

# Ordinary and Extraordinary Shareholders' Meeting

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May 4, 2020

**Patrick Kron** – Chairman of the Board of Directors

**Alessandro Dazza** – Chief Executive Officer

**Olivier Pirotte** – Chief Financial Officer

**Frédérique Berthier** – Company Secretary

More comprehensive information about Imerys may be obtained on its website ([www.imerys.com](http://www.imerys.com)), under Regulated Information, including its Universal Registration Document filed under No. D.20-0165 March 24, 2020 with Autorité des Marchés Financiers. Imerys draws the attention of investors to the “Risk factors and Internal control” set forth in the Universal Registration Document.

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

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# Agenda

<b>1</b>	<b>2019 Annual Results</b> .....	<b>4</b>
<b>2</b>	<b>First Quarter 2020 Results and Covid-19 Update</b>	<b>16</b>
<b>3</b>	<b>Proposed Dividend</b> .....	<b>23</b>
<b>4</b>	<b>Presentation of resolutions</b> .....	<b>25</b>
<b>5</b>	<b>Statutory Auditors' Reports</b> .....	<b>56</b>
<b>6</b>	<b>Questions &amp; Answers</b> .....	<b>59</b>



# 2019 Annual Results

**Patrick Kron** – Chairman of the Board of Directors

**Olivier Pirotte** – Chief Financial Officer

# 2019 Highlights

## Governance and organisation

- Patrick Kron appointed Chairman of the Board on June 25, 2019 in place of Gille Michel
- Patrick Kron also appointed interim CEO on October 21, 2019 in place of Conrad Keijzer
- **Alessandro Dazza appointed CEO effective February 17, 2020** (Patrick Kron continuing as Chairman of the Board)
- Introducing a **new, simplified, more efficient and customer-centric organisation**

## Financial performance<sup>(4)</sup>

- **Current EBITDA margin of 17.6%** and **current operating margin of 10.1%** <sup>(1)</sup>
- Deterioration in industrial markets resulting in lower volumes (-6.1%)
- **Positive price - mix** (+2.2%) maintained, higher than inflation in variable costs
- Significant contribution from **savings on fixed cost and overheads** (€31m)
- Net current income down -22.4%, in line with outlook provided in October <sup>(2)</sup>

## Financial strength<sup>(4)</sup>

- **Strong cash generation:** Net current free operating cash flow of €348m thanks to strict management of the WCR and capital expenditure
- **Net financial debt** at 2.2 x current EBITDA
- Proposed **dividend** of €1.72 per share, payable in part or all in cash and/or new shares <sup>(3)</sup>

(1) "Current income" is defined in section 2.1.5 "definitions and reconciliation of alternative performance measures to IFRS indicators" in the 2018 registration document filed by Imerys

(2) See press release dated October 22, 2019

(3) Proposal to be submitted to the Annual General Meeting of Shareholders of May 4, 2020

(4) Post IFRS 16 impact

# Alessandro Dazza, new Managing Director from 17 February



- Dissociation from the functions of Chairman of the Board of Directors and Chief Executive Officer
- Patrick Kron continues as Chairman of the Board of Directors

## Biographie

Alessandro Dazza (50 years old): graduated from **Politecnico di Milano**

**1995 - 2002: Member of the Board of Treibacher Schleifmittel**, leader in abrasive minerals in Germany, acquired by Imerys in 2002

**2002 - 2018: Director of Imerys' Fused Minerals division**, which he grew from around €200m to €500m. From 2013, **Executive Vice President**, member of the Executive Committee, in charge of three divisions on the current perimeter of Refractories, Abrasives & Construction (approx. €2bn revenue).

**2018 - 2019: Member of the Executive Committee of Mondi plc**, a major industrial player in packaging and paper, in charge of two divisions representing approx. €4bn total revenue.

**An experienced leader with an intimate knowledge of Imerys and its markets  
to lead further the Group transformation and profitable growth strategy**

# Tangible results in terms of sustainable development

## Safety

Total Recordable Injury Rate\*

-25%



## Diversity and Inclusion

Proportion of women within the Group's senior management team

+18%



## Climate Change

Percent reduction in CO<sub>2</sub> emissions / Revenue (tCO<sub>2</sub> / euro)

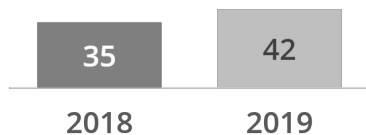
-16%



## Water Management

Volume of recycled water (millions of litres)

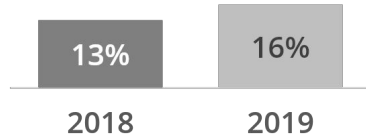
+20%



## Responsible Purchasing

Group Suppliers by spend

+23%



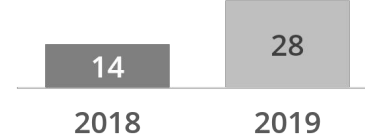
## Community Engagement

56 Projects for local stakeholders in 2019

## Product Sustainability

Life Cycle Assessments

+100%



\* Imerys considers a recordable injury as an accident without lost-time whenever a medical service provider is involved in the treatment, even if the treatment is first aid

# Industrial markets deteriorate more sharply in the second half of the year

Industrial markets: about 50% of Group revenue



## Car production:

- 6% in Q4 2019 vs. Q4 2018 in Europe <sup>(1)</sup>



## Steel production:

- 10% in Q4 2019 vs Q4 2018 in Europe <sup>(2)</sup>



## Paper markets:

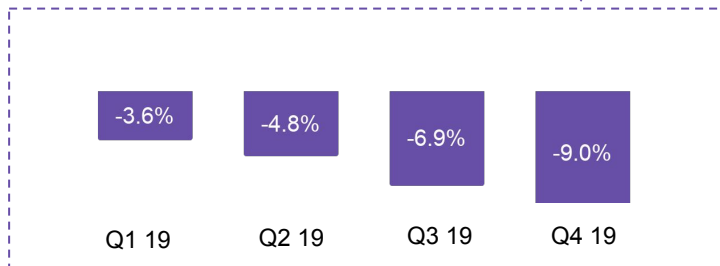
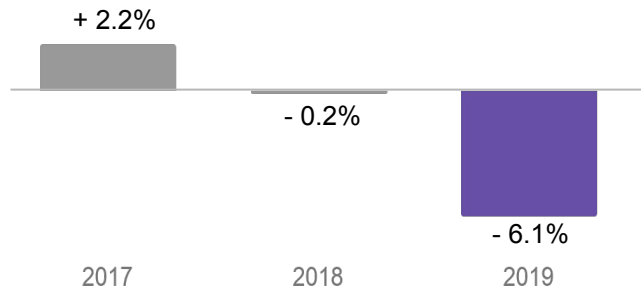
- 8% and - 14% in 2019 vs 2018 resp. Europe and the United States <sup>(3)</sup>



