and the decisive nature of the judgments and estimates made by Management to assess the potential liability, we considered the assessment of the provision set aside for the risk relating to the resolution of the Chapter 11 proceedings to be a key audit matter.

Response as part of our audit

We assessed the reasonableness of the residual provision recorded in the balance sheet, based on:

- The internal analysis prepared by Group management presenting the potential results of the proceedings, using various possible scenarios;
- Extracts from the minutes of the Company's various Audit Committee and Board of Directors' meetings, featuring the exchanges relating to this talc dispute in the US and the Chapter 11 proceedings.

We obtained confirmation from the external legal advisors representing the Company in connection with the Chapter 11 proceedings of its North American subsidiaries that the provision reflected a reasonable estimate of the net financial impact for the Group arising from the potential resolution of these proceedings.

We assessed the disclosure in the notes to the consolidated financial statements with regard to IAS 37 'Provisions, contingent liabilities and contingent assets' and the limits set out in paragraph 92 insofar as the supply of information fully or partly imposed by paragraphs 84 to 89 may cause serious damage to the entity.

Specific verifications

As required by French law, we have also verified in accordance with professional standards applicable in France the information concerning the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated non-financial performance statement provided for in Article L. 225-102-1 of the French Commercial Code is included in the disclosures relating to the Group presented in the management report, it being specified that, in accordance with Article L. 823-10 of the Code, we have not verified the fairness of the information contained in this declaration or its consistency with the consolidated financial statements that must be verified in a report by an independent third party.

Report on Other Legal and Regulatory Requirements

Appointment of the Statutory Auditors

We were appointed statutory auditors of Imerys by the Shareholders' Meeting of May 5, 2003 for DELOITTE & ASSOCIÉS and April 29, 2010 for ERNST & YOUNG et Autres.

As of December 31, 2019, DELOITTE & ASSOCIÉS was in its 17th year of uninterrupted engagement and ERNST & YOUNG et Autres in its 10th year.

Previously, ERNST & YOUNG Audit had been the statutory auditor of Imerys since 1986.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein;
- evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also bring to its attention any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L. 822-10 to L. 822-14 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we will discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

Statutory Auditors' Report on the Financial Statements

For the year ended December 31, 2019

To the Imerys Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Imerys for the year ended December 31, 2019.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at December 31, 2019 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit in compliance with independence rules applicable to us, for the period from January 1, 2019 to the issue date of our report and in particular we did not provide any prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No 537/2014 or in the French Code of ethics for statutory auditors (*Code de déontologie*).

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we bring your attention to the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period, as well as our responses to those risks.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements, accounts or items of the financial statements.

Valuation of equity interests

Risk identified

Equity interests, appearing on the balance sheet as of December 31, 2019 for a net amount of €4,520 thousand, represent one of the most significant balance sheet items. They are recognized on their entry date at acquisition cost and impaired, where necessary, based on their value in use, representing the amount that the company would agree to pay to obtain them if it had to acquire them. As indicated in Note 2 to the financial statements, the value in use is estimated by Management based on the value of equity at the year end of the entities concerned, their level of profitability and their business forecasts. The estimate of the value in use of these securities requires Management to exercise its judgment in its choice of items to consider according to the type of equity interests concerned. Such items may correspond to historical items such as equity, and for others, (earnings outlooks and economic situation).

Competition and the economic environment confronted by certain subsidiaries as well as the geographical location of some of them can lead to a decrease in their activity and a deterioration in their operating income. In this context and because of uncertainties inherent to certain items and specifically the probability of attaining forecasts, we considered the valuation of equity interests to be a key audit matter.

Our response

To assess the reasonableness of the estimate of value in use of equity interests, based on the information communicated to us, our work mainly consisted in verifying that the estimate of these values, as determined by Management, is based on an appropriate justification of the valuation method and the figures used.

For the valuations based on historical items, our work consisted in verifying that the equity retained is consistent with the accounts of the entities that were the subject of an audit or analytical procedures.

For the valuations based on forecast items, our work consisted in:

- Obtaining the cash flow forecasts of the entities concerned prepared by Management and assessing their consistency with budget forecasts;
- Analyzing the consistency of the assumptions adopted with the economic environment on the dates the accounts were prepared and closed;

- Verifying that the value resulting from cash flow forecasts was adjusted for the debt of the entity considered.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

Information given in the Management Report and in the Other Documents Addressed to Shareholders on the Financial Position and the Financial Statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents addressed to shareholders with respect to the financial position and the financial statements.

We attest that the Board of Directors' report on corporate governance contains the information required by Articles D.441-4 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance contains the information required by Articles L. 225-37-3 and L. 225-37-4 of the French Commercial Code.

Concerning the information presented in accordance with the requirements of Article L. 225-37-3 of the French Commercial Code relating to remuneration and benefits received by corporate officers and any other commitments made in their favor, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from companies controlled by it that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Concerning the information relating to the elements that your Company considered likely to have an impact in the event of a takeover bid or exchange offer, provided pursuant to Article L. 225-37-5 of the French Commercial Code, we have verified their compliance with the documents on which they are based and which have been provided to us. Based on our work, we have no comment to make on this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Appointment of the statutory auditors

We were appointed statutory auditors of Imerys by the Shareholders' Meeting of May 5, 2003 for Deloitte & Associés and April 29, 2010 for ERNST & YOUNG et Autres

As of December 31, 2019, Deloitte & Associés was in its 17th year of uninterrupted engagement and ERNST & YOUNG et Autres in its 10th year.

Previously, ERNST & YOUNG Audit had been the statutory auditor of Imerys since 1986.

Responsibilities of Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease its operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements have been approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objective and audit approach

Our role is to issue a report on the financial statements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management in the financial statements;
- assesses the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, we modify our opinion;
- evaluates the overall presentation of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as significant audit findings. We also bring to its attention any significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matters. We describe these matters in the audit report.

We also provide the Audit Committee with the declaration referred to in Article 6 of Regulation (EU) no. 537/2014, confirming our independence pursuant to the rules applicable in France as defined in particular by Articles L.822-10 to L.822-14 of the French Commercial Code and in the French Code of ethics for statutory auditors. Where appropriate, we will discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

Statutory auditors' report on related party agreements and commitments

To the Shareholders of Imerys,

In our capacity as statutory auditors of your Company, we hereby present to you our report on regulated agreements.

The terms of our engagement require us to communicate to you, based on information provided to us, the principal terms and conditions of those agreements brought to our attention or which we may have discovered during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, in accordance with Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the relevance of these agreements prior to their approval.

Our role is also to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code relating to the implementation during the past year of agreements previously approved by the Shareholders' Meeting, if any.

We performed those procedures which we deemed necessary in compliance with professional guidance issued by the French Institute of Statutory Auditors (*Compagnie nationale des commissaires aux comptes*) relating to this type of engagement. These procedures consisted in verifying the consistency of the information provided to us with the relevant source documents.

Agreements submitted for approval to the Shareholders' Meeting

□ Agreements authorized and concluded during the year

We hereby inform you that we have not been notified of any agreements authorized during the year ended December 31, 2019 to be submitted to the Annual General Meeting for approval in accordance with Article L. 225-38 of the French Commercial Code.

Agreements previously approved by the Shareholders' Meeting

□ Agreements approved in prior years

In accordance with Article R. 225-30 of the French Commercial Code, we have been notified that the following agreements, already approved by the Shareholders' Meeting in prior years, had continuing effect during the year.

► With Mr. Gilles Michel, Chairman of the Board of Directors until June 25, 2019

Specific transition mission for Mr. Conrad Keijzer, Chief Executive Officer until October 21, 2019

Nature and purpose

On May 4, 2018, your Board of Directors assigned Mr. Gilles Michel to assist Mr. Conrad Keijzer to ensure a smooth transition within the Group's Executive Management.

Terms and conditions

In consideration for this assignment, Mr. Gilles Michel has received in 2019 an exceptional compensation totaling €150,000, the initially agreed amount. This final amount was determined, according to the assessed level of achievement for this assignment, by your Board of Directors on February 13, 2019 using qualitative criteria defined by independent consultants and upon recommendation of the Compensation Committee.

► With Mr. Conrad Keijzer, Chief Executive Officer until October 21, 2019

Unemployment insurance plan for corporate officers

Your Board of Directors, held on March 8, 2018, granted Mr. Conrad Keijzer, as an in-kind benefit, rights to the unemployment insurance plan for corporate officers, subscribed to by your Company.

This plan involves voluntary insurance subscribed to by your Company for corporate officers, enabling them to receive compensation in proportion to their previous income in the event of an involuntary loss of employment. The plan is subscribed with Association GSC, the insurance broker and managed by Groupama. The Group is currently subscribed to the 70 contract over a period of 12 months.

For fiscal year 2019, the contributions incurred by your Company into this plan are €16,152.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

Statutory auditors' report on the authorization to grant share subscription or purchase options

Combined Shareholders' Meeting of May 4, 2020
Twenty-second resolution

To the Imerys Shareholders' Meeting,

In our capacity as statutory auditors of your Company, and in accordance with the procedures provided for in Articles L. 225-177 and R. 225-144 of the French Commercial Code (*Code de commerce*), we hereby report to you on the authorization to grant share subscription or purchase options to the employees and corporate officers of your Company and, where applicable, of the companies and groupings affiliated with it under the conditions set out in Article L. 225-180 of the French Commercial Code, or certain categories of them, a transaction on which you are being asked to vote.

The number of options which may be granted pursuant to this authorization may not confer entitlement to subscribe or purchase a total number of shares greater than 3% of the share capital of the Company at the date of the Board's option grant decision; furthermore, the number of options which may be granted to corporate officers pursuant to this authorization may not confer entitlement to subscribe or purchase a total number of shares greater than 0.5% of the share capital at the date of the Board's option grant decision. These caps are common to this resolution and to the twenty-third resolution of this shareholders' meeting.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of thirty-eight months as of the date of this Shareholders' Meeting to grant share subscription or purchase options.

The Board of Directors is responsible for preparing a report on the reasons for granting share subscription or purchase options, as well as the proposed terms and conditions for setting the subscription or purchase price. Our role is to inform you of our opinion on the proposed terms and conditions for setting the share subscription or purchase price.

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying whether the proposed terms and conditions for setting the share subscription or purchase price were specified in the Board of Directors' report and assessing their compliance with the law and regulations.

We have no matters to report on the proposed terms and conditions for setting the share subscription or purchase price.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

Statutory auditors' report on the free grant of existing shares or shares to be issued

Combined Shareholders' Meeting of May 4, 2020

Twenty-third resolution

To the Imerys Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company and in compliance with Article L. 225-197-1 of the French Commercial Code (*Code de commerce*), we hereby report on the proposed free grant of existing shares or shares to be issued, reserved for employees and corporate officers of your Company and, where applicable, of the companies and groupings affiliated with it under the conditions set out in Article L. 225-197-2 of the French Commercial Code, or certain categories of them, a transaction upon which you are called to vote.

The number of existing shares or shares to be issued which may be granted pursuant to this authorization may represent no more than 3% of the share capital of the Company at the date of the Board's grant decision; furthermore, the number of existing shares or shares to be issued which may be granted to corporate officers pursuant to this authorization may represent no more than 0.5% of the share capital at the date of the Board's grant decision. These caps are common to this resolution and to the twenty-second resolution of this shareholders' meeting.

Your Board of Directors proposes that, on the basis of its report, it be authorized for a period of thirty-eight months as of the date of this Shareholders' Meeting to grant, for free, existing shares or shares to be issued.

It is the responsibility of the Board of Directors to prepare a report on the proposed transaction. Our role is to report on any matters relating to the information regarding the proposed transaction

We have performed those procedures which we considered necessary to comply with the professional guidance issued by the French national auditing body (*Compagnie Nationale des Commissaires aux Comptes*) for this type of engagement. These procedures consisted in verifying that the proposed methods described in the Board of Directors' report comply with the legal provisions governing such operations.

We have no matters to report as to the information provided in the Board of Directors' report relating to the proposed free grant of shares.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

Statutory Auditors' report on the issue of ordinary shares and/or marketable securities conferring entitlement to share capital reserved for employee members of a corporate savings plan of the Company or its Group

Combined Shareholders' Meeting of May 4, 2020
Twenty-fourth resolution

To the Imerys Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company ("the Company") and in accordance with the procedures provided for in Articles L. 228-92 and L. 225-135 *et seq.* of the French Commercial Code (*Code de Commerce*), we hereby report to you on the proposed delegation to the Board of Directors of the authority to decide on the issue of ordinary shares and/or all marketable securities conferring entitlement to the share capital of the Company, with cancellation of preferential subscription rights, reserved for employees who are members of a corporate or group savings plan of the Company and/or its affiliated French or foreign companies or groupings within the meaning set forth in Article L.225-180 of the French Commercial Code and Article L. 3344-1 of the French Labor Code (*Code du travail*), a transaction on which you are being asked to vote.

The par value amount of capital increases that may be carried out, immediately or in the future, may not exceed €1.6 million.

This transaction is submitted to you for your approval pursuant to Articles L. 225-129-6 of the French Commercial Code and L. 3332-18 *et seq.* of the French Labor Code.

Based on its report, your Board of Directors recommends that you confer on it, for a period from the date of this meeting to July 9, 2021, the authority to decide on one or more issues and cancel your preferential subscription rights to the shares and/or marketable securities to be issued. If applicable, it will be responsible for determining the final issuance terms and conditions of this transaction.

It is the Board of Directors' responsibility to prepare a report in accordance with Articles R. 225-113 *et seq.* of the French Commercial Code.

Our role is to express an opinion on the fairness of the quantified data extracted from the financial statements, on the proposed cancellation of preferential subscription rights and on certain other information pertaining to the issuance as presented in this report.

We performed the procedures that we considered necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) applicable to this engagement. Such procedures consisted in verifying the content of the Board of Directors' report as it relates to this transaction and the terms and conditions in which the issue price of the equity securities to be issued was determined.

Subject to our subsequent review of the terms and conditions of the proposed issues, we have no comments to make on the procedures for determining the issue price of the equity securities to be issued presented in the Board of Directors' report.

As the final terms and conditions under which the issues will be carried out have not yet been set, we express no opinion on them and, consequently, on the proposed cancellation of preferential subscription rights on which you are being asked to vote.

In accordance with Article R. 225-116 of the French Commercial Code, we will issue a supplementary report, where necessary, when this delegation of authority is utilized by your Board of Directors in the event of the issue of ordinary shares, in the event of the issue of marketable securities which are equity securities conferring entitlement to other equity securities and in the event of the issue of marketable securities conferring entitlement to equity securities to be issued.