## Construction

+ 2% globally in 2019 vs 2018 <sup>(4)</sup>

## Volume evolution (vs. prior year)



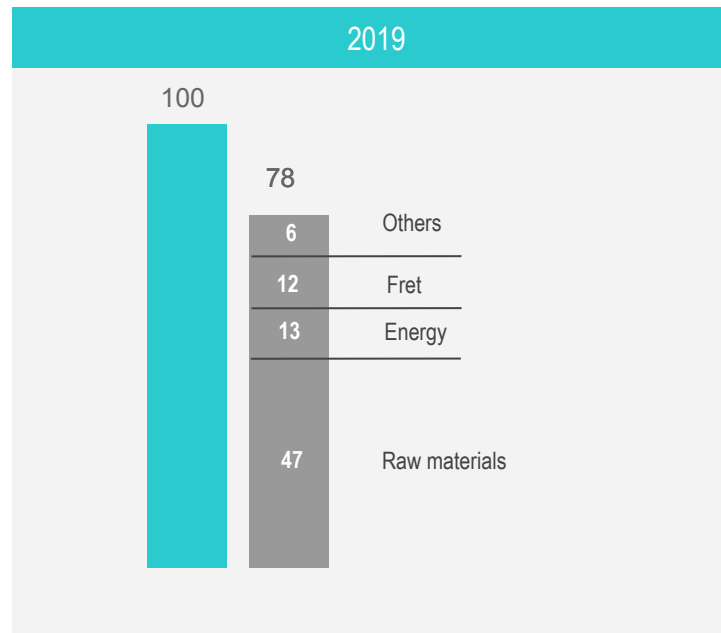
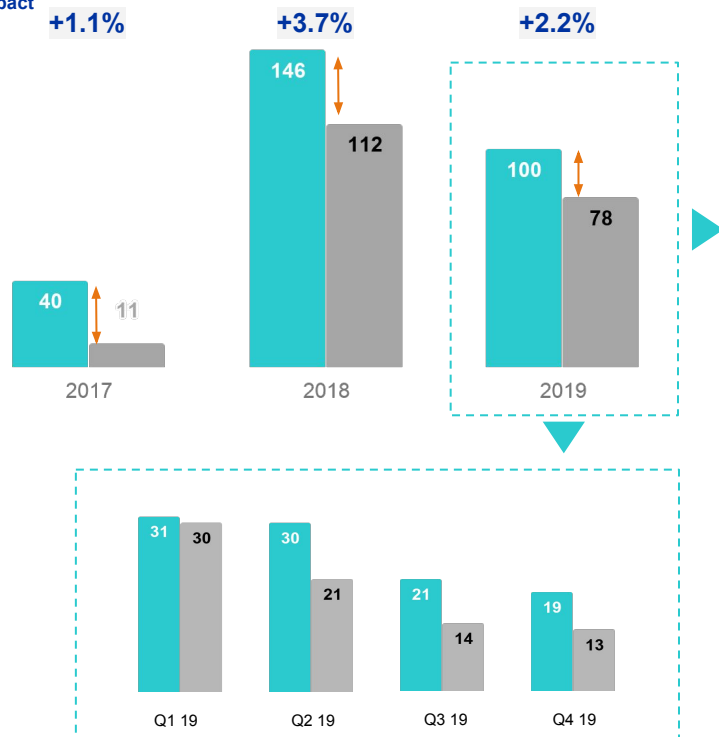
(1) Source: IHS; (2) Source: Worldsteel Association; (3) Source: RISI; (4) Construction: OE.



# Positive price - mix maintained

## Contribution of price-mix and variable costs (€m, vs prior year)

Price-mix impact  
on revenue +1.1%



Price-mix impact on current operating income

Impact of increased variable costs on current operating income

# Connect & Shape Transformation Program: progress report

**New organization:  
simplified, more  
efficient and  
customer-centric**

- Implementation across all business segments implemented since the end of 2019
- Multimineral offer marketed by key account managers
- Development of technical services teams close to customers
- Reduced number of hierarchical levels

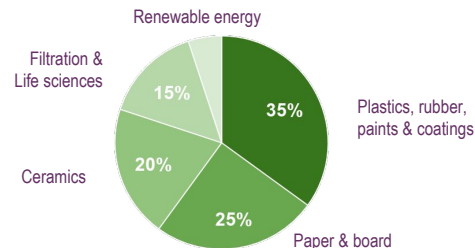
**Continuation  
of "bolt-on"  
acquisitions,  
particularly in  
emerging countries**

- EDK in Brazil in specialty carbonates (revenue: €15m<sup>(1)</sup>)
- 65% of Shandong Luxin in China in fused minerals for abrasives (revenue: €12m<sup>(1)</sup>)

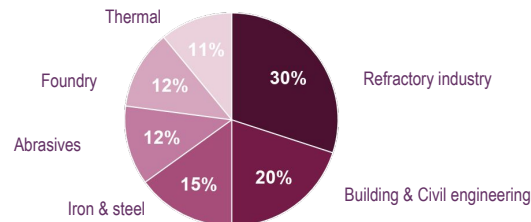
**Functional  
excellence**

- Centralisation of procurement: reducing the number of suppliers and negotiating payment terms
- Deployment of shared service centers

## Performance Minerals 2019 revenue: €2.4bn



## High Temperature Materials & Solutions 2019 revenue: €2.0bn

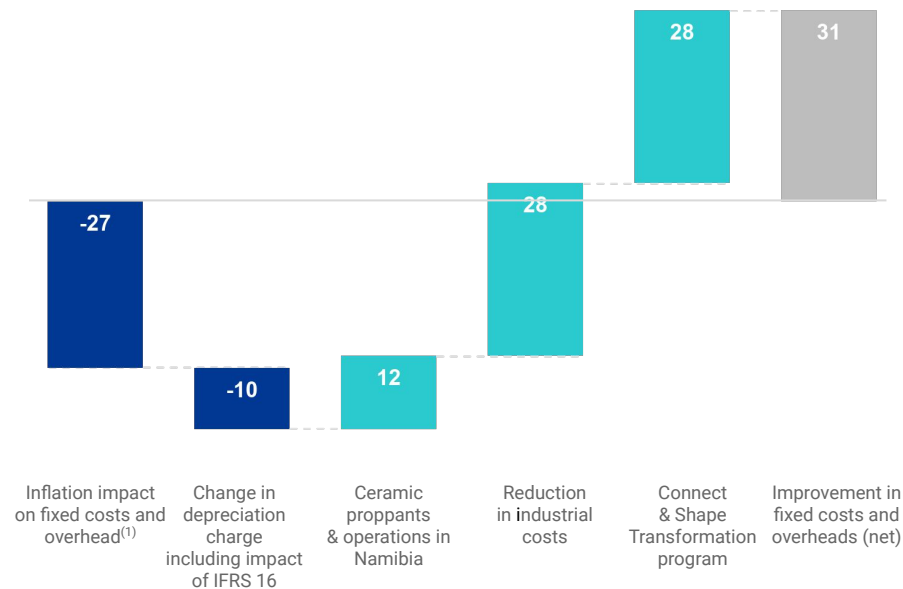


**Confirmation of the Group's medium-term strategic and financial ambitions**

<sup>(1)</sup> 2018 data

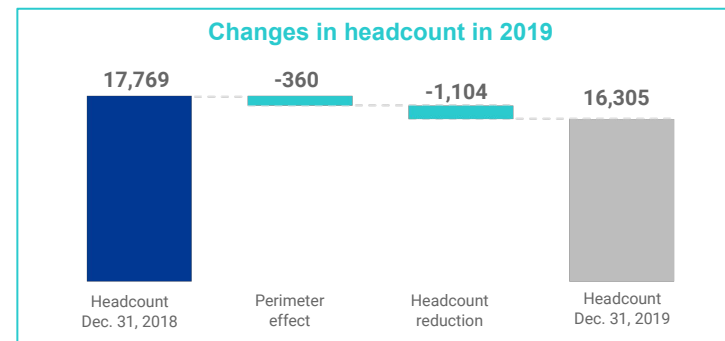
# Significant contribution from cost savings

## Year-on-year change in fixed costs and overhead in 2019 (€m, vs 2018)



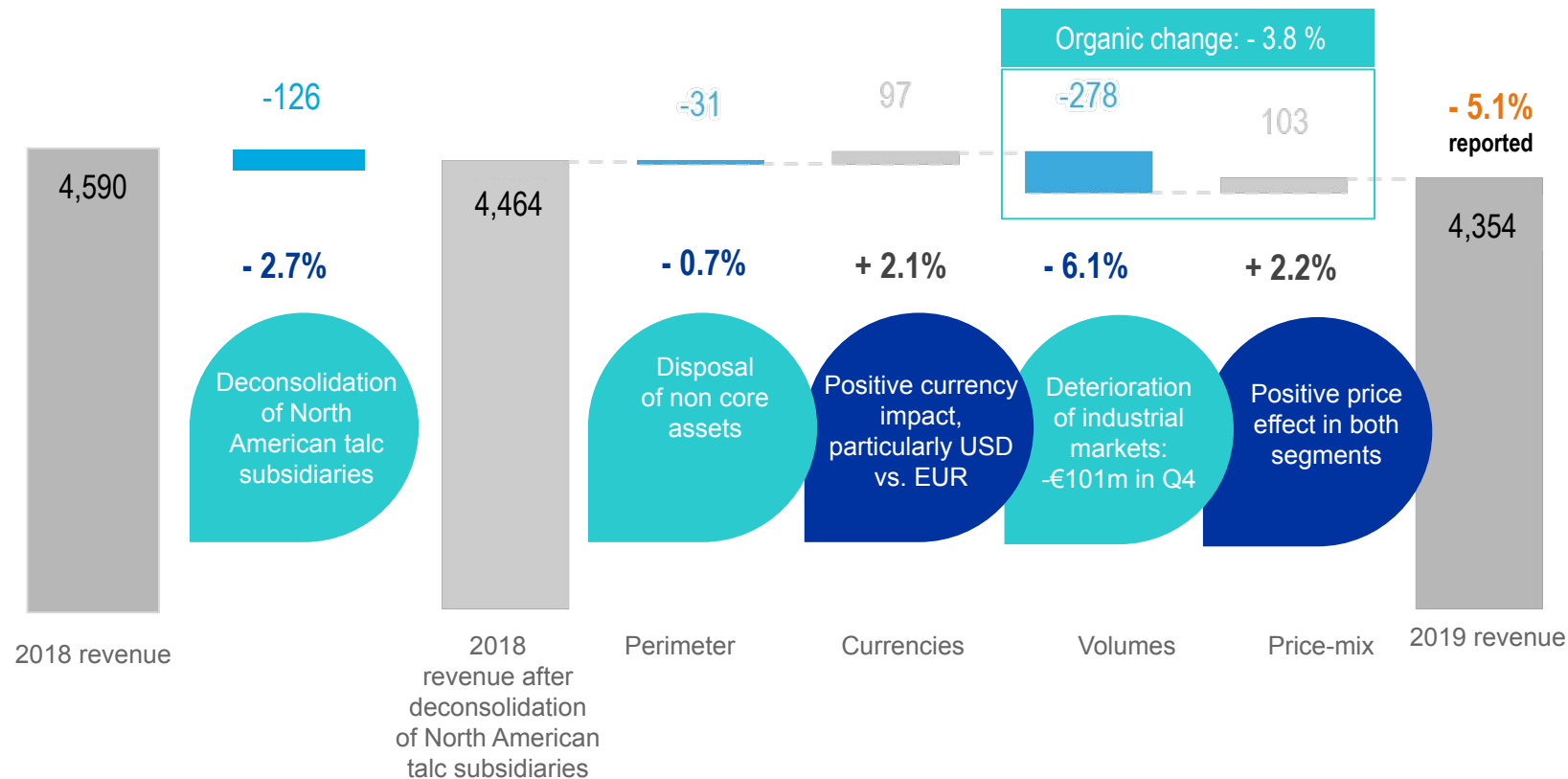
(1) Estimated inflation of 2.0% on a cost basis of 1,350 million euros in 2019

- Impact of the **Connect & Shape transformation program**, in line with the recurring annual target of €100m gross in 2022:
  - Downsizing
  - Purchasing optimization
- Additional **industrial cost control initiatives**:
  - Rationalization of operations
  - Adjustment of production capacity



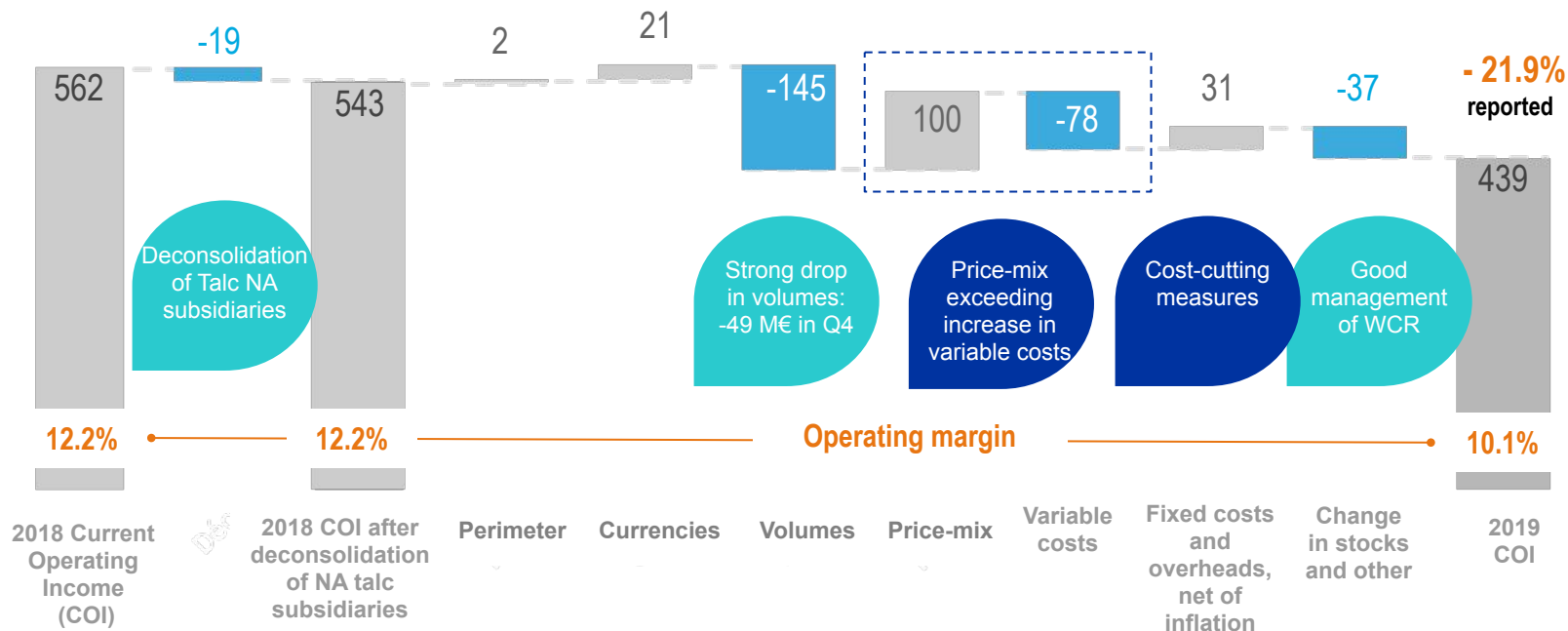
# Revenue and current operating income impacted by changes in perimeter and lower volumes

(€m)



# Revenue and current operating income impacted by changes in scope and lower volumes

(€m, post IFRS 16)



# Net income from current operations in line with Group outlook <sup>(1)</sup>

(€m)	2018 <sup>(2)</sup>	2019 pre IFRS 16	Change / 2018	2019 post IFRS 16	Variation / 2018
<b>Current operating income</b>	562	434	-22.9%	439	-21.9%
<b>Current financial expenses</b>	(60)	(37)	+39.0%	(44)	+27.4%
<i>Of which reimbursement of the yen denominated private placement</i>	-	+17	-	+17	-
<b>Current income tax</b>	(145)	(114)	+21.4%	(114)	+21.6%
<i>Current tax rate</i>	28.9%	28.8%	-	28.8%	-
<b>Minority interests</b>	0	(4)	-	(4)	-
<b>Net income from current operations, Group's share</b>	357	278	-22.0%	277	-22.4%
<b>Net income (Group share) per share <sup>(3)</sup></b>	€4.50	€3.52	-21.9%	€3.50	-22.3%
<b>Other costs, net</b>	202.8	150.9	- 174.4%	155.7	- 176.7%
<b>Net income, Group share <sup>(4)</sup></b>	559.6 <sup>(4)</sup>	127.5	- 77.2 %	121.2	- 78.3 %

(1) See press release dated October 22, 2019, regarding an expected decrease in net current income, Group share, for the full year of approximately - 20% compared to 2018.