Paris-La-Défense, March 19, 2020

The Statutory Auditors

DELOITTE & ASSOCIÉS

ERNST & YOUNG et AUTRES

Frédéric GOURD

Sébastien HUET

PRESENTATION OF THE RESOLUTIONS BY THE BOARD OF DIRECTORS

The resolutions agreed by the Board of Directors at its meeting of February 12, 2020, and as reviewed by the Board of Directors during its meeting of April 6, 2020 as far as the third resolution reporting the amount of the dividend is concerned, are submitted for approval at the Shareholders' General Meeting. Resolutions 1 through 18 and 26 will be put to the Ordinary Shareholders' Meeting and resolutions 19 through 25 will be put to the Extraordinary Shareholders' Meeting.

Please kindly note that the 2019 Universal Registration Document ("URD") you are asked to refer to in the presentation below was filed with the AMF (the French Securities Regulator) on March 23, 2020. It is available on the Company's website, www.imerys.com and on AMF's website, www.amf-france.org.

Pursuant to the provisions of articles L. 225-37, L. 225-37-2, L. 225-37-3, L. 225-37-4 and L. 225-100 of the French Commercial Code (*Code de commerce*), paragraphs 8.1.3 to 8.1.6 and section 8.4 of the chapter 8 of the URD form an integral part of the Corporate Governance Report.

1. 2019 ANNUAL FINANCIAL STATEMENTS AND APPROPRIATION OF PROFIT

(Three resolutions put to the Ordinary Shareholders' General Meeting)

Shareholders are invited to approve the Company's annual financial statements (**first resolution**) and the Group's consolidated financial statements (**second resolution**) for the year ended December 31, 2019.

These financial statements, along with the financial situation, business and results of the Group and the Company for the year ended December 31, 2019, as well as various items of information required by current laws and regulations, are published in chapter 5 (Comments on fiscal year 2019) and chapter 6 (Financial statements) of the Universal Registration Document.

Shareholders are then called upon to approve the appropriation of the Company's distributable profit for 2019 (**third resolution**). In 2019, the Company's distributable profit totaled €439,043,239.30, which can be broken down as €139,509,137.76 in net income plus €299,534,101.54 in retained earnings brought forward from the prior year.

As explained in the Company's press release dated April 6, 2020 and available on the Company's website, we draw your attention to the fact that the amount of the dividend initially considered (as mentioned in the DEU and in the 'Notice of Meeting dated March 30, 2020 has been reviewed and the Board of Directors recommends paying a per-share dividend of €1.72, i.e. a decrease of 20% compared to the previous financial year.

The total dividend payout will be adjusted according to the number of shares issued for stock options exercised since January 1, 2020 that are eligible for the 2019 dividend at the date of payment. Consequently, the amount allocated to retained earnings will be determined on the basis of the total actual dividend payout. Furthermore, if the Company holds any treasury shares on the date at which the dividend is paid, the corresponding unpaid dividends will also be allocated to retained earnings.

Pursuant to the provisions of article 243 *bis* of the French Tax Code (*Code général des impôts*), individual shareholders domiciled for tax purposes in France may benefit from a 40% tax allowance on the totality of the proposed dividend for 2019, as stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting to be taxed according to the standard progressive income tax bands set out in article 200-A-2 of said Code.

Dividends paid for the past three financial years were as follows:

Financial year ending	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016
Net dividend per share	€2.15*	€2.075*	€1.87*
Number of shares carrying dividend rights	79,083,935	79,313,151	79,265,238
Total net payout	€170 M	€164.6 M	€148.2 M

* Fully eligible for the 40% tax allowance for individual shareholders domiciled in France for tax purposes stipulated in article 158-3-2° of the French Tax Code.

2. OPTION FOR PAYMENT OF DIVIDEND IN CASH AND/OR SHARES

(One resolution put to the Ordinary Shareholders' General Meeting)

Shareholders are asked under the **fourth resolution** to offer all shareholders the option of choosing whether to receive payment for the dividend approved in the third resolution in either cash or shares.

Shareholders living outside France must themselves inquire about and comply with the terms and conditions applicable locally to this alternative option. Shareholders deciding whether or not to opt for payment in shares for all or part of the dividend they are eligible to receive should take into consideration the risk inherent to such an investment.

The new shares will be issued at a price equal to 95% of the average opening market price for the Imerys share traded on Euronext Paris over the last 20 trading days prior to the date of the present Shareholders' General Meeting, minus the net dividend amount rounded up to the nearest euro cent.

As previously stated, shareholders must decide whether to receive the dividend payment in cash or in new shares between May 12, 2020 and June 8, 2020 inclusive, and inform the financial intermediaries authorized to pay the dividend or, for holders of shares in pure registered form, the account holder of the Company, CACEIS Corporate Trust – Service Assemblées Générales – 14, rue Rouget de Lisle – 92862 ISSY-LES-MOULINEAUX Cedex 9, France. Any shareholder who has not made their choice known to receive payment for all or part of the dividend in shares within this period will receive the full dividend payment in cash.

If the amount of the dividend does not correspond to a whole number in the equivalent of shares, shareholders will receive the amount of shares rounded down to the nearest whole number and the remaining balance in cash paid by the Company.

The dividend will be payable from June 12, 2020. Shareholders who opt for the alternative payment option for all or part of the dividend will receive their shares on this same date.

3. RELATED PARTY AGREEMENTS AND COMMITMENTS

(One resolution put to the Ordinary Shareholders' General Meeting)

Pursuant to the provisions of article L. 225-40 of the French Commercial Code, shareholders are asked to approve the Statutory Auditors' special report on related party agreements and commitments (*conventions réglementées*) governed by articles L. 225-38 *et seq.* of said Code and published in chapter 6, section 6.3 of the Universal Registration Document (**fifth resolution**).

Without prejudice to the commitments given by the Company to Alessandro Dazza, who on December 17, 2019 was appointed to the office of Chief Executive Officer of the Company as of February 17, 2020, which are detailed in chapter 4, paragraph 4.3.3 of the Universal Registration Document, the Company did not enter into any new related parties agreements or commitments (*conventions réglementées*) in 2019.

Shareholders are also informed that at its meeting held on February 12, 2020 and in accordance with legal requirements and its internal charter on related party agreements and commitments (*conventions réglementées*) and standard agreements and commitments with related parties (*conventions libres*) (see chapter 7, section 7.8 of the Universal Registration Document), the Board of Directors reviewed all the related party agreements and commitments (*conventions réglementées*) that were authorized and concluded by the Company in previous years and remained in force in 2019.

The Board of Directors noted that:

- no related party agreements (*conventions réglementées*) were concluded in 2019; and
- the related party agreements (*conventions réglementées*) concluded in previous years that have already been approved by the Shareholders' General Meeting and continued to apply in 2019 were conducted in accordance with the terms and conditions applicable in 2018. The related party agreements (*conventions réglementées*) that continued to apply throughout part or the whole of 2019 were as follows:
  - Commitments given to Gilles Michel (as described in further detail in paragraph 8.1.5):
    - The specific responsibility to support Conrad Keijzer in order to guarantee a smooth handover within the Executive Management team in 2018 but for which it was agreed payment would be authorized in 2019
    - Obligations covered by the Company to pay all rights due as part of the defined benefit pension plan, which occurred in 2019
  - Commitments given to Conrad Keijzer (as described in further detail in paragraph 8.1.4):
    - Termination benefit (due to a change in control, strategy or a major disagreement over these issues)
    - Complementary defined contribution pension plan
    - Unemployment insurance for corporate officers (GSC)

All related party agreements and commitments (*conventions réglementées*) are detailed in the Statutory Auditors' special report published in chapter 6, paragraph 6.6.3 of the Universal Registration Document.

4. POLICY ON COMPENSATION AWARDED TO CORPORATE OFFICERS

(Two resolutions put to the Ordinary Shareholders' General Meeting)

Pursuant to the provisions of article L. 225-37-2 of the French Commercial Code, shareholders are asked to approve the policy on compensation awarded to corporate officers (executive corporate officers and member of the Board of Directors), which protects the Company's corporate interests, contributes to its long-term success and reflects its business strategy (**sixth and seventh resolutions**). The Board of Directors agreed this policy at its meeting held on February 12, 2020, based on proposals made by the Compensation Committee.

It includes the same items as in 2019, with the exception of the impatriation bonus, which has not been renewed for 2020, and the possibility to award long-term compensation, which has been expressly specified.

The corporate officer compensation policy (applicable to executive corporate officers and members of the Board of Directors in 2020) is set out in detail in chapter 4, paragraph 4.3.1 of the Universal Registration Document.

5. COMPENSATION OWED OR GRANTED TO EXECUTIVE CORPORATE OFFICERS IN 2019

(Four resolutions put to the Ordinary Shareholders' General Meeting)

5.1 Information on components of compensation awarded to corporate officers (Eighth resolution)

Pursuant to the provisions of article L. 225-100 II of the French Commercial Code, shareholders are asked to approve the information set forth in article L. 225-37-3 I. of said Code (*new report on compensation*) included in the Corporate Governance Report, as set out in chapter 4, section 4.3 of the Universal Registration Document.

5.2 Components of compensation paid or awarded to Conrad Keijzer for the year ended December 31, 2019 (Ninth resolution)

Conrad Keijzer held the following positions:

- Deputy Chief Executive Officer (from March 8, 2018 to May 4, 2018)
- Chief Executive Officer and director (from May 4, 2018 to October 21, 2019)

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
Fixed compensation	€643,478.29 (Cf. fixed compensation for 2019, prorata temporis)	€643,478.29 (Cf. fixed compensation for 2019, prorata temporis)	The amount of annual gross fixed compensation agreed by the Board of Directors (at its meeting of February 13, 2019) for 2019 totaled €800,000. <i>For further details, see chapter 4, paragraph 4.3.3.2 of the Universal Registration Document.</i>
Annual variable compensation	€500,347 (Cf. variable compensation for 2018)	€188,796 (Cf. variable compensation for 2019)	<u>Annual variable compensation for 2018</u> The annual variable compensation granted by the Board of Directors (at its meeting of March 8, 2018) for 2018, the amount of which was set by the Board of Directors (at its meeting of February 13, 2019) and paid in 2019 as approved by the Shareholders' General Meeting of May 10, 2019 (seventh resolution). <u>Annual variable compensation for 2019</u> At its meeting of February 12, 2020 and based on the recommendations of the Compensation Committee, the Board of Directors considered the extent to which Conrad Keijzer had achieved the quantitative and qualitative targets set for 2019 in order to determine the amount of variable compensation payable for the year. The quantitative criteria for 2019 were tied to targets for the Group's net income from current operations, free operating cash flow and return on capital employed, accounting for 50%, 30% and 20%, respectively. The qualitative criteria are based on achieving objectives linked to the Group's organic and external growth the success of the Group's transformation plan, the leadership of the senior management team, product stewardship and customer satisfaction. After assessing the extent to which the quantitative criteria have been met, the resulting amount of annual variable compensation is calculated based on the reference compensation equal to 110% of annual fixed compensation, multiplied by a

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
			factor of between 0.8 and 1.2 depending on the fulfillment of the qualitative criteria. The overall percentage achievement for these criteria may be increased or decreased by 3% depending on whether or not the workplace health & safety objective (applicable to all senior executives in the Group) was met. The maximum total variable compensation that may be granted is capped at 165% of annual fixed compensation. Consequently, the variable compensation payable to Conrad Keijzer for 2019 amounts to €188,796, representing 29.34% of his fixed compensation paid in 2019. This figure reflects the achievement of 36.75% of the quantitative targets, a minimum individual performance component (i.e. 0.8, factor between 0.8 and 1.2) and the application of a 3% reduction given the specific workplace health & safety objective was not achieved. This sum will be paid to Conrad Keijzer, subject to the approval of the ninth resolution submitted to the Shareholders' General Meeting of May 4, 2020. <i>For further details, see chapter 4, paragraph 4.3.3.2 of the Universal Registration Document.</i>
Multi-annual variable compensation	N/A	N/A	No decision regarding multi-annual variable compensation in 2019.
Impatriation bonus	€379,030	€249,682	Conrad Keijzer received an annual impatriation bonus equal to 30% of the fixed and variable compensation paid to him each year. Conrad Keijzer was awarded €379,030 in 2019, the difference of €129,348 between the amount paid and the amount due will be added to the annual variable compensation. <i>For further details, see chapter 4, paragraph 4.3.3.2 of the Universal Registration Document.</i>
Exceptional compensation	N/A	N/A	No decision regarding exceptional compensation in 2019.
Stock options, performance shares and any other long-term benefit	N/A	N/A	<u>Performance shares</u> At its meeting held on May 10, 2019 and based on the recommendations of the Compensation Committee, the Board of Directors decided to grant Conrad Keijzer 65,000 performance shares. This grant was made pursuant to the authorization granted by the Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2018 (fourteenth resolution). The shares were subject to the same financial performance conditions as those applicable to the 2018 General Performance Share Plan offered to the Group's executive managers. The objectives are equally weighted between the increase in net income from current operations per share and the Group's return on capital employed over the period 2019-2021. Given Conrad Keijzer is no longer with the Group, all the performance shares awarded to him (95,000 shares) have been canceled.

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
			Consequently, the value of shares recognized in the 2019 consolidated statements was nil. - No other benefit/long-term compensation was granted in 2019. <i>For further details, see chapter 7, paragraph 7.3.5.4 of the URD</i>
Severance package	N/A	€2,239,982	<u>Termination benefit:</u> Conrad Keijzer was owed a severance package when he had to step down from his duties following a change of control or strategy or a major disagreement over such issues. No compensation would have been due had Conrad Keijzer voluntarily stepped down and was soon able to claim retirement benefits or had he been dismissed for gross or serious misconduct. If the term of his office exceeded two years, the maximum amount of the severance package was calculated on the basis of two years' compensation (fixed and variable). Its payment was subject and proportionate to meeting a performance condition appraised on the mean of the percentage to which he achieved the quantitative targets over the last three financial years, as set to determine variable compensation for each year. The condition was as follows: • If the average achievement percentage (calculated over the last three years) for such objectives were less than 40%, no severance pay would be due. • If the percentage exceeded 80%, the maximum amount of severance pay would be due. At its meeting held on February 12, 2020 and based on the recommendations of the Compensation Committee, the Board of Directors set the severance pay due to Conrad Keijzer, whose duties were terminated on October 21, 2019, at €2,239,982. <i>For further details, see chapter 4, paragraph 4.3.2 of the Universal Registration Document.</i> <u>Non-compete indemnity:</u> A two-year non-compete period was agreed, starting on the date at which Conrad Keijzer's duties as Chief Executive Officer were terminated, with no compensation other than the aforementioned severance package. The Board of Directors reserved the right to decide whether or not to enforce this clause. At its meeting held on February 12, 2020 and based on the recommendations of the

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
			Compensation Committee, the Board of Directors decided to apply the non-compete clause.
Complementary pension plan	N/A	N/A	Conrad Keijzer benefited from a complementary defined contribution pension plan, which the Company put in place on October 1, 2009 to contribute 8% of the compensation of eligible employees, capped at eight times the annual French social security. Contributions from the beneficiary are set at 3% and employer contributions at 5%. <i>For further details, see chapter 4, paragraph 4.3.3 of the Universal Registration Document.</i>
Directors' compensation	N/A	N/A	Conrad Keijzer did not receive any compensation for his duties as a director.
Benefits in kind	€135,076	€135,076	Benefits in kind include official accommodation, a company car with driver and the contributions to an unemployment insurance scheme for corporate officers.

5.3 Components of compensation paid or awarded to Gilles Michel for the year ended December 31, 2019 (Tenth resolution)

Gilles Michel held the following positions:

- Chairman & Chief Executive Officer until May 4, 2018
- Chairman of the Board from May 4, 2018 to June 25, 2019

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
Fixed compensation	N/A	N/A	N/A
Annual variable compensation	€246,635 <i>(Cf. variable compensation for 2018)</i>	N/A	The annual variable compensation granted by the Board of Directors (at its meeting of February 14, 2018) for 2018, the amount of which was set by the Board of Directors (at its meeting of February 13, 2019) and paid in 2019 as approved by the Shareholders' General Meeting of May 10, 2019 (eighth resolution).
Multi-annual variable compensation	N/A	N/A	N/A
Impatriation bonus	N/A	N/A	N/A
Exceptional compensation	€150,000 <i>(Cf. exceptional compensation for 2018)</i>	N/A	Exceptional compensation for 2018 covered the specific mission of Gilles Michel to support Conrad Keijzer, as decided by the Board of Directors (at its meeting held on May 4, 2018) and approved as a related party agreement (<i>convention réglementée</i>) by the Shareholders' General Meeting of May 10, 2019 (fifth resolution). The amount was set by the Board of Directors (at its meeting held on February 13, 2019) and paid in 2019.

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
Stock options, performance shares and any other long-term benefit	N/A	N/A	No shares or other long-term benefit were granted to Gilles Michel in 2019. <i>For further details, see chapter 7, paragraph 7.3.5.4 of the Universal Registration Document.</i>
Severance package	N/A	N/A	N/A
Complementary pension plan	€8,923,692.19 <i>(gross amount before contributions)</i>	N/A	Payment of all rights due to Gilles Michel under the defined benefit pension plan – see paragraph 1.3 above.
Directors' compensation	€143,611 (including €72,500 in respect of 2018)	€71,111	In line with the allocation bands set by the Board and its committees in force at the date and as per the attendance of Gilles Michel at meetings of the Board and the Strategic Committee of which he was a member. <i>For further details, see chapter 4, paragraph 4.3.2 of the Universal Registration Document.</i>
Benefits in kind	N/A	N/A	N/A

5.4 Components of compensation paid or awarded to Patrick Kron for the year ended December 31, 2019 (eleventh resolution)

Patrick Kron held the following positions:

- Chairman of the Board of Directors (from Jun. 25, 2019)
- Interim Chief Executive Officer (from Oct. 21, 2019) His duties in this role were terminated on February 16, 2020, the date at which Alessandro Dazza took up the office of Chief Executive Officer.

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
Fixed compensation	€125,000	€125,000	Annual gross fixed compensation (€125,000 for 2019 and €250,000 going forward) approved by the Board of Directors (at its meeting held on June 25, 2019) for the office of Chairman of the Board. Patrick Kron did not receive any additional compensation for his duties as Interim Chief Executive Officer. <i>For further details, see chapter 4, paragraphs 4.3.2 and 4.3.3 of the Universal Registration Document.</i>
Annual variable compensation	N/A	N/A	N/A
Multi-annual variable compensation	N/A	N/A	N/A
Impatriation bonus	N/A	N/A	N/A
Exceptional compensation	N/A	N/A	N/A
Stock options, performance shares and any other long-term benefit	N/A	N/A	N/A
Severance package	N/A	N/A	N/A

Components of compensation subject to approval	Amount paid in the year ended December 31, 2019	Amount granted in the year ended December 31, 2019 or equivalent accounting value	Details
Complementary pension plan	N/A	N/A	N/A
Directors' compensation	N/A	N/A	See details under "fixed compensation" above.
Benefits in kind	N/A	N/A	N/A

6. COMPOSITION OF THE BOARD OF DIRECTORS

(Six resolutions put to the Ordinary Shareholders' General Meeting)

The terms of office of Aldo Cardoso, Paul Desmarais III, Marion Guillou, Colin Hall and Martina Merz are due to expire at the close of the present Shareholders' General Meeting. Furthermore, Odile Desforges has confirmed her decision to step down from her duties on the Board of Directors at the close of the present Shareholders' General Meeting.

At its meeting held on February 12, 2020 and having considered the opinion given by the Appointments Committee, the Board of Directors:

- took note of the decision made by Martina Merz and Marion Guillou not to seek the renewal of their term of office, and Odile Desforges to step down from her duties at the close of the present Shareholders' General Meeting;
- decided to submit for approval at the Shareholders' General Meeting on May 4, 2020:
  - the renewal for a term of three years, *i.e.* until the Shareholders' General Meeting held in 2023 to approve the financial statements for the year ending December 31, 2022, the directorships of Aldo Cardoso, Paul Desmarais III and Colin Hall (**thirteenth to fifteenth resolutions**),
  - **the appointment of** Annette Messemer and Véronique Saubot as new directors (**sixteenth and seventeenth resolutions**) for a term of three years, *i.e.* until the Shareholders' General Meeting held in 2023 to approve the financial statements for the year ending December 31, 2022,
  - the ratification of Patrick Kron as a director, after he was appointed by the Board of Directors on June 25, 2019 for the remainder of the term of office of his predecessor, Gilles Michel, *i.e.* until the Shareholders' General Meeting held in 2021 to approve the financial statements for the year ending December 31, 2020 (**twelfth resolution**).

Details of the careers of the directors put forward for re-appointment or ratification are published in chapter 4, paragraph 4.1.2 of the Universal Registration Document.

Furthermore, in accordance with article R. 225-83, 5° of the French Commercial Code, the details of the careers of Annette Messemer and Véronique Saubot who have been put forward for appointment are also published in chapter 4, paragraph 4.1.2 of the Universal Registration Document.

In accordance with the principles applied by the Company to determine the independent status of its directors, and after assessing their individual situations, based on the recommendations of the Appointments Committee, the Board of Directors recognized the independent status of Patrick Kron, Aldo Cardoso, Marie-Françoise Walbaum, Annette Messemer and Véronique Saubot, but not Paul Desmarais III and Colin Hall (for further details, see chapter 4, paragraph 4.1.1 of the Universal Registration Document).

At the close of the Shareholders' General Meeting of May 4, 2020 and subject to approval of the above proposals, the Board of Directors will be made up of the following 12 people:

Expiration of term of office	Name	Independent
2020	Eliane Augelet-Petit, employee representative director Eric d'Ortona, employee representative director	N/A N/A
2021	Patrick Kron Ulysses Kyriacopoulos Marie-Françoise Walbaum	Yes No Yes
2022	Ian Gallienne Lucile Ribot	No Yes
2023	Aldo Cardoso Paul Desmarais III Colin Hall Annette Messemer Véronique Saubot	Yes No No Yes Yes

Laurent Raets is also a non-voting observer on the Board.

7. SHARE BUY-BACK PROGRAM

(One resolution put to the Ordinary Shareholders' General Meeting)

The authorization to buy back the Company's shares, granted to the Board of Directors for an 18-month period by the Ordinary and Extraordinary Shareholders' General Meeting of May 10, 2019 will expire on November 9, 2020. Shareholders are therefore asked to renew the authorization in accordance with the provisions of articles L. 225-209 *et seq.* of the French Commercial Code, articles 241-1 to 241-7 of the AMF's General Regulations and Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse (**eighteenth resolution**).

For further details about the way in which the Company implemented its share buy-back programs in 2019, see chapter 7, paragraph 7.3.4 of the Universal Registration Document.

This authorization enables the Board of Directors to purchase a maximum of 10% of Company shares outstanding at January 1, 2020 (*i.e.* 7,950,045 shares) mainly for the purpose of:

- canceling the shares at a later date to reduce the Company's share capital, in accordance with the authorization granted to the Board of Directors by the twenty-second resolution of the Shareholders' Meeting held on May 10, 2019;
- covering stock option plans and/or free share grants, as well as any shares granted under employee share ownership plans set up by the Company (or assimilated plans), or with respect to profit-sharing programs for current employees, former employees and/or corporate officers of the Company and/or any related companies as defined by articles L. 225-180, L. 225-197-2 and L. 233-16 of the French Commercial Code, within the current legal framework or *ad hoc* plans set up by the Company;
- granting or exchanging shares purchased, in particular, on exercise of rights or issue of shares or securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company;
- maintaining the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity agreement in accordance with a code of conduct recognized by the AMF; and
- more generally, operating for any other purpose that is or may come to be authorized by law, and/or implementing any market practice that may come to be authorized by the AMF.

The number of shares that may be held, directly or indirectly at any time, may not exceed 10% of the Company's share capital. Finally, the purchase price may not exceed €85 per share, representing a maximum total investment of €675.6 million.

Shares may be purchased by any means, including block transfers and with the use of derivatives, at any time except during a public offer for the Company's shares.

Details of this new program, drawn up in accordance with the provisions of articles 241-1 to 241-7 of AMF's General Regulations, will be available on the Company's website (www.imerys.com – Finance – Publications & Regulated Information) prior to the Shareholders' General Meeting of May 4, 2020. A copy of this information can also be obtained on request from the Company's headquarters.

8. FINANCIAL AUTHORIZATIONS

(Five resolutions put to the Extraordinary Shareholders' General Meeting)

The Board of Directors has been granted a number of financial authorizations, renewed most recently at the Ordinary and Extraordinary Shareholders' Meeting held on May 10, 2019, which enable it to increase the Company's capital by issuing shares, debt securities or securities carrying rights to shares of the Company, either immediately or at a later date, with or without preferential subscription rights, or by capitalizing retained earnings, profits, additional paid-in capital or any other means (the table summarizing the delegations and financial authorizations currently in force is published in chapter 7, paragraph 7.3.3 of the Universal Registration Document).

As in previous years, these financial authorizations are designed to give the Board of Directors the greatest scope and flexibility to decide the most effective and appropriate way of issuing shares to drive growth for the Company and the Group that are also the best suited to market conditions and the economic context at that time.

In light of recent regulatory changes regarding certain financial delegations of authority already in place, shareholders are asked to renew these authorizations for the sole purpose of reflecting said regulatory changes. The new delegations and authorizations will expire on July 9, 2021 to align them with the other financial authorizations and delegations of authority. They will supersede those previously granted by the Ordinary and Extraordinary Shareholders' Meeting held on May 10, 2019, which will then cease to be valid.

Furthermore, the Board of Directors cannot exercise these delegations and authorizations during a public offer for the Company's shares without prior approval from the Shareholders' General Meeting.

Issue of shares or securities carrying rights to shares without preferential subscription rights

The **nineteenth resolution** proposes to renew the delegation of authority granted to the Board of Directors to issue ordinary shares or any other securities without preferential subscription rights open to the public, excluding the offers referred to in article L. 411-2 1° of the French Monetary and Financial Code and provided for in the twentieth resolution. The possibility to carry out such issues enables the Company to attract a wider pool of investors both in France and overseas as well as reduce the time it takes to implement share issues, making them easier to carry out. The Board of Directors may grant shareholders a priority subscription period, set up in accordance with the legal requirements in force.

The Board of Directors proposes to maintain the ceiling for capital increases of this kind at €15 million (representing approximately 9.4% of the Company's share capital at December 31, 2019). The amount would constitute a sub-ceiling in which all issues without preferential subscription rights would be included.

The total par value of debt securities that may be issued under the present delegation may not exceed €1 billion. The amount is included in the overall ceiling for issues of debt securities set in the **twenty-third resolution**.

The subscription price for shares that may be issued under this delegation is set by the Board of Directors in accordance with the provisions of articles L. 225-136 1° and R. 225-119 of the French Commercial Code. The price must be equal to at least the weighted average of the Imerys share price from the last three trading days preceeding the issue date, which may be discounted by a maximum of 10%.

The **nineteenth resolution** proposes that ordinary shares or securities carrying rights to shares may be issued in consideration for securities tendered to the Company as part of a public share exchange offer that meets the conditions stipulated by article L. 225-148 of the French Commercial Code.

Share capital increases granted to qualified institutional buyers or a limited number of investors

Shareholders are asked to approve in the **twentieth resolution** the renewal of the delegation granted to the Board of Directors to carry out share capital increases by issuing shares or securities carrying rights to shares of the Company to qualified institutional buyers or a limited number of investors. These capital increases would entail a waiver of shareholders' preferential subscription rights in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1 of the French Monetary and Financial Code (*Code monétaire et financier*), offering the Company greater flexibility and faster access to the market. The Board of Directors proposes to set the overall ceiling for capital increases that may be carried out under the present delegation at 10% of the Company's share capital at the date of issue. This amount is included in the total ceiling of €15 million for any capital increases carried out without preferential subscription rights. The subscription price for shares that may be issued under the present delegation is set in accordance with the provisions of article R. 225-119 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%. The present delegation would make it possible to offer financial partners in particular the option of buying shares in the Company by reducing implementation time, and therefore offering faster access to the market.

Issue ceilings

The overall ceiling applicable to increases of the Company's share capital that may result from using the delegations and authorizations granted by the nineteenth and twentieth resolutions is set at €75 million, representing approximately 47% of capital at December 31, 2019 (**twenty-first resolution**). Furthermore, shareholders are reminded that the capital increases carried out without preferential subscription rights under the nineteenth and twentieth resolutions are included in a separate ceiling set in the nineteenth resolution of €15 million, representing approximately 9.4% of capital at December 31, 2019. Where necessary, the ceilings are increased by the par value of shares to be issued due to adjustments required to maintain the rights of bearers of securities or other shares carrying rights to shares that may exist at the date at which the issue in question is carried out.

The maximum par value of debt securities that may be issued under authorizations to issue securities carrying rights, immediately or at a later date, to a proportion of share capital granted by the **nineteenth and twentieth resolutions** remains at €1 billion.

9. SPECIFIC AUTHORIZATIONS GRANTED TO EMPLOYEES AND/OR CORPORATE OFFICERS OF THE GROUP

(Two resolutions put to the Extraordinary Shareholders' General Meeting)

Shareholders are asked to renew the authorizations previously granted to the Board of Directors by the Ordinary and Extraordinary Shareholders' Meeting of May 3, 2017 and May 4, 2018 to issue stock options (**twenty-second resolution**) and free share grants (**twenty-third resolution**) to employees and/or corporate officers of the Group in order to retain and closely tie them to its development (the policy and detail of stock option and free share grants agreed by the Board of Directors under existing authorizations is published in chapter 7, paragraph 7.3.5.4 of Universal Registration Document).