(2) All 2018 data restated for the disposal of the Roofing business

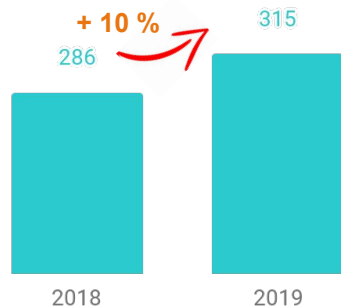
(3) Weighted average number of shares outstanding: 79,089,697 in 2019 versus 79,238,417 in 2018

(4) Including the capital gain realized on the sale of the Roofing activity

# Solid cash flow generation

(€m)	2018	2019 Pre IFRS 16	2019 Post IFRS 16
Current EBITDA	793	676	765
Current EBITDA margin	17.3%	15.5%	17.6%
Change in operating Working Capital Requirement	(25)	48	52
Notional tax on current operating income	(163)	(125)	(126)
Other	14	8	8
Current operating cash flow (before tax)	619	607	699
Paid capital expenditure	(333)	(292)	(292)
Right to use assets	-	-	(59)
Net current free operating cash flow	286	315	348

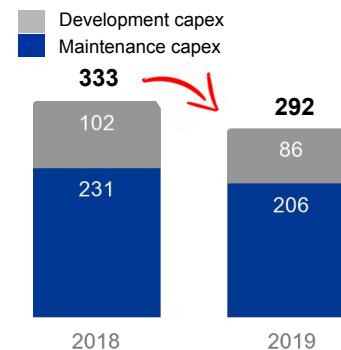
Net current free operating cash flow



Working Capital Requirement (€m)



Capital expenditure (€m)





2

## **First Quarter 2020 Results and Covid-19 update**

**Alessandro Dazza** – Chief Executive Officer



# Swift response to Covid-19

## All necessary measures in place

- Crisis management team in place
- Strict monitoring process under the supervision of the Executive Committee
- Implementation of a specific Action Plan supported by the Board of Directors

## EMPLOYEES

- Implementation of measures to ensure health & safety of employees (Covid-19 protocol, Personal Protective Equipments)

## CUSTOMERS, SUPPLIERS AND OTHER STAKEHOLDERS

- Continuous communications to customers, suppliers and other stakeholders
- Continuity of supply to customers whenever possible

## COMMITMENT

- CEO and Chairman of the Board cash compensation temporarily reduced by 25%, for solidarity actions related to Covid-19
- Donation of masks to local communities in several countries

## SHAREHOLDERS

- AGM maintained on May 4th but in closed session
- Proposal to reduce dividend by 20% to €1.72 per share with payment option in new shares

# Covid-19 impact on operations to date

	EMEA (48% of revenue, 110 plants)	Americas (29% of revenue, 66 plants)	APAC (23% of revenue, 48 plants)
Covid-19 first impact	<ul style="list-style-type: none"> <li>Mid March</li> </ul>	<ul style="list-style-type: none"> <li>April</li> </ul>	<ul style="list-style-type: none"> <li>January</li> </ul>
Situation of Imerys' plants as of April 24th, 2020 (224 in total)	<ul style="list-style-type: none"> <li>14 plants closed and 28 plants partially impacted mostly in France, Italy and South Africa</li> <li>Short time working implemented in several countries</li> </ul>	<ul style="list-style-type: none"> <li>2 plants closed and 7 plants partially impacted, mostly in Mexico</li> <li>Furloughs implemented</li> </ul>	<ul style="list-style-type: none"> <li>6 plants closed and 11 plants partially impacted particularly in India and Malaysia</li> <li>Production resumed in China (now &gt; 85% utilization rate)</li> </ul>
Status of demand	<ul style="list-style-type: none"> <li>Covid-19 impacting industrial markets, some already soft entering 2020 (automotive, iron and steel)</li> <li>Construction demonstrating resilience in Q1 overall, hit by lockdown measures since end of March</li> <li>Limited impact on Paper markets amid structurally declining demand</li> <li>Good level of activity in consumers businesses (food &amp; beverage, pharma &amp; health, agriculture)</li> </ul>		

**Estimated impact of Covid-19 on Q1 2020 revenue: - €34 million (-3.3%)**

# Action plan to limit impact on results and cash flow

## ACTION PLAN

### FIXED COSTS

- Current operating income to benefit from savings on fixed costs and overheads in 2020 between €70 million to €130 million, depending on level of activity
- In addition to the €100 million cost savings targeted for 2022 from transformation program

### CAPEX

- Reduction of capex to max. €250 million in 2020, significantly below the average range of €300 to €350 million per year
- Quality of assets base preserved

### WCR

- Reduction of working capital requirement consistent with lower activity, notably through a significant decrease in inventories
- Sustainability of supply guaranteed

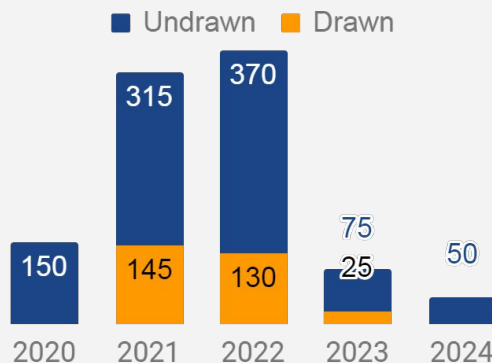
**Imerys well positioned to benefit from rebound in demand following Covid-19 crisis**

# Strong liquidity and sound balance sheet

## Cash (€m)

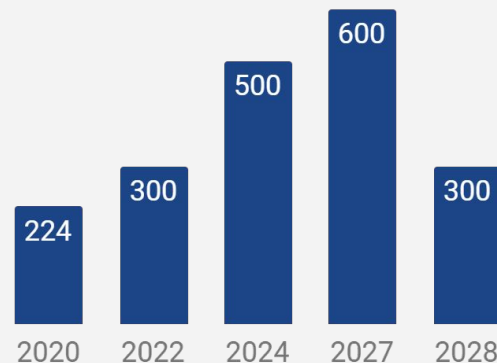
ca. **€800 m**  
as of March 31st, 2020

## Credit Facilities (€m)



2 years average maturity

## Bonds (€m)



5 years average maturity

- Strong liquidity position at €1.8 billion
- €224 m bond repayment in 2020 fully covered
- Gearing ratio at 53% as of December 31, 2019, well below Group's only covenant of 160% net financial debt / shareholders' equity

# Q1 2020 Highlights

Revenue	Current EBITDA	Current operating income (COI)
<b>€1,029m</b> (-8.5%)	<b>€165m</b> (-11.5% <sup>(1)</sup> )	<b>€83m</b> (- 4.7%)
Organic growth: -7.5%	Current EBITDA margin: 16.0%	COI margin: 8.0%

- Performance affected by Covid-19 pandemic, with -3.3% impact on revenue
- Soft iron & steel and automotive markets, resilient construction and consumers markets
- Continuing positive price - mix at +1.0%
- Connect & Shape fixed costs and overheads savings in line with target

*(1) Compared to Q1 2019 adjusted from €18.0 million one-off costs, including non recurring pension fund contribution in particular*

- Challenging market conditions to prevail, in particular in the second quarter
- Proven resilience thanks to a diversified geographical footprint and a portfolio of specialty minerals
- Comprehensive action plan launched to
  - Limit the adverse impact of volume shortfalls on the Group's results and cash flow
  - Get prepared to benefit from the expected rebound in demand upon market recovery
- Continued cost savings from the Connect & Shape transformation plan
- Strong liquidity and sound financial structure



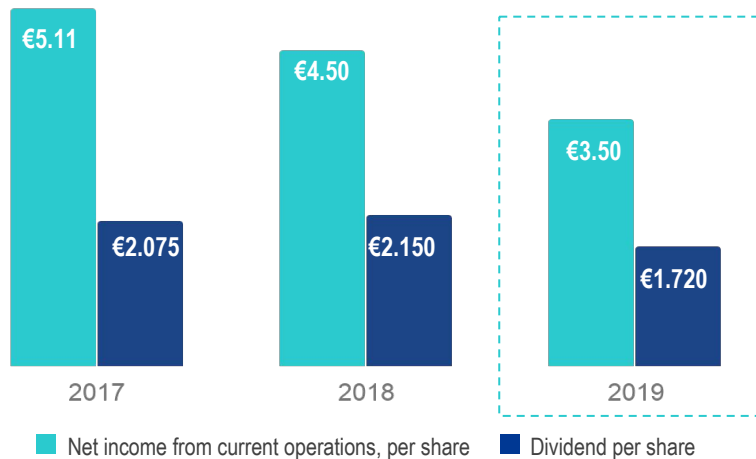
3

## **Proposed Dividend**

**Patrick Kron** – Chairman of the Board of Directors

# Dividend of €1.72 per share, payment in cash or in shares

## Changes in dividend and net current income per share <sup>(1)</sup>



- **Dividend of €1.72, corresponding to a payout ratio close to 50%**
- **Confidence in the Group's fundamentals**