The terms and conditions attached to these new authorizations, which are similar to those existing, are as follows:

- In the event of a stock option grant, the subscription price would be equal to the average opening price for the Imerys share from the twenty trading days preceding the issue date, which therefore precludes the Board from applying a discount.
- In the event of a stock purchase plan, the purchase price would be equal to average price at which the Company purchased its treasury shares under articles L. 225-208 and L. 225-209 of the French Commercial Code, which therefore precludes the Board from applying a discount.
- Stock option grants, stock purchase plans and free share grants may be subject to fulfilling one or several performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers.
- The total number of shares to which stock options or purchase plans carry rights, as well as the total number of performance shares awarded to executive corporate officers under these authorizations may not exceed 0.5% of the share capital at the date at which the Board of Directors issue the plans.

Furthermore, in the event of a free share grant, the minimum vesting and lock-up periods will be set in accordance with the regulations in force at the issue date.

The total number of shares awarded through stock options, purchase plans or free share grants may not exceed the overall ceiling of 3% of the Company's share capital. At its meeting of April 25, 2013 and based on the recommendations made by the Appointments and Compensation committees, the Board of Directors reviewed its policy and decided to award free shares subject to the fulfillment of quantitative objectives within a given timeframe (called "performance shares"), with the exception of any stock options with which they had previously been combined.

Shareholders are asked to grant the Board of Directors the authorization to award stock options and free shares of the Company for a period of 38 months from the date of the present Shareholders' General Meeting (**twenty-second resolution**).

Shareholders are also asked to grant the Board of Directors the authorization to award performance shares to employees and/or executive corporate officers of the Group (**twenty-third resolution**). This authorization will supersede the previous one approved by the Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2018. The terms and conditions attached to this new authorization, which is identical to the existing one, are as follows:

- Free share grants may be subject to fulfilling one or several performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers.
- The total number of performance shares awarded to executive corporate officers under this authorization may not exceed 0.5% of the share capital at the date at which the Board of Directors issue the grant.
- Shares that currently exist or will be issued under this authorization cannot represent more than 3% of the Company's share capital at the date the Board decides to award the shares.
- The aforementioned ceilings of 0.5% and 3% both come within those set for stock option and free share grants.
- The minimum vesting period would be set at (i) one year, following which the shares remain subject to a further lock-up period of one year, or (ii) two years, following which no lock-up period would apply. The Board of Directors has the choice between these two options and may use them alternatively or concurrently. The Board also has the possibility of extending the vesting and/or lock-up periods in scenario (i) or extend the vesting period and/or introduce a lock-up period in scenario (ii).

10. CAPITAL INCREASES RESERVED FOR MEMBERS OF A COMPANY OR GROUP SAVINGS PLAN

(One resolution put to the Extraordinary Shareholders' General Meeting)

As the present Shareholders' General Meeting has been asked to approve the renewal of a number of delegations and financial authorizations granted to the Board of Directors that may lead to increases on one or several occasions in the Company's capital, shareholders are asked under the **twenty-fourth resolution** to renew the delegation of authority previously granted by the Shareholders General Meeting dated May 10th, 2019 to the Board of Directors for a period expiring on July 9, 2021 to carry out capital increases reserved for employees and/or corporate officers who are members of a Company or Group savings plan. Subject to shareholders' approval, the present delegation will supersede the previous one, which would cease to be valid.

11. AMENDMENT TO THE COMPANY'S BY-LAWS

(One resolution put to the Extraordinary Shareholders' General Meeting)

The **twenty-fifth resolution** seeks to amend, supplement or remove certain provisions in the Company's by-laws regarding the composition, powers or workings of the Board of Directors, related party agreements (*conventions réglementées*) or the organization of Shareholders' Meetings, primarily in order to reflect changes to laws and regulations in force and to improve legibility.

Shareholders are therefore asked to approve the new language of articles 4, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 29 presented hereinafter, and more generally, the by-laws as a whole. Amendments appear in bold.

Article 4 - REGISTERED OFFICE

The language currently used in article 4 reflects the legal rule in force before the introduction of France's Sapin II Act (No. 2016-1691 of December 9, 2016), which limited the competence of the Board of Directors to transfer the Company's registered office to within the same or neighboring *département*. The provisions of article L. 225-36 of the French Commercial Code introduced by the Sapin II Act stipulate the Board of Directors may now transfer the registered office to anywhere within France, subject to the decision being ratified at the next Ordinary General Meeting of the Shareholders. In order to be able to apply these new provisions, the following amendments will be made to paragraph 2 of article 4:

*"It may be transferred to any other place in **France** by decision of the Board of Directors, subject to ratification by the next Ordinary General Meeting of the Shareholders, and anywhere else pursuant to a decision by an Extraordinary General Meeting of the Shareholders."*

All other paragraphs in article 4 remain unchanged.

Article 12 - COMPOSITION OF THE BOARD OF DIRECTORS

The language of article 12 as it currently stands stipulates that the Board of Directors must include an employee representative director when the number of directors appointed by the Shareholders' General Meeting is below or equal to 12 and that it must include two employee representative directors when the number of directors appointed by the Shareholders' General Meeting exceeds 12. Furthermore, the article stipulates that the first employee representative director will be appointed by the European Works Council and the second by the France Group Committee.

In order to comply with the provisions of article L. 225-27-1 of the French Commercial Code, as amended by the French law No. 2019-486 of May 22, 2019, the following amendments will be made to paragraphs 2 and 4 of article 12 of the Company's by-laws:

*"In accordance with legal provisions, the Board of Directors shall also comprise one (1) Director representing employees who is designated by the **France Group Committee**. When the number of Directors appointed by the Shareholders' General Meeting is higher than **eight (8)**, a second Director representing employees shall be designated by the **European Works Council**.*

(...)

*In the event that the number of Directors appointed by the Shareholders' General Meeting falls to **eight (8)** or fewer, the second Director representing employees shall remain in office until his/her term expires."*

All other paragraphs in article 12 remain unchanged.

Article 14 - ORGANIZATION OF THE BOARD OF DIRECTORS

The official Order 2017-1162 of July 12, 2017 introduced an obligation for the Board of Directors of French Public Limited Companies to prepare a corporate governance report. This report replaces the report prepared by the Chairman of the Board that was previously only required for listed companies.

In order to reflect the regulations in force, the third and fourth sentences of paragraph 3 of article 14 of the Company's by-laws, which are now obsolete given the Chairman's report is no longer required, will be removed.

All other paragraphs in article 14 remain unchanged.

Article 15 - WORKINGS OF THE BOARD OF DIRECTORS

In order to simplify the workings of the Board of Directors, the following amendments will be made to article 15 of the Company's by-laws in order to authorize the Board, after taking into account opinions submitted in writing, to take decisions for which such advice is permitted in application of the new provisions of article L. 225-37 paragraph 3 of the French Commercial Code introduced by the French law No. 2019-744 of July 19, 2019.

Consequently, article 15 will be supplemented with a new paragraph that reads as follows:

"The decisions that fall within the responsibility of the Board of Directors, as stipulated by article L. 225-24 of the French Commercial Code (provisional appointment of directors), the last paragraph of article L. 225-35 of the French Commercial Code (authorization of endorsements, sureties and guarantees given by the Company), the second paragraph of article L. 225-36 of the French Commercial Code (necessary amendments to the Company's by-laws to ensure compliance with legal and regulatory provisions) and the first paragraph of article L. 225-103 of the French Commercial Code (notice of meeting sent to shareholders prior to the General Meeting), as well as the decision to relocate the registered office within the same département, can also be taken by the Chairman, Secretary of the Board or one of the Vice-Chairmen of the Board of Directors, after taking into account the opinions submitted by directors in writing. The terms of gathering the written opinions of directors are set out in the Internal Charter of the Board of Directors."

Article 16 - POWERS OF THE BOARD OF DIRECTORS

In accordance with legal provisions, the following amendments will be made to the first paragraph:

"The Board of Directors lays down the orientations of the Company's business and ensures that they are implemented in accordance with its corporate interest and taking into account the social and environmental impact of its business."

In order to comply with legal provisions regarding oversight of executive pay, in particular with respect to say on pay, the following amendments will be made to the sixth paragraph:

"The Board determines, in accordance with the law, the compensation and allowances, whether fixed, proportional or both, of the Chairman of the Board of Directors and of any person temporarily delegated to the duties of the Chairman, Chief Executive Officer, or of any Delegate Chief Executive Officers, of any other officers or persons with an assignment or who are part of the Committees provided for in the previous paragraph, all of which shall be charged to general expenses, subject to compliance with legal provisions."

All other paragraphs in article 16 remain unchanged.

Article 17 - COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS

In order to ensure the change in terminology used to refer to executive pay (previously known as attendance fees) is reflected in the Company's by-laws and complies with the legal provisions regarding the oversight of executive pay, in particular with respect to say on pay, the following amendments will be made to article 17:

*"The Directors shall receive as remuneration for their activity a fixed and/or proportional sum as **executive pay**, the maximum **annual** amount of which shall be determined by the General Meeting of the Shareholders and shall be maintained until a decision to the contrary is made.*

The Board shall distribute the amount among its members in accordance with the law.

In particular, the Board may allocate a greater share to the Directors that are members of the Committees.

It may also allocate exceptional remunerations, in accordance with the law, for any assignments or offices given to Directors. Such remunerations shall be subject to the legal provisions relating to agreements subject to the prior authorization of the Board of Directors."

Article 18 - GENERAL MANAGEMENT

In order to comply with legal provisions regarding the appointment of Delegate Chief Executive Officer and the oversight of executive pay, in particular with respect to say on pay, the following amendments will be made to:

- the sixth paragraph:

"In accordance with the law, on the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, with the title of Delegate Chief Executive Officer. The maximum number of Delegate Chief Executive Officers is set at five (5)."

- the tenth paragraph:

"The Board of Directors shall determine the remuneration of the Chief Executive Officer and of the Delegate Chief Executive Officers in accordance with the law. Such remuneration may be fixed and/or proportional."

All other paragraphs in article 18 remain unchanged.

Article 19 - RELATED PARTY AND PROHIBITED AGREEMENTS

In order to reflect in the Company's by-laws the legal provisions in force regarding related party agreements (conventions réglementées), the following amendments will be made to article 19:

"Any agreement, whether direct or via an intermediary, between the Company and its Chief Executive Officer, any of its Delegate Chief Executive Officers, any of its Directors, any of its shareholders with a share of voting rights greater than

the threshold provided by the regulations in force or, in the case of a shareholding company, the company controlling it in the sense of article L. 233-3 of the French Code of Commerce, shall be subject to the prior authorization of the Board of Directors.

The same applies to agreements in which any of the above-mentioned persons is involved.

Agreements between the Company and another company are also subject to the prior authorization of the Board of Directors, if the Chief Executive Officer, one of the Delegate Chief Executive Officers or one of the Directors of the Company is an owner, partner with unlimited liability, manager, director or member of the Supervisory Board or, in general, runs such company.

The person in question shall inform the Board as soon as he or she becomes aware of an agreement that requires authorization. He or she may not take part in **either deliberations or the** vote on the requested authorization.

Prior authorization of the Board of Directors is justified on the basis of the interest of the agreement for the Company, namely by specifying the related financial conditions.

In accordance with applicable regulations, the Company will publish information regarding the agreements subject to prior authorization by the Board of Directors on its website no later than the conclusion of the agreement.

The Chairman of the Board of Directors shall notify the Statutory Auditors of all agreements authorized **and concluded** and shall submit such agreements to the approval of the General Meeting of the Shareholders.

Statutory Auditors shall present a special report on such agreements to the General Meeting of the Shareholders, which will vote on the report.

The person directly or indirectly concerned by the agreement cannot take part in the vote. His or her shares are not taken into account in the calculation of the majority.

The agreements concluded and authorized in previous financial years that remain effective in the last financial year will be examined every year by the Board of Directors and communicated to the Statutory Auditors in order to establish their report.

Under penalty of making the contract null and void, the Directors other than legal entities are prohibited from taking out borrowings in any form whatsoever with the Company, having the Company grant them an overdraft, a current or other account, or having the Company guarantee or stand surety with third parties for their commitments.

The same prohibition applies to the Chief Executive Officer, to the Delegate Chief Executive Officers and to the permanent representative of the legal entity Directors. It also applies to the spouses, ancestors and descendants of the above-mentioned persons, and to any intermediary."

Article 20 - STATUTORY AUDITORS

In order to reflect in the provisions of article L. 823-17 of the French Code of Commerce, the following correction will be made to the language of the final paragraph of article 20 of the Company by-laws with respect to convening Statutory Auditors to the meetings of the Board of Directors:

"The Statutory Auditors shall be convened to those meetings of the Board of Directors which **review or vote on the **annual or interim** financial statements, and to all General Meetings of the Shareholders."**

All other paragraphs in article 20 remain unchanged.

Article 21 - EFFECT OF DECISIONS – CALLING OF MEETINGS – ATTENDANCE

In order to reflect that the works council was replaced by the social and economic council, the following amendments will be made to paragraph 4 of the section "Calling of meetings":

"General Meetings shall be called by the Board of Directors and shall be held at the registered office or any other place indicated in the notice of meeting. Failing that, they may also be called:

- **by the Statutory Auditors under the conditions set forth by the applicable regulations;**
- **by a representative appointed by the courts following an application by any interested party or the **social and economic council** if the matter is urgent, or by one or more shareholders representing the percentage of capital required by the applicable regulations, or by any group of shareholders which complies with the conditions provided by law."**

All other paragraphs in article 21 remain unchanged.

Article 22 - ORGANIZATION OF GENERAL MEETINGS

In order to reflect the legal provisions applicable to the double voting right, the following amendments will be made to paragraph 5:

"The double voting right shall automatically cease for any share that is registered as a bearer share or transferred and shall only be regained when the new owner has registered said share in a registered account in his, her or its own name for at least two (2) years. Nevertheless, such period shall not be interrupted and any rights acquired shall be retained when a registered share is transferred and retains the registered form following an intestate or testate succession, a division of the marital community of property, or an inter vivos donation in favor of a spouse or a relative entitled to inherit. **The same applies in the event of a transfer following a merger or a split of a shareholder company."**

All other paragraphs in article 22 remain unchanged.

Article 23 - POWERS

For the sake of consistency with the amendments proposed above for articles 14 and 17, the following amendments will be made to article 23:

*"The Annual Ordinary General Meeting of the Shareholders shall take note of the corporate and consolidated financial statements, the management report for the Company and the Group, **the corporate governance report prepared by the Board of Directors**, the general and special reports by the Statutory Auditors on the corporate financial statements, and their report on the consolidated financial statements.*

The General Meeting shall discuss, approve, correct or reject the corporate financial statements and fix the dividend to be distributed and the profits or losses to be carried forward.