## 2019 dividend payment

Part or all	
• In cash	
and/or	
• In new shares to be issued	
○	<b>At the price of €21.12 per share,</b> corresponding to 95% of the average share price of Imerys in the 20 trading sessions prior to the day of the Annual General Meeting minus the amount of the dividend per share

- **Willingness to maintain a strong financial structure, especially to seize development opportunities**
- **GBL's commitment to opt for the share dividend for the totality of its stake in Imerys (53.9%)**

(1) Proposal submitted to the annual general meeting of shareholders on May 4, 2020



# 4

## Resolutions

Frédérique Berthier – Secretary of the Board

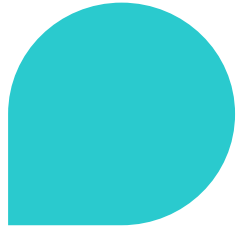
# Agenda (1/2)

## • 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. Alternative payment option in additional shares for all or part of the dividend with respect to the year ended December 31, 2019
5. Statutory Auditors' special report governed by article L. 225-40 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 of the Company, immediately or at a later date, without pre-emptive subscription rights, open to the public and excluding offers defined by article L. 411-2-1° of the French Monetary and Financial Code and detailed 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 pre-emptive 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
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



# **2019 Financial Statements, Dividend and Related Party Agreements**

## Resolutions 1-3: 2019 financial statements, appropriation of profit and setting of the dividend

- Approval of the Company's statutory financial statements (resolution 1) and consolidated financial statements (resolution 2) for the year ended December 31, 2019
- Appropriation of profit and setting the dividend (resolution 3)

<b>2019 Net income</b>	<b>€139,509,137.76</b>
Retained earnings	+ €299,534,101.54
<b>Total distributable amount</b>	<b>= €439,043,239.30</b>
Payment of a dividend of €1.72 per share for each of the 79,500,457 shares outstanding at December 31, 2019	- €136,740,786.04
<b>New retained earnings balance</b>	<b>= €302,302,453.26</b>

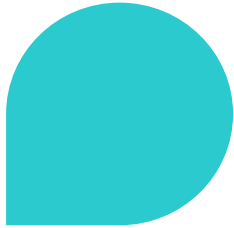
## Resolution 4: Alternative payment option in additional shares for all or part of the dividend with respect to the year ended December 31, 2019

- **Each shareholder may** choose to receive the 2019 dividend in one of the following ways:
    - Option 1: fully paid in new shares
    - Option 2: fully paid in cash
    - Option 3: combination of new shares and cash, the proportion of which chosen by each shareholder
  - The **option period** during which each shareholder must make his choice will be between **May 19, 2020** and **June 8, 2020**. Any shareholder who has not opted out before June 8, 2020 will receive the full dividend payment in cash.
  - The **issue price for each new share** is: 21,12 Euros.  
If the dividend amount does not correspond to a whole number of shares, the shareholder will receive a quantity of new shares rounded down to the nearest whole number and the balance will be paid by Imerys in cash.
  - **Ex-dividend date:** May 14, 2020, end of day.  
*[Note: For the avoidance of doubt, it is specified that, the dividend will be detached on May, 15 on the shares balances as at the end of the day of May 14, 2020]*
  - **Payment of dividend in cash** will be made on **June 12, 2020**. Shareholders who opt for the alternative payment option for all or part of the dividend in shares will receive their shares on this same date.
- Subject to approval of the present resolution, **all terms and conditions** related to the dividend payment in cash or shares will be communicated to shareholders at the end of the present meeting, in particular via a **press release that will be published today on the Company's website**.

## Resolution 5: Related party agreements and commitments given by the Company

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- Statutory Auditors' special report
- No related party agreements or commitments were concluded by the Company in 2019.



## **Corporate officers compensation (*Say on Pay*)**

- ***Ex-ante* vote on the compensation policy**
- ***Ex-post* vote on 2019 compensation**



# Policy on compensation awarded to corporate officers

## ❑ Principles applied to determine, revise and implement the compensation policy

- The policy is agreed each year by the Board of Directors, based on proposals made by the Compensation Committee. Where necessary, it is reviewed mid-year. It is subject to approval by the Shareholders' General Meeting.
- The policy must take into the corporate interest and contribute to the business strategy and long-term success of the Company.  
The Board seeks in particular to:
  - align the policy with the expectations regarding corporate officers performance and engagement;
  - align the policy, especially any components of variable and long-term incentive payments, with the Company's performance and strategy;
  - ensure the policy remains in line with best practice in the market; and
  - ensure the policy remains appropriate with respect to the compensation of the Company employees.
- The policy applies to all (current and future) corporate officers until revised. In exceptional circumstances, it may be derogated from this policy, on a temporary basis, regarding the variable compensation and share-based payments awarded to executive corporate officers to protect the Company's corporate interest or contribute to its long-term success or viability.
- The policy currently in force will be made available on the Company's website, in accordance with laws.

## ❑ 2020 compensation policy

- The 2020 compensation policy includes the same components as those provided for by the:
  - 2019 policy (applicable only to executive corporate officers), as approved by the Shareholders' General Meeting of May 10, 2019, subject to the removal of the "impatriation bonus" and the specific reference to the long-term share-based compensation;
  - Shareholders' General Meeting of May 4, 2018 and the Board of Directors (the bands were most recently reviewed on June 25, 2019) regarding the compensation of members of the Board in 2019.
- The 2020 compensation policy was approved by the Board of Directors on February 12, 2020 and based on the recommendations of the Compensation Committee. It is put forward for approval in an *ex-ante* vote at the present Shareholders' General Meeting.

→ All of the information related to the determination of the policy and its content is set out in detail in the 2019 Universal Registration Document (Chapter 4 – Corporate Governance) and forms an integral part of the Corporate Governance Report.

## Resolution 6: Compensation policy applied to executive corporate officers in 2020

- **NB:** “Executive Corporate Officers” include the Chairman of the Board of Directors and the Chief Executive Officer

<b><u>Components of the policy:</u></b>	<b>Executive corporate officers</b>
● Annual fixed compensation	Yes
● Annual variable compensation	Yes
● Multi-annual variable compensation	Yes
● Benefits in kind	Yes
● Severance package	Yes
● Non-compete indemnity	Yes
● Post-employment commitments	Yes
● Long-term incentive payments in the form of shares or securities carrying rights to shares	Yes
● Directors' compensation (formerly attendance fees)	Non applicable
● Exceptional components:	
- Exceptional compensation	Yes
- Sign-on bonus	Yes

## Compensation of executive corporate officers in 2020 – principles

- The compensation of executive corporate officers in 2020, i.e. Patrick Kron and Alessandro Dazza, was determined in accordance with the 2019 compensation policy, approved by the Shareholders' General Meeting of May 10, 2019, and the 2020 compensation policy that has just been presented.
- All the components of compensation presented in the following slides are:
  - published on the Company's website once approved by the Board of Directors, in accordance with the recommendations of the AFEP-MEDEF Code;
  - set out in detail in the Corporate Governance Report and the 2019 Universal Registration Document (Chapter 4 – Corporate Governance).
- Due to the outbreak of Covid-19, Patrick Kron and Alessandro Dazza, in agreement with the Board, have confirmed they accept a 25% reduction in the compensation due to be paid to them in 2020 for the entire period during which Imerys employees have been put on partial unemployment, in accordance with the recommendations issued by AFEP.

## Compensation of executive corporate officers in 2020 – Patrick Kron

	Patrick Kron	
	Chairman of the Board	Interim Chief Executive Officer (from October 21, 2019 to February 16, 2020)
<b>Annual fixed compensation</b>	€250,000	None
<b>Annual variable compensation</b>	None	None
<b>Multi-annual variable compensation</b>	None	None
<b>Benefits in kind</b>	None	None
<b>Severance package</b>	None	None
<b>Non-compete indemnity</b>	None	None
<b>Post-employment commitments</b>	None	None
<b>Long-term share-based compensation</b>	None	None
<b>Directors' compensation (formerly attendance fees)</b>	None	None
<b>Exceptional components</b> <i>(exceptional compensation: sign-on bonus)</i>	None	None

# Compensation of executive corporate officers in 2020 – Alessandro Dazza

Alessandro Dazza	
Chief Executive Officer (since February 17, 2020)	
Annual fixed compensation	€800,000
Annual variable compensation	<p>The amount of variable compensation will be fixed by the Board of Directors in 2021 on the basis of:</p> <ul style="list-style-type: none"> <li>• <b>Quantitative financial performance criteria</b> set on the basis of and in line with the Group budget, with the same individual weighting as in 2018 (<i>i.e.</i> 50% dependent on net income from current operations, 30% dependent on free operating cash flow and 20% dependent on Group return on capital employed)</li> <li>• <b>Individual performance:</b> Organization and leadership, implementation of the transformation plan, operational action plans to grow market share, strategic debates with the Board of Directors and implementation of the “Sustainability” CSR program</li> <li>• Specific target regarding <b>workplace safety</b></li> </ul>
Multi-annual variable compensation	None
Benefits in kind	<ul style="list-style-type: none"> <li>• Contributions to unemployment insurance for corporate officers</li> <li>• Life insurance plans (covering death, long-term illness or disability)</li> <li>• Official accommodation (maximum 2 years) and relocation expenses</li> <li>• Company car</li> <li>• Health insurance benefits, tax consultants, annual medical</li> </ul>
Severance package	<ul style="list-style-type: none"> <li>• Due in the event of a change in control, strategy or a major disagreement over these issues</li> <li>• The severance package is based on financial performance over the three years prior to departure, up to a maximum of two year's compensation</li> <li>• No severance package would be due if Alessandro Dazza voluntarily steps down, is soon able to claim retirement benefit or is dismissed for gross or serious misconduct</li> </ul>
Non-compete indemnity	<ul style="list-style-type: none"> <li>• A period of two years following the date at which his duties are terminated. The Board of Directors reserves the right to decide whether or not to enforce this clause</li> <li>• The indemnity equals one year's annual fixed compensation plus the average of the last two years' annual variable compensation</li> <li>• No indemnity would be due if he is soon able to claim retirement benefit</li> </ul>
Post-employment commitments	<ul style="list-style-type: none"> <li>• The Company makes contributions of 5% of beneficiaries' annual fixed compensation to complementary defined contribution pension plans [article 83] and [article 82]</li> </ul>
Long-term share-based compensation	120,000 performance shares (according to the decisions of the Board and subject to the approval of the present Shareholders' General Meeting)
Directors' compensation (formerly attendance fees)	Non applicable
Exceptional components (exceptional compensation: sign-on bonus)	None

## Resolution 7: 2020 compensation policy applied to members of the Board of Directors

- The compensation policy determined by the Board of Directors, based on proposals made by the Compensation Committee, that is applied to members of the Board of Directors (excluding the Chairman, whose compensation was set out in the previous resolution about executive corporate officers) includes:

<b><u>Components of the policy:</u></b>	<b>Members of the Board of Directors</b>
• Annual fixed compensation	Non applicable
• Annual variable compensation	Non applicable
• Multi-annual variable compensation	Non applicable
• Benefits in kind	Non applicable
• Severance package	Non applicable
• Non-compete indemnity	Non applicable
• Post-employment commitments	Non applicable
• Long-term incentive payments in the form of shares or securities carrying rights to shares	Non applicable
• Directors' compensation (formerly attendance fees)	Yes
• <b>Exceptional components:</b>	
- Exceptional compensation	Yes
- Sign-on bonus	Non applicable

## 2020 compensation of members of the Board of Directors

- The 2020 compensation (excluding any exceptional compensation) awarded to members of the Board of Directors, other than the Chairman of the Board, which was covered in the previous resolutions, will be set according to the following bands (currently in application), totaling a maximum annual amount of €1,200,000:

<b>Board of Directors</b>	All members of the Board (other than the Chairman) and the Non-Voting Observer	<ul style="list-style-type: none"> <li>Fixed compensation: €10,000/year</li> <li>Variable compensation: €4,000/meeting attended</li> </ul>
<b>Strategic Committee</b>	Chair	<ul style="list-style-type: none"> <li>Fixed compensation: €30,000/year</li> </ul>
	All members	<ul style="list-style-type: none"> <li>Variable compensation: €3,500/meeting attended</li> </ul>
<b>Audit Committee</b>	Chair	<ul style="list-style-type: none"> <li>Fixed compensation: €30,000/year</li> </ul>
	All members	<ul style="list-style-type: none"> <li>Variable compensation: €4,000/meeting attended</li> </ul>
<b>Appointments Committee</b>	Chair	<ul style="list-style-type: none"> <li>Fixed compensation: €10,000/year</li> </ul>
	All members	<ul style="list-style-type: none"> <li>Variable compensation: €3,000/meeting attended</li> </ul>
<b>Compensation Committee</b>	Chair	<ul style="list-style-type: none"> <li>Fixed compensation: €10,000/year</li> </ul>
	All members	<ul style="list-style-type: none"> <li>Variable compensation: €3,000/meeting attended</li> </ul>

- It should be noted that:
  - Members receive only half the variable component of compensation if they attend meetings by telephone or video conference.
  - The details of compensation awarded to members of the *Ad Hoc* Committees (disbanded in late 2019 and early 2020) and the Vice-Chairman of the Board (position vacant since May 4, 2020) are not included in the above bands.

## Resolution 8: Report on 2019 compensation

- The information mentioned in article L. 225-37-3 I. of the French Commercial Code, which makes up the new “Report on Compensation” that aims to provide shareholders with a clear and detailed account of all the compensation and benefits in kind, as well as any other component awarded to each corporate officer for their duties in 2019, is available in the 2019 Universal Registration Document (Chapter 4, section 4.3 – Corporate Governance).



# Resolution 9: Approval of the components of compensation granted or paid to Conrad Keijzer in 2019

- NB:** Conrad Keijzer held the office of Chief Executive Officer from May 4, 2018 to October 21, 2019 (previously Deputy Chief Executive Officer from March 8 to May 4, 2018).

FIXED COMPENSATION	VARIABLE COMPENSATION			IMPATRIATION BONUS	BENEFITS IN KIND	SEVERANCE PACKAGE	
2019 annual compensation = €800,000	Quantitative criteria	Weighting	Percentage achieved (on a base of 110%)	Including the subtraction of 3% with respect to the specific goal on workplace safety  Amount granted in 2019 in respect the 2019 variable compensation = €188,796, i.e. 29.34% of fixed compensation	Amount granted in respect of 2019 = €249,682  Amount paid in 2019 = €379,030	Accounting value = €135,076	Amount granted in 2019 = €2,239,982
	Net income from current operations	50%	0%				
	Free operating cash flow	30%	40,43%				
	Return on capital employed	20%	0%				
Amount granted and paid in 2019 prorata temporis (from January 1 <sup>st</sup> to October 21, 2019) = €643,478	Quantitative criteria	Weighting	Percentage achieved (after multiplied by 0.8)	REMINDER: Amount paid in 2019 in respect of the 2018 variable compensation (as approved by the Shareholders’ General Meeting of May 10, 2019) = €500,347	The balance (€129,348) will be paid as part of the annual variable compensation	• Company car • Official accommodation • Contributions to unemployment insurance for corporate officers	The above amount covers both the severance indemnity and the non-compete indemnity
	Organic and external growth, success of the transformation plan, leading the executive management team, product stewardship and customer satisfaction	Multiplied by a factor between 0.8 and 1.2	32,34%				

⇒ The 95,000 performance shares awarded to Conrad Keijzer have been canceled.

## Resolution 10: Approval of the components of compensation granted or paid to Gilles Michel in 2019

- NB:** Gilles Michel held the office of Chairman of the Board of Directors from May 4, 2018 to June 25, 2019 (previously Chairman and Chief Executive Officer).