It shall decide whether to create any reserve funds.

It shall fix the amounts to be withdrawn from them and rule on the distribution thereof.

*It shall determine the amount of **total maximum annual amount of executive pay to be distributed among the members of the Board**.*

It shall appoint, replace, re-elect or remove from office the members of the Board of Directors and shall ratify their provisional appointments by the Board of Directors.

It shall deliberate on any issues which do not fall within the exclusive scope of the Extraordinary General Meeting of the Shareholders."

Article 29 - FINANCIAL DOCUMENTS

For the sake of consistency with the amendments proposed above for articles 14 and 23, the following amendments will be made to paragraph 1 of article 29:

*"At the close of each financial year, the Board of Directors shall draw up the corporate accounts, the management report **and the corporate governance report**. It shall also examine the consolidated financial statements and the Group management report, in accordance with the law."*

All other paragraphs in article 29 remain unchanged.

All other provisions included in the Company's by-laws, in particular with respect to the Company name, purpose, registered office and share capital, remain unchanged.

12. POWERS

One resolution put to the Ordinary Shareholders' General Meeting)

As in previous years, the **twenty-sixth resolution** grants all necessary powers to carry out legal formalities arising from the Shareholders' General Meeting.

DRAFTS OF RESOLUTIONS PROPOSED BY THE BOARD OF DIRECTORS

ORDINARY PART

FIRST RESOLUTION

Approval of the Company's management and statutory financial statements for the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' report on the annual financial statements, the shareholders approve the financial statements for the year ended December 31, 2019 as presented, as well as the transactions reflected in them and referred to in the reports.

SECOND RESOLUTION

Approval of the consolidated financial statements for the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' report on the Group's consolidated financial statements, the shareholders approve the consolidated financial statements for the year ended December 31, 2019 as presented, as well as the transactions reflected in them and referred to in the reports.

THIRD RESOLUTION

Appropriation of profit and setting the dividend with respect to the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Management Report prepared by the Board of Directors, the shareholders:

acknowledge that the Company registered profit in 2019 of:	€139,509,137.76
plus retained earnings of:	€299,534,101.54
representing a total distributable amount of:	€439,043,239.30
and therefore, decide to award a dividend of €1.72 in respect of 2019 to each of the 79,500,457 shares that made up the share capital at December 31, 2019, representing a total payout of:	€136,740,786.04
and allocate the balance to retained earnings which now amount to:	€302,302,453.26

The shareholders decide that the total dividend payout shall be adjusted to take into account the number of shares issued due to stock options that have been exercised since January 1, 2020 and are eligible for the 2019 dividend at the date of payment. The amount allocated to retained earnings will be determined on the basis of the total actual dividend payout. Furthermore, if the Company holds any treasury shares on the date at which the dividend is paid, the dividend corresponding to these shares will not be paid and will be allocated to retained earnings.

In accordance with article 243 *bis* of the French Tax Code (*Code général des impôts*), individual shareholders domiciled for tax purposes in France may benefit from a 40% tax allowance, as stipulated in article 158-3-2° of the French Tax Code, subject to the taxpayer opting to be taxed according to the standard progressive income tax bands set out in article 200-A-2 of said Code.

The shareholders acknowledge that the dividend paid with respect to the previous three financial years were as follows:

Financial year ending	Dec. 31, 2018	Dec. 31, 2017	Dec. 31, 2016
Net dividend per share	€2.15	€2.075	€1.87
Number of shares carrying dividend rights	79,083,935	79,313,151	79,265,238
Total net payout	€170 M	€164.6 M	€148.2 M

FOURTH RESOLUTION

Option for the payment of the dividend with respect to the year ended December 31, 2019 in cash and/or in shares

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Management Report prepared by the Board of Directors and having acknowledged the share capital is fully paid up, the shareholders decide, in accordance with articles L. 232-18 *et seq.* of the French Commercial Code and article 30 of the Company's by-laws, to offer all shareholders the option of choosing whether to receive payment for the dividend approved in the third resolution either (i) in cash for the full amount, (ii) in additional shares in the Company for the full amount or (iii) partially in cash and partially in additional shares in the Company, depending on the choice made in accordance with the conditions described below.

Shareholders that choose for the alternative payment option for all or part of the dividend will receive new shares issued at a price equal to 95% of the average opening market price for the Imerys share traded on Euronext Paris over the last 20 trading days prior to the date of the present Shareholders' General Meeting, minus the net amount of the dividend approved in the third resolution rounded up to the nearest euro cent.

New shares will rank *pari passu* with existing shares from the date they are issued and therefore may be traded freely with immediate effect.

Shareholders must decide whether to receive the dividend payment in cash or in new shares between May 12, 2020 and June 8, 2020 inclusive, and inform the financial intermediaries authorized to pay the dividend or, for holders of shares in pure registered form, the account holder of the Company CACEIS Corporate Trust – Service Assemblées Générales – 14, rue Rouget de Lisle – 92862 ISSY-LES-MOULINEAUX Cedex 9, France. Any shareholder who has not made their choice known to receive payment for all or part of the dividend in shares within this period will receive the full dividend payment in cash.

If the amount of the dividend does not correspond to a whole number in the equivalent of shares, shareholders will receive the amount of shares rounded down to the nearest whole number and the remaining balance in cash paid by the Company.

The dividend will be payable from June 12, 2020. Shareholders who opt for the alternative payment option for all or part of the dividend will receive their shares on this same date.

The Shareholders' General Meeting grants full powers to the Board of Directors, which may in turn delegate responsibility in accordance with the law, to arrange for payment of the dividend in additional shares in accordance with the provisions stipulated in the present resolution, fix the terms and conditions for application and execution and in particular set the issue price for shares issued in accordance with the provisions stipulated above, allocate the costs of the capital increase, take note of the number of additional shares issues under the present resolution and make any necessary changes to the Company's by-laws regarding share capital and the number of shares that make up the capital, take all measures to successfully complete the operation, and more generally, do anything appropriate or required.

FIFTH RESOLUTION

Statutory Auditors' special report governed by article L. 225-40 of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report prepared in accordance with the provisions of article L. 225-40 of the French Commercial Code, the shareholders approve the special report and all the items covered therein.

SIXTH RESOLUTION

Approval of the policy on compensation awarded to executive corporate officers

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code describing the elements required in a policy on executive pay, the shareholders approve the policy on compensation awarded to executive corporate officers of the Company, as detailed in chapter 4, section 4.3 of the Company's 2019 Universal Registration Document, in accordance with the provisions of article L. 225-37-2-II of said Code.

SEVENTH RESOLUTION

Approval of the policy on compensation awarded to members of the Board of Directors

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code describing the elements required in a policy on executive pay, the shareholders approve the policy on compensation awarded to members of the Company's Board of Directors, as detailed in chapter 4, section 4.3 of the Company's 2019 Universal Registration Document, in accordance with the provisions of article L. 225-37-2-II of said Code.

EIGHTH RESOLUTION

Approval of the information provided regarding the compensation awarded to corporate officers in accordance with article L. 225-37-3 I. of the French Commercial Code

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve all the information presented in article L. 225-37-3 I. of the French Commercial Code, as detailed in chapter 4, section 4.3 of the Company's 2019 Universal Registration Document, in accordance with the provisions of article L. 225-100 II of said Code.

NINTH RESOLUTION

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Conrad Keijzer in the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Conrad Keijzer with respect to the financial year ended December 31, 2019, as out in chapter 4, paragraph 4.3.3 and chapter 8, paragraph 8.1.5 of the Company's 2019 Universal Registration Document, in accordance with the provisions of article L. 225-100 III of said Code.

TENTH RESOLUTION

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Gilles Michel in the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Gilles Michel with respect to the financial year ended December 31, 2019, as out in chapter 4, paragraph 4.3.3 and chapter 8, paragraph 8.1.5 of the Company's 2019 Universal Registration Document, in accordance with the provisions of article L. 225-100 III of said Code.

ELEVENTH RESOLUTION

Approval of the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Patrick Kron in the year ended December 31, 2019

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Corporate Governance Report governed by article L. 225-37 of the French Commercial Code, the shareholders approve the fixed, variable and exceptional components of the total compensation and benefits paid or granted to Patrick Kron with respect to the financial year ended December 31, 2019, as out in chapter 4, paragraph 4.3.3 and chapter 8, paragraph 8.1.5 of the Company's Universal Registration Document, in accordance with the provisions of article L. 225-100 III of said Code.

TWELFTH RESOLUTION

Ratification of the appointment of Patrick Kron as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Management Report prepared by the Board of Directors, the shareholders ratify the appointment of Patrick Kron as a director of the Company, as decided by the Board of Directors at its meeting held on June 25, 2019, for the remaining duration of the term of his predecessor, Gilles Michel, who stepped down from his duties, which will expire at the close of the Shareholders' General Meeting to be held in 2021 to approve the financial statements for the year ending December 31, 2020.

THIRTEENTH RESOLUTION

Re-appointment of Aldo Cardoso as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Management Report prepared by the Board of Directors and acknowledged that the directorship of Aldo Cardoso expires at the close of the present Shareholders' General Meeting, the shareholders decide to reappoint Aldo Cardoso as a director for a term expiring at the close of the Shareholders' General Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022, in accordance with statutory provisions.

FOURTEENTH RESOLUTION

Re-appointment of Paul Desmarais III as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Management Report prepared by the Board of Directors and acknowledged that the directorship of Paul Desmarais III expires at the close of the present Shareholders' General Meeting, the shareholders decide to reappoint Paul Desmarais III as a director for a term expiring at the close of the Shareholders' General Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022, in accordance with statutory provisions.

FIFTEENTH RESOLUTION

Re-appointment of Colin Hall as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Management Report prepared by the Board of Directors and acknowledged that the directorship of Colin Hall expires at the close of the present Shareholders' General Meeting, the shareholders decide to reappoint Colin Hall as a director for a term expiring at the close of the Shareholders' General Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022, in accordance with statutory provisions.

SIXTEENTH RESOLUTION

Appointment of Annette Messemer as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Management Report prepared by the Board of Directors, the shareholders decide to appoint Annette Messemer as a director of the Company for the first time, for a term expiring at the close of the Shareholders' General Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022, in accordance with statutory provisions.

SEVENTEENTH RESOLUTION

Appointment of Véronique Saubot as a director

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings and having considered the Management Report prepared by the Board of Directors, the shareholders decide to appoint Véronique Saubot as a director of the Company for the first time, for a term expiring at the close of the Shareholders' General Meeting to be held in 2023 to approve the financial statements for the year ending December 31, 2022, in accordance with statutory provisions.

EIGHTEENTH RESOLUTION

Purchase by the Company of its own shares

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, having considered the Management Report prepared by the Board of Directors and in accordance with the provisions of articles L. 225-209 *et seq.* of the French Commercial Code, articles 241-1 to 241-7 of the AMF's General Regulations and Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse, the shareholders:

1. authorize the Board of Directors, or any representative duly empowered in accordance with the law, to purchase the Company's shares in order to:
  - cancel them at a later date to reduce the Company's share capital, subject to approval of authorization granted to the Board of Directors by the Shareholders' General Meeting of May 10, 2019 in the twenty-second resolution,
  - cover stock option plans and/or free share grants, as well as any shares granted under shareholding plans set up by the Company (or assimilated plans), or with respect to profit-sharing programs for current employees, former employees and/or corporate officers of the Company and/or any related companies as defined by articles L. 225-180 and L. 233-16 of the French Commercial Code, within the current legal framework or *ad hoc* plans set up by the Company,
  - grant or exchange shares purchased, in particular, following the exercise of rights or issue of shares or securities redeemable, convertible, exchangeable or otherwise exercisable for shares of the Company,
  - maintain the liquidity of the market through an investment services firm acting in the name and on behalf of the Company, under a liquidity agreement in accordance with a code of conduct recognized by the AMF, and
  - more generally, operate for any other purpose that is or may come to be authorized by law, and/or implement any market practice that may come to be authorized by the AMF.

Shares may be purchased, sold, transferred or exchanged at any time, except during a public offer for the Company's shares, in accordance with applicable regulations, on the market or over the counter and by any means, including through block transfers and with the use or exercise of any financial instrument or derivative;

2. set the following limits within which the Board of Directors may use the present authorization:
  - The number of shares that may be purchased may not exceed 10% of the total number of shares issued and outstanding at January 1, 2020, *i.e.* 7,950,045 shares.
  - The number of shares the Company may hold, whether directly or indirectly at any time, may not exceed 10% of the Company's share capital.
  - The price at which shares are purchased may not exceed €85.
  - Consequently, the Company's total investment in share buy-backs may not exceed €675.6 million;
3. decide that, if the par value of shares changes, the capital is increased by capitalizing reserves or granting free shares, or in the event of a stock split or reverse stock split, the aforementioned maximum investment available for share buy-backs and the maximum number of shares able to be repurchased will be adjusted by the ratio between the number of shares that made up the capital before the operation and the number after the operation;
4. set the term of this authorization at 18 months from the date of the present Shareholders' General Meeting, which renders null and void the unused portion of any authorizations previously granted to the Board of Directors regarding share buy-backs;
5. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement this authorization and, in particular, place any and all buy and sell orders, sign any and all sale, exchange or transfer agreements, file any statements with the AMF or any other organization, carry out all other formalities, and generally do everything necessary to use this authorization.