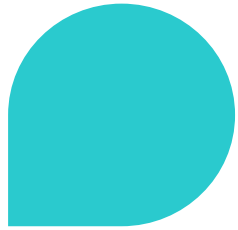
IN RESPECT OF DUTIES AS CHAIRMAN AND CHIEF EXECUTIVE OFFICER		IN RESPECT OF DUTIES AS CHAIRMAN OF THE BOARD OF DIRECTORS	
ANNUAL VARIABLE COMPENSATION	OTHER COMPONENTS OF COMPENSATION AND BENEFITS IN KIND	COMPENSATION (formerly attendance fees)	EXCEPTIONAL COMPENSATION
<p><b>Amount paid in 2019</b> in respect of variable compensation for 2018 in his capacity as Chief Executive Officer (as approved by the Shareholders' General Meeting of May 10, 2019)</p> <p>=</p> <p><b>€500,347</b></p>	<p><b>None</b></p>	<p><b>Amount awarded in respect of 2019</b> <i>(prorata temporis)</i></p> <p>=</p> <p><b>€71,111</b></p> <p><b>Amount paid in 2019</b> in respect of 2019 (above) and 2018</p> <p>=</p> <p><b>€143,611</b></p>	<p><b>Amount paid in 2019</b> in respect of the specific responsibility to support the new CEO in 2018 (as approved by the Shareholders' General Meeting of May 10, 2019)</p> <p>=</p> <p><b>€150,000</b></p>

⇒ Contributions paid in 2019 to the complementary defined benefit pension plan = €8,923,692

## Resolution 11: Approval of the components of compensation granted or paid to Patrick Kron in 2019

- **NB:** Patrick Kron has held the office of Chairman of the Board of Directors since June 25, 2019. He was also interim Chief Executive Officer from October 21, 2019 to February 16, 2020.

IN RESPECT OF DUTIES AS CHAIRMAN OF THE BOARD OF DIRECTORS		IN RESPECT OF DUTIES AS INTERIM CHIEF EXECUTIVE OFFICER
ANNUAL FIXED COMPENSATION	OTHER COMPONENTS OF COMPENSATION AND BENEFITS IN KIND	COMPENSATION AND BENEFITS IN KIND
Annual compensation = €250,000  Amount awarded and paid in 2019 = €125,000	None	None



## **The Board of Directors**

## Resolutions 12-17: Composition of the Board of Directors

- **Ratification** of the appointment of Patrick Kron for the remainder of the term of office of his predecessor (twelfth resolution)
  - **Renewal** of the term of office for a period of three years of:
    - Aldo Cardoso (thirteenth resolution)
    - Paul Desmarais III (fourteenth resolution)
    - Colin Hall (fifteenth resolution)
  - **Appointment** as a director for a term of office for a period of three years of:
    - Annette Messemer (sixteenth resolution)
    - Véronique Saubot (seventeenth resolution)
- All the information required concerning the directors whose term of office is put forward for renewal or appointment to the Shareholders' General Meeting can be found in the 2019 Universal Registration Document (Chapter 4 – Corporate Governance)

# Biographies of Annette Messemer and Véronique Saubot

## Annette Messemer



- 55 years old
- German national

Graduated from the Institut des Études Politiques de Paris, The Flecher School at Tufts University and the University of Harvard (US) and the University Friedrich-Wilhelms of Bonn (Germany).

**1994-2006:** Associate, Vice-President and Senior Banker, **JP Morgan**

**2006-2009:** Managing Director and member of the management committee of the German subsidiary of **Merrill Lynch**

**2010-2011:** Member of the supervisory board, **West LB**

**2013-2018:** Member of the supervisory board, **K+S AG**

**2013-2018:** Director of the Corporate Clients division and member of all key committees, in particular the group credit committee at **Commerzbank AG**

**Since 2018:** Director and member of the audit, appointments, compensation and risk committees, **Essilor Luxottica**

## Véronique Saubot



- 55 years old
- French national

Graduated from ESCP, Insead and the Institut des Hautes Études de la Défense Nationale

**1988-1994:** Consultant, **Arthur Andersen**

**1994-2006:** Several operating and support positions held, including head of the group's strategic plan, **Valeo**

**2002-2006:** Head of the group's strategic plan, **Valeo**

**2006-2013:** Director, **ASF**

**2007-2017:** Founder, **Coronelli International**

**Since 2014:** Partner, **Tykya**

**Since 2019:** Senior Partner (representing Tykya), **Kairn Strategy Consulting**

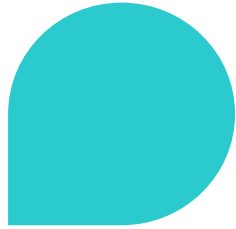
She is also currently a member of the boards of **Lisi, Harmonie Mutuelle, Day One** and the **Aspen Institute**

# The new Board of Directors

- Composition of the Board following the Shareholders' General Meeting, subject to approval of the resolutions put forward:

<b>Patrick Kron</b>	Director and Chairman of the Board	Independent director
<b>Aldo Cardoso</b>	Director, Chairman of the Audit Committee and member of the Strategic Committee	Independent director
<b>Paul Desmarais III</b>	Director and member of the Strategic Committee	Non-independent director
<b>Ian Gallienne</b>	Director, Chairman of the Strategic Committee and member of Appointments and Compensation committees	Non-independent director
<b>Colin Hall</b>	Director and member of the Strategic and Audit committees	Non-independent director
<b>Ulysses Kyriacopoulos</b>	Director and member of the Strategic Committee	Non-independent director
<b>Annette Messemer</b>	Director and member of the Audit, Appointments and Compensation committees	Independent director
<b>Lucile Ribot</b>	Director and member of the Audit Committee	Independent director
<b>Véronique Saubot</b>	Director and member of the Strategic Committee	Independent director
<b>Marie-Françoise Walbaum</b>	Director, Chair of the Appointments and Compensation committees and member of the Audit Committee	Independent director
<b>Éliane Augelet-Petit</b>	Director and member of the Compensation Committee	Employee representative director
<b>Enrico d'Ortona</b>	Director	Employee representative director

- 10 directors (excluding employee representative directors) including:
  - 4 women/6 men, *i.e.* 40% of women on the Board
  - 6 independent directors, *i.e.* 60% of the Board
- Furthermore, Laurent Raets holds the position of non-voting observer on the Board



# **Share buyback program and Authorizations and delegations granted to the Board of Directors**



## Resolution 18: Purchase by the Company of its own shares

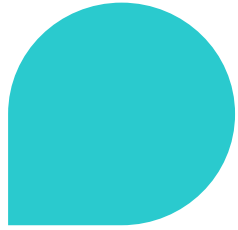
- Objectives of the share buy-back authorization:
  - Subsequent cancellation of shares purchased
  - Coverage of stock purchase option plans and/or free share grants set up by the Company
  - Participation in employee share schemes set up by the Company
  - Grant or exchange of shares purchased on exercise of rights or issue of shares or securities carrying rights to Imerys shares
  - Maintain the liquidity of the market as part of the liquidity agreement
- Conditions and implementation restrictions:
  - Up to 10% of the Company's outstanding capital at January 1, 2020 (representing 7,950,045 shares)
  - For a period of 18 months, *i.e.* until November 9, 2021
  - Maximum purchase price of €85 per share
  - Representing a maximum investment of €675.6 million, given the maximum price and number of shares that may be purchased

## Resolutions 19-21: Renewal of the financial authorizations previously granted to the Board of Directors

	Financial authorizations	Nominal ceiling of the authorization	Maximum percentage of capital	Maximum discount	Duration
Nineteenth Resolution	Increase the share capital without pre-emptive subscription rights with authority to grant shareholders a priority subscription period	€15 million ( <i>shares</i> ) and €1,000 million ( <i>other securities</i> )	≈ 9.4% of capital	10%	13 months (July 9, 2021)
Twentieth Resolution	Offer to qualified institutional buyers or a limited number of investors (without pre-emptive subscription rights)	10% of capital ( <i>shares</i> ) and €1,000 million ( <i>other securities</i> )	10% of capital	10%	
Twenty-first Resolution	<u>Overall ceiling</u> for share capital increases set out above and the financial authorizations previously granted by the Shareholders' General Meeting of May 10, 2019	€75 million ( <i>shares</i> ) and €1,000 million ( <i>other securities</i> )	≈ 47% of capital	N/A	

## Resolutions 22-24: Renewal of the specific authorizations granted to employees and/or corporate officers of the Group previously granted by the Board of Directors

Authorization		Renewal of authorizations Ongoing	Ceiling	Duration
<b>Twenty-second Resolution</b>	Grant of Imerys stock options to employees and corporate officers	Cf. Shareholders' General Meeting of May 3, 2017 (twenty-third resolution)	<ul style="list-style-type: none"> <li>• <u>Overall ceiling</u>: 3% of share capital</li> <li>• <u>Ceiling for executive corporate officers</u>: 0.5% of share capital</li> </ul>	38 months (July 3, 2023)
<b>Twenty-third Resolution</b>	Free share grant to employees and corporate officers	Cf. Shareholders' General Meeting of May 4, 2018 (fourteenth resolution)		
<b>Twenty-fourth Resolution</b>	Issue of shares or securities carrying rights to shares reserved for members of a Company or Group savings plan	Cf. Shareholders' General Meeting of May 10, 2019 (twenty-first resolution)	€1.6 million	13 months (July 9, 2021)