EXTRAORDINARY PART

NINETEENTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares, immediately or at a later date, without preferential subscription rights open to the public, excluding the offers referred to in article L. 411-2 1° of the French Monetary and Financial Code and provided for in the twentieth resolution

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of articles L. 225-129-2, L. 225-135, L. 225-136, and L. 228-91 *et seq.* of the French Commercial Code, the shareholders:

1. delegate authority to the Board of Directors to increase the Company's share capital, on one or more occasions, on the market in France and/or overseas, in euros or any other currency, by issuing to the public ordinary shares and/or any securities or debt securities carrying rights of any kind to ordinary shares of the Company to be issued, immediately or at a later date (at any time or at a set date), or in accordance with article L. 228-93 of the French Commercial Code any company that directly or indirectly holds over half of its capital or in which it directly or indirectly holds over half of the capital in securities that are redeemable, convertible, exchangeable or otherwise exercisable for shares. These securities may be denominated in foreign currencies or any monetary unit determined by reference to a basket of several currencies. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide to set the ceiling for issues carried out by the Board of Directors under the present delegation of authority as follows:
  - the total par value of ordinary shares that may be issued, directly or in consideration for securities, under the present delegation may not exceed €15 million, *i.e.* approximately 9.4% of the Company's capital at December 31, 2019. The amount constitutes a sub-ceiling in which all issues without preferential subscription rights would be included. The par value of shares issued under the present delegation is included in the overall ceiling for capital increases set in paragraph 1 of the twenty-first resolution and is increased where necessary by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, in accordance with any applicable legal and contractual provisions,
  - the total par value of debt securities that may be issued under the present delegation and carry rights immediately or at a later date to shares of the Company may not exceed €1 billion or the equivalent value on the date at which the decision is made to carry out the issue. The par value of such issues is included in the overall ceiling for issues of debt securities set in paragraph 2 of the twenty-first resolution;
3. decide to cancel the shareholders' preferential subscription rights to shares issued under the present resolution while maintaining the Board of Directors' authority to grant shareholders a priority subscription period, in accordance with article L. 225-135 of the French Commercial Code, that does not give rise to tradable rights, which must be applied in proportion to the number of shares owned by each shareholder. Applicable to all or part of the issue, this period may last as long and be applied in any way agreed by the Board of Directors;
4. note that the present delegation requires shareholders to waive their preferential subscription rights to shares of the Company to which securities issued under the present delegation may carry rights;
5. decide that:
  - the issue price for ordinary shares issued under the present delegation is set by the Board of Directors in accordance with the provisions of articles L. 225-136 1° and R. 225-119 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%,
  - the issue price for securities carrying rights to shares of the Company is set at a price equal to the amount immediately received plus, where applicable, the amount that may be received at a later date, meaning for each ordinary share of the Company issued as a result of the securities issue, the price must be at least equal to that required by the previous paragraph after taking into account any difference in price at the cum-rights date;
6. decide that the Board of Directors may, within the limit of the total issue amount authorized in paragraph 2 above, issue ordinary shares and/or securities carrying rights immediately or at a later date to existing or future shares of the Company, in consideration for securities tendered to the Company as part of a public share exchange offer that meets the conditions stipulated by article L. 225-148 of the French Commercial Code;
7. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
  - set the conditions of the issue(s) and in particular the type and characteristics of the securities to be created, decide the dates at which to open and close the subscription period, acknowledge any resulting increase in capital and make any changes to the by-laws,
  - set the number and type of shares in consideration, the terms and conditions of the issue, the exchange ratio as well as any balance to be paid in cash for shares issued in consideration for securities tendered to the Company as part of a public share exchange offer,
  - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
  - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, where required,
  - delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors,
  - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
8. decide that the Board of Directors may not use the present delegation of authority during a public offer for the Company's shares without prior approval from the shareholders;
9. grant the present delegation from the date of the present Shareholders' General Meeting until July 9, 2021, which supersedes any previous delegation granted for the same purpose.

TWENTIETH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares, immediately or at a later date, without preferential subscription rights, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1-II of the French Monetary and Financial Code

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of articles L. 225-129-2, L. 225-135, L. 225-136, and L. 228-91 *et seq.* of the French Commercial Code and article L. 411-2-1 of the French Monetary and Financial Code, the shareholders:

1. delegate authority to the Board of Directors to increase the Company's share capital, on one or more occasions, in favor of qualified institutional buyers or a limited number of investors as defined by article L. 411-2-1 of the French Monetary and Financial Code, in France or overseas, of ordinary shares and/or any securities or debt securities carrying rights of any kind to ordinary shares of the Company to be issued, immediately or at a later date (at any time or at a set date) that are redeemable, convertible, exchangeable or otherwise exercisable for shares. These securities may be denominated in foreign currencies or any monetary unit determined by reference to a basket of several currencies. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide to set the ceiling for issues carried out by the Board of Directors under the present delegation of authority as follows:
  - the total par value of shares that may be issued, directly or in consideration for securities, under the present delegation may not exceed 10% of the Company's capital at the date of issue. The par value of such issues is included in the specific ceiling for capital increases set in paragraph 2 of the nineteenth resolution above and is increased, where necessary, by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, in accordance with any applicable legal and contractual provisions,
  - the total par value of debt securities that may be issued under the present delegation and carry rights immediately or at a later date to shares of the Company may not exceed €1 billion or the equivalent value on the date at which the decision is made to carry out the issue. The par value of such issues is included in the overall ceiling for issues of debt securities set in paragraph 2 of the twenty-first resolution;
3. decide to cancel the shareholders' preferential subscription rights to shares issued under the present resolution;
4. note that the present delegation requires shareholders to waive their preferential subscription rights to shares of the Company to which securities issued under the present delegation may carry rights;
5. decide that:
  - the issue price for ordinary shares issued under the present delegation is set by the Board of Directors in accordance with the provisions of articles L. 225-136 1° and R. 225-119 of the French Commercial Code. The price must be equal to at least the weighted average Imerys share price from the last three trading days preceding the issue date, which may be discounted by a maximum of 10%,
  - the issue price for securities carrying rights to shares of the Company is set at a price equal to the amount immediately received plus, where applicable, the amount that may be received at a later date, meaning for each ordinary share of the Company issued as a result of the securities issue, the price must be at least equal to that required by the previous paragraph after taking into account any difference in price at the cum-rights date;
6. decide to grant the Board of Directors, within the aforementioned limits, the necessary powers to:
  - set the conditions of the issue(s) and in particular the type and characteristics of the securities to be created, decide the dates at which to open and close the subscription period, acknowledge any resulting increase in capital and make any changes to the by-laws,
  - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
  - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, where required,
  - delegate to the Chief Executive Officer, or to one or several Deputy Chief Executive Officers with the approval of the Chief Executive Officer, all necessary powers to carry out or postpone capital increases within the limits and conditions previously agreed by the Board of Directors,and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
7. decide that the Board of Directors may not use the present delegation of authority during a public offer for the Company's shares without prior approval from the shareholders;
8. grant the present delegation from the date of the present Shareholders' General Meeting until July 9, 2021, which supersedes any previous delegation granted for the same purpose.

TWENTY-FIRST RESOLUTION

Overall ceiling for the par value of share capital increases and issues of debt securities resulting from the aforementioned delegations and authorizations

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered the Management Report prepared by the Board of Directors, the shareholders decide to set:

1. at €75 million the maximum par value of capital increases that may be carried out immediately or at a later date under the delegations and authorizations granted in the nineteenth and twentieth resolutions of the present Shareholders' General Meeting and the thirteenth, sixteenth, eighteenth and nineteenth resolutions by the Shareholders' General Meeting of May 10, 2019. This ceiling is increased, where necessary, by the additional par value of shares to be issued in order to maintain the rights of bearers of securities or other shares carrying rights to shares, in accordance with any applicable legal and contractual provisions;
2. at €1 billion, or the equivalent value on the date at which the decision is made to carry out the issue, the maximum par value of debt securities that may be issued under the delegations and authorizations to issue securities carrying rights, immediately or at a later date, to a proportion of share capital granted by the nineteenth and twentieth resolutions of the present Shareholders' General Meeting and the thirteenth, sixteenth, eighteenth and nineteenth resolutions by the Shareholders' General Meeting of May 10, 2019.

TWENTY-SECOND RESOLUTION

Authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, stock options or purchase plans for Company shares

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of articles L. 225-177 and L. 225-186 of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to award on one or more occasions, as it deems appropriate, employees and corporate officers of the Company and, where applicable, any company or related economic interest grouping in accordance with the conditions stipulated by article L. 225-180 of the French Commercial Code, or certain categories among them, options carrying subscription rights to new shares or rights to purchase existing shares of the Company;
2. acknowledge that, in accordance with the provisions of article L. 225-178 of the French Commercial Code, the present authorization requires shareholders to waive their preferential subscription rights to the shares that will be issued as and when stock options are exercised, in favor of the beneficiaries of these options;
3. decide that the number of options that may be granted under the present authorization may not carry rights to subscribe or acquire a total number of shares that exceeds 3% of the Company's share capital at the date the Board decides to award the shares. This ceiling covers both the present resolution and the twenty-third resolution set out below. The amount at which the ceiling is fixed does not take into account the number of shares to be issued, where necessary, in order to maintain the rights of bearers of securities or other shares carrying rights to shares, in accordance with any applicable legal and contractual provisions;
4. decide that the number of options that may be awarded to executive corporate officers under the present authorization may not carry rights to subscribe or acquire a total number of shares that exceeds 0.5% of the Company's share capital at the date the Board decides to award the shares. This sub-ceiling covers both the present resolution and the twenty-third resolution set out below;
5. decide that the price at which beneficiaries may subscribe to or purchase shares will be set by the Board of Directors on the grant date, within the limits of and in accordance with the law, noting that:
  - in the event of a stock option grant, the subscription price would be equal to the average opening price for the Imerys share from the twenty trading days preceding the issue date,
  - in the event of a stock purchase plan, the purchase price would be equal to average price at which the Company purchased its treasury shares under articles L. 225-208 and L. 225-209 of the French Commercial Code,
  - exceptionally, a discount could be applied, where necessary, to the subscription or purchase price of options granted as part of operations conducted by the Company that are intended to promote employee share ownership, in accordance with the terms and conditions set out in law;
6. decide that stock option grants, stock purchase plans and free share grants, with the exception of those awarded as part of employee share ownership plans set up by the Company, may be subject to fulfilling one or several quantitative performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers;
7. set the term at 10 years from the date of the option grant, during which period the options must be exercised;
8. decide that no stock options may be granted within twenty trading days of the ex-dividend date or the date at which preferential subscription rights or a capital increase come into effect;
9. agree that shares issued as a result of exercising stock options granted under the present resolution must have been acquired by the Company, either under article L. 225-208 of the French Commercial Code, as part of a share buy-back program authorized by the eighteenth resolution submitted for approval at the present Shareholders' General Meeting under article L. 225-209 of the French Commercial Code or any other share buy-back program put in place before or after the adoption of the present resolution;
10. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement the present authorization and, in particular, to:
  - set the date at which options will be granted,
  - set the terms and conditions of option grants and agree the list of beneficiaries as set out above,
  - set the term within which options must be exercised, taking into account the maximum term of options as set above,
  - provide for the option to temporarily suspend the possibility of exercising options for a maximum three-month period in the event of the completion of financial transactions carrying rights to shares,

- lay down the terms and conditions under which the price and number of shares that can be subscribed or purchased may be adjusted when such adjustments are prohibited by legal and regulatory provisions in force, in particular the various situations provided for in articles R. 225-137 to R. 225-142 of the French Commercial Code,
  - allocate the cost of capital increases to related premiums, in particular regarding expenses, fees and rights resulting from such increases and deduct from the premiums any amount required to bring the legal reserve up to 10% of share capital after each increase, at the Board's own discretion and if it deems it to be appropriate,
  - acknowledge the capital increase(s) carried out under the present authorization, amend the Company's by-laws accordingly and conduct or oversee all formalities required to make such capital increases definitive,
  - and more generally, do anything required;
11. grant the present authorization for a period of 38 months from the date of the present Shareholders' General Meeting, which supersedes the unused portion of any previous authorization granted for the same purpose.

TWENTY-THIRD RESOLUTION

Authorization granted to the Board of Directors to award employees and corporate officers of the Company and its subsidiaries, or certain categories among them, free shares in the Company

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of article L. 225-197-1 *et seq.* of the French Commercial Code, the shareholders:

1. authorize the Board of Directors to conduct on one or more occasions, as it deems appropriate, employees and corporate officers of the Company and, where applicable, any company or related economic interest grouping in accordance with the conditions stipulated by article L. 225-197-2 of the French Commercial Code, or certain categories among them, free grants of existing or future shares of the Company;
2. decide that the existing or future shares of the Company granted under the present authorization may not exceed 3% of the Company's capital at the grant date set by the Board. This ceiling covers both the present resolution and the twenty-second resolution set out above. The amount at which the ceiling is fixed does not take into account the number of shares to be issued, where necessary, in order to maintain the rights of bearers of securities or other shares carrying rights to shares, in accordance with any applicable legal and contractual provisions;
3. decide that the existing or future shares that may be awarded to executive corporate officers under the present authorization may not exceed 0.5% of the Company's share capital at the date the Board decides to award the shares. This sub-ceiling covers both the present resolution and the twenty-second resolution set out above;
4. decide that free share grants, with the exception of those awarded as part of employee share ownership plans set up by the Company, may be subject to fulfilling one or several quantitative performance criteria set by the Board of Directors at the issue date. Performance criteria will always apply for any grants awarded to the Group's executive corporate officers;
5. decide that beneficiaries will definitively acquire the shares following (i) a minimum vesting period of one year, following which the shares remain subject to a further lock-up period of one year, or (ii) a minimum vesting period of two years, following which no lock-up period would apply. The Board of Directors has the choice between these two options and may use them alternatively or concurrently. The Board also has the possibility of extending the vesting and/or lock-up periods in scenario (i) or extend the vesting period and/or introduce a lock-up period in scenario (ii);
6. take note that, in the event new free shares are issued, the present resolution requires shareholders to waive their preferential subscription rights to such free shares in favor of the beneficiaries and the portion to be allocated to capitalizing retained earnings, profits, and issue premiums as part of the grant;
7. agree that existing shares granted under the present resolution must have been acquired by the Company, either under article L. 225-208 of the French Commercial Code, as part of a share buy-back program authorized by the eighteenth resolution submitted for approval at the present Shareholders' General Meeting under article L. 225-209 of the French Commercial Code or any other share buy-back program put in place before or after the adoption of the present resolution;
8. grant full powers to the Board of Directors, or any representative duly empowered in accordance with the law, to implement the present authorization and, in particular, to:
  - determine the categories of beneficiaries eligible for such grants, as well as the conditions, especially, where applicable, the quantitative performance criteria to which the free share grants are subject,
  - set the vesting and lock-up periods, where applicable, in line with the aforementioned minimum periods set out above and as required by regulations in force. It is up to the Board of Directors to decide whether or not the shares granted to executive corporate officers, as defined by article L. 225-197-1, II paragraph 4 of the French Commercial Code, can be sold by the beneficiaries before they leave the Company, as well as the number of shares they are required to hold in registered form until they leave the Company,
  - set and agree the conditions under which the shares may be issued under the present authorization,
  - adjust, where necessary, the number of shares relating to any potential operations on the Company's capital during the vesting period in order to maintain the rights of beneficiaries,
  - acknowledge, where applicable, the capital increase(s) carried out under the present authorization, amend the Company's by-laws accordingly and conduct or under all formalities required to make such capital increases definitive,
  - and more generally do anything required;
9. grant the present authorization for a period of 38 months from the date of the present Shareholders' General Meeting, which supersedes the unused portion of any previous authorization granted for the same purpose.

TWENTY-FOURTH RESOLUTION

Delegation of authority granted to the Board of Directors to increase the share capital by issuing shares or securities carrying rights to shares of the Company reserved for members of a Company or Group savings plan without pre-emptive subscription rights

Deliberating in accordance with the rules of quorum and majority applicable to extraordinary shareholders' general meetings, having considered both the Management Report prepared by the Board of Directors and the Statutory Auditors' special report and in accordance with the provisions of articles L. 3332-1 et seq. of the French Labor Code (Code du travail) regarding employee savings schemes and articles L. 225-129-2 to L. 225-129-6 and L. 225-138-1 of the French Commercial Code, the shareholders:

1. grant authority to the Board of Directors to increase the Company's capital, on one or several occasions, by issuing ordinary shares and/or any securities carrying rights of any kind to shares of the Company, immediately or at a later date, reserved for members of a company or group savings plan set up by the Company and/or companies or groups of entities based in France or overseas related to it within the meaning of article L. 225-180 of the French Commercial Code and article L. 3344-1 of the French Labor Code, and which meet any conditions that may be set by the Board of Directors. The amounts and timing of such issues will be determined at the Board's discretion;
2. decide that the nominal amount of capital increases that may be carried out under the present delegation may not exceed €1.6 million, i.e. approximately 1% of the Company's capital at December 31, 2019. The ceiling is separate and distinct from the overall ceiling for capital increases set in the twenty-first resolution of the present Shareholders' General Meeting and is increased where necessary by the nominal amount of shares to be issued in order to maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, in accordance with any applicable legal and contractual provisions;
3. decide that the subscription price for shares issued under the present delegation may not be less than the average share price from the last 20 trading days preceding the date at which the Board of Directors sets the opening date for subscriptions, minus any maximum discount authorized by law at the date of the Board of Directors' decision;
4. decide to cancel the shareholders' pre-emptive subscription rights to shares issued to the aforementioned beneficiaries;
5. grant full powers to the Board of Directors, with possible sub-delegation in accordance with the law, to implement the present delegation and, in particular, to:
  - identify the companies whose employees and corporate officers are eligible to subscribe to issues under the present delegation,
  - set the conditions, in particular length of service, beneficiaries must meet to be eligible to subscribe,
  - set the conditions of the issue(s), acknowledge any resulting increase in capital and make any changes to the by-laws,
  - set the opening and closing subscription dates, the price, the cum-rights date for shares issued and the conditions under which shares shall be paid up,
  - decide whether subscriptions may be made directly and/or indirectly through a mutual fund,
  - set the terms and conditions for joining company or group savings plans, draw up and modify the rules for existing plans if necessary,
  - allocate the cost of capital increases to the related premiums on its own initiative and withhold from this amount the necessary funds to bring the legal reserve to 10% of the share capital after each capital increase,
  - carry out all necessary adjustments in accordance with any applicable legal and contractual provisions and set the conditions under which they will maintain the rights of bearers of securities or other shares carrying rights to shares of the Company, where required,
  - and, more generally, take all necessary measures, conclude any agreements, carry out all other formalities and do everything necessary to successfully complete the planned issues;
6. grant the present delegation as from the date hereof and until July 9, 2021 which supersedes any previous delegation granted for the same purpose.

TWENTY-FIFTH RESOLUTION

Amendments to the Company's by-laws

Deliberating in accordance with the rules of quorum and majority applicable to Extraordinary General Meetings and having considered both the Management Report prepared by the Board of Directors, the shareholders approve the amendments to the Company's by-laws regarding the composition, powers and workings of the Board of Directors, related party agreements (*conventions réglementées*) and the organization of Shareholders' Meetings. Consequently, shareholders fully approve the new language of articles 4, 12, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 and 29 as follows.

Article 4 REGISTERED OFFICE

The following amendments have been made to paragraph 2:

*"It may be transferred to any other place in **France** by decision of the Board of Directors, subject to ratification by the next Ordinary General Meeting of the Shareholders, and anywhere else pursuant to a decision by an Extraordinary General Meeting of the Shareholders."*

All other paragraphs in article 4 remain unchanged.

Article 12 COMPOSITION OF THE BOARD OF DIRECTORS

The following amendments have been made to paragraphs 2 and 4:

*"In accordance with legal provisions, the Board of Directors shall also comprise one (1) Director representing employees who is designated by the **France Group Committee**. When the number of Directors appointed by the Shareholders' General Meeting is higher than **eight (8)**, a second Director representing employees shall be designated by the **European Works Council**.*

(...)

*In the event that the number of Directors appointed by the Shareholders' General Meeting falls to **eight (8) or fewer**, the second Director representing employees shall remain in office until his/her term expires."*

All other paragraphs in article 12 remain unchanged.

Article 14 ORGANIZATION OF THE BOARD OF DIRECTORS

The third and fourth sentences of paragraph 3, article 14 of the Company's by-laws have been removed.

All other paragraphs in article 14 remain unchanged.

Article 15 OPERATIONS OF THE BOARD OF DIRECTORS

Article 15 will be supplemented with a new paragraph that reads as follows:

"The decisions that fall within the responsibility of the Board of Directors, as stipulated by article L. 225-24 of the French Commercial Code (provisional appointment of directors), the last paragraph of article L. 225-35 of the French Commercial Code (authorization of endorsements, sureties and guarantees given by the Company), the second paragraph of article L. 225-36 of the French Commercial Code (necessary amendments to the Company's by-laws to ensure compliance with legal and regulatory provisions) and the first paragraph of article L. 225-103 of the French Commercial Code (notice of meeting sent to shareholders prior to the General Meeting), as well as the decision to relocate the registered office within the same département, can also be taken by the Chairman, Secretary of the Board or one of the Vice-Chairmen of the Board of Directors, after taking into account the opinions submitted by directors in writing. The terms of gathering the written opinions of directors are set out in the Internal Charter of the Board of Directors."

Article 16 POWERS OF THE BOARD OF DIRECTORS

The following amendments have been made to paragraph 1:

*"The Board of Directors lays down the orientations of the Company's business and ensures that they are implemented **in accordance with its corporate interest and taking into account the social and environmental impact of its business**."*

The following amendments have been made to paragraph 6:

*"The Board determines, **in accordance with the law**, the compensation and allowances, whether fixed, proportional or both, of the Chairman of the Board of Directors and of any person temporarily delegated to the duties of the Chairman, Chief Executive Officer, or of any Delegate Chief Executive Officers, of any other officers or persons with an assignment or who are part of the Committees provided for in the previous paragraph, all of which shall be charged to general expenses, subject to compliance with legal provisions."*

All other paragraphs in article 16 remain unchanged.

Article 17 COMPENSATION OF MEMBERS OF THE BOARD OF DIRECTORS

The following amendments have been made to article 17:

*"The Directors shall receive as remuneration for their activity a fixed and/or proportional sum as **executive pay**, the maximum **annual** amount of which shall be determined by the General Meeting of the Shareholders and shall be maintained until a decision to the contrary is made.*

The Board shall distribute the amount among its members in accordance with the law.

In particular, the Board may allocate a greater share to the Directors that are members of the Committees.

*It may also allocate exceptional remunerations, **in accordance with the law**, for any assignments or offices given to Directors. Such remunerations shall be subject to the legal provisions relating to agreements subject to the prior authorization of the Board of Directors."*

Article 18 GENERAL MANAGEMENT

The following amendments have been made to paragraph 6:

*"**In accordance with the law**, on the proposal of the Chief Executive Officer, the Board of Directors may appoint one or more natural persons to assist the Chief Executive Officer, with the title of Delegate Chief Executive Officer. The maximum number of Delegate Chief Executive Officers is set at five (5)."*

The following amendments have been made to paragraph 10:

*"The Board of Directors shall determine the remuneration of the Chief Executive Officer and of the Delegate Chief Executive Officers **in accordance with the law**. Such remuneration may be fixed and/or proportional."*

All other paragraphs in article 18 remain unchanged.

Article 19 RELATED PARTY AND PROHIBITED AGREEMENTS

The following amendments have been made to article 19:

"Any agreement, whether direct or via an intermediary, between the Company and its Chief Executive Officer, any of its Delegate Chief Executive Officers, any of its Directors, any of its shareholders with a share of voting rights greater than the threshold provided by the regulations in force or, in the case of a shareholding company, the company controlling it in the sense of article L. 233-3 of the French Code of Commerce, shall be subject to the prior authorization of the Board of Directors.

The same applies to agreements in which any of the above-mentioned persons is involved.

Agreements between the Company and another company are also subject to the prior authorization of the Board of Directors, if the Chief Executive Officer, one of the Delegate Chief Executive Officers or one of the Directors of the Company is an owner, partner with unlimited liability, manager, director or member of the Supervisory Board or, in general, runs such company.

*The person in question shall inform the Board as soon as he or she becomes aware of an agreement that requires authorization. He or she may not take part in **either deliberations or the** vote on the requested authorization.*

Prior authorization of the Board of Directors is justified on the basis of the interest of the agreement for the Company, namely by specifying the related financial conditions.

In accordance with applicable regulations, the Company will publish information regarding the agreements subject to prior authorization by the Board of Directors on its website no later than the conclusion of the agreement.

*The Chairman of the Board of Directors shall notify the Statutory Auditors of all agreements authorized **and concluded** and shall submit such agreements to the approval of the General Meeting of the Shareholders.*

Statutory Auditors shall present a special report on such agreements to the General Meeting of the Shareholders, which will vote on the report.

The person directly or indirectly concerned by the agreement cannot take part in the vote. His or her shares are not taken into account in the calculation of the majority.

The agreements concluded and authorized in previous financial years that remain effective in the last financial year will be examined every year by the Board of Directors and communicated to the Statutory Auditors in order to establish their report.

Under penalty of making the contract null and void, the Directors other than legal entities are prohibited from taking out borrowings in any form whatsoever with the Company, having the Company grant them an overdraft, a current or other account, or having the Company guarantee or stand surety with third parties for their commitments.

The same prohibition applies to the Chief Executive Officer, to the Delegate Chief Executive Officers and to the permanent representative of the legal entity Directors. It also applies to the spouses, ancestors and descendants of the above-mentioned persons, and to any intermediary."

Article 20 STATUTORY AUDITORS

The following amendments have been made to last paragraph:

"The Statutory Auditors shall be convened to those meetings of the Board of Directors which **review or vote on the **annual or interim** financial statements, and to all General Meetings of the Shareholders."**

The remainder of article 20 remains unchanged.

Article 21 EFFECT OF DECISIONS – CALLING OF MEETINGS – ATTENDANCE

The following amendments have been made to paragraph 4 under "Calling of meetings":

"General Meetings shall be called by the Board of Directors and shall be held at the registered office or any other place indicated in the notice of meeting. Failing that, they may also be called:

- **by the Statutory Auditors under the conditions set forth by the applicable regulations;**
- **by a representative appointed by the courts following an application by any interested party or the **social and economic council** if the matter is urgent, or by one or more shareholders representing the percentage of capital required by the applicable regulations, or by any group of shareholders which complies with the conditions provided by law."**

The remainder of article 21 remains unchanged.

Article 22 ORGANIZATION OF GENERAL MEETINGS

The following addition has been made to paragraph 5:

"The double voting right shall automatically cease for any share that is registered as a bearer share or transferred and shall only be regained when the new owner has registered said share in a registered account in his, her or its own name for at least two (2) years. Nevertheless, such period shall not be interrupted and any rights acquired shall be retained when a registered share is transferred and retains the registered form following an intestate or testate succession, a division of the marital community of property, or an inter vivos donation in favor of a spouse or a relative entitled to inherit. **The same applies in the event of a transfer following a merger or a split of a shareholder company."**

The remainder of article 21 remains unchanged.

Article 23 POWERS

The following amendments have been made to article 23:

"The Annual Ordinary General Meeting of the Shareholders shall take note of the corporate and consolidated financial statements, the management report for the Company and the Group, **the corporate governance report prepared by the Board of Directors, the general and special reports by the Statutory Auditors on the corporate financial statements, and their report on the consolidated financial statements.**

The General Meeting shall discuss, approve, correct or reject the corporate financial statements and fix the dividend to be distributed and the profits or losses to be carried forward.

It shall decide whether to create any reserve funds.

It shall fix the amounts to be withdrawn from them and rule on the distribution thereof.

It shall determine the amount of **total maximum annual amount of executive pay to be distributed among the members of the Board.**

It shall appoint, replace, re-elect or remove from office the members of the Board of Directors and shall ratify their provisional appointments by the Board of Directors.

It shall deliberate on any issues which do not fall within the exclusive scope of the Extraordinary General Meeting of the Shareholders."

Article 29 FINANCIAL DOCUMENTS

The following amendments have been made to first paragraph:

*"At the close of each financial year, the Board of Directors shall draw up the corporate accounts, the management report **and the corporate governance report**. It shall also examine the consolidated financial statements and the Group management report, in accordance with the law."*

All other paragraphs in article 29 remain unchanged.

Shareholders acknowledge that all other provisions included in the Company's by-laws, in particular with respect to the Company name, purpose, registered office and share capital, remain unchanged.

TWENTY-SIXTH RESOLUTION

Powers

Deliberating in accordance with the rules of quorum and majority applicable to Ordinary General Meetings, the shareholders give full powers to the bearer of an extract or copy of the minutes of the present Shareholders' General Meeting to carry out any and all filing and publication formalities.

IMERYS IN 2019: BRIEF OVERVIEW

Consolidated results (€ millions)	2018	2019 pre IFRS 16	Change (%)	2019 post IFRS 16	Change (%)
Revenue	4,590.0	4,354.5	-5.1%	4,354.5	-5.1%
Organic growth	+3.4%	-3.8%	-	-3.8%	-
Current EBITDA ¹	793.2	675.7	-14.8%	764.6	-3.6%
Current EBITDA margin	17.3%	15.5% ²	-180 bps	17.6%	+30 bps
Current operating income	562.1	433.6	-22.9%	438.8	-21.9%
Current operating margin	12.2%	10.0%	-220 bps	10.1%	-210 bps
Operating income	(89.4)	229.9	N/A	228.5	N/A
Net income from current operations, Group share	356.8	278.3	-22.0% ³	276.9	-22.4%
Net income, Group share	559.6	127.5	-77.2%	121.2	-78.3%
Net current free operating cash flow	285.8	315.3	+10.3%	347.9	+21.7%
Net financial debt	1,297.4	1,419.5	+9.4%	1,685.0	+29.9%
Net income from current operations per share ⁴	€4.50	€3.52	-21.9%	€3.50	-22.3%

HIGHLIGHTS

A simplified, more efficient customer-focused organization

The new organization announced in December 2018 is now implemented throughout the entire Group. With fewer management layers, it is more market-oriented and helps to respond more effectively to customer needs. The new organization leverages the benefits of a broad portfolio of mineral specialties and expands opportunities to cross-sell several complementary mineral products. It is supplemented with an operational excellence program. The simplified organization is made up of two segments, grouping five business areas built around the Group's core markets.

- The Performance Minerals segment brings together three geographic business areas – Europe, Middle East and Africa (EMEA), Americas and Asia-Pacific (APAC) – serving the plastics, paints & coatings, filtration, ceramics, renewable energy and paper & board markets.
- The High Temperature Materials & Solutions segment regroups two business areas: High Temperature Solutions, and Refractory, Abrasives & Construction serving the refractory, foundry, iron & steel, abrasives and building chemistry markets.