# **Amendments to the Company's by-laws**

## Resolution 25: Amendments to the Company's by-laws (1/3)

Clause	Amendment	Updated language
Transferring the registered office Registered office Article 4 - Paragraph 2	Update following regulatory change Since France's Sapin II Act, the Board can decide to move the registered office anywhere in France, subject to ratification at the next Ordinary Shareholders' General Meeting.	<i>"It may be transferred to any other place in <b>France</b> 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."</i>
Employee representative directors Composition of the Board of Directors Article 12 - Paragraphs 2 and 4	Clarification and alignment with regulations (article L. 225-27-1 of the French Commercial Code, as amended by the law no. 2019-486 of May 22, 2019).	<i>"In accordance with legal provisions, the Board of Directors shall also comprise one (1) Director representing employees who is designated by the <b>France Group Committee</b>. When the number of Directors appointed by the Shareholders' General Meeting is higher than <b>eight (8)</b>, a second Director representing employees shall be designated by the <b>European Works Council</b>. [...] In the event that the number of Directors appointed by the Shareholders' General Meeting falls to <b>eight (8) or fewer</b>, the second Director representing employees shall remain in office until his/her term expires."</i>
Corporate Governance Report Organization of the Board of Directors Article 14 - Paragraph 3	Update following regulatory change The Corporate Governance Report has replaced the Chairman's Report.	The third and fourth sentences of paragraph 3, article 14 of the Company's by-laws have become obsolete and have therefore been removed.
Written consultation Workings of the Board of Directors Article 15 - new paragraph	Update following regulatory change The law no. 2019-744 of July 19, 2019 made it possible to authorize the Board to take certain decisions following written consultation. Reference to the Internal Charter of the Board for practical terms.	<i>"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."</i>
Role of the Board Powers of the Board of Directors Article 16 - Paragraph 1	Update following regulatory change	<i>"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."</i>

## Resolution 25: Amendments to the Company's by-laws (2/3)

Clause	Amendment	Updated language
Compensation of corporate officers / Say on pay	Updates following regulatory change Since the official order no. 2019-1234 announced by the French government on November 27, 2019, the rules governing the process to set and review the pay awarded to corporate officers were revised.	
Powers of the Board of Directors Article 16 - Paragraph 6	Simplification by reference to regulation	<i>"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."</i>
Compensation of members of the Board of Directors Article 17	Change in terminology regarding the compensation of directors included in Say on Pay	<i>"The Directors shall receive as remuneration for their activity a fixed and/or proportional sum as <b>executive pay</b>, the maximum <b>annual</b> 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. <b>The Board shall distribute the amount among its members in accordance with the law.</b> In particular, the Board may allocate a greater share to the Directors that are members of the Committees. It may also allocate exceptional remunerations, <b>in accordance with the law</b>, 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."</i>
Executive Management Article 18 - Paragraphs 6 and 10	Simplification by reference to regulation	<i>"<b>In accordance with the law</b>, 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 Board of Directors shall determine the remuneration of the Chief Executive Officer and of the Delegate Chief Executive Officers <b>in accordance with the law</b>. Such remuneration may be fixed and/or proportional."</i>
Authorization procedure and annual monitoring Related party and prohibited agreements Article 19 - Paragraphs 4 to 9	Updates following regulatory change	<i>"[...] 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 <b>either deliberations or the vote</b> on the requested authorization. <b>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.</b> <b>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.</b> The Chairman of the Board of Directors shall notify the Statutory Auditors of all agreements authorized <b>and concluded</b> and shall submit such agreements to the approval of the General Meeting of the Shareholders. <b>Statutory Auditors shall present a special report on such agreements to the General Meeting of the Shareholders, which will vote on the report.</b> <b>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.</b> <b>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.</b> [...]"</i>

## Resolution 25: Amendments to the Company's by-laws (3/3)

Clause	Amendment	Updated language
Calling of meetings Statutory Auditors Article 20 - Final paragraph	Update following regulatory change	<i>"The Statutory Auditors shall be convened to those meetings of the Board of Directors which <b>review or</b> vote on the <b>annual or interim</b> financial statements, and to all General Meetings of the Shareholders."</i>
Calling of meetings by the social and economic council Effect of decisions – calling of meetings – attendance Article 21 - Paragraph 4	Update following regulatory change	<i>"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:</i> <ul style="list-style-type: none"> <li><i>• by the Statutory Auditors under the conditions set forth by the applicable regulations;</i></li> <li><i>• by a representative appointed by the courts following an application by any interested party or the <b>social and economic council</b> 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."</i></li> </ul>
Double voting rights Organizing General Meetings Article 22 - Paragraph 5	Update following regulatory change	<i>"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. <b>The same applies in the event of a transfer following a merger or a split of a shareholder company.</b>"</i>
Powers Article 23 - Paragraphs 1 to 5	Consistency with amendments to by-laws above	<i>"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, <b>the corporate governance report prepared by the Board of Directors</b>, the general and special reports by the Statutory Auditors on the corporate financial statements, and their report on the consolidated financial statements. [...]. It shall determine the amount of <b>total maximum annual amount of executive pay to be distributed among the members of the Board.</b> [...]"</i>
Financial documents Article 29 - Paragraph 1	Consistency with amendments to by-laws above	<i>"At the close of each financial year, the Board of Directors shall draw up the corporate accounts, the management report <b>and the corporate governance report</b>. It shall also examine the consolidated financial statements and the Group management report, in accordance with the law."</i>

5

## Statutory Auditors' Reports

Frédérique Berthier - Secretary of the Board  
*On behalf of the Statutory Auditors of the Company*



# Statutory Auditors' Report on the 2019 financial statements

- Objective
  - Obtain reasonable assurance as to the accuracy and sincerity of the consolidated and statutory financial statements
- Opinion: approval without qualification
  - In accordance with European regulatory requirements, our reports highlight the key points of the audit regarding the risk of significant anomalies and our response to these risks
    - Report on the consolidated financial statements:
      - Impact of the Group's restructuring on the definition of sectors to present
      - Depreciation and amortization of non-current assets (including goodwill)
      - Evaluation of provisions to decommission industrial sites and restore mine sites
      - Evaluation of the financial impact of the Talc litigation
    - Report on the annual financial statements:
      - Evaluation of the value of investments
- Verification of the management report and other documents for shareholders
  - We verified the sincerity and accuracy of the information provided in the management report
  - We confirm all the information required by the French Commercial Code is provided in the Board of Directors' Corporate Governance Report
  - We have verified the consistency between the financial statements and the information provided on compensation and benefits paid, as well as the commitments given to corporate officers

## Other Statutory Auditors' reports

- Special report on related party agreements and commitments
  - We were not made aware of any agreement authorized or concluded in the past financial year and requiring approval from the Shareholders' General Meeting.
  - Other agreements and commitments already approved by the Shareholders' General Meeting
    - to the benefit of Gilles Michel, Chairman of the Board of Directors until June 25, 2019 that continued to apply in the past financial year:
      - Specific responsibility to support Conrad Keijzer, CEO
    - to the benefit of Conrad Keijzer, Chief Executive Officer until October 21, 2019
      - Unemployment insurance for corporate officers (GSC)
- Reports to the Extraordinary Shareholders' General Meeting
  - Statutory Auditors' report on the issue of shares and/or securities without pre-emptive subscription rights (*19th and 20th resolutions*)
  - Statutory Auditors' report on the authorization to grant stock options (*22nd resolution*)
  - Statutory Auditors' report on the authorization of free grants of existing or future shares (*23rd resolution*)
  - Statutory Auditors' report on the issue of ordinary shares or securities carrying rights to shares reserved for Group employees who are members of a Company or Group savings plan (*24th resolution*)



# 6

## Questions & Answers

**Patrick Kron** – Chairman of the Board of Directors

**Alessandro Dazza** – Chief Executive Officer

# Thank you for your attention

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