In addition, product innovation was decentralized to each of these five business areas to ensure it is more effectively oriented toward customer needs in the markets supplied. Technical support teams were also expanded as a result. In order to maximize economies of scale, the Group has put in place specialized support departments, deploying shared service centers, in particular in finance and human resources. Furthermore, centralizing purchasing activities will enable the Group to improve efficiency by significantly reducing the number of suppliers and negotiating payment terms.

The new organization will enable Imerys to achieve its full organic growth potential and further improve its competitive position to boost sustained value creation.

¹ "Current" income is defined in the section 5.5 of the present Universal Registration Document.

² Target to improve Current EBITDA margin by 200 basis points by 2022 compared with the 2018 margin of 17.3%, under normal market conditions, as announced at the Capital Markets Day held on June 13, 2019.

³ In line with the forecast issued by the Group on October 22, 2019, communicating an expected decline in net income from current operations, Group share, for the full year of approximately -20% vs. 2018, -7% due to the deconsolidation of the North American talc subsidiaries from the scope of consolidation and the closure of the Willsboro plant in the first half of the year.

⁴ Weighted average number of outstanding shares: 79,089,697 in 2019 compared with 79,238,417 in 2018.

Alessandro Dazza, new Chief Executive Officer at Imerys since February 17, 2020

On October 21, 2019, the Imerys Board of Directors asked its Chairman, Patrick Kron, to take over the role of Chief Executive Officer on an interim basis. On December 17, 2019, based on the proposal of the Appointments Committee, the Board of Directors decided to:

- once again separate the offices of Chairman of the Board of Directors and Chief Executive Officer;
- appoint Alessandro Dazza to the position of Chief Executive Officer;
- ask Patrick Kron to continue his role as Chairman of the Board of Directors.

These decisions came into effect on February 17, 2020, the date at which Alessandro Dazza joined Imerys.

A leaner and renewed Board of Directors

At its meeting on February 12, 2020, Imerys' Board of Directors also agreed the draft resolutions that will be submitted for approval by the Shareholders' General Meeting on May 4, 2020. These draft resolutions include, in particular, the nomination of two new Board Directors, Mrs Annette Messemer and Véronique Saubot, following the departure of Mrs Odile Desforges, and the non-renewal of the terms of offices of Mrs. Marion Guillou and Martina Merz. The Board of Directors would consequently be reduced from 12 to 10 members (plus two directors representing the employees).

Continued discussion as part of the U.S. talc litigation

The North American talc subsidiaries, which were deconsolidated on February 13, 2019 (with a negative impact on revenue and current operating income in 2019 of €126.1 million and €19.1 million, respectively), are now working to permanently resolve all talc-related litigation in the region under the legal protection of Chapter 11. They have entered into negotiation with the representatives of existing and future claimants over the business continuity plan, the approval of which by the competent jurisdiction will settle past talc-related liabilities in the U.S.

DETAILED COMMENTS ON THE 2019 ANNUAL RESULTS

Revenue

Unaudited quarterly data (€ millions)	2018	2019	Change	Organic growth	Volumes	Price mix
First quarter	1,129.6	1,124.0	-0.5%	-0.9%	-3.6%	+2.7%
Second quarter	1,180.9	1,139.4	-3.5%	-2.0%	-4.8%	+2.7%
Third quarter	1,153.9	1,081.4	-6.3%	-5.1%	-6.9%	+1.7%
Fourth quarter	1,125.6	1,009.7	-10.3%	-7.3%	-9.0%	+1.7%
Total	4,590.0	4,354.5	-5.1%	-3.8%	-6.1%	+2.2%

In 2019, **revenue** fell 3.8% year on year at constant scope and exchange rates. Market conditions, especially in the automotive, industrial equipment and steel markets in Europe, as well as the paper industry in the U.S. in particular, considerably deteriorated throughout the year, causing Group sales volumes to decrease -6.1% (€277.8 million). In this context, Imerys maintained a positive +2.2% price mix (+€102.7 million).

Revenue also included a positive currency effect of +€96.9 million, primarily as a result of the rise of the U.S. dollar to euro exchange rate. The scope effect was negative in 2019, representing -€157.3 million (-3.4%), the majority of which (-€126.1 million) was due to the deconsolidation of the North American talc subsidiaries after they filed for the protection of the "U.S. Chapter 11" legal procedure on February 13, 2019. The balance (-€31.2 million) corresponds to the disposal of non-core assets.

Revenue by geographical area (€ millions)	2019 Revenue	2019 (%)	2018 (%)	Change
Europe, Middle East and Africa (EMEA)	2,108.5	48%	49%	-5.4%
Americas	1,265.3	29%	30%	-8.3%
Asia-Pacific (APAC)	980.7	23%	21%	+0.1%
Total	4,354.5	100.0%	100.0%	-5.1%

Current operating income

Unaudited quarterly data (€ millions)	2018	2019 post IFRS 16	Change
First quarter	129.6	109.6	-15.4%
Operating margin	11.5%	9.8%	-170 bps
Second quarter	154.2	135.5	-12.1%
Operating margin	13.1%	11.9%	-120 bps
Third quarter	140.9	113.0	-19.8%
Operating margin	12.2%	10.5%	-170 bps
Fourth quarter	137.5	80.6	-41.4%
Operating margin	12.2%	8.0%	-420 bps
Full year	562.1	438.8	-21.9%
Operating margin	12.2%	10.1%	-210 bps

The year-on-year fall in **current operating income** recognized in 2019 was due to the impact of reduced volumes (-€144.5 million), which the positive price mix and savings achieved only partially offset. The positive price mix, which corresponded to +€100.3 million, continued to easily cover the -€77.8 million rise the Group absorbed in variable costs, almost half of which in raw materials, and to a lesser extent, energy and transportation costs.

The +€31.3 million saving in fixed costs and overheads, net of inflation, came from the following areas:

- +€28.0 million in savings translating the initial gains of implementing the Group's transformation plan (streamlined workforce and optimized purchasing processes), in line with the €100 million target by 2022 announced on the Capital Markets Day held on June 13, 2019.
- +€28.5 million in cost reductions generated by industrial measures intended to adapt the Group's cost structure to the challenging market conditions currently prevailing.
- +€11.9 million in savings resulting from the positive impact of decisions taken last year in ceramic proppants and operations in Namibia.

The savings more than compensate the -€27.0 million increase in fixed costs and overheads due to an estimated inflation and the rise in depreciation and amortization (a -€10.2 million outflow after taking into account the +€5.2 million improvement recognized in relation to IFRS 16).

The drop in current operating income also includes the effect of the deconsolidation of the North American talc subsidiaries (-€19.1 million) and the closure of the wollastonite plant in Willsboro, U.S., in the first half of the year (-€13.7 million). The currency effect was positive at +€21.3 million. IFRS 16 also had a positive impact of +€5.2 million on current operating income in 2019.

In a context of considerably reduced sales volumes, **current operating margin** slipped to 10.1% for 2019 as a whole, compared with 12.2% in 2018.

Net income from current operations

Net income from current operations, Group share, totaled €276.9 million, down -22.4% on 2018, but in line with the forecast communicated by the Group in October 2019 (down -22.0% before taking into account IFRS 16). Net financial income rose to -€43.7 million in 2019, up +€16.5 million year on year, after the €56 million private placement denominated in Japanese yen that was due to mature in 2033 was fully repaid in March 2019. The income tax expense of -€113.8 million corresponds to an effective tax rate of 28.8%, compared with 28.9% in 2018.

Net income from current operations, Group share, per share shrunk -22.3% to €3.50.

Net income

Other income and expenses, after tax, came out as an overall expense of -€155.7 million in 2019, including:

- -€84.4 million in costs to implement the transformation program;
- -€46.3 million in depreciation and amortization of non-core assets;
- -€25.0 million in restructuring costs and other exceptional items. These include in particular -€7.4 million due to the deconsolidation of the North American talc subsidiaries and -€6.4 million for the temporary closure of the plant in Willsboro, U.S.

Consequently, **net income, Group share** totaled €121.2 million in 2019. As a reminder, net income, Group share, of €559.6 million in 2018 was due to the impact of the capital gain coming from the disposal of the Roofing activity.

Net current free operating cash flow

(€ millions)

	2018	2019 pre IFRS 16	2019 post IFRS 16
Current EBITDA	793.2	675.7	764.6
Change in operating working capital requirement (WCR)	(25.3)	48.4	52.1
Notional tax on current operating income	(162.6)	(125.3)	(126.4)
Other	13.5	8.3	8.3
Net current operating cash flow (before capital expenditure)	618.8	607.0	698.6
Capital expenditure	(333.0)	(291.7)	(291.7)
Right-of-use assets	-	-	(59.0)
Net current free operating cash flow	285.8	315.3	347.9

After taking into account IFRS 16, Imerys generated solid **net current free operating cash flow** of +€347.9 million in 2019, up +21.7%, through careful management in a context of limited growth. This figure included:

- €291.7 million in industrial capital expenditure (representing 6.7% of revenue), down -€41.3 million year on year;
- significant improvement in the operating working capital requirement (up +€52.1 million) compared to last year, in particular through better inventory management.

Furthermore, the decrease in net financial debt compared with 2018 (-€109.4 million post IFRS 16) takes into account the following main expenses:

- -€203.8 million in dividends paid in May 2019 and shares bought back;
- -€75.4 million in other non-recurring income and expenses;
- -€68.3 million in acquisitions and disposals, of which:
  - -€43.1 million in acquisitions;
  - -€25.8 million from the deconsolidation of the cash of the North American talc subsidiaries.

(€ millions)

	2018	2019 pre IFRS 16	2019 post IFRS 16
Net current free operating cash flow	285.8	315.3	347.9
Acquisitions and disposals	873.1	(70.9)	(68.3)
Dividend	(167.8)	(172.7)	(172.7)
Change in equity	2.4	(31.1)	(31.1)
Change in non-operating working capital requirement (WCR) ⁵	47.6	(78.1)	(77.1)
Other non-recurring income and expenses	(72.8)	(75.4)	(75.4)
Debt servicing costs	(32.0)	(17.5)	(24.5)
Exchange rates and other	12.7	8.4	(8.2)
Change in net financial debt	949.0	(122.1)	(109.4)

FINANCIAL STRUCTURE

(€ millions)

	2018	2019 pre IFRS 16	2019 post IFRS 16
Net financial debt at January 1	2,246.4	1,297.4	1,575.5
Net financial debt at December 31	1,297.4	1,419.5	1,685.0
Equity at December 31	3,253.5	3,162.0	3,162.0
Current EBITDA	793.2	675.7	764.6
Gearing	39.9%	44.9%	53.3%
Net financial debt/current EBITDA	1.6x	2.1x	2.2x

⁵ Change in income taxes liabilities and receivables

At December 31, 2019, **net financial debt** totaled €1,419.5 million before taking into account IFRS 16, which corresponds to a ratio between net financial debt and current EBITDA of 2.1x. Lease liabilities that come within IFRS 16 (right-of-use assets) equaled €265.4 million at December 31, 2019, resulting in net financial debt of €1,685.0 million after taking into account IFRS 16, which corresponds to a ratio between net financial debt and current EBITDA of 2.2x.

The Group's solid financial structure is rated Baa2, outlook negative, by Moody's (since January 23, 2020) and BBB-, stable outlook, by Standard and Poor's (since February 14, 2020).

At December 31, 2019, Imerys' bond financing amounted to €1,924 million with an average maturity of 5.2 years. The Group also benefits from €1,260 million in bilateral credit lines. As a result, the Group's **financial resources** total €3,184 million with an average maturity of 4 years.

DIVIDEND

The Board of Directors will propose the Shareholders' General Meeting of May 4, 2020 to approve the payment of a €1.72 dividend per share, i.e a decrease of 20% compared to the dividend paid in 2019 and representing 49% of net income from current operations, Group share.

Subject to approval by the Shareholders' General Meeting, the Board of Directors has decided to offer Imerys shareholders the choice between receiving part or all of the dividend payment (i) in cash and/or (ii) in new shares of the Company. The price of new ordinary shares issued as payment for the dividend will be set, in accordance with the provisions of article L. 232-19 of the French Commercial Code (*Code de commerce*), at 95% of the average Imerys share price on the Euronext Paris market over the 20 trading days prior to the Shareholders' General Meeting, minus the amount of the dividend per share.

Groupe Bruxelles Lambert (GBL), the Group's majority shareholder owning a 53.9% interest, has indicated its intention to opt for a dividend in shares for the totality of its holdings.

OUTLOOK

As we enter into 2020, the market remains tough and the spreading of the Coronavirus adds uncertainty. This is why the Group will continue to prioritize cost reduction and cash generation, while maintaining our solid financial structure by tightly managing its capital expenditure and working capital requirement.



A Limited Liability Company (*Société Anonyme*)
with a share capital of €158,686,230
Registered office: 43 quai de Grenelle
75015 Paris - France
562 008 151 R.C.S Paris

REQUEST FOR DOCUMENTS

Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2020

Any holder of registered shares may ask the Company to send him/her, to the address to be specified below, the "2019 Universal Registration Document" which in particular includes the 2019 Annual Financial Report as well as information provided for by article R. 225-83 of the French Code of Commerce.

The same right to information is available to any holder of bearer shares whose shareholding is evidenced by a certificate of participation, in accordance with the provisions referred to in the present brochure on pages 3 to 5 above.

Holders of registered shares may, on request, have the Company systematically send them the above-mentioned documents and information on the occasion of every subsequent shareholders meeting. Should that request have been made already, the documents will be sent shortly, without the shareholder having to return the present form.

Given the exceptional circumstances related to Covid-19, you are invited to favor the consultation of all documents through the Company's website (<https://www.imerys.com/fr/finance>) and to send any request for documents by email (see details below) indicating your e-mail address below to receive them.

✂-----
the undersigned:

residing at:

email address:

owner of   shares in Imerys

- request that I be sent the information and documents provided for shareholders with respect to the Ordinary and Extraordinary Shareholders' General Meeting of May 4, 2020,
- request that I be systematically sent, as the owner of..... registered shares, the information and documents provided for shareholders on the occasion of each subsequent Imerys Shareholders' General Meeting(*).

Signed in ....., on 2020

Signature

This request form, once duly completed, dated and signed, shall be returned exclusively to CACEIS CT to the following postal address: CACEIS CT - Services Assemblées (*Shareholders Services*) – 14 rue Rouget de Lisle, 92862 Issy les Moulineaux Cedex 09, France **or** by email: ct-assemblees@caceis.com.

If you hold bearer shares, this request form, shall be returned to your usual financial intermediary.

IMERYS
43 quai de Grenelle, F - 75015 Paris
Téléphone : 33 (0) 1 49 55 63 00
Téléphone : 33 (0) 1 49 55 63 01

562 008 151 RCS Paris